

Corporate Issues and Reform Overview and Scrutiny Committee

Date: 8 September 2020

Subject: Greater Manchester Voluntary, Community and Social Enterprise
(VCSE) Accord

Report of: Councillor Allen Brett, Portfolio Lead Leader for Community, Co-operatives,
Voluntary Sector and Inclusion; and Pam Smith and Andrew Lightfoot, Joint
Portfolio Leads for Community, Co-operatives, Voluntary Sector and Inclusion

PURPOSE OF REPORT:

In November 2017, the GMCA endorsed the GM VCSE Accord and arrangements for its implementation. This report presents an update on the work which has subsequently taken place.

The report presents for endorsement the Policy Position Paper, *'Voluntary organisations, Community groups and Social Enterprises (VCSE) in Greater Manchester – the next 10 years'* which has been developed to support the Accord by the GM VCSE Devolution Leadership Group.

Furthermore, the report will provide an update on the review of its investment in the VCSE sector, including the grant funding which goes into VCSE Leadership and infrastructure organisations at a GM level.

RECOMMENDATIONS:

Corporate Issues and Reform Overview and Scrutiny Committee is asked to:

1. Consider the update provided on progress made to deliver the GM VCSE Accord and the direction of travel set out for the VCSE sector in the VCSE Leadership Group's Policy Paper.
2. Consider progress with the review of GMCA investment with VCSE organisations in the light of the evolving GM policy context.

3. Consider the proposal to delegate approval to the GMCA Treasurer, in conjunction with the Community, Co-operatives and Inclusion portfolio Leader and Chief Executive to extend existing grant agreements currently in place with four VCSE organisations supported through a budget ring-fenced from the former Culture and Social Impact Fund, for a period of 12 or 24 months as described in Section 4.5-4.6 of the full report.

CONTACT OFFICERS:

Andrew Lightfoot - Deputy Chief Executive, GMCA

Andrew.Lightfoot@greatermanchester-ca.gov.uk

Anne Lythgoe - VCSE Accord Principal, GMCA

Anne.Lythgoe@greatermanchester-ca.gov.uk

EQUALITIES IMPLICATIONS:

The VCSE Accord includes a commitment from the VCSE sector to support a city region where all residents are valued and included. The Policy Paper to which this report refers provides greater detail on the role of the sector in engaging with, representing, supporting and providing services for all communities of identity. As such the work referred to in this report and the grant funding which is proposed, will serve to actively deliver GMCA's duties under the Equalities Act.

CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES:

VCSE organizations take an active role in environmental protection and are an active partner in the GMCA Green Strategy work. The Policy Paper to which this report refers provides greater detail on the role of the sector in environmental activities. Grant recipients will be expected to fulfil GMCA requirements for climate change mitigation and carbon neutrality.

RISK MANAGEMENT:

None.

LEGAL CONSIDERATIONS:

Section 5 (relating to contractual arrangements with VCSE organisations funded by GMCA).

FINANCIAL CONSEQUENCES:

Revenue – Section 5 (relating to a review of GMCA investment in the VCSE sector). Capital – None.

NUMBER OF ATTACHMENTS:

Number of attachments included in the report: 1:

Appendix 1 – VCSE Policy Position Paper, *‘Voluntary organisations, Community groups and Social Enterprises (VCSE) in Greater Manchester – the next 10 years’*

BACKGROUND PAPERS:

- Information about GM VCSE Leadership Group and VCSE Policy Paper:
<https://vcseleadershipgm.org.uk/our-work/>
- Information about GM Social Enterprise Advisory Group:
<https://www.greatermanchester-ca.gov.uk/news/advisory-group-launched-to-champion-social-enterprise-in-greater-manchester/>

1. BACKGROUND

- 1.1 The Greater Manchester Strategy (GMS) sets out the ambition to make Greater Manchester one of the best places in the world. It is a strategy for everyone in Greater Manchester – residents, the voluntary, community and social enterprise (VCSE) sector, businesses, and civic leaders. But the vision it sets out will only be achieved if GM can build on new approaches which are shaped and driven by our communities themselves.
- 1.2 As part of the delivery of the GMS, in November 2017 and on behalf of the GMCA, an Accord was signed by the Mayor of Greater Manchester with the VCSE sector, which set out new, improved standards of working with VCSE organisations.
- 1.3 The Accord acts as a framework for the delivery of the vision set out in the GMS and as a result, the VCSE sector is engaged in the development, governance and delivery of the GMS including relevant consultation and co-design.
- 1.4 VCSE leaders have come together to form the GM VCSE Devolution Leadership Group¹, which seeks to promote the role and involvement of the VCSE sector and communities in devolution, and has given a broader group of VCSE leaders with which to work.

2. DELIVERY OF THE ACCORD

- 2.1 The initial Action Plan to deliver the VCSE Accord commenced with immediate opportunities such as ensuring VCSE representation in GM governance; refreshing the GM Social Value Policy, developing a new GM Social Enterprise Strategy and exploring a GM Volunteering Strategy.
- 2.2 An update was provided to the GMCA in July 2019, and the following sections provide an update on progress since that date.
- 2.3 **GM Social Value Policy**
- 2.4 Following extensive engagement across the VCSE, public and business sectors, it is proposed that a GM-wide approach social value is developed which aligns with the refresh of the GMS which is currently underway and will be completed in the summer. A commitment to social value will be part of all policy and strategy, creating a framework for all organisations across all sectors to align their social value activities towards outcomes which will make the most difference for Greater Manchester. The framework will allow a ‘neighbourhood’ approach and identify activities which could be taken by any organisation in their ambition to create and maximise wellbeing. This work will include the development of a revised and updated Social Value Procurement Policy and arrangements for GMCA and collaborative procurement.

¹ <https://vcseleadershipgm.org.uk/>

- 2.5 This Policy will take social value beyond the interest area of the VCSE portfolio and enable every organisation in Greater Manchester to carry out its primary activity, managing the resources that it controls and drawing in investment, in such a way that it encourages them to provide good employment, and generates benefits to society and the economy, whilst making positive impacts (or at least minimising damage) for the environment.
- 2.6 A further paper on Social Value will be provided to the GMCA in due course.
- 2.7 **Social Enterprise in Greater Manchester**
- 2.8 A Vision for Social Enterprise in Greater Manchester was launched by the Mayor of Greater Manchester at the Social Enterprise Summit held in November 2018. Since that time, social enterprise as a form of business now features strongly in the GM Local Industrial Strategy, and a commitment has been made to *'create the optimum conditions for social enterprises and cooperatives to thrive'*. The Local Industrial Strategy describes opportunities to explore the productivity of social and cooperative forms of enterprise, and to revitalise town centres and high streets by supporting creatives, digital entrepreneurs, and innovators.
- 2.9 GMCA officers have been working with social enterprise leaders to identify some practical steps that can be taken towards strengthening the role of social enterprise across GM. A GM Social Enterprise Advisory Group has formally been convened to *'help create a social enterprise sector which contributes towards greater productivity, flexibility and agility that will see Greater Manchester become more competitive locally, nationally and internationally'*.
- 2.10 This Group is accountable to the GM Growth Board and Local Enterprise Partnership (LEP) and will lead on work as part of the Implementation Plan of the Local Industrial Strategy, as well as engaging directly across a diverse range of social enterprise organisations in GM.
- 2.11 It is proposed that the Advisory Group will meet quarterly, initially for a 12-month period. The LEP will be invited to nominate a member to attend Social Enterprise Advisory Group meetings, and the Chair or a member of the Advisory Group will be invited to report back on the Group's work to a future Greater Manchester LEP meeting.
- 2.12 **Volunteering in Greater Manchester**
- 2.13 A cross-sector steering group led by Greater Manchester Centre for Voluntary Organisations (GMCVO) and the University of Manchester has drafted a GM Volunteering Strategy, which will be implemented by the various organisations which support volunteering across GM. Resources are currently being sought to support this work, which is focussed on creating an environment where volunteering is easier, safer and more for both the person volunteering and the organisation with which they are working. Volunteering will be an integral part of the new GM Social Value Policy Framework.
- 2.14 A paper will be taken to the Combined Authority at its meeting in March 2020 about the GM Co-operative Commission, whose report was launched on 27 January 2020.

2.15 The VCSE Accord has also facilitated the development of a number of partnership structures between the VCSE sector and GMCA. One example of this is the GM Disabled People's Panel, which supports delivery of the Greater Manchester Strategy by strengthening the voice of disabled people in shaping, influencing and challenging policy. Advising the Mayor and GM portfolio lead for Equalities on key issues and helping to develop solutions, the Panel consists of representatives of Disabled People's organisations from across Greater Manchester. It reflects the skills, knowledge and experience of a diverse range of impairment specific groups and its work is underpinned by the Social Model of Disability and the principles of an inclusive society recognizing that disabled people have full and equal rights. The Panel benefits all disabled people across Greater Manchester, irrespective of gender, race, ethnicity, faith, sexual identity or age. It is facilitated through a formal partnership agreement with the GM Coalition for Disabled People. The Annual Report of the Disabled People's panel will be presented to the Combined Authority at its meeting in March.

3. GM VCSE LEADERSHIP GROUP POLICY PAPER

3.1 As part of the delivery of the VCSE Accord, in January 2019, the then GM VCSE Devolution Reference Group agreed that there was a need for them to set out the detailed 'offer' which the VCSE sector could make towards the future of GM, and also describe the transformation which will be required for the sector to maximise its potential as a functioning 'ecosystem' of voluntary, community and social enterprise activity.

3.2 Appendix 1 provides a copy of this Policy Paper, which is entitled '*Voluntary organisations, Community groups and Social Enterprises (VCSE) in Greater Manchester – the next 10 years*'. The paper describes the role of VCSE anchor organisations and local VCSE infrastructure organisations which support and facilitate the operation of the wider sector, as well as that of the specialist groups and organisations which support, represent and champion particular communities of identity or experience. It builds from both the VCSE Accord and the Memorandum of Understanding signed by the sector with the GM Health and Social Care Partnership, bringing these together under one approach. The Full Paper is available for download from <https://vcseleadershipgm.org.uk/our-work/>

3.3 The VCSE Paper sets out policy and direction, and is not intended to be a strategy for action. That will need to follow, with the co-production of an implementation and transformation plan in each of the 10 districts of Greater Manchester. The working arrangements that will allow this transformation to happen will vary by community, neighbourhood and locality; so will need to be asset-driven and co-designed with relevant partners in each district within the broad functional framework set out in this Paper.

3.4 Key messages from the paper include:

- In 2020, it is important that leaders in the VCSE sector articulate the vital role that is played by VCSE organisations, both now and in the future, towards addressing inequalities in wellbeing, wealth and living standards.

- The VCSE sector wants to work with each other, and with others, as part of a joined-up effort to support and grow the reach, scale and spread of the sector in GM.
- VCSE Leaders are looking for equality of status and to increase their role in areas with which they have unique strengths; supporting the people and communities of Greater Manchester, creating and precipitating social movements, leading programmes of support, building community leadership, and enabling engagement.
- VCSE services and activities are often co-dependent with 'public services' and can be planned and resourced in places alongside other support. VCSE organisations can bring additional resources into that planning.
- The VCSE sector is on a journey of change, develop and transform – strengthening its governance and leadership, supporting workforce, maximising resources and seizing opportunities. Without this, VCSEs cannot achieve their full potential and will struggle to maintain the support and coverage that currently exists.
- The VCSE sector in GM is 'organising' as an 'ecosystem' with a complex web of relationships and interdependencies built around a network of '*anchor organisations*', and having shared leadership. This creates a structure to allow interaction, dialogue and mobilisation at scale.
- Within the ecosystem, VCSE organisations may come together based on:
 - Geography - the focus on what happens in a place
 - Experience - shared needs, assets and ambitions, thematic interest
 - Identity - how people identify in different situations
- The strength of the ecosystem is created by a '*scaffolding*' of VCSE anchor organisations. Each anchor is a multi-purpose, independent, community-led organisation. They will have a recognised purpose to lead on either a geographic focus for service design and delivery; have a specialist area of expertise; or represent a particular community of identity. These anchors will have a recognised function within the VCSE sector, will have a leadership role in place-based working, with and on behalf of communities.
- Many anchors already exist and the sector has strong foundations from which to build, but assembling the bridges and bonds needed to create this ecosystem will need time, skill and resources. The ecosystem will be created from within the sector with local partners in each locality and neighbourhood so that it meets the needs of every community.
- The Paper provides a number of case studies of innovative and successful practice from which to build and includes the following transformation principles:

- **An Inclusive Approach:** taking their place in decision-making at the early stages of strategic planning and the development of new arrangements.
 - **Operating strategically and developing Alliances:** within and across sectors, thematic, as well as population and place-based, dependent on the issues presented and the solutions required.
 - **Recognition of Community Anchors and Individual Assets:** Individuals’ and communities’ assets are vital to improving outcomes.
- The Policy Paper talks directly to the various GM level public sector strategies, including the Public Service Reform White Paper, Health and Social Care Prospectus and Local Industrial Strategy.

3.5 A number of aligned pieces of work are already under way. These include the development of a Greater Manchester Voluntary, Community and Social Enterprise (VCSE) Commissioning Framework and Delivery Plan, which has been co-produced in partnership with the GM Commissioning Hub. The Paper identifies a number of transformation activities which are now required across the sector, and the GMCA member authorities will have a major role to play in supporting this transformation and better integration with public services.

3.6 It should be noted that the VCSE Accord, and the Memorandum of Understanding with the GM Health and Social Care Partnership have been recognised as being nationally significant in terms of the progressive collaboration between VCSE organisations and their partners, but this Policy Paper is ground-breaking for the sector in its creation. GM is leading the way in terms of the strength of its VCSE leadership.

4. **GMCA INVESTMENT IN THE VCSE SECTOR**

4.1 In July 2019 GMCA members agreed that a review be undertaken of all investments and grants made by GMCA into VCSE organisations, that this review consider alignment with both the objectives and principles set out in the VCSE Accord, and the GM VCSE Leadership Group’s Policy Paper in order to support successful delivery of the sector transformation described in that Paper, and that a clear funding strategy is developed which maximizes the benefits realised in terms of delivery of the GMS.

4.2 Publication of the VCSE Policy Paper means that the development of this investment approach can now be progressed. It is proposed that GMCA works with the GM VCSE Leadership Group over the next six months to identify ways to maximize the value gained through any funding spent by GMCA. An investment framework will be brought to GMCA for approval in the early autumn of 2020.

4.3 In January 2018, the GMCA agreed a process to identify organisations to be funded via the new GMCA Cultural and Social Impact Fund, which was to replace the AGMA Section 48 Cultural Grants. This process saw GMCVO being funded at previous Section 48 levels from the GMCA Cultural and Social Impact Fund, under the new VCSE Sector and Cooperatives

Portfolio. The new contract was subsequently awarded to GMCVO for 2 years until March 2020.

- 4.4 In October 2019, upon agreement of the new GM Culture Strategy, GMCA agreed that non-cultural activity should not be part of this Fund going forward, with the same percentage of financial support (13.1%, equalling £460,024 p/a) being ring-fenced from the total budget to support the delivery of GM's VCSE Accord, and for delivery of strategic VCSE support for sport and LGBTQ+ activity across Greater Manchester. This ring-fenced amount includes the grant paid to GMCVO, plus that three other organisations currently delivering activity of value across Greater Manchester.
- 4.5 It is now proposed that the grant agreement held with GMCVO is extended by 12 months until 31st March 2021, with all current terms and conditions rolled forward, pending the outcome of the review of GMCA investment and agreement of a new VCSE investment framework. The required £228,400 will come from the ring-fenced amount described at section 4.4 above.
- 4.6 The other three organisations (Greater Sport, the Water Adventure Centre and Proud Trust) have all submitted applications under the new criteria for the Culture Fund. These applications have been assessed using slightly amended Culture Fund criteria (eg service delivery as opposed to art form), to ensure that the quality and suitability of the programme is sufficient and finance and management arrangements credible, before any funds are committed. The outcome of this assessment has shown that these organisations continue to meet the criteria set out for the Culture Strategy. It is proposed therefore, that all 3 are awarded grants of 24 months duration, with the funding coming from the ring-fenced amount described at section 4.4 above.

5. RECOMMENDATIONS

- 5.1 Recommendations appear at the front of this report.