

LONDON COMMUNITIES COMMISSION

Report of Evidence
February 2016





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Foreword

This report sets out the evidence gathered by the London Communities Commission, set up in September 2015. The Commission is formed of eleven Commissioners from the private, public and voluntary sectors, convened by the Paddington Development Trust and supported by London Funders and by the City of London Corporation's Charity, City Bridge Trust.

Its task is to look into how citizens and communities in London's most deprived areas might be strengthened and supported in these times of austerity. This is in response to growing concerns that, without such support, quality of life may continue to deteriorate to levels that not only destroy the well-being of citizens, but pose a threat to the social and economic sustainability of the capital.

We have amassed a wealth of evidence and I am extremely grateful to all those who gave their time by submitting their experience and sharing such impressive ideas with us. Looking back at what we have received so far, I believe that we still need additional evidence on some of the imaginative approaches that are currently being taken by businesses in London. We aim to fill that gap shortly.

Over the coming weeks we will also be preparing a series of recommendations to various bodies and institutions to tackle priority unmet needs and disadvantage in London's most stressed neighbourhoods. The proposed actions in our first paper will be directed at the incoming Mayor of London.

If you have any comments on this report, or any contribution you would like to make, please contact Fabian@pdt.org.uk.

Sir Stephen O'Brien
Chair of the London Communities Commission



Background and Methodology

The London Communities Commission was established in September 2015 to review how citizens and communities in some of the most deprived parts of the capital city can shape a better future at this time of austerity. The Commissioners are listed in Appendix A and the context and the purpose of the Commission is set out in the box below. This report brings together the findings from the Commission's call for evidence and from three meetings that were held in our pilot areas to listen to witnesses. A final report, with full recommendations for all the partners, will be published in Spring 2016.

Context and Purpose of the Commission

The full weight of austerity is falling onto the shoulders of the most disadvantaged and poorest members of communities all over London. There is an expectation that citizens themselves have to step up and fill gaps created by reductions in funding and services. While this might be a noble aspiration, it is made difficult without the continuity of a local voluntary and community-based infrastructure that supports what is a complex journey to self-determination and empowerment, for both individuals and local communities. Despite austerity, there is evidence of successful community and citizens' action in hidden pockets across London and the Communities Commission will promote and shine a light on achievements to date. Crucially, the London Communities Commission will examine further ways whereby local third sector partnerships can work together with citizens and communities to develop bottom-up, collaborative and trusted relationships with a coalition of like-minded philanthropists, Local Authorities, public commissioners and private businesses committed to a unity of purpose in eliminating inequalities and widening opportunities in London.

Terms of Reference of the Commission.

- 1. To review the current approach to communities policies and the role of the citizen/voluntary/community sector in London in order to recommend how the extent and nature of current needs in disadvantaged communities can better be met, concentrating on the priority unmet needs. This task may best be met by focussing on a few defined localities.*
- 2. To identify successful approaches and to examine, within those localities, the specific local skills, intelligence and contributions that citizens and the Voluntary and Community Sector should be required to make in addressing the identified needs of local people and to recommend accordingly.*
- 3. To make recommendations about the current system of commissioning, including a localities approach, with a view to addressing the tendency for larger and larger contracts that edge out smaller community-based organisations (who often have the track record and local knowledge to deliver more meaningful and targeted programmes and outcomes). To recommend improvements, or alternatives, to the current system.*
- 4. To recommend new ways in which the voluntary and community sector could be funded locally – as well as create a more strategic approach to philanthropic activities – subject of course to quality control and suitable outcome measures*

The work of the Communities Commission complements other current inquiries in London, namely:

- *The Future of Civil Society Support in London⁽¹⁾: London Funders, working with London Voluntary Service Council (LVSC) and Greater London*

¹ <http://londonfunders.org.uk/what-we-do/london-funders-projects/review-londons-civil-society-support>

Volunteering (GLV) published research by Srabani Sen OBE & Associates in December 2015 on the future of civil society infrastructure in London^[2]. The research argues that the scale of change in the environment means that the current model of civil society support is simply not sustainable. Both civil society support organisations and their funders are struggling to take a strategic approach to their work of enabling frontline organisations to adapt their services to the changing needs of their service user in the context of reduced funding.

- *The London Fairness Commission*^[3]: The Commission is chaired by Lord Victor Adebawale, and is comprised of expert commissioners from across the worlds of business, research, health and charity. It is an independent Commission, established by Toynbee Hall and My Fair London, with funding from Trust for London, Tudor Trust, London Funders, and by the City of London Corporation's Charity, City Bridge Trust and is examining 'What is fairness?' 'Is London fair?' and 'Should we be trying to make London a fairer city?'
- *Southwark and Lambeth Early Action Commission*: Southwark and Lambeth Councils set up the Southwark and Lambeth Early Action Commission in 2014 to reduce demand for acute services and maintain wellbeing for all residents. The final report, *Local early action: how to make it happen*^[4] was published in November 2015.
- *The Connected Communities for Mental Wellbeing and Social Inclusion programme*: sponsored by the RSA and The Centre for Citizenship and Community at the University of Central Lancashire and The Personal Social Services Research Unit at the London School of Economics (PSSRU) and funded by the Big Lottery Fund. The programme started in 2010 and produced the report *Community Capital: The Value of Connected Communities*^[5] in October 2015.
- *Changing London: A Rough Guide for the Next London Mayor* by David Robinson and Will Horwitz, published by the London Publishing Partnership in December 2015. The book resonates deeply with the LCC's focus on community-led solutions to emerging challenges and provides a rich source of ideas

showing the way that neighbourhoods could thrive in a fairer and healthier city defined by a resurgent democratic spirit among the people of London.

The idea of setting up the Communities Commission stemmed from a Community Summit on *Sustaining Vibrant Communities* organised by the Paddington Development Trust on the 18 June 2015 which drew together some 75 organisations working in communities across London. All those present were concerned about challenging issues affecting the stability and wellbeing of London's mixed communities.

Sir Stephen O'Brien CBE (Chairman of London Works and a Trustee of the Mayors Fund for London, Barts Charity and Foundation for Future London and a Vice President of Business in the Community) agreed to chair the Commission. We are grateful to London Funders, the City of London Corporation's Charity, City Bridge Trust and Paddington Development Trust for sponsoring the Commission. Additional Commissioners were appointed (Appendix A) and the terms of reference in the box above were agreed.

The Commission decided to focus on three pilot areas, Paddington, Tottenham and Newham. All three are home to vibrant but vulnerable communities. All three neighbourhoods, like scores of others across the city, have been quietly doing something extraordinary for London communities through long established community groups and networks that have made a tangible difference to their areas through the many phases of London's economic cycles. The pilot areas are not representative of all deprived areas in London. Each area is unique. But they give us the possibility to develop a sense of the challenges London faces now and they provide pilots where we hope to test our conclusions and recommendations in the future.

A call for evidence was put out in September to all those who attended the Community Summit and more widely. Three sessions of the Commission were held in the three pilot areas: Paddington in October; Tottenham at the Bernie Grant Arts Centre in November; and Newham at Community Links in late November. Each session was structured in two parts. In the first half, witnesses gave evidence on local unmet need and the inspiring local initiatives that had sought to address these, dealing with the first two terms of reference. In the second half, expert witnesses addressed the wider themes in the terms of reference, including commissioning and funding. The Commission heard from local community services, community activists and volunteers in each area, as well as experts in the field of urban policy and practice,

2 The Change Ahead: Creating a new future for civil society in London. <http://londonfunders.org.uk/sites/default/files/images/Emerging%20Findings%20Rept%20FINAL%2015%20Dec%2015.pdf>

3 <http://londonfairnesscommission.co.uk/>

4 <http://www.neweconomics.org/publications/entry/local-early-action-how-to-make-it-happen>

5 <https://www.thersa.org/discover/publications-and-articles/reports/community-capital-the-value-of-connected-communities/>

public service commissioning and social funding. The Commission has gathered hundreds of pages of written evidence from groups across London. Summaries of the three sessions and the written evidence received can be found in the 'downloads' section of the Commission's website: <https://londoncommunities.wordpress.com>.

Summary of the main themes that emerge from the report of evidence



The London housing crisis combined with austerity is making it harder to build sustainable communities. Population churn and a decline in citizen participation are weakening community ties. Statutory service providers, who see local communities as the problem rather than the solution, are hastening the withdrawal of volunteering. The decline in early action and preventative initiatives is leading to more costly responses to crises.

Our Commission has highlighted the crucial role of citizens within deprived local London communities. Without local residents being involved in designing the services, which are meant to meet their needs, unsatisfactory solutions will be developed. In this time of austerity, it is essential to draw on potential resources that local communities offer in terms of knowledge, relationships, skills, and their passion and enthusiasm about making a difference to the area in which they live. Citizens are the key assets to healthier social and economic outcomes across London.

Individual citizens have limited power to change the world. In order to achieve real empowerment, they need to be able to build local support structures through which they can work together and release the value of individual and collective creativity. The Commission has looked particularly at the role of anchor organisations in poor communities. These are citizen-led independent organisations that lead and help build those local support structures and develop the infrastructure that enables citizens to progress to social and economic independence.

With strong leadership, citizens in neighbourhoods can influence new ways of working which not only reduce isolation and ensure access to services but also further develop self-management skills and capacity to increase personal and collective independence. These ways of working can also deal with problems before they become severe: they are the fences on the cliff not the ambulances at the bottom. By identifying and intervening early costs can be saved later. The Commission gathered evidence around new, community-led, ways of working, illustrated in this report. The Commission were excited about these positive initiatives which clearly show how power can be devolved to citizens in areas where there is some sense of belonging and how effective this can be if the devolution is supported by the funders, public, private, and voluntary sector. The case studies show new ways of working that address unmet needs, develop citizens' control over their lives, and establish working relationships between the community, private and public sectors that strengthen the community capacity and ultimately reduce demand for acute public services.

Such an approach does, however, require changes in the way local communities are funded and the terms by which resources get to the acute areas of growing poverty in London. Our final report will contain recommendations for national government, the Mayor and London-wide organisations, local statutory services, funders, the private sector and the voluntary and community sector.



CHAPTER 1: THE NATURE OF NEED IN LONDON

The London local citizens and experts who submitted evidence to the Commission were clear about the current challenges that they faced.

On the one hand there is what the London Fairness Commission has called 'the shadow of unfairness that hangs over London'^[1]. Not only have some groups (young people, disabled people, mothers with dependent children and black and minority ethnic residents) not benefitted from rising employment rates but many who have found employment are paid such low wages that they struggle to meet housing, food, energy and transport costs. In-work poverty and job insecurity is on the rise.

The Commission heard evidence about the growing housing crisis in London that is threatening the sustainability of London communities. Affordable housing has traditionally been considered to absorb a third of a household's income. Now households in the private rented sector are paying over half their income on rent^[2]. Inner London residents are being forced to move to outer London, or further afield, disrupting social networks and incurring higher transport costs to get to work and school. Inner London is losing the very population that is essential to make the city run smoothly from nurses and teachers to artists, micro-businesses, road cleaners and bus drivers. Homelessness is growing and, with the supply of social housing diminishing through right-to-buy, reducing housing benefit, affordable rents policy, and councils and housing associations (Registered Social Landlords – RSLs) being forced to sell off their better quality housing, the situation can only get worse. Enabling households to stay in London, children to stay in their schools and everyone

to build on their community ties is a critical priority for the future of London.

On the other hand austerity cuts are reducing the value of welfare and in-work benefits and seriously impacting on public services, with 40% cuts in local government funding 2010–2015 and a further 25% cuts by 2020. The Commission heard how austerity is leading to increased stress for London residents contributing to a growing problem of mental health among young people and the poor generally, creating an unsustainable demand on NHS services and pressure on families and communities.

Youth Services are being cut in London by 60% and the cuts in further education, the shared housing benefit rate for those under 35 and the proposed end of housing benefit for most under-25-year-olds are all taking their toll. Homelessness and mental health issues among young people are increasing. The Commission heard from the Avenues Youth Project that trust and continuity are central to youth work. However it is getting increasingly difficult to get consistency as a result of the cuts. A week-end incident could normally be resolved through a community partnership meeting held within 24 hours. Now the police community support service has been cut, the fire service is stretched, the local authority keeps changing its policy and personnel and further cuts in the youth service will reduce the capacity to respond. While the number of people in London injured as a result of knives fell 28% between April 2012 and March 2013, homicides in 2015 are up by a third, with 19 teenagers killed, 15 by knife crime.

1 <http://londonfairnesscommission.co.uk/wp-content/uploads/2015/09/London-Fairness-Commission-Interim-Report-Full.pdf>

2 The proportion of households that rent privately in London has increased substantially in recent years from a low of 14% in 1991 to 26% in 2014. In Inner London the proportion of households that rent privately is much higher at 31%. Average London house prices grew by 7% from September 2014-September 2015, and now stand at £531,000. Average private sector rents in London are more than twice the national rents for all property sizes. <http://www.londonpovertyprofile.org.uk/indicators/topics/housing-and-homelessness/housing-tenure-trends-in-london/> <http://data.london.gov.uk/housingmarket/#unemployment>

The Commission was told that smaller organisations, who worked closely with their service users, were being particularly hit by reduction in funding, by commissioning frameworks which excluded them and by business support failing to prioritise better mental health. Analysis for the Panel on the Independence of the Voluntary Sector

revealed that between 2009–10 and 2011–12 all sizes of organisations lost some statutory income but small organisations (income from £10,001 to £100,000) and medium (income £100,001 to £1 million) lost nearly 25 per cent and 20 per cent of their statutory income respectively^[3]. The Centre for Social Justice^[4], in December 2013, found that 1 in 5 community organisations addressing poverty are facing risk of closure. These cuts are coming at a time of rising demand. Witnesses from the BME Health Forum in Paddington and the Centre for Better Health in East London told the Commission that they had both experienced a significant rise in demand for their services. Their clients are often individuals who do not feel that they have anywhere else to turn. They have either been through the statutory system and can get no more help or they are individuals who do not feel for a number of reasons that they can ask for help. Many were very isolated, a serious problem in a large city. Yet the organisations that offered lifeline support were struggling to attract the resources to respond to this demand despite the fact that, through training local volunteers, they offered very low cost and effective services. As Ashwin Mathews, Director of the Centre for Better Health, said: “The introduction of marketplaces and competition within the third sector is an ideology that is borrowed from the private sector but which can be seen to undermine the spirit of cooperativeness and joint working that has so long set this sector apart. It also allows for less innovative work among smaller community organisations when statutory services are being farmed out to large charities who in turn act as leads with tight contracts to the smaller charities that need the funding to survive.”

The cuts have made some statutory providers turn in on themselves, promoting competitive commissioning and engaging less with the community sector. Civil Exchange^[5] has evidenced a significant decline (from 38% in 2007/8 to 34% in 2013/14) in the proportion of people who feel they can influence decisions about their local area. Civic participation dropped from 41% 2012/13 to 30% in 2013/14. The Commission were told that citizens want to be involved in helping to design services together with the statutory providers where they can improve their communities, they do not want to be involved in a token way around how to make the cuts.

3 Civil Exchange (2014) *Whose Society? The Final Big Society Audit*, Page 135

4 Centre for Social Justice, (2013) *Something's Got to Give: The State of Britain's Voluntary Sector*

5 *Whose Society? The Final Big Society Audit*, Civil Exchange

In March 2012 Westminster Council sent letters to Queen's Park residents telling them of the proposals to demolish the Jubilee Swimming Centre, and replace it with high value residential properties. The plans included a second development site, a kilometre north in Brent, to replace Jubilee, paid for by the developer.

In April 2012, Queens Park in Westminster became the first elected Community (Parish) Council in London. Shortly afterwards, in May 2012, Councillor Robert Davis, Deputy Leader of Westminster City Council declared: “I am delighted. For Westminster to have the first parish council in London for 50 years would be a fitting endorsement of the Government's ambitions for localism and neighbourhood engagement.”

“In July 2012 nearly 6000 Queen' Park residents signed petitions against the demolition of the Jubilee Sports Centre. A month later, it was given the go ahead by the council. In August 2015, with the start of building delayed until at least January 2016, an alternative proposal was put forward to Westminster, by Queens Park Community Council. A new redesign and refurbishment of the Jubilee Sports Centre created by specialist architects and a sports centre expert. It answered the aim of Westminster for a cost neutral sports facility, and in addition offered huge extra social value. It was summarily rejected by the Council.” Elaine Arthur, W9 resident, Activist / campaigner.

Summary

The London housing crisis combined with austerity is making it harder to build sustainable communities. Population churn, a decline in citizen participation and statutory service providers, who sometimes see local communities as the problem rather than the solution, are leading to a withdrawal of community resources and a costly decline in early intervention.

The Commission heard how new ways of working could reverse this decline and how citizen-led action could impact on re-building strong communities and, through enabling citizens to lead fulfilling lives, to help themselves, and help each other. It is to these inspirational case studies that we now turn.



CHAPTER 2: UNLOCKING CITIZEN POTENTIAL

In this chapter we look at four different ways in which citizens are meeting the needs that were identified in chapter 1 and the nature of the success of these initiatives. Many of the new ways of working outlined in this chapter are struggling to survive despite clear evidence of their huge value. The initiatives are, by their very nature, small, locally responsive and reliant on people doing things together. The evidence of impact is hard to compare to other datasets and is hard to track over time. Many such projects have never responded well to mainstreaming/ scaling up and to large scale contracting because that is not how they work. As a result, these types of projects have always been marginal and are now, with public expenditure cuts, even more at risk. But it is clear from the evidence below that their overall value, while difficult to quantify exactly, is considerable both to the clients themselves and for the public authorities who see a reduction in demand for acute services.

2.1 Preventing problems through citizen-led early intervention.

The three case studies below were presented to the Commission. Each involves the training of local community activists to reach out and contact those who traditionally have not found statutory services accessible. The isolated residents are then helped to deal with a preventable problem that they face, saving costs to public services further down the line. The initiatives help to build community networks and stronger community relationships. They are also life-changing for the volunteers involved, many of whom have gone onto further education or jobs that they did not believe they could do before their involvement in the project.

But these initiatives would not have been possible without strong community anchor or backbone organisations. To date, London anchor organisations have helped create bottom-up initiatives ensuring that local residents identify their own priorities. Anchors have enabled volunteers from diverse backgrounds to contribute to a wide range of voluntary and community sector (VSC) support in the

community and have promoted collaboration and co-ordination as an underpinning social value. Anchors have raised resources and funding for priority actions and manage these funds as recognised Accountable Bodies with robust track records. They employ a significant number of people in London who in turn train and support thousands of volunteers.

These anchor organisations take different forms. In Newham, the citizen-led programme of community buddies is run by a partnership of four anchor organisations – from a long term established foundation to more recent organisations embedded in the community. In Islington, the programme was initiated by Cripplegate Foundation, an endowed local charity established in 1500 and using its funds to tackle poverty in Islington and parts of the City. In Paddington, the programme has been run by the Paddington Development Trust, a not-for-profit regeneration company and social enterprise working in North Westminster.

A. Newham Poverty Partnership and Community Buddies

The Newham Poverty Partnership was formed in April 2013 as a consortium of two major charities in Newham and two smaller ones working with families in poverty. They came together in the face of worsening poverty in the borough.

The partnership is comprised of:

- *Aston Mansfield* – acting as lead body for the partnership, has been working at the heart of East London for over 130 years providing a wide range of community development support and activities in Newham, directly delivering services to around 1000 people and 900 organisations each year. It aims to improve people's lives: working with children, young people and families, whilst also developing community groups and the voluntary sector
- *Bonny Downs Community Association (BDCA)* – delivers high quality events, activities and services

through 3 local venues. Targeted projects support families, promote community cohesion and increase health and well-being of local people

- *Community Links* – works with over 14,000 people each year, delivering advice, activities and support to local people (see also Section 3.C below).
- *Alternatives Trust East London* – provides holistic, long term support to vulnerable women and families, centred on the *We Are Family* programme helping over 70 families a year with parenting, life skills, practical needs and progression.

The Newham Poverty Partnership piloted a successful citizen-led approach to addressing poverty in Newham, called Community Buddies.

This came from the Partnership's initial work on the directory of services responding to poverty in Newham, which showed a lack of advice services and a need for informal advice and signposting to stop people in crisis from sliding into poverty. From shared experience, the partners knew that many people didn't know how to get help, or perhaps didn't have the confidence to get it by themselves. They all felt that what made the difference were relationships – having a friend or someone to get alongside and help them do what they had to do.

They developed a model that would put volunteer, 'community buddies', in the existing community centres and projects. The Community Buddy would help people deal with a problem (e.g. stopped benefits) before it got worse. They would do this through support and signposting, and in doing so would pass on the skills and confidence to help people cope better with such problems in future. Volunteers would be people who had successfully, recently, moved on themselves and who would benefit from the training and volunteer experience.

Although the problems addressed by the Community Buddies were more complex than anticipated, outcomes were positive, significant and life changing. They included securing accommodation, accessing public funds or benefits, avoiding eviction, and finding work. There was evidence of clients learning more effective strategies to manage difficult situations, and become more emotionally resilient. Some clients gained the confidence to seek out new opportunities or other sources of support for themselves.

The project has been a success because it is citizen-led with buddies from the community 'getting alongside'

those with problems, establishing trust and reducing isolation. Training and support provided for buddies was experienced as effective and enjoyable. Buddies need to be part of a supportive team with ready access to information and expertise. The co-ordinator was a former client and the buddies were current clients. The partnership of four community organisations in Newham, with different skill bases, has provided the collaborative framework for success.

B. Community Champions. Paddington Development Trust

The Community Health Champions project has been growing since 2012 and now operates across three North Westminster wards. Facilitated by Paddington Development Trust and commissioned by Tri-Borough (Westminster, Kensington and Chelsea, Hammersmith and Fulham) Public Health Service there are now over 40 Champions volunteering with numbers waiting to join.

Community champions are local people who volunteer their time and make use of their networks to connect friends, families and neighbours with local services, and spread important messages about health and wellbeing. The Champions initially go door-to-door to complete a health survey to determine key local priorities and establish the future of the work. The time and energy the Champions put in is repaid through a Time Credit reward scheme whereby every hour worked gains a credit to a wide range of leisure services in Westminster, free of charge. Champions also gain from immediate access to training, support and guidance to help them progress their own careers and personal goals. Champions are qualified through two Royal Society of Public Health qualifications: level 2 Understanding Health Improvement and level 2 Understanding Behavioural Change. Local insight, networks and knowledge gained by champions is highly valued and is used to influence and shape local services.

This approach uses local people's experience and knowledge to co-design and improve services; builds skills, confidence and self-esteem among the champions; contributes to developing and sustaining social capital; promotes early intervention in problems like obesity, diabetes and pregnancy; provides education and self-management for people with long-term conditions keeping them out of acute services, and ultimately makes a big difference to people's health and quality of life.

Paddington Development Trust plays a key role holding the local contract, in employing the project team, training Champions, spreading learning across three of the most deprived Wards in North Westminster and creating

greater social and inter-cultural value. This citizen-led project would not have been possible without the progressive attitude and resources from the Tri-Borough Public Health Service. As they say on the website: "A top down approach cannot address the root causes of poor health and wellbeing. The public health strategy, 'Healthy Lives, Healthy People' (DH 2010), recommends an innovative and responsive approach that is 'owned by communities and shaped by their needs' to bring about real change. We know from national and local evidence that using a community engagement approach is both cost effective and leads to improved health and wellbeing."

C. Help on your doorstep

In 2008 Cripplegate Foundation commissioned research to shine a light on the hidden poverty in Islington. The report *Invisible Islington: Living in Poverty in Inner London* tells the stories of Islington's residents. It examines the inter-connected factors that makes their deprivation so entrenched. The report reveals that:

- debt is a fact of life for many residents
- being out of work is the norm
- family, friends and community are crucial
- ill health causes isolation and unhappiness.

In response to these findings Cripplegate facilitated the start-up of a new charity, *Help on Your Doorstep in 2009*. Having an anchor organisation like Cripplegate that could support new initiatives, which reflected community need, rather than compete itself for funds was essential in the creation of this project.

Help on Your Doorstep tackles isolation head-on. It identifies the poorest residents and brings advice, information and support directly to their homes. Volunteers from the community are pro-actively recruited and trained to provide professional information, advice and guidance and in partnership with local service providers. They then knock on the doors of residents in social housing estates and their surrounds and steer those with problems to services, advice, education and opportunities for employment and volunteering. They build relationships and offer on-going support. *Help on Your Doorstep* aims to make a visible difference to the health and wellbeing of the communities it serves by empowering individuals to overcome the barriers they face and improve their lives.

Success has resulted because Help on your Doorstep is:

- Professional, in the way it delivers services;
- Empowering, in its approach to working with individuals;
- Rooted in the communities it serves, so that it is informed and responsive;
- Committed to quality, underpinning the provision of information, advice and referrals;
- Equally accessible, through being approachable and non-judgmental;
- Informed, as a result of its commitment to the continuous review of the needs of communities which change over time.

Using the intelligence gleaned from work with residents combined with active partnership development, the charity has been able to identify gaps and weaknesses in service provision in the area and influence the focus and quality of support services. In this way citizens who have been thought of as 'hard to reach' are now influencing service improvement in some of the most deprived areas of the Borough.

2.2 Working in Different Ways

The three examples below show how traditional statutory services such as GP clinics, children's services or wider health services can be transformed through community leadership to provide services that are built around the needs of citizens. These new services start from citizen's needs and build networks of provision across the community. They identify gaps and promote community innovation: whether this is through social enterprise or through new community organisations. They start from a community development approach and unlock the innovation, commitment and passion of local residents. They depend on statutory providers completely changing their approach to service provision: moving from competitive commissioning to promoting citizen engagement and collaboration. They build capacity within the community.

A. Social Prescribing in Bromley by Bow

The Bromley by Bow Centre is developed around an outstanding GP practice, working in one of the most deprived wards in the UK. The doctors believe they cannot

have healthy patients without a wider range of services, so they have set up an innovative community organisation in east London. Each week it supports families, young people and adults of all ages to learn new skills, improve their health and wellbeing, find employment and develop the confidence to achieve their goals and transform their lives. At the core of the Centre's thinking is a belief in people and their capacity to achieve amazing things. More than 2,000 people each month come to the Centre to gain skills, improve their health or simply to mix with other community members in an environment that is welcoming, vibrant and gives them the opportunity to try something different.

Social prescribing is a GP initiative. A person visiting a GP's surgery is prescribed activities that are delivered by voluntary and community groups, as well as or instead of, medical interventions. Examples of socially prescribed activities include sports and physical activity, meditation groups, support groups for people with chronic conditions, and volunteering. The Bromley by Bow Centre was founded on the principles of social prescribing and the impacts that positive social and learning opportunities have on the social determinants of health. Since the development of the centre in 1997, doctors have been referring patients to programmes and projects ranging from a diverse range of educational and learning courses to practical welfare advice and money mentors. The Time Bank project, *Time Shared*, supports citizens to help one another and share skills. The charity has also supported the development of social enterprises which meet gaps in provision. For example, it has supported *Find Your Spark* which provides one-to-one and group positive coaching programmes to 11–25 year olds and *N.ableD* offering home-based one-to-one personal training sessions to people who are housebound or socially isolated who both want and need to become more physically active as a way to prevent or reduce the risk of developing long-term medical conditions.

In recent years, funding was received from the local Clinical Commissioning Group (CCG) and local GP network to expand the work and spread the model to include five further local health centres, giving over 40,000 patients access to such local services through social prescribing. There is evidence from around the country that social prescribing works to improve wellbeing and to reduce use of conventional health services. Tower Hamlets Clinical Commissioning Group (CCG) is now developing plans to support the introduction of social prescribing across all GP Networks by the start of next year and is working with the Tower Hamlets CVS to co-

design services across the Borough. The Communities Commission also received evidence from Camden Clinical Commissioning Group which is adopting a similar approach in Camden.

B. Well London

Well Communities is an innovative framework that enables disadvantaged communities and local organisations to work together to improve health and wellbeing, build community resilience and reduce inequalities. This framework approach has been developed in two phases over the past seven years, through work in 33 London neighbourhoods led by the GLA, across 20 London boroughs, supported by Big Lottery Wellbeing funding^[1]. It is based on a vision of empowered local communities, who have the skills and confidence to take control of and improve their individual and collective health and wellbeing.

The model involves the appointment of a dedicated local co-ordinator in a deprived neighbourhood who engages citizens, the local community and stakeholders in looking at needs and designing a local programme to respond to these needs. Action on specific local needs and issues is taken forward through a portfolio of themed activities and projects. These are determined by the needs and issues identified by each community so the approach is totally citizen-led. The projects can include, for example: local action to improve healthy eating, physical activity, action on mental health, improving local environments, cultural and arts activity. The programme delivers courses and training grants to skill up local people to lead and manage activities. It also supports initiatives to develop volunteering and peer-to-peer approaches. For example, Young Leaders from the target neighbourhood are recruited, trained and developed. In each area two young people who are not in employment, education or training (NEET) are also recruited as young apprentices. The Royal Society of Public Health's national Young Health Champions Programme is providing an excellent and accredited training model. The Young Leaders play a key role in ensuring young people's engagement and involvement in the local Well London programme, signposting other young people to Well London and other local activities and opportunities.

The project has been fully evaluated. The evaluation is looking at the impact on participants' health and wellbeing and the change in health behaviours; the contribution to

¹ The Institute for Health and Human Development at University of East London leads on Research and Evaluation, Community Engagement and Development of the Well London model.

health, wellbeing and the wider social determinants of health of each individual projects funded through the programme; whether community priorities were fully addressed and the planned programme delivered; and the impact of the programme as whole on the area in terms of improving health, engagement, cohesion, networks and resilience.

C. Early Help

Early Help is a tri-borough (Westminster, Kensington and Chelsea and Hammersmith and Fulham) strategy^[2] led by the Director of Family Services and is all about identifying needs within families early, and providing preventative support before problems become complex and more intractable. Evidence suggests that an early response is a more effective and more efficient way of delivering services. It is better to provide an intense, focussed intervention when problems first emerge, rather than delivering a more costly statutory intervention when the needs have escalated. This includes using targeted services to reduce or prevent specific problems from getting worse and becoming deep seated or entrenched.

Early Help can work at its best when harnessing the creativity, energy and multiple perspectives of different sectors all working towards resolving an issue of shared concern. In North Westminster, Early Help has brought together innovative partnerships between statutory, voluntary, private and community organisations to address complex social issues. Here are 3 recent examples

i. Empowerment of Kurdish Families

There was significant disengagement of Kurdish children at school and a high proportion of Kurdish families requiring children's services support. Following four dynamic problem solving workshops involving the Kurdish community groups and other partners, four innovative, culturally-sensitive projects were created to empower Kurdish families to live better lives. These were: a Saturday supplementary school for Kurdish children run by volunteers and attended by 60 families; outreach targeted at Kurdish families with young children disengaged from mainstream services; a school mentoring project involving successful Kurdish professionals as mentors, and a multi-agency Kurdish Families Panel, including Kurdish community groups, to discuss the most disaffected families with multiple issues known to children's services. All this has resulted in schools reporting improved attainment and behaviour outcomes.

² <https://www.rbkc.gov.uk/pdf/Strategy%20for%20Early%20Help%20in%20RBKC.pdf>

ii. Volunteer Training Programme

Volunteering to work with children and families in Westminster had proved unsatisfactory. A partnership between Early Help Services (Westminster City Council), the VCS (Voluntary & Community Sector) for Westminster (One Westminster) and John Lewis Partnerships (Funders) was developed with input from 10 other key volunteering schemes. A training programme was created delivered by professionals in the field to an agreed quality standard to enhance skills and knowledge in family engagement, safeguarding and understanding Westminster Children's Services. Over 100 participants have been trained (including BME groups, volunteers with moderate learning difficulties, young people and corporate volunteers from funders John Lewis). 80% have now gone to work in volunteering placements with up to 40 organisations supporting children and families. All reported improved confidence and abilities when working with vulnerable groups.

iii. Excluded Communities and the Sharing Economy

At a ground breaking summit in Feb 2015, Early Help together with the organisation 'People who Share' and sponsored by 'Storemates' brought together 12 Sharing Economy businesses with local community groups, schools, statutory services and resident associations to look at how new projects could be created to meet their needs and encourage self-sufficiency. Projects were started to look at improved exercise (*GoodGym*), sharing of storage space (*Storemates*), food sharing (*Food Cycle*), transport (*LiftShare*) and methods of helping people out of poverty by supporting them to rent out their assets.

2.3 Developing Community Assets

The four examples below all show what can be achieved by citizen-led action. In none of the cases do the citizens involved own the assets but in each case they succeeded in changing how an asset is used and ensuring its use responds to the needs of local residents. Allowing residents to design regeneration also encourages them to be further involved in the long-term future and maintenance of the asset, again unlocking community resources and delivering significant improvements in the use of the assets.

A. Lordship Recreation Ground

Tottenham's largest and previously most-neglected public park, Lordship Rec, is adjacent to the Broad Water Farm estate and has recently had a £5m makeover mainly due to the long-term commitment and hard work of the

park users' group, the Friends of Lordship Rec. The whole regeneration process was community-led, in partnership with Haringey Council's parks department. The new facilities and features are now run in partnership with the various park user groups. There are many Friends Groups working to improve local parks around Tottenham.

B. Tottenham marshes:

Stonebridge Lock, Living Under One Sun

In 2012 British Waterways wanted to close down the Waterside Centre – on which public money had been spent, and which was used by a number of community groups. A coalition of groups, including *Friends of Tottenham Marshes* and *Living Under One Sun*, successfully applied for a temporary lease to co-manage the centre, and to develop a community plan.

The coalition promotes community leadership and general health and well-being throughout the community. Members have created a vibrant collective community allotment on part of the Tottenham Hale allotment site, involving many local residents in food growing, and in spreading education about food and healthy eating. They have linked up with other community groups involved with the marshes to protect its green character and community facilities from unwanted development and promote positive, sustainable development.

C. The Ubele Initiative and Tottenham Green Market

The Ubele Initiative, an organisation that promotes equality for the African Diaspora community in the UK, spearheaded a successful local campaign in Tottenham during 2014. They raised issues of diversity and equality concerning stallholders at the Tottenham Green Market, and led to a more culturally diverse spread of market stall holders and goods sold in summer 2015.

D. Paddington Development Trust and St Mary Magdalene

Built in the 1860s–70s by C.E. Street (architect of the Royal Courts of Justice), this Grade 1 listed building is recognised as an outstanding example of neo-Gothic architecture, with internal decoration by William Morris, Sir Ninian Comper and the last of the Pre-Raphaelite Brotherhood. Much of the time it is locked and inaccessible - its beauty and history out of reach of local people and the wider public despite the fact that they live only a hundred metres away

This project is providing a challenging exemplar of how an inner-city church can remain a place of worship and become relevant again in a deprived, ethnically

diverse urban community. Having secured a substantial grant from the Heritage Lottery Fund, and support from Westminster City Council and some donors, the Paddington Development Trust is now fundraising the final £2.5m to restore the church to its former glory and create a new wing to house a multi-ethnic, living heritage centre, a community café and provide disabled access. The project will deliver a heritage learning, training and activity programme for local people and visitors as well as providing a new London cultural venue with a rich and varied programme of events.

2.4 Meeting new needs through small community organisations

The Commission heard from many small successful community organisations started by local citizens in one place or by one community of interest getting together to meet a gap in services. All these organisations operated on a very small budget and provided services in a different way and were strongly supported by their local community because they were meeting a need neglected by statutory organisations. As Leslie Baron from the London Community Neighbourhood Co-operative (LCNC) said: "Groups working in the front line survive on very little money but a lot of knowledge, expertise, good will and hard work with many successes. They suffer from lack of support and marginalisation due to overwork, inability to input into policies except in a general way and lack of funds in the right places. However, they are free to shape and move the priorities and focus of the organisation depending on need and resources, they are able to personalise their services to directly match the needs of users and are in many cases, less fragmented and able to intervene earlier than larger organisations. Being self-funding also means they are not tied to the vagaries of any centralised body but can set their own agenda and deliver it how they see fit."

Some examples of successful small community organisations are given below:

A. Westbourne Park Family Centre.

The Centre welcomes over 300 children and adults weekly, reflecting the cultural diversity of the area. It provides early year's drop-ins, youth and children's projects. It supports the Westbourne Neighbourhood Forum which is currently developing a neighbourhood plan with PDT. It is citizen-led and has strong community links.

B. BME Health Forum

The BME Health Forum exists in order to give BME communities and BME organisations in Westminster, Kensington & Chelsea and Hammersmith & Fulham a voice with regard to health issues, particularly accessing healthcare. It commissioned a multilingual emotional wellbeing project that is delivered by 3 different organisations in 5 different languages providing emotional support to local people. It has very good outcomes in terms of improving emotional wellbeing both for the clients and for the volunteers.

C. Waltham and Elgin Community Homes (WECH)

WECH is a successful resident controlled housing association based in the Harrow Road Ward. WECH has become a successful social enterprise, too, and has grown to be able to support the wider community. Some residents refer to WECH as like a “family”, saying the improved accommodation and support offered has changed their lives. Evaluations show that WECH residents are happier and more engaged because they collectively own their estates.

D. Haringey Migrant Centre

The Haringey Migrant Support Centre offers a free drop-in service for migrants—irrespective of their status, country of origin, or current address. Some of the migrants are seeking asylum but more often, they are people who have been in this country for many years, unable to regularise their immigration status. Without proof of settled status, they are not allowed to work or claim benefits and, as a result, lose their only source of income – leading to homelessness. In 2014/15 the centre welcomed 596 visitors from 84 countries, making a total of 2273 visits. It has no support from central or local government and managed to raise £50,000 in 2014/15. It has one key member of staff who supports and organises some 80 volunteers a year, legal pro bono and other agency support.



Summary

This chapter has highlighted how new ways of working which are citizen-led can, with limited funds, unlock community resources, develop local assets, and grow community capacity. This is also the conclusion of the RSA's *Connected Community Programme* which has shown that investing in interventions which build and strengthen networks of social relationships will generate four kinds of social value or 'dividend' shared by people in the community: a wellbeing dividend; a citizenship dividend; a capacity dividend and an economic dividend³.

However, such projects remain marginal as was emphasised by Caroline Slocock, Director of Civil Exchange, in her evidence to the Commission:

“The funding challenges facing the voluntary sector and especially smaller, community based voluntary organisations are considerable. London, the North East and North West saw the largest proportional falls in government income to the sector between 2011–12 and 2012–13, each having a fall of more than 6 per cent. Smaller, locally based voluntary and community organisations are likely to be feeling the brunt of this – with the double whammy of rising demand and reduced access to funding from the state, partly because public sector contracts are relatively inaccessible to them.”

As Jackie Rosenberg from One Westminster said: “Extraordinary things go on at the community level. They usually involve a couple of people with resilience, passion and commitment to the streets where they live. They are found in the community. But these people are not always supported by the statutory sector which is suffering from cuts and has turned in on itself and become defensive. If local government saw communities as an asset rather than a problem it would make a difference. Things work because they are local, but this is exactly what current funding does not allow.”

The next three sections look at what needs to change to allow the citizen-led action described in this chapter to thrive.

3 Matthew Parsfield et al, (2015) *Community Capital: The Value of Connected Communities*, RSA, p7/8



CHAPTER 3: COLLABORATION

The case studies in Chapter 2 all involved citizen-led action and collaboration to enable those who would use the service to be involved in co-designing the service. They also involve a community anchor organisation whose aim is to support such collaboration. It can therefore operate in a collaborative framework and become a trusted partner.

This would not be possible if the anchor organisation was just competing with the smaller local organisations it supports for funds. Relationships and collaboration are key. One of the aims of the Commission was to identify successful approaches within the three pilot localities in order to find out if it is possible to set up workable action-focused relationships in the areas that can deliver genuinely citizen-led solutions and enable the weaker, unheard voices of those in poverty or who are discriminated against to be heard, rather than creating a top-down bureaucratic process.

This chapter looks at the collaborative relationships within our three areas, Paddington, Tottenham and Newham, and reviews the obstacles that need to be overcome in the next year if the models are to be sustainable. Everyone agreed that it was essential to build on what exists, and we found a rich diversity of community engagement in our three areas.

The chapter concludes with a checklist on the success criteria for these new ways of working.

3.1 The three areas

A. Paddington

Paddington Development Trust (PDT) winner of the City of London Sustainable Communities award in 2015, is a registered charity and community-based not-for-profit regeneration company formed by local people in 1997. Since then it has facilitated and delivered a collaborative portfolio of place-based projects, from the built environment to provision of neighbourhood services in the four most deprived wards in Westminster. Like other

'anchor' type organisations it spans a range of social and economic activities focused on sustaining social action and facilitating community involvement where local citizens co-produce and participate in place-based social and economic innovation. PDT's underpinning ethos is of individual and community empowerment progressing to social and economic independence through enterprise and employment. Outcomes include the facilitation of the Queens Park Community (Parish) Council (QPCC) elected as a civic rather than political council with local governance and precept powers in 2013. Democratically elected citizens are coming to terms with limited self-governance powers and have maintained support from the general population of 12,000. QPCC arose out of an elected civic Neighbourhood Forum established in 2004 along with two others in the Church Street and Westbourne wards both of which have been recognised as Neighbourhood Planning Forums and all of which operate in collaboration with PDT's existing portfolio of health, social and economic projects. Today these are financed primarily through contracts tendered by NHS/CCGs, Triborough Public Health, Heritage Lottery, JCP/DWP, ESF/London Councils with significant support from London Trusts. PDT has struggled to attract private sector support, as has One Westminster, the local Council of Voluntary Service (CVS), now in a strategic alliance with PDT. PDT has seconded its Deputy CEO to act as One Westminster CEO, which in itself supports an active membership of over a hundred small community organisations.

Community Anchor organisations are acutely vulnerable to mainstream funding cycles. Since 2010 and over the latest post-election period particularly, revenue streams to community-based services have dried up while Local Authorities and Public agencies adjust to massive budgets reductions and seek to support their own diminished fiscal infrastructure and departments. Not only funding but also opportunities to participate in public procurement markets have been very difficult to access for community-based CVS anchor-type organisations. London Growth Fund/LEP planning, for example, has virtually ignored

CVS practitioners who have previously partnered Local Councils and in many cases delivered outcomes on their behalf. Youth services have been savagely cut in almost all LAs. Austerity, coupled with unclear public Commissioning policy, and public and private competition for increasingly less public money, has placed huge pressures on CVS capacities to compete in a purely market-driven economy seeking profit and scale. This results in the loss of locally experienced staff teams and the fragmentation and break-up of organisations with successful track records in providing sustainable social value as well as positive cost benefit outcomes.

Paddington is fortunate to have a strong anchor organisation which has established fair and transparent collaborations in all areas of its work and continues to innovate at every turn. But to compete, survive and grow in this fragile and volatile change environment it and other CVS organisations need a level playing field, changes in procurement methodology to progressively target the ending of poverty in London, a greater understanding of social and economic return on investment, and all together much better participative relationships with the private sector.

B. Tottenham

Haringey is a divided borough with an affluent West and significant poverty in the East. This inequality is growing as house prices across the Borough soar. In the last 20 years the average house price in Haringey has risen by 429% (compared to 390% in London). Terraced houses, which are much of the stock in Tottenham, have risen 541% (compared with 476% in London)^[1]. In the last seven years alone house prices have gone up by 80%^[2].

There were concerns from the witnesses that racism within statutory organisations is now more hidden but becoming more pervasive. A further problem is that the statutory sector is moving towards more service commissioning which community witnesses felt was a top down process of defining what needs to be delivered and was leading to fragmentation and privatisation. Witnesses emphasised that there are approaches to commissioning which allow a dialogue and shared development of service offers which enable local organisations to offer their particular approach and added value of local knowledge and connectedness. This key issue is discussed further in Chapter 4. There was also concern that the Council was seeking more commercial rents from the voluntary and community sector which was threatening sustainability.

¹ http://www.home.co.uk/guides/house_prices_by_town.htm
² <http://www.foxtons.co.uk/sold-house-prices/tottenham/>

All this impacts on the whole community, creating what has been called 'a generational time bomb'.

More optimistically everyone recognised that there was an incredible mosaic of community groups and networks and numerous examples of where citizen-led projects had made a real difference. Fifty five community organisations have affiliated to Our Tottenham which provided a strong community voice linked to an agreed charter of aims but has no resources. HAVCO, the CVS, is currently (November 2015) having to tender for the infrastructure services in Haringey. There are active networks of tenant groups, friends of parks groups and community centres. The infrastructure required to nurture small organisations and support collaboration in service design and commissioning remains weak and underfunded despite a partnership bid just submitted for advice services co-ordinated by HAVCO for 10 organisations. A substantial difference would be made if the Council adopted a more active approach to:

- bring the community in at the earliest stages,
- grow the next generation of professional community leaders from young BAME adults in their late 20s to late 30s, who when appropriately upskilled would be able to proactively and sustainably serve within the ever diversifying communities,
- support the growth of an anchor organisation,
- adopt a different model of commissioning that is truly bottom-up. Although the Council is trying to work with local organisations, our evidence shows that the current commissioning practice is failing in this area.

The basis, in terms of citizen engagement, is there to be built on.

C. Newham

Newham is the youngest, most hyper-diverse borough in London, with significant investment in physical regeneration around Stratford, Canning Town and the Docks. Population churn has always been high (about 20% per year), but the profile of those moving into the borough is now more mixed.

Community Links is an innovative east London charity, running a wide range of social action projects for over 14,000 people every year in Newham. Founded in 1977, it has a long history of championing social change by developing and running first-rate activities locally and sharing the learning with policy makers nationally. Currently, Community Links runs 25 social action projects,

including youth clubs and children's activities, advice services, employment and enterprise support. Its real success comes from the way the organisation works with citizens which they call Deep Value. Through their research and evaluation of their practical work they have established that strong one-to-one relationships release potential in us all, tackle need, build networks and social capital, and erode inequality. They are therefore promoting new ways of working focused on relationship building backed up by practical support and the transfer of knowledge. Community Links work led to the establishment of the Early Action Task force which is building a broad alliance of people from every sector, united by their desire for a society which acts earlier.

There is no CVS in Newham. Community Links supports new activities and groups through its community development and enterprise programmes, working closely with other key Newham organisations such as Aston Mansfield's Community Involvement Unit, the Renewal Programme and the Health Forum to fill the gaps in civil society infrastructure and to support community engagement and citizen activity.

The Newham Poverty Partnership brings further strengths to the area. Aston Mansfield has long term endowment funds which makes it independent and sustainable. The Partnership has established collaborative relationships of independent services working together with mutual respect and joint ownership of the local community buddies programme. In this way new ways of working are being jointly promoted. This shows what can be achieved but collaboration absorbs resources and remains underfunded. To take the approach further will require the statutory providers and private sector to bring their resources and support behind this new approach.

3.2 Conclusions

Working collaboratively is not an easy option and absorbs resources and good will. It requires enlightened leadership, demonstrable benefits to all those involved, joint ownership of the direction of travel and mutual respect for differences in culture, power and history. Evidence to the Commission confirmed that that it generated significant benefits. It has promoted new ways of working: ensuring that smaller organisations, in touch with citizens' needs, are valued and supported; co-ordinating a stronger and cohesive voice for the community; allowing

resources to be pooled and to be used more effectively; promoting early intervention; and building the Deep Value relationships that Community Links have shown to be necessary to release potential and people's own assets .

In order to further build collaboration, the practice of existing community organisations will need to shift. There is already evidence of this changing practice in our three study areas. But buy-in is also required from statutory agencies, private sector involvement, and London and locally focused philanthropists. This means

- engagement in acute communities at the earliest possible opportunity;
- understanding the community and its citizens as an asset not a liability;
- devolving resources, currently absorbed in the acute services to meet complex need, to community level; and
- transferring sustainable community assets to the benefit of the community.

Trust is essential to this kind of work. Working in collaboration with a local council or government department is as important as allowing a citizen to participate in that collaborative process. The citizen needs to know that someone in power is listening and that they can influence specific projects that the community chooses. So funders, business and service providers need to build long-term relationships and help those anchor organisations, which are already active and trusted, to further their work of community and leadership capacity building. Most crucially, supporting this new approach means a major change in how public social, health and economic services are procured and commissioned. The next chapter will look at the evidence the London Commission heard on this issue.

Our final report will contain recommendations for the different sectors on how to support collaboration.





CHAPTER 4: COMMISSIONING

4.1 Problems of current commissioning

Commissioning can involve dialogue, co-design and collaborative development of strategic investment in local public service priorities. Such collaborative commissioning, supported by the Social Value Act, allows for best-solution outcomes in specific neighbourhoods of acute need. It enables local anchor organisations to offer their ability to maintain relationships within the community, employ and build capacity among local residents, hold community intelligence and build communities. It is not always necessary to have competitive tendering but when there is tendering, the nature of the competitive process is also a matter of choice. Flexibility is encouraged by Social Value Act 2012 and by European Legislation.

However, current commissioning frequently destroys social relationships. Competitive commissioning is too short term and commissioning bodies tend to go for far fewer large contracts. Some corporate funders have moved to a more 'outcomes commissioning' approach and, while a focus on outcomes can be beneficial, this can lead to an emphasis on quantitative outcomes at the expense of qualitative outcomes and responding to ideas from local communities. All this ends up with a top down process of defining what needs to be delivered, sub-contracting from bigger national to smaller local organisations where citizens have no say in the service delivered, overly onerous monitoring requirements, fragmentation and privatisation.

The public tendering process is open to UK, global and European partnerships and in the main concentrates on economies of scale and profit, rather than small-scale not-for-profit. As public markets shrink, larger for-profit businesses are taking greater chunks of opportunities arising from the UK public sector, including the Skills Funding Agency, Lottery Fund, DWP, Cabinet Office and local authorities and health commissioning among others. The private sector is now dominant in providing services traditionally delivered by the public and voluntary sectors: 46 per cent of foster care, 34 per cent of special

education and 67 per cent of children's homes by value are now being run by the private sector. Overall, the voluntary sector holds only 9 per cent of local contracts by value. Only one in four small charities were satisfied with the relationship with commissioners in their local authority and only one in three were satisfied with health and social care commissioners^[1].

There is evidence that smaller micro-enterprises or community-based organisations provide higher quality services that helped their clients 'do the things they value and enjoy with their time'^[2] and helped them become more confident, independent and active in their community^[3]. But such smaller organisations need support from anchor organisations which are increasingly underfunded. Many local authorities are grouping contracts together to produce savings and reduce procurement and commissioning costs, thereby awarding large contracts to commercial, for-profit 'Prime' contractors. Current procurement and commissioning policy is a disaster unfolding both for those people who, given a local opportunity, would engage in socio-economic progression, and for local anchor organisations with successful track records but few and shrinking resources.

Current competitive procurement and commissioning is leading to:

- a loss of expertise when effective organisations lose a contract
- unjoined up services
- tick box mentality
- smaller citizen based organisations disappearing
- reduced community capacity
- reduced social capital

1 Whose Society? The Final Big Society Audit, Civil Exchange

2 <http://www.birmingham.ac.uk/research/activity/micro-enterprises>

3 Matthew Parsfield et al, (2015) Community Capital: The Value of Connected Communities, RSA

New approaches to commissioning require buy-in from active citizens in their community, agreeing desired and relevant outcomes, co-designing services that will achieve best-solution outcomes and then contracting through collaborative networks supported by the public sector and delivered through a trusted local anchor organisation.

4.2 Examples of other approaches

Chapter 2 has already shown how models like social prescribing, Well London and Early Action can lead to new forms of commissioning that start with the citizen clarifying what needs to be done and then supporting collaboration to deliver new solutions and build community capacity. The Commission were given two excellent examples of local authorities adopting new approaches in London and these are outlined in the boxes below. In both cases the the focus is on outcomes and the processes encourage collaboration and innovation. The Councils have processes of evaluating bids that put social value at the centre of considerations and thereby avoid simplistic competitive criteria. Both councils are also trying to embed these processes across the authority in all departments and to build capacity within the community to respond to this new approach to commissioning.

The Royal Borough of Greenwich

In July 2014, Greenwich Council agreed to start a four year, 2015–19, Third Sector Commissioning Programme. The four year commitment was unusual, giving the voluntary and community sector greater stability. The decision was swiftly followed by engagement with the sector on the Council’s plans through events and one-to-one appointments. The implementation of the Third Sector Commissioning Programme was considered to be successful despite having to implement a 10% reduction on previous years’ budget. The key contributors in its success are attributed to: delivery of key, honest messages at the outset on financial position and commissioning for outcomes; the engagement of sector in design of service outlines, good communication and internal decision-making processes, and a comprehensive capacity support programme to assist organisations with application process. The applications sought evidence and proposals for the delivery of services including their management arrangements, including:

- Quality, Equality and Diversity

- Where they will deliver the service and how users can access these;
- Partnerships arrangements
- How they will monitor services and details of the data management tools that will be used to measure outcomes, outputs and indicators
- And what added value is offered as part of the proposal.

In this way issues of access, quality, collaborative arrangements and innovation were promoted. An equality impact assessment was also carried out.

London Borough of Islington

Islington Council has understood the importance of starting with the citizen and the Council sees the voluntary and community sector (VCS) as key strategic and operational partners in delivering their vision and priorities for a fairer Islington. Their approach, therefore, focuses on continuing to build and develop strong, outcome driven partnerships between the whole Council and the VCS. In commissioning they commit to:

- Work in partnership across the Council and with other public bodies to establish joint commissioning arrangements.
- Review existing commissioning arrangements, monitor the proportion of contracts awarded to Islington-based voluntary and community sector organisations and identify opportunities where local VCS organisations could deliver in terms of quality and social value.
- Review current procurement and commissioning systems to make them simpler and easier to navigate and bid for
- To work with larger VCS organisations and encourage them to support consortium bids which unlock opportunities for smaller VCS organisations.
- Produce a user guide for the local voluntary sector to explain the process and ways in which it can benefit.
- Strengthen the value of community benefit and social value in the assessment of tenders.

- Provide advance notice to the sector of upcoming opportunities to tender.
- Build the capacity of organisations and offer brokerage services to help them access these funds, including helping them to cost and demonstrate the impact of their work.

These good examples contrast sharply with numerous examples of poor competitive commission, one of which is given in the box below.

The London Enterprise Panel, London Councils, the Mayor and the London Boroughs has been involved in negotiating the distribution of the London Growth Fund. Central London Forward^[4] (CLF) has been working in partnership with Local Councils, London Councils, the GLA, the London Enterprise Panel and government, to establish a joint project team to develop a time-limited, five-year initiative for Employment Support Allowance claimants in Central London. This will focus on those who have been unsuccessful at finding work through the Work Programme. At least £10 million will be invested, coming from London's European Social Fund allocation with match funding from Government. This money may well be used to add funds to the councils' troubled families programme, following local authority cuts. A little may find its way to funding the very successful employment programmes run by PDT and Community Links yet those that are close to the community have not been involved in any discussions despite the fact that the new programmes are described as 'locally led'. There has been no engagement with those on ESA who are meant to benefit from this programme. The commissioning process has resulted in uncertainty and delay and the loss and threat to key workers specialising in delivering employment support services to inner-city cohorts often ignored by Prime type operations.

4.3 Risks in collaborative commissioning

There are a number of risks in the new collaborative approach. The first is that however many resources are unlocked in the community, the impact of austerity and growing inequality are still forceful drivers. Research on social cohesion has shown that tackling inequality is an essential first step towards building cohesive and active communities. That is why the work of the London Fairness commission is so important. Those giving evidence to the Communities Commission emphasised that the voluntary and community sector and citizens need to be aware of the risk that volunteers being asked to plug the gap of declining statutory services. Community groups need impartial advice and support to be able to judge if they are being invited to assist in co-production or if a service is being dumped on them. Campaigning for more resources to tackle increasing need remains a very important citizen issue.

The second set of risks is that collaborative commissioning efficiencies create a cartel or monopolistic model of VCS delivery which will be in no-one's interests, least of all the service user. Structural decisions need to be made locally, highlighting inclusion, transparency and accountability. In this context Greenwich Council's guidance tools in the box above are helpful.

4.4 Commissioning in the pilot areas

It was suggested to the Commission that new approaches were required in the pilot areas to facilitate collaborative commissioning. In each Borough there could be a cross-sector partnership, or Joint Action Board, tasked with improving conditions for the most deprived communities in their patch. The Joint Action Board (JAB) would involve a network of citizen-based, trusted local organisations led formally either by the local authority, the council for voluntary service or equivalent for the area or by an independent local anchor organisation(s). Its membership would include representatives from the private sector, as well as from other statutory service providers. It would work with the statutory providers to a delivery Framework Agreement, with outcomes specified and agreed through local community engagement. As each area has a unique cultural and community identity so each Board would co-design services against local evidence of need. Youth, employment and other funds would be directed through such partnerships.

4 Central London Forward is the partnership of the eight central London local authorities: LB Camden, City of London, City of Westminster, LB Islington, Royal Borough of Kensington & Chelsea, LB Lambeth, LB Southwark, LB Wandsworth

Clearly there would need to be accountability and monitoring of each Joint Action Board but evaluation would focus on achieving agreed outcome so lessons can be learned and benchmarking encouraged. This is the type of commissioning framework that would build relationships within communities and unlock citizen assets.

4.5 Conclusions: Requirements for good commissioning

In the final report we will develop recommendations for the community sector and local statutory services on moving to collaborative commissioning. There will also be recommendations for National Government. The principles that underpin collaborative commissioning are summarised below.

- a) Start by asking what citizens need to achieve socio-economic well-being and then facilitate the delivery of this through funded services and organisational and community capacity building. Outcome based commissioning backed by capacity building.
- b) Statutory providers need to see local communities as assets not liabilities and adopt commissioning that is truly bottom-up, values, relationships and outcomes based.
- c) There needs to be honest and open communication that builds trust between the partners working in community-related sectors.
- d) Fund evidenced based interventions with clear outcomes and evidence around the collective impact of holistic services rather than the impact of one intervention.
- e) Encourage local collaboration that will push the vision – not just respond to contracts.
- f) Trusted host organisation or special purpose vehicle with good governance for co-ordination and support
- g) Better sharing of resources and support for new collaborations to respond to new needs
- h) Development of longer term contracts
- i) Balancing good collaboration with maintaining the independent status of small organisations is also central to sustainable success.

j) Micro-enterprises need access to dedicated start-up business support, and strong personal and trading networks within a locality to be able to survive. This type of support can be delivered by anchor organisations with good networks in the area.

Some of the key challenges that need to be met include:

1. Competitive procurement processes break down the trust built up in the sector and with commissioner and VCS providers. What legal frameworks and processes can be developed to deliver best value contracts, including bottom-up specification, on a negotiated basis?
2. Joint commissioning and bringing together services into holistic programmes fitted around individuals can lead to onerous reporting. How do we ensure good evaluation, responsible use of public money, partnership working and the reporting capacity of both small and large community organisations?
3. How can we develop partnership frameworks openly and fairly which maintain the vitality and independence of smaller community organisations with the emphasis of the greater role of anchor organisations?
4. Is statutory commissioning sufficient or is it becoming irrelevant given the scale of cuts at the local level? What can procurement and commissioning do to release funds from philanthropists?
5. Longer term contracts allow a level of continuity which supports community resilience. How can commissioning and procurement support a move away from shorter term contracts?





CHAPTER 5: FUNDING

5.1 Problems caused by current funding

This report has already noted the decline of public funds in deprived areas, both to the local authorities and to the medium and small voluntary and community sector. Declining funds impact on the ability of citizens to engage in new solutions, hence the decline in citizen activity and volunteering reported by the Civil Exchange in their Big Society Audit. The Commission was also told about a study of current funding resources in small to medium-sized voluntary organisations in two deprived areas^[1]. This found that, in deprived areas, the VCS is particularly dependent on the public sector which is now being cut so it is losing funds. But capacity and energy is being focused on service delivery (often to specifications laid down by prime contractors) and these small and medium organisations do not have the capacity or skills to apply for foundation funds. So, paradoxically, applications for foundation funding are declining in the very areas where it is most needed. The recommendations of these reports focus on the need to strengthen capacity, develop new business and financial skills within the smaller VCS organisations and fund more support for this sector.

The Commission was told by both private sector witnesses and funders that London as a whole is awash with money, physical and intellectual assets and resources. But just as unlocking community resources requires new relationships and new ways of working as outlined in previous chapters, so does unlocking corporate and foundation investment and funding. There is a perception that small community organisations go to corporates with a begging bowl for cash to support their current programmes. There has also been a tendency for some corporates to ask community organisations to take employees in team building programmes to complete some voluntary work,

such as painting a community facility, where this is not the priority task for the organisation, although more businesses are now focusing on skills based volunteering and the impact their support has on the beneficiaries. The voluntary and community sector needs to understand how best to unlock resources from the corporate sector and the corporate sector has to examine further how it produces social value, as do universities and housing associations which sit between the public and private sector.

Overall, the evidence to the Commission suggested that it was now vital for the corporate sector to develop its role. We did not feel that, based on the evidence put to us, some current efforts bore a strong enough relationship either to the ability of the sector to contribute more, or the need for it to do so. Specifically, we felt the sector needs to develop what we found to be a nascent understanding that, in today's economic and social climate, it is now essential for it to play its proper, fuller, proportionate role in its involvement in the local communities within which it operates across London. There needs to be a greater understanding and acceptance of the inter-relationship between the economic health of London's businesses and the local health, well-being and qualifications of local communities. Each is dependent upon the other and at a time of large scale reductions in resources by the State, some critical gaps will open up unless all sectors work together in ways not previously developed. This is an aspect of our work to which we will give high priority over the coming months and will report on further.

5.2 The role of the private sector and philanthropic brokers

There are obviously companies all over the spectrum from a philanthropic approach to a fully integrated approach to responsible business practice. It was clear to us that the private sector is gradually shifting from seeing corporate social responsibility as an add-on to seeing it as a fundamental principle at the heart of the company.

¹ An insight into the future of charity funding in the North East http://www.garfieldweston.org/_common/updateable/documents/2576d2e1-eb88-4a3d-b48c-525cd6fd82a3.pdf and An insight into the future of charity funding in Wales http://www.garfieldweston.org/_common/updateable/documents/2ecbbd0a-c6f9-4469-ba45-b1bccbe45170.pdf

Clifford Chance told the Communities Commission that legal firms are moving to a human rights approach which informs the whole way that they do business and how they deploy their resources to support deprived communities. The Commission heard how Clifford Chance gives £20m in pro bono hours to CVS organisations.

As part of this trend, businesses want to engage more with citizens in poor areas and support local citizens to become job ready and employed. Businesses are also initiating triple sector collaborations giving staff the opportunity to share their skills capacity building and looking at increasing opportunities for local SMEs and Social Enterprises to be part of their supply chains. The Commission also heard about how businesses are responding to the passion that young graduates in large companies are showing in relation to engaging with the voluntary and community sector. Many young graduates want a direct role and some control over their donated resources. They have to be motivated to give creatively and enabled to take an appropriate role that does not threaten the primacy of local community involvement.

However it is recognised that taking volunteers from corporates or discussing with them how both sides can best benefit from new relationships absorbs resources. Successful engagement must bring social value to the company, the volunteers and the community organisation. As demand pressure and lack of resources grows, the ability of community-led organisations to work together in collaborative networks and to engage with the private sector is squeezed, therefore an element of core funding is required from business not merely programme delivery costs. There is always a reluctance to fund core costs or to give unrestricted funds yet these are an essential foundation for all community organisations and crucial to enable them explore new ways of working and to build leadership and capacity within the community. Unrestricted funds are essential to research and develop creative solutions with citizens which will attract longer term funders. And sustainability requires longer term investment so resources are not diverted into numerous short term grant applications.

If the new approach advocated by the Commission is to succeed it requires improved understanding between the philanthropic foundations and Trusts, the corporate sector and the VCS sharing a renewed vision of a London built on aspiration and equality. We need philanthropic brokers, (community organisations with sufficient capacity to build relationships with funders and the private sector, negotiate funding and contracts and to cope with cash flow) and stewardship capacity (the Accountable Body

capacity to use the funds that are held on behalf of the community in a careful, transparent and responsible way that maximises their effectiveness and social impact and supports community capacity building). These could be the anchor organisations or the Joint Action Boards (JAB) advocated in this report, within which businesses will have a key role.

5.3 New Sources of Funding

Other funding opportunities that were brought to the Commission's attention are listed below:

- a) Social investment has a limited part to play as a change agent but provides opportunities to finance outcomes that can be clearly quantified on pilot programmes, albeit on near-conventional banking terms
- b) There is now an Early Action Funders Alliance which has resulted in The Early Action Neighbourhood Fund (EANF): a pilot joint-funding initiative between Comic Relief, Esmée Fairbairn Foundation, the Big Lottery Fund, The Legal Education Foundation, and Barrow Cadbury Trust. This type of funding opens up opportunities to further the approaches advocated in this report.
- c) The Mayor could re-design the new Olympic legacy precept, or support a new precept or tourist tax to build-up the Mayor's Fund for London and widen its brief to enable the Fund to support the citizen-led approach advocated in this report.
- d) £170m is locked up in dormant oyster card accounts.
- e) Big Lottery fund still provides long term support for programmes like Well London or the Early Action Neighbourhood Fund and is a key partner in any future funding strategy.
- f) The plastic bag charge has generated new funds from larger retailers. There is no legal requirement to pass the money on to charities, but most large retailers have chosen to do so and wish to spend the money on community benefit and environmental projects.
- g) Payroll giving needs to be re-energised.
- h) Many of the innovative citizen-led programmes outlined in chapter 2 received public health funds. These have now been cut for the second time in the recent Spending Review but their positive impact should enable some funding to be negotiated through councils and local Clinical Commissioning Groups.
- i) Housing Associations have some resources for this type

of work which supports their objectives of developing sustainable residential communities – sometime called Housing plus.

j) Universities can offer research and evaluation resources.

5.4 Towards a new funding model

The Commission is calling for new collaborative relationships within communities to unlock assets and build interdependence. It is also asking for new collaborative relationships in the commissioning process to move towards outcome funding commissioning with the outcomes defined and negotiated with Commissioners, Joint Action Board type partners and citizens. Similarly we need new collaborative relationships to bring funders together so that an anchor organization or local philanthropic broker can work with the private sector, the Mayor's Fund, trusts and foundations to build understanding on both sides. The Commission heard several options around how this could be organised. The options below are not exclusive and different areas might look to include elements of each option.

a) Islington Giving model

This model brings funders together on an area basis to meet joint objectives through a foundation, CVS or anchor organisation. In Islington, Cripplegate Foundation takes the role of encouraging giving and coordinating and meeting the administrative costs of the partnership, while smaller grassroots community groups are funded to deliver frontline services. Islington Giving is a good model which is being replicated in several London Boroughs but there will be some constraints in its reproduction. Many areas do not have a dedicated local foundation like Cripplegate to lead a consortium approach. Cripplegate has also led on the Islington community chest so has a track record of facilitating small VCS organisations. It also has very good working relationships with the local authority and there are wealthy residents who can deliver new sources of giving.

b) Community endowment fund for each area

This is an attempt to build new funds over the long term. It again will be easier in areas which have wealthy residents and companies that are willing to contribute cash funds. It may be the way to build a Cripplegate type foundation in wealthier catchments which currently do not have this infrastructure. It is a possibility in an area like Haringey, with its wealthy residents in the West, but which at this point does not have a philanthropic broker in the East that

can play the stewardship role and build relationships with the corporate and grant giving charity sector.

c) Development Trust

Development trusts such as Coin Street or Westway Development Trust which were donated substantial land assets can be sustainable. The assets need to be able to generate income. Both PDT and Community Links have been more resilient because they own some limited assets. A number of outstandingly good third sector organisations have gone under in the last year due to end of leases and rising rents. Locality, the national network of development trusts and enterprising community-led organisations, also gave evidence to the Communities Commission. They act as facilitators or catalysts for wider community action, often through their physical assets, for example through hosting smaller organisations in their buildings, but also by convening different interests and providing an important infrastructure role for others. Their evidence spoke eloquently of the important role of community anchor organisations.

d) Company/community partnership

The private sector witnesses were clear that if a partnership of voluntary and community organisations came to the firms with a co-ordinated proposal about how they could jointly contribute to improved community outcomes, this could result in a more developed offer. The proposal in Chapter 4 for a Joint Action Board in each area fits in with this approach. Part of the role of such an organization would be to work together, maybe through private sector board members, on a developed offer to unlock corporate resources.

5.5 Conclusions

Our final report will develop the arguments above into recommendations for all the sectors.



CHAPTER 6: THE NEXT STEPS

This report will be sent back to all the witnesses who attended Commission meeting and all those who submitted written evidence. The Commissioners would welcome comments on the evidence and views on the recommendations that should be contained in the final report.

The Commissioners will also be drafting short reports and recommendations to start a discussion with key stakeholders. Given the election of a new Mayor in London in May, we plan to start with a short report for the Mayoral candidates to encourage them to clarify their commitments in this policy area before the election.

If you would like to comment on this report of evidence please contact Fabian Sharp (Fabian@pdt.org.uk).

Appendix A

Commissioners

Sir Stephen O'Brien	Chair
Sir Sam Everington	Public Sector
Christine Mead	Public Sector
Lucy de Groot	Public Sector
David Adair	Business Sector
Paul Buchanan	Business Sector
Guy Insull	Business Sector
Eithne Rynne	Voluntary Sector
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Geraldine Blake	Community Sector
Neil Johnston	Community Sector
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