

LONDON BOROUGH OF CROYDON

REPORT:	Scrutiny & Overview Committee
DATE OF MEETING:	22nd April 2024
REPORT TITLE:	Croydon Council's relationship with the voluntary sector
CORPORATE DIRECTOR / DIRECTOR:	Marie Snelling, interim Assistant Chief Executive David Courcoux, Director of Policy, Programmes and Performance
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LEAD MEMBER:	Jason Perry, Executive Mayor of Croydon Cllr Andy Stranack, Cabinet Member for Culture and Communities

1. INTRODUCTION

- 1.1 Like other local authorities, Croydon Council has a close relationship with local voluntary, community and faith sector (VCFS) organisations and works in partnership with them to provide services to and enhance the quality of life for local residents.
- 1.2 Since his election the Executive Mayor has made building a stronger relationship with local VCFS organisations a priority for the Council. This is clearly highlighted in the Executive Mayor's Business Plan which includes a priority to "strengthen collaboration and joint working with partner organisations and the voluntary, community and faith sectors". This priority recognises that a strong VCFS is vital to support thriving communities across the borough.
- 1.3 Over 1,500 VCFS organisations are estimated to operate in Croydon creating a complex landscape of partnership, contractual, property and information sharing relationships across a wide range of council departments. The council is committed to working constructively with the sector and has set up new forums to support engagement and strategic discussion. These forums also provide opportunities for greater collaboration, healthy debate and to address challenges where they arise. which may arise.
- 1.4 This report sets out a high-level summary of key elements of the Council's relationship and partnership working with local VCFS organisations, areas of joint improvement work underway with the sector and a view on the potential future shape of the council's relationship with the VCFS.
- 1.5 As a Council we are clear that we are at a moment of significant transition. Through our [Transformation Plan](#), we are working on our vision for what a 'Future Croydon' might look like. As part of this, we recognise that the Council must radically change the way we work to meet the needs of our communities, and this creates clear

opportunities to work with all local partners to understand how we jointly deliver positive outcomes for our residents.

2. RECOMMENDATIONS

2.1. The Scrutiny and Overview Committee is asked to: -

1. Review the information provided in the Croydon Council's relationship with the voluntary sector report.
2. Consider whether there are any recommendations it wishes to make to the Executive Mayor.

3. BACKGROUND

- 3.1. Like many local authorities, Croydon Council has had to take difficult decisions in recent years on its spending with the VCFS. The specific significant financial and governance challenge facing the Croydon in 2020, and the subsequent S114 notices which were issued, triggered significant reviews of all Council contracts and spending. As a result of the unprecedented financial challenge, the Council was not able to recommission the Community Fund (a programme which provided a mix of 1-year grants and 3-year contracts to VCFS groups) when the existing contracts came to their natural conclusion in March 2023. In the 22/23 Medium Term Financial Strategy agreed in March 2022 the Council also took the decision to end the Rent Subsidy scheme (RSS) and Discretionary Rate Relief (DRR) scheme (further information at section 4). Collectively these reflected a significant change in the Council's direct grant funding for the local VCFS and its relationship with the sector.
- 3.2. When he was elected in May 2022 the Executive Mayor initiated a series of introductory meetings with a wide range of local VCFS sector organisations to better understand their focus and concerns and to explore opportunities for greater collaboration with the Council, despite the challenging financial backdrop facing the organisation.
- 3.3. From November 2022 to January 2023, all VCFS organisations affected by the end of the Community Fund, RSS and DRR were offered one-to-one conversations with Cllr Stranack as lead Cabinet Member, alongside the council's Communities team, to discuss the impact the end of the fund would have on them, with 53 taking up the opportunity. In addition, a survey was issued which asked VCFS organisations to share their ideas for how the Council could support them in future.
- 3.4. Feedback from that survey and from the one-to-one conversations were then used to inform the Council's interim VCFS support offer which was shared with VCFS organisations in November 2022 and included where possible:
 - Providing and promoting grant funding for projects to be delivered by VCFS organisations.

- Supporting funding bids, including training, letters of support and data through Croydon Observatory.
- Identifying external funding the VCFS would be well placed to deliver.
- Signposting residents to VCFS's own income generating activity such as spaces for hire through the Croydon Council website.
- Providing general support, signposting and brokering conversations between VCFS organisations where helpful.

3.5. Alongside the Mayor's quarterly attendance at the Faith Leaders Forum, and Cabinet Member and officer attendance at the Local Voluntary Partnership (LVP Board), the Executive Mayor also began attending regular meetings with the VCS CEOs group which continues to meet on a quarterly basis. The Executive Mayor invited the NHS to join this forum, making it a shared meeting between partners in the voluntary sector, the NHS and the Council with a focus on collaboration on place leadership issues and exploring opportunities for stronger joint working between the Council, NHS and VCFS.

3.6. Over the past year this has developed into a more strategic forum and a programme of work has been developed focused on:

- Supporting VCFS organisations to be in the best position to bid for, and win, Council contracts.
- Increasing VCFS involvement in the delivery of Social Value elements of Council contracts.
- Promoting council and other funding opportunities.
- Joint VCFS, Council, NHS thematic discussion of key issues facing the borough.

3.7. A summary and examples of the work on each of these areas is set out below:

Supporting VCFS organisations to be in the best position to bid for, and win, Council contracts.

3.8. This has resulted in the development and sharing of a clear pipeline of contracts which may be suitable for VCFS bids with the intention of organising early engagement sessions with the sector to discuss requirements and help inform the shaping of contract specifications. Whilst VCFS organisations will still have to bid in a competitive, open and legally compliant process it is hoped that this approach will help to ensure they have a full understanding of what opportunities might be coming up and the requirements (for example. CQC registration) to support them in putting forward their strongest bids. There is the potential for the NHS to adopt a similar approach with their contracts.

Case study: People and Skills UK Shared Prosperity contract

- 3.9. *In January the Employment, Skills and Economic Development service hosted a workshop session with the VCFS to support their readiness to bid for two contracts funded by UK Shared Prosperity funding: £150,000 to offer work experience support for a wide range of economically inactive groups, and £150,000 to look at employment pathways for those who have experienced multi-generational unemployment.*
- 3.10. *Approximately 36 groups attended, to whom the Council was able to offer clarity about what they would need to showcase in a potential bid for the contract, such as the ability to build on existing work in order to provide a sustainable legacy after the funding is finished, and to take a creative approach to the potential offer, including working in collaboration with other groups where possible.*
- 3.11. *Officers involved also reflected that they gained a better understanding of some of the barriers VCFS organisations face when bidding for Council contracts, such as managing upfront costs and being able to showcase appropriate data, which can make it hard for VCFS organisations to score highly. The team will now be changing their approach to their weighting when assessing bids for contracts, looking for bidders to better showcase how they will genuinely engage with the local community to deliver their services. This should offer an opportunity for VCFS organisations to boost their scoring, as well as potentially being able to partner with more commercial bidders to help them provide this.*
- 3.12. *Even where groups attending may have decided this specific project might not be something they were well placed to deliver; they gained a better sense of what Croydon Council requires of bidders for its contracts.*
- 3.13. *A broader supplier readiness programme is now due to commence in May-June this year, which will include the VCFS.*

Increasing VCFS involvement in the delivery of Social Value elements of Council contracts.

- 3.14. *As the Council's approach to commissioning and contract management improves there is the opportunity to secure far greater impact from the Social Value elements contractors are committed to provide. Using the housing repairs contract as a test case, we have sought to link VCFS partners directly with contractors to enable opportunities for collaboration in the delivery of social value initiatives. There is still more work to be done in this area, however, the Executive Mayor has committed to involving the VCFS in the development of the Council's future social value policy and holding a joint contractors and VCFS networking event. Again, there is the potential for the NHS to adopt a similar approach with their contracts.*

Case Study: The Council's housing service are using their significant repairs contracts to leverage social value for the VCFS and local community.

- 3.15. *Working with our major contractors, this includes:*

- *Wates are currently working with the organisation 'LivesnotKnives' to upgrade their Community Centre base in Centrale. This involves works to improve lighting, flooring, decoration and improvements to the kitchen and bathroom space. Due to the number of trades involved, Mears are also looking to assist with these works.*
- *Wates sponsored the Construkt programme run by SAY (Serious about Youth) at Croydon College during October half term week last year, providing a 1 week placement for 6 Croydon students aiming to inspire and develop their key skills towards a career in the construction industry.*
- *Through their Assets Programme, Wates are mentoring Ethstat Stationery, who are a Croydon based Social Enterprise, selling ethical branded stationery and providing work for homeless people and those most in need in Croydon.*
- *Mears are working with the Metropolitan Police following their report and findings on ASB at the Fieldway Centre in New Addington. Mears are working through the recommendations provided in the report to introduce improvements to security of the centre and the surrounding area.*
- *K&T have provided painting equipment to the Turnaround Centre to facilitate work experience for participants on Croydon projects.*

3.16. *There is further work in the pipeline, including:*

- *Following an introduction at the Croydon Youth Consortium meeting, Wates and Mears are both meeting with the 'Good Food Matters' project in New Addington later this month to look at upgrading their kitchen facilities.*
- *Mears are providing volunteers from the Skills Mill Project with work and gardening experience at a garden makeover at Beech & Cedar Sheltered developments in New Addington in April-May.*

Promoting Council and other funding opportunities.

- 3.17. Whilst the financial pressures on the Council have reduced some of the funding streams to the sector, there remains a significant amount of investment through service delivery contracts and other arrangements, for example, through delivery of packages of care for older adults, which the Council arranges. Other funding opportunities also continue to be developed and targeted at local VCFS organisations, for example, in response to government grant awards. The Council's mailing list includes over 500 VCFS organisations and is used to promote grant and other opportunities.
- 3.18. Recent grant examples include: £150,000 for pre-employment support; £158,000 to support young people in Croydon Town Centre, New Addington and Shrublands through the Croydon Outreach Violence Prevention Grants; grants of up to £15,000 (with a total pot of £150,000) from the Asylum Seeker Support Fund and Displaced

Children's education Wellbeing Fund; and, a total of £45,000 across 2024 for delivery of the holiday activities and food programme, which supports children from families in receipt of benefits-related free school meals during school holiday across the year.

- 3.19. Initiatives such as the London Borough of Culture also showcase Croydon's talent to the rest of London and has enabled over £5m of external funding to be leveraged from the Arts Council, National Lottery and GLA including to local VCFS organisations.

Case Study: Asylum Seeker's Support Grant

- 3.20. *There have been 3 small grant rounds for VCFS organisations to date:*
- *December 2022- March 2023, where 11 organisations were funded £5k (total £53, 595)*
 - *Spring - Summer 2023, 14 organisations were funded £7k (total £99, 944).*
 - *October 2023 – March 2024 3 Organisations were funded £15K (total £45,000)*
- 3.21. *The Council is currently assessing small grants for 6 months delivery from April/ May 2024. This round of funding addresses support for newly arrived asylum seekers, those remaining in Home Office accommodation and those that have received their asylum decision and require immediate information advice and guidance as well as ongoing support as they settle in Croydon or move to another area.*
- 3.22. *Regular partnership meetings are established, bringing together current funded VCFS organisations, Migrant Help, Department for Work and Pensions (DWP) and Reed In Partnership and the Council's Asylum Seekers and Displaced People team. These operational meeting opportunities enable effective information sharing, problem solving and learning. The team operates a duty approach to queries from our partners so these can be responded to efficiently. This model will be further developed when the current grant round is completed.*
- 3.23. *The approach has included:*
- *Supporting early identification of individuals with housing needs leaving Home Office accommodation through joint outreach approaches and securing housing assessment appointments.*
 - *Enabling VCFS partners to support applications for housing and education support, through access to computers and internet, as well as advocacy support.*
 - *Involving the VCFS in wrap around family support, access to school equipment, household goods and furniture, mobility aids, social support and reducing isolation, as well as supporting service users to prepare and cook food and eat together.*
 - *Created volunteering opportunities.*

- 3.24. *There is an upcoming opportunity for grant funding of up to £30k for a year's delivery for activities and services supporting displaced children and young people as they settle in Croydon. This will be open to VCFS organisations as well as education settings and providers that are able to meet the criteria. Expressions of Interest will be invited during April 2024.*

Joint VCFS, Council, NHS thematic discussion of key issues facing the borough

- 3.25. A partnership approach to significant issues facing the borough is vital in order to tackle these effectively. Through the VCS CEOs group the Council has begun to hold themed place leadership discussions on key topics. For example, March featured a presentation and discussion on the Levelling Up Fund bid and ambitions around wider Town Centre regeneration which will be followed up with a wider VCFS engagement session at the Town Centre Urban Room in May. The focus of the next meeting will be on housing and homelessness and will explore how better partnership working between the Council, VCFS, Health and others could improve homelessness prevention, resident experiences and reduce housing pressures.

Working in collaboration with VCFS organisation on key areas of service delivery to improve outcomes for residents.

- 3.26. Through the CEO forum, and more widely, the Council continues to look for opportunities to improve service delivery and outcomes for residents through partnerships with the VCFS.
- 3.27. For example, through our close working relationship with both South London Law Centre and Citizens Advice we have been able to collaborate to develop initiatives which transform how Croydon residents understand and manage their Council Tax. These combined efforts have led to significant improvements in accessibility, comprehension, and financial relief for council tax obligations, directly responding to the needs and feedback from Croydon's community. Another example is the launch of a Health Bus, commissioned through Croydon's Public Health team, which is located outside of Fairfield Halls every Friday and run by the VCFS organisation Change, Grow, Live (CGL). This service aims to provide access for those who are sleeping rough to health care as well as signposting into other services to help individuals with other issues and barriers they may have with health and inclusion. The outreach team are there to assist those with substance misuse issues to gently steer them into the treatment service. The service has seen significantly more people from the target cohort enter into treatment with some very encouraging outcomes and has been praised as a case study for other authorities across London and England and has led to the service exploring a second bus site being commissioned for the borough.

4. ASSETS AND PROPERTY

- 4.1. The Council has a property relationship with a number of VCFS groups who occupy or lease Council buildings.

- 4.2. As noted in section 3.1 above, in 2022 the Council took the decision to end the Rent Subsidy (RSS) and Discretionary Rate Relief (DRR) schemes. Under the 'Rent Subsidy' scheme groups were eligible to pay rent to the Council but could apply for a subsidy to the value of 80% of the rental costs for most eligible organisations and 95% to those operating community centres.
- 4.3. The DRR scheme built on the 80% discount Government provides to eligible organisations (usually charities but some other types of VCFS organisations too) on their business rates, by awarding a further discount on the final 20%. Owing to the Council's financial position, both schemes ended on 31st March 2023.
- 4.4. Groups in receipt of these benefits were made aware of the end of the schemes with regular communication over an 18-month period starting in Autumn 2021. In addition, the Council offered one to one meetings with affected organisations. 34 took up that offer and met with the Council's Communities team between July and August 2022.
- 4.5. The Council has also progressed a number of Community Asset Transfers (CATs) to provide stability for VCFS organisations.
- 4.6. The Council has completed 9 CATs since 2013 with four completed in the past two years:
 - 4.6.1. Selsdon Hall (2014)
 - 4.6.2. Selhurst Astro turf (2014)
 - 4.6.3. Stanley Halls (2015)
 - 4.6.4. Canterbury Road Community Centre (2015)
 - 4.6.5. Norbury Park Pavilion (2016)
 - 4.6.6. Harlow Hall (2022)
 - 4.6.7. Croydon Youth Theatre Organisation (2023)
 - 4.6.8. Play Place Wayside (2023)
 - 4.6.9. Shirley Community Centre (2024)
- 4.7. Despite the need to sell assets to reduce the Council's debt, the Executive Mayor remains committed to supporting CATs where possible. Earlier this year, a newly refreshed CAT policy was consulted on. This includes an improved application process which enables applicants to better illustrate their business plans and to streamline the overall process. The proposed policy also removes the presumption of a peppercorn rent for CAT properties, with rents for each CAT individually assessed taking into account a range of specific relevant factors including but not limited to, location, functionality, facilities and condition. The final updated CAT policy will be agreed shortly, following consideration of feedback from the sector during the consultation, and published on the Council website.

5. HEALTHY COMMUNITIES TOGETHER

- 5.1. Since 2020, the National Lottery has invested £500,000 in Croydon, supporting the delivery of the Healthy Communities Together (HCT) programme, which is a collaboration between

the Kings's Fund, the Council, NHS and the local VCFS. Since its inception the programme has delivered a wide range of initiatives including the development of Local Community Partnerships (LCPs) in six Croydon localities.

- 5.2. The LCPs' vision is for local people to have greater control over how the places they live and work in are enabled to thrive by strengthening and sustaining partnerships that are well connected, fully representative and mandated to set local priorities, promote joint working and influence local spend in their locality. They have been set up to identify gaps in service provision by listening to Croydon's residents and working together with the VCFS and key statutory partners to meet these needs, as well as preventing duplication, thereby making best use of scarce resources.
- 5.3. The programme is supported by the King's Fund and is overseen by the Local Voluntary Partnerships (LVP) Board which the lead Cabinet member and Council officers sit on.
- 5.4. In partnership the Council and Croydon Voluntary Action (CVA) host quarterly LCP events in six Croydon localities bringing together VCFS groups, Council staff, NHS staff, schools and nurseries, Government representatives and active citizens. Through collaborative working, each of the partnerships have identified key priority themes for their neighbourhoods and developed a Local Community Plan. These plans provide insight for Commissioners and enable more transparent, joined up and effective commissioning. Through this approach, the intention is that commissioning will be better tailored to local needs, and more effectively harness the strength of people and communities to deliver health outcomes, as well as enabling more joined up services.
- 5.5. In June 2023, the NHS South West London Integrated Care Board established a £592,000, two-year fund through the Healthy Communities Together programme with applications made by 46 local organisations. A thorough short-listing process, led by a funding panel made up of co-chairs of the LCPs and representatives from VCFS organisations selected eight initiatives across the six localities for funding. These initiatives started in September 2023. In November 2023 the Council hosted an event in the Braithwaite Hall which showcased some of the projects supported through the LCPs and a follow up event is planned for July 2024.
- 5.6. In early 2024, the NHS added an additional £108,000 of Ageing Well funds to the Localities Communities Fund resulting in a further six projects being funded across the borough.
- 5.7. As part of One Croydon's Locality Operating Model, Asian Resource Centre Croydon (ARCC) and CVA are supporting the development of Community Hubs, a 'close-to-home', accessible and welcoming place where local residents feel comfortable going to access wrap around support . Community Hubs have been established in New Addington (with New Addington Pathfinders), Fieldway (with The Family Centre), Woodside (with Woodside Baptist Church) and Thornton Heath (with Age UK Croydon) these are currently funded from National Lottery funds until 31st December 2024. As the Council's model of community hubs is developed, there is the potential for greater collaboration, coordination and co-location in the future.

6. AREAS FOR IMPROVEMENT

- 6.1. Whilst there is a strong foundation and a positive direction of travel, there still remain challenges and issues which the Council needs to work through with VCFS partners to strengthen relationships further.
- 6.2. We know the Council has more to do to ensure it is getting the basics right. Things like ensuring we are responsive to and engaging partners, managing contracts effectively and giving partners advance notice of future intentions regarding funding, help to improve trust and confidence. Whilst the Council is working to address many of these issues we recognise that where things go wrong they can leave colleagues in the sector feeling frustrated.
- 6.3. We need to build on the progress made through the VCFS CEOs meetings. More discussion of strategic issues and collaborative work with partners needs to be developed with a shared aim to identify joint opportunities and initiatives which deliver positive outcomes for local people.
- 6.4. The Council needs to sell assets in order to pay down its debt burden. This can create challenges as the council's estate is reducing despite significant VCFS demand for premises. The Council will need to progress with its thinking about how remaining physical assets can be most optimally used, but also how we can work with external partners such as developers and landlords to identify space which may be utilised by the VCFS to the advancement of our shared goals.
- 6.5. Whether related to the development of community hubs or partnership structures, concerns remain about the risk of duplicating work across statutory partners and the VCFS. It will be important to build on current arrangements to ensure that duplication is minimised, collaboration is embedded, and that there is a shared understanding of how the system fits together, who does what, and where decisions are made.
- 6.6. Data sharing capability between the Council and VCFS partners is currently limited and this has been identified as an obstacle by the sector.
- 6.7. The Council's ability to manage both its current contracts and to accurately map and monitor those that are on the horizon has vastly improved in recent months, but this remains an area that continues to need more work. For example, the contracts register now includes a field to note if the contract is held by a VCFS organisation, which will be updated as new contracts are added. Whilst efforts to increase visibility of the contracts pipeline and introduce better early engagement for VCFS partners has been welcomed, this is not a guarantee that bidders will be successful and understandably colleagues in the sector are keen to see the tangible results of this work.
- 6.8. Given the large number of relationships and points of contact and collaboration the Council has with the VCFS there continues to be the risk of mixed messages and lack of joined up working across the Council which can frustrate partners. A new internal officer coordination group was recently established to address this and ensure there is a consistent and joined up approach to partnership working with the VCFS including sharing potential opportunities and best practice.

7. FUTURE VISION

- 7.1. The Executive Mayor's Business Plan sets the ambition for Croydon to be a Council that listens; that understands its communities and works with them both to solve problems and to work towards a positive vision for the future. It also aims to rebuild trust with our communities.
- 7.2. Key to how we will deliver this is the Council's recently launched Transformation Plan. This sets out Croydon's aim to be a Council that continues to deliver its statutory responsibilities but does it in a way that "fundamentally transforms how we engage with residents and communities, fostering trust and promoting independence; provides a new customer experience, so that interacting with the Council is seamless and hassle-free; and, significantly reduces our operating costs by just under £100m over the next four years through new digital technology enabling more effective business processes."
- 7.3. The new Target Operating Model which the council will be developing over the coming months presents an opportunity to work with partners including the VCFS in new and innovative ways to transform services for our residents. The Council will need to explore the potential for much more radical coproduction and collaboration in the transformation of its services. In some areas, this will include needing to look at where community partners could deliver better outcomes and more cost-efficient services than the Council running them directly.
- 7.4. The intent to put residents first will mean rethinking how the Council engages with and listens to residents, enabling them to be heard on matters that impact them and empowering residents and communities to help themselves and their neighbours. In addition to developing its own relationship with residents, the Council will also seek to engage grassroots VCFS organisations and their networks to ensure we hear the voices of all parts of our communities.
- 7.5. Improvements in our contracts pipeline and use of Social Value will need to continue to improve over the coming year, building on the work that is currently underway to improve local VCFS opportunities to successfully bid to deliver services for and with the Council.
- 7.6. More broadly the Council needs to move into a more enabling space; supporting the development and resilience of the sector, whilst recognising the Council's role has changed from that of the past. Though there is a natural leadership role for the Council, the financial challenge means its primary role will be as a convenor and leader of place, rather than as a direct grant funder. This will mean playing a shaping role and building consensus around a shared vision and outcomes for our communities which all partners can work towards delivering. The Council will also need to steer and support the sector, and indeed Croydon as a whole place, towards

greater sustainability over the long term by encouraging new investment and opportunities from outside the borough.

- 7.7. Croydon Council cannot deliver the best outcomes for residents in isolation. As with other councils, Croydon relies on close collaborative working with other public, private, and VCFS organisations to deliver services and improve the lived experience of local people. Through better collaboration the Council can enable the VCFS to support residents in a way that reduces demand on statutory services and helps us as joint partners to deliver on shared aims and outcomes for local people.