

From: Roger Gough, Leader of the Council and Mike Hill, Cabinet Member for Community and Regulatory Services

Zena Cooke, Corporate Director of Finance

David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance

To: **Policy and Resources Cabinet Committee- 14 January 2021**

Subject: **Update on Civil Society Strategy and Support to the Voluntary Sector during Covid 19**

Classification: Unrestricted

Future Pathway of Paper: N/A

Electoral Division: Countywide- all divisions affected

Summary:

This report is intended as an update on activity that has been undertaken to support the Voluntary Sector during the Covid 19 pandemic and our plans to support the sector into recovery. Prior to the pandemic, we had been consulting on a draft Civil Society Strategy and this report sets out our commitment to revising that strategy post Covid.

Recommendation(s):

For P&R Cabinet Committee to:

- 1) Note the contents of the report
- 2) Comment on the plans set out both in terms of the support to the sector and the revised Civil Society Strategy.

1. Background

- 1.1 Whilst Covid 19 has challenged us all, both personally, and professionally it has also shown the strength of our communities and the voluntary sector as a core part of that. The voluntary and community sector (VCS) has always been a key partner to KCC, through both its service delivery but also more widely in the role that voluntary organisations play within our communities. It is this informal social infrastructure within our communities that has really come to the fore during the pandemic and which sprang into action to support neighbours and friends, responding much quicker than more formal interventions could be put into place.
- 1.2 We have also seen many people volunteering in their local communities during the pandemic, the growth of new grassroots organisations and local initiatives that have supported people when they most needed it; all of this worked alongside the continued support offered to individuals from trusted voluntary organisations. It is this diversity that

we sought to reflect in the new Civil Society Strategy¹, a report on this came to P&R Cabinet Committee in November 2019. The consultation was subsequently launched in February 2020 and ended shortly after lockdown in April. However, given the impact of Covid we decided to pause the strategy to allow time to reflect and review.

- 1.3 The Interim Strategic Plan agreed by County Council on 10 December made a commitment and reference to supporting a strong Civil Society and the Voluntary sector as a core part of that and it is our intention to revise the strategy over the first quarter of this year. Largely the themes and direction of the strategy remain relevant, perhaps even more so but the context has changed and the pressures facing individuals, communities and local government will need to be reflected upon.
- 1.4 This report is therefore intended as an update on the work we have undertaken with the voluntary sector during the pandemic, the support put in place and our proposals as we move into recovery. This has been and will continue to be shaped by the experiences and insights of the sector through our partnership working.

2. Partnership work and support to the VCS during Covid 19

- 2.1 The Recovery Co-ordinating Group, led by KCC was put in place to respond to Covid 19 and established several cells to support this work. One of these cells was focused on the Voluntary Sector and chaired by Josephine McCartney as Chief Executive of Kent Community Foundation, a grant making organisation. There were a range of representatives on the cell to reflect the diversity of the sector and to ensure representation of those areas where we predicted an increase in demand for support: for example, financial hardship, homelessness, mental health, support for older people, domestic abuse and food and fuel poverty. The cell produced an impact assessment and action plan outlining the necessary actions to support recovery, and these were fed into the overarching Kent and Medway Recovery Strategy and action plan.
- 2.2 This work has been invaluable, not only in understanding the impact of Covid on the VCS but also enabling dialogue between KCC and the sector, opening up new partnership arrangements and creating a space for strategic engagement on key issues facing both the sector and our communities. It is fair to say that KCC has played a strong leadership role in terms of convening partners both across the public sector and the Voluntary Sector during the Covid-19 response and this will now be sustained through the arrangements we are putting in place going forward.
- 2.3 In addition, KCC also made funding and support available to the sector. In the early stages of lockdown, the decision was taken to award £200K to Kent Community Foundation's (KCF) Emergency Fund. This was in recognition of a need to provide support to organisations now facing financial difficulty because of lost income. The organisations supported were wide ranging, including food distribution organisations and charities supporting older people and children and families. The decision to work with KCF to distribute this funding was not only because of their trusted position and visibility within the sector itself but also their ability to leverage funding from a range of sources, meaning KCC's contribution went much further and the totality of funding coming into Kent was increased.
- 2.4 This approach was also taken when KCC received £1.7m of the £63m Emergency Assistance grant allocated by the Government to support households with food and essential supplies. This funding was allocated across districts and KSAS (Kent Support and Assistance Service) but also to KCF to develop both hardship grants to individuals (referred by a professional or charity not self-referral) and grants to VCS organisations

¹ *By civil society, we mean all those individuals, informal and formal groups and organisations that operate outside of state control and for the primary purpose of social good.*

who were supporting those in financial difficulty, particularly with access to food and debt advice, and were seeing an increase in demand for their support. This approach enabled us to extend the reach of this funding, to those most in need across the County and those that did not meet the criteria of KSAS. This funding was allocated very quickly to individuals in need and we subsequently made the decision to award additional funds to meet demand.

- 2.5 Following feedback from the voluntary sector, we also awarded a small amount of funding to support the delivery of virtual peer to peer networks delivered by Social Enterprise Kent and subsidised some online training packages to assist smaller organisations to get their workplace and workforce Covid ready.
- 2.6 The voluntary sector is also a significant service delivery partner to KCC, and we are the largest contributor to the sector in Kent through payments for a range of support and services. To give some context, KCC spent £114m with registered charities in 2018/19; this went to 529 organisations for a range of services and support. Kent based charities received the majority of this funding (£63.8m) and those based outside of Kent £50.2m. Of this £114m, £10.4m was paid out in grants of this £5.8m went to Kent based charities. Many of these financial arrangements we have with the sector are for the delivery of services under contract. Therefore, during Covid we also put in place support for VCSE providers who were in financial distress as a result of the pandemic; this was through payments to support cash flow (e.g. payments in advance, payments where services weren't being delivered, etc.) and payments to cover additional services the sector were delivering for us in response to COVID-19. The total value of this financial support was just over £8m. (This does not include what was paid out to provide PPE throughout the peak of the crisis).
- 2.7 More recently in response to the findings of the VCS recovery cell impact assessment and to deliver against the recovery action plan, we developed a new Strategic Recovery Fund for the voluntary sector, which was launched in December. This is being administered by Kent Community Foundation who have the expertise and resources to get this fund up and running quickly and support organisations in their application. This fund is intended to provide small grants ahead of the new financial year for organisations to access expertise and support to adapt to the "new normal" post Covid 19. It will be used to support organisations to develop/adapt business plans and strategies to put them in a stronger position to thrive and in recognition that organisations will need to diversify their business models to adapt to the current challenges.
- 2.8 We know from conversations with other funders and from our own funding arrangements, that business and financial planning and strategies can be a weakness in the sector, as many organisations do not have the time or capacity to prioritise these areas. We hope the Strategic Recovery Fund will provide the headroom to develop longer term strategies that will help the sustainability of organisations. We shall use the monitoring and evaluation from this funding to help inform the development of our future support offer and will share this with other funders such as National Lottery Community Fund, who we know from conversations are also looking at infrastructure support for the sector as a priority area going forward.

3. Partnership working beyond Covid 19

- 3.1 The partnership working we have seen during Covid 19 was a huge positive amongst the many challenges and difficulties faced. The VCS recovery action plan proposed the establishment of a new VCS Strategic Partnership Board and Steering Group to facilitate partnership working post Covid and ensure we do not lose the invaluable dialogue we have established.
- 3.2 We have now established this VCS Strategic Partnership Board that will be meeting for the first time later in January and brings together representatives from KCC, the District

Councils, NHS Kent and Medway CCG and the voluntary sector. It will be chaired by Mike Hill as Cabinet Member for Community and Regulatory Services, with a standing invite for Roger Gough as Leader. This is an informal KCC board; it will not cut across the sovereignty of organisations, their individual budget and commissioning decisions or be a formal decision-making body of the County Council. It will provide a report to Cabinet, Corporate Management Team and P&R Cabinet Committee annually. The Board will provide a vehicle to deliver the actions, involving statutory agencies, that were identified by the recovery cells in relation to the VCS, provide a forum for strategic discussion between the sector and statutory partners including key strategic issues impacting on the VCS in Kent and its resilience. It will also provide an opportunity for early engagement with the VCS on the development of strategy and policy.

- 3.3 Alongside this, a VCS Steering Group has been established by Josephine McCartney as legacy to the VCS recovery cell work and Josephine will provide the link between the Partnership Board (as the VCS rep) and the wider steering group. This Steering Group will provide representation across the VCS and members of the group will act as champions for the beneficiary groups or communities they represent, they will not be there to represent for their own organisation's interests. The purpose of this steering group will be to ensure that the recovery actions are taken forward, to lobby effectively on issues affecting the most vulnerable in our society at both local and national level, represent the issues facing people in Kent and the sector and provide the strategic engagement mechanism with the Strategic Partnership Board. It will also become a platform for collaboration within the sector and seek to drive funding collaboration amongst different funders across the private and statutory sectors. It will ensure that it is representative of the sector, including small organisations by reaching out and being approachable to the wider sector in Kent.
- 3.4 We believe these new arrangements will provide the opportunity to engage with the sector in a way that supports innovation and healthy challenge and is testament to our commitment as a County Council to working with the sector as a significant partner. This partnership working will and must go beyond a financial relationship and provide the platform for a dialogue that seeks to support our communities and tackle the challenges we face collectively, whilst recognising the pressures we will all face. This will rely upon a commitment from public sector partners to support the VCS to be sustainable and not look to the sector to bridge the gap of the state in a way that creates instability and financial weakness in the sector. It will also need to see the sector as equal partners around the table and not simply involve one sided dialogue about funding, where the statutory partners are perceived to hold all the power. There will be difficult decisions ahead and there cannot be a blind expectation that the charity sector 'safety net' can simply pick up demand in the way it has previously, to act as a buffer to public services and nor can there be an expectation that the state can afford to fund such a role.

4. A revised Civil Society Strategy 2021

- 4.1 The Interim Strategic Plan committed to revising and agreeing a Civil Society Strategy to support the sector in its wider role in building individual and community resilience and to recognise the importance of social infrastructure. As stated, a draft strategy had already been consulted upon pre Covid and we believe much of the direction and priorities set out remain relevant, perhaps more so. However, given the significant impact of Covid we will be revisiting this and will ensure it reflects both the impact of Covid and the recovery work that has taken place. We hope to agree this strategy over the next few months and will use the new Partnership Board and Steering group to inform this revision.
- 4.2 A significant focus of the draft Civil Society strategy pre-Covid was in supporting the wider sector, recognising the important part civil society plays in creating vibrant communities and a sense of place. We set out in the draft strategy a range of ways of supporting the sector. This included improved and more strategic engagement mechanisms, we hope now to be achieved through the Strategic Partnership Board and Steering Group, access

to business support and expertise, which we are piloting through the Strategic Recovery Fund and in relation to small community groups, we considered crowdfunding platforms as one way we could help to support community action. Small community groups and organisations are often running the local community assets, sports groups and art clubs that make up our communities but it is also these informal support networks and activities that have brought great comfort to people over the past year in particular.

4.3 Crowdfunding has been around for some time, however, Covid has changed the fundraising landscape, with organisations being unable to raise funds through the more traditional approaches such as events, summer fetes, cake sales, whilst grant applications have become even more oversubscribed and in some cases focused on Covid delivery excluding some community based organisations from applying. We have therefore decided that we will pilot Crowdfunding in Kent working with the Spacehive platform and hope to launch a Kent Fund as a pilot in February, with funding rounds starting in the Spring. The Spacehive platform is specifically focused on Crowdfunding civic projects, that support local improvement and already work with many local authorities and the Mayor of London. Crowdfunding is particularly suited to small organisations and local projects, with the average funds raised being around £10K. It is these small, informal groups and organisations who have been the support within our communities, particularly over the past year but are also likely to be facing difficult times ahead. Crowdfunding is designed to bring in funding from multiple sources, therefore any funding pledged by KCC will be matched.

4.4 The Kent Fund will aim to support community-based projects and there will be a number of workshops organised by Spacehive for the voluntary sector, to provide them with an introduction to Crowdfunding, to create interest and offer support for those interested organisations. The projects KCC will support within the Kent Fund will need to meet the following broad objectives:

- Supporting community action in Kent, particularly activities that are focused on supporting people who are facing financial difficulties or who are isolated as a result of Covid.
- Supporting community assets and venues in Kent, that contribute to our local communities and local connections, improving wellbeing.
- Helping to maintain the volunteering offer/social action we have seen during the pandemic post Covid 19.

4.5 The crowdfunding will be funded through the Civil Society budget, agreed to support the delivery of the strategy; however, where projects are clearly an immediate response to Covid 19 there may be opportunities to supplement the budget with Covid grant funding. Additional funding could also be allocated to the Kent Fund should we wish to broaden the scope. We will continue to define the Kent Fund as we understand its success.

4.6 In addition we will seek to put in place further support to the sector to support the delivery of the strategy and the recovery action plan and will work alongside the Steering Group and Strategic Partnership Board to determine the best model of support, also taking learning from the Strategic Recovery Fund and Crowdfunding as they progress.

5. Conclusion:

5.1. Whilst Covid 19 has presented many challenges and we know the year ahead will be difficult, what we have seen during the pandemic is a desire to overcome barriers, work together and focus on the individuals and communities that have needed support. The VCS and wider Civil Society have shown strength and flexibility during the pandemic, however the challenges that existed before have perhaps been magnified. We know many organisations will find the next year challenging and some will not survive; however, the

partnership working, we have seen and which will now continue, will provide the opportunity to engage with the sector in a way we have not seen for some time.

- 5.2 A revised Civil Society strategy, and the support we put in place to deliver it, will help to build a sustainable VCS but also ensure that we have a vibrant Civil Society in Kent. The importance of local connections and social infrastructure in supporting people during difficult times has been seen across our communities over the past year and this will be needed perhaps even more so as we begin to recover. This agenda, a priority before Covid, will certainly continue to be so for the foreseeable future.

Recommendations:

For Policy and Resources Cabinet Committee to:

- 1) Note the contents of the report
- 2) Comment on the plans set out both in terms of the support to the sector and the revised Civil Society Strategy.

7. Contact Details

Author: Lydia Jackson
Policy and Relationships Adviser (VCS)
Ext: 03000 416299 / Email: Lydia.Jackson@kent.gov.uk