

London Borough of Harrow

Strengthening the VCSE relationship with the Council

Executive Summary



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Background and Scope

This Review of the London Borough of Harrow's (LBH) relationship with the Voluntary Community and Social Enterprise Sector (VCSE) comes after a long period of austerity. It follows on from a previous review of the VCSE (2015/16) by Cllr Barry Kendler and the Council's 'Consultation on funding the VCS' (2016/17). Given the current economic realities, the brief for this work was to consider how the relationship could move beyond the Local Authority being a funder/commissioner to one of enabling partner and, to make that happen, what practical actions are required?

Some of the challenges Harrow is facing are masked by its relatively low deprivation scoring (16th out of 32 London boroughs for income inequality), however there are significant levels of in-work ("new") poverty in Harrow (32% of jobs in Harrow were low paid in 2015-16). At the same time, Harrow's public spending has come under greater strain faster than in other boroughs – Harrow's Central Government Settlement is £159 per capita less than the London average (26th out of 32 London Boroughs).²

The Review team reported to a Steering Group made up of senior Council officers, the lead and shadow lead members with responsibility for relations with the voluntary sector, and a representative cross-section of senior figures from local VCSE organisations. All partners were clear that this was not a Council-commissioned review of the VCSE, rather a review of the relationship. The work consisted of desk research (including benchmarking with other boroughs), an online survey, interviews, workshops and focus groups. The Review specification asked for recommendations to the Council and its VCSE partners in the following areas: Structures and Governance; Service Delivery and Resources; the Steering Group also requested that the Review should recommend the prioritisation of 5-6 practical actions which partners could potentially take forward straightaway.

The Position "As Is"

Here we highlight what we found out about the character of the relationship now:

- The withdrawal of funding has in some instances led to VCSE representatives feeling that their significant contribution to current outcomes in Harrow is under-appreciated. Conversely Council officers told us that they sometimes feel that VCSEs don't always understand the accountabilities/responsibilities held by LBH or appreciate the tightness of the financial envelope that the Council is operating within.

¹ This is the stand-alone Executive Summary of an extensive evidence base which forms the main Review and Recommendations document

² Sources for data on Harrow which are used in the Review are mainly the Trust for London "poverty profile" <https://www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/> and the London Data Store <https://data.london.gov.uk/>

- An apparent historic lack of trust between the Council and VCS is not reflected in informal relationships, which were often characterised as positive i.e. “we can do business with...”
- Harrow’s has been quite a fragmented VCSE in the past with some personality issues and a lack of trust within the sector. Generally, this seems to be improving.
- There was acknowledgement of the particular challenges facing smaller organisations (there are c.650 registered charities in the borough; 91% with an income of below £500k).
- There is some concern that the interests of residents/community members and “below the radar groups” are sometimes missed out – “the VCSE doesn’t always represent the community,” or the voice of the hidden (in-work) poor of which there are many residing in the Borough.
- VCSE infrastructure arrangements are still relatively new, in the process of embedding and have yet to become widely understood or fully optimised.

When we looked at how well Harrow fares in comparison to other boroughs at bringing in out-of-borough funding, we found that it does not fare worse than similar outer London boroughs.

- The Review highlighted a lot of energy and fundamental good will from both ‘sides’ to get the most out of the Council/VCS relationship to support people and communities in Harrow, including taking more of a collaborative approach to accessing external resources.
- The Review found that there are untapped opportunities that are likely to be missed unless all parties think outside of previous parameters, and support each other to take more risks:
 - there is potential for the VCS to be delivering a larger proportion of a preventative social care offering, not least through fully appreciating and learning from the new Accountable Care System and the local Accountable Care Partnership which includes Harrow Community Action.
 - Opportunities exist for the VCS to be delivering services across other Council directorates, which may require more creative and flexible commissioning. Not all responsibility here lies with the local authority; to create safer spaces for collaboration, the VCSE needs to support the Council to take greater risks in its commissioning i.e. agreeing to pre-procurement, informal dialogue which enables the co-creation and co-design of services, and to resist having recourse to formal legal challenges or judicial reviews unless absolutely necessary.

Where we want to get to

- Both Council and voluntary sector consultees described an aspiration to move towards a more professional, mutually respectful relationship. This means the voluntary sector taking more initiative to change things that are not working, and the Council working more collegiately and consultatively with VCS colleagues.
- “System leadership” – given greater integration and the shift towards alliance working, which is particularly emergent in the health sector, there is a corresponding shift in cross-sector relationships from a predominantly purchaser/provider relationship to one where there is more emphasis on relationship and co-leadership of new systems. There is growing

acknowledgment of the desirability of moving towards a way of working (such as in the Accountable Care System) in which the required outcomes for the community as a whole come before individual organisational interests.

- More co-production on the design and delivery of agreed priority outcomes, requiring enhanced cross-sector (i.e. shared) understanding of local needs and earlier engagement to address them.

Priority Areas Identified

Through consultation and engagement with the Steering Group, the following priority areas were identified for the Review to focus and form recommendations for local partners:

- Designing a more strategic/shared leadership role for ensuring improved outcomes for Harrow
- Understanding longer-term needs and maximising opportunities for the Council and local VCSE sector to collaborate to address these
- Making more effective use of local assets, including both buildings and land
- Leveraging additional external (ie non-statutory) resources to complement public funding.

The full report identifies several possible actions which partners could take in each of these areas as specified for examination by the Review (i.e. structures and governance; service delivery and resources). Beyond these detailed suggestions, there are more immediate practical things which local partners could do to get more from the relationship. We summarise the main ones below.

Main Recommendations

For the VCSE sector

- The main recommendation for the VCSE relates to a need to strengthen the sector's infrastructure arrangements; clarifying and better communicating the respective roles and inter-relationships of those organisations which exist to represent, sustain and build the capacity of the sector locally (i.e. Harrow Community Action; Voluntary Action Harrow, the Voluntary Sector Forum and the Young Harrow Foundation etc). This may require more concerted action to develop a joint brand, along the lines of the Harrow Community Partnership; this creates an opportunity to reposition local infrastructure to coincide with the Council and the sector's joint commitment to follow up on key recommendations from the Review.
- The Forum, which is set up as the main representative body for the sector, is hampered by the non-attendance of some of the larger organisations; nor does the Council have regular and consistent engagement, leaving the Forum underpowered in its ability to represent the whole sector:
 - larger organisations need to be persuaded or have more reason to attend
 - we recommend there is regular Council attendance at a senior/leadership level

- the agenda should be of value across the spectrum of charity/organisation types and sizes.
- If the VCS is to support the Council to take measured risk in relation to its commissioning/procurement processes, the sector needs to work on its internal and cross-sectoral relationships and communications (i.e. to ensure, as far as is feasible, a collective voice and avoid power imbalances between larger VCSE organisations and the majority of smaller community organisations); it also needs to be careful in its recourse to any form of legal challenge which will only likely weaken trust and create barriers locally between the statutory and voluntary sectors.

For Harrow Council

- There are some quick wins identified for the Council – small things that could have significant impact e.g. good relationship management with the VCS (currently patchy), greater transparency, earlier information around key decisions – e.g. an accessible and timely circular of commissioning intentions and opportunities; consulting and involving first rather than doing and asking later.
- A key issue is the need to extend good practice across all directorates before extending to local partner organisations – hence a recommendation to develop a brief document setting out shared values and core principles (why a healthy and effective VCSE is a vital component of a healthy local democracy) how the relationship should work and ensuring this is co-designed and gains buy in across the whole Council.
- The Council should co-design more VCS friendly commissioning processes including, critically, understanding ‘Social Value’ in such a way that it rewards added value which is capable of being delivered by local VCSE organisations.
- Enshrine ideas of “co-production/co-design” as default practice rather than the exception. Running workshops on co-production for Council and VCSE colleagues would be a good way to embed this.

The “Harrow System” i.e. both partners and other key stakeholders such as the CCG

- It is not clear that the VCSE is consistently seen by Council colleagues as a part of the ‘system’ that creates social (and economic) outcomes for Harrow. The Review identifies a need to embed a move towards a ‘whole systems’ approach at the top level of leadership. We suggest a small number of externally facilitated workshops for senior ‘system leaders’ including of the Council/CCG, heads of directorates, heads of VCS infrastructure bodies and some key organisational leaders.

If You Only Did Six Things

1. **Launch event.** Find an opportunity publicly to report on the findings from the Review and commit the Council and local VCSE partners to the proposed direction of travel and

- accepted recommendations from the VCSE Review. LB Harrow and partners to share and agree commitments and a time-tabled action plan stemming from the Review.
2. **Co-develop a set of values/core principles** and behaviours defining how both parties would like the relationship to work (and ensure this is applied across the Council). This will need internal championing within LBH and workshops for staff.
 3. **Support a co-production exercise in developing a new model of social care.** The opportunity to develop a new model for social care is well timed. A stronger VCSE input is consistent with LB Harrow’s vision of a ‘community first’ model and the new approach of the Accountable Care Partnership. A well-led co-design process, potentially involving a series of workshops over the coming months will send a strong signal of joint intent to work together more closely and, if successful, can be adapted or extended to other service areas.
 4. **Enshrine social value more clearly** – and ensure Social Value has a bearing on contract award. (There are other aspects of commissioning reform that our full report highlights – this is the one we would suggest prioritising). Set out expectations of would-be contractors/service providers and challenge the market to meet these, signposting to sources of support/potential local partners in the VCS
 5. **Develop a new Community Assets register and lettings policy** - a clear, consistent and costed policy of asset-based support for locally-based VCOS and social enterprises which enshrines a set of principles for the transfer of an asset or its availability to the sector at a reduced rent (i.e. clear delivery of Council service priorities; evidence of need; leverage through the attraction of additional funding or volunteer resources)
 6. **Develop a more coordinated approach to attracting external investment** under the auspices of Harrow Giving (a key part of the local VCSE infrastructure); use information and data from monitoring and evaluation to convey shared local needs and demonstrate impact to external funders. Promote Harrow’s record and reputation of citizen participation and the effectiveness of its social action in complementing representative democracy; meeting local needs and further attracting statutory, private-sector investment and individual philanthropy.