

14 January 2008

Mrs Christine Stevens
Executive Member
Safer & Stronger Communities
Surrey County Council
County Hall
Penrhyn Road
KINGSTON UPON THAMES
KT1 2DN

Dear Christine

Surrey CVYS Comments on Draft Strategy

Surrey CVYS welcomes the County Council's production of a Draft Strategy for its working with the Voluntary Sector. Moreover I would like to acknowledge and pay tribute to the considerable effort that you personally have put into the consultation process through your involvement in the conferences, workshops and meetings that have been held. The same also applies to Richard Shaw and to members of the project team.

We are also grateful for having had the opportunity to have engaged in a closer dialogue about the current Draft through the SCC/VCS Strategic Working Group.

Surrey CVYS remains keen to participate in any future forum where issues relating to the voluntary sector's contribution with children and young people are discussed.

Notwithstanding these positive comments, you will not be surprised to know that we are fairly critical of the length and style of the Draft and, more importantly, of its lack of vision and of any detailed statement valuing the contribution of the voluntary sector. There are also serious criticisms of the Connexions funding process which has caused great disquiet in the sector and, I fear, undone much of the good work you have undertaken in developing this strategy.

These, and other comments, are set out more fully in the attached formal response which was approved at a Trustees' meeting on 8th January.

I know you will take these comments in the constructive way they are intended and I reiterate our continued wish to work closely with the County Council.

Yours sincerely

DAVID HYPHER
Chairman

Enc



Surrey Council for Voluntary Youth Services

Response to Surrey County Council's

Consultation Draft Strategy for Working with the Voluntary Sector

The County Council has sought comments on its Consultative Draft Strategy by 14 January. A summary of the Draft Strategy was included in Youth News, which has a circulation of 2,800. This response follows discussion at a Trustees meeting on 8 January, and therefore represents the considered views of Surrey Council for Voluntary Youth Services.

Principles:

1. Surrey CVYS welcomes the fact that Surrey County Council (SCC) has produced a draft strategy, and thinks this can only help relations between the statutory sector and the voluntary and community sector (VCS). In particular we recognise that the financial pressures on Surrey CC from its reduced Government grant create commensurate pressures in the VCS to do more with less resource, and to respond positively to the demands of performance management, and accountability. Surrey CVYS is aware of the latest Government settlement for the Formula Grant and Area Based Grant for Surrey. However it is important that relations between the sector and SCC do not become obsessed with the limiting effects of financial availability, and compliance with performance targets, to the neglect of the positive and innovative contribution that the sector can make.
2. We also recognise the inevitability of the thrust to fewer, larger contracts as funding organisations such as SCC reduce the number of interfaces to manage, and associated transaction costs. This is exactly what Surrey CVYS members are now experiencing in the reduced funding from Connexions, and in the reduced number of contracts.
3. We applaud the strenuous efforts that Cllr Christine Stevens as portfolio holder, Richard Shaw as Chief Executive, and other members of the project team have made to engage with the VCS through conferences and workshops. We recognise this to be a genuine effort to put right past errors, and hope that this will be part of a longer term engagement process. We are therefore particularly pleased to have had the opportunity to work with the County Council in the VCS/ SCC Strategic Working Group looking at how the current Draft can be developed.
4. Surrey CVYS is a "second tier" or infrastructure organisation supporting its 75 member organisations providing services to some 60,000 children and young people a year. Its distinctive contribution is the focus on children and young people aged 5 to 25, and CVYS is very pleased to play a contributing role in the Children and Young people's

Partnership at both county and area level. We are already working with some of our members to encourage joint bids, and more collaborative working. Surrey CVYS would also be pleased to participate in the Surrey Strategic Board, if invited to do so, on which there are now three places for the voluntary, community and faith sector.

Overview of Draft Strategy

5. We believe the Strategy would benefit from being :

- **Value driven:** The VCS is not simply a cheap version of the public sector, but one which has its own distinctive character, and this should be reflected in the opening paragraphs.
- **More Visionary:** Moreover whilst SCC funds some 500 VCS in Surrey, the sector as a whole is much larger – around 5,000 – and this too should be reflected in the opening remarks. The strategy would have benefited from a mutually agreed sense of vision about the direction to which the sector in Surrey might evolve, and in which the benefits of the VCS as a whole are recognised.
- **Shorter:** the Executive summary is probably about the right length, and certainly some of the detail needs to be removed to an appendix.
- **More Realistic** about its Scope: the document reads as a County Council strategy about its new funding regime (from grants to contracts) and various internal performance improvements (the SCC spreadsheet of recipients of funding).

Whilst we are aware that the Council's ambition and intent is to engage more widely with the sector, the short timescale for its production has meant that partners - Police , Primary Care Trust(PCT), and Borough Councils - have had little involvement. This means that the VCS faces a succession of similar plans, rather than a single strategy on a shared basis. It is suggested that :

- a) **either** the focus is deliberately and clearly narrowed to SCC's interactions with the sector alone, **OR**
- b) more time is taken to build a coalition of support for a broader based strategy, involving other partners,

Detailed Comments:

6. Our detailed comments are as follows:

a) Funding:

- Proposals are broadly welcomed, especially the move to three year funding,

- The shift from grants to contracts is again broadly welcomed , but this needs to be applied flexibly, for example this might best be done by an agreement outlining the relationships and objectives with an appendix detailing the contractual terms, tailored to the service in question,
 - A prescriptive, one size fits all approach should be avoided, as there will still be instances where innovation and new service is best stimulated by a grant,
 - Full cost recovery is straightforward to advocate, but difficult to apply, and short and long term perspectives may result in contradictory results. For example the treatment of central support costs and inflation may differ between VCS organisations, and whilst this may benefit the commissioner (SCC) in the short run, it may lead to the loss of smaller, more innovative VCS organisations in the longer run. (See *HM Treasury - "Improving relationships with the Third Sector: Guidance to Funders and Purchasers"*, May 2006)
- For many CVYS members the Draft Strategy is inseparable from current financial realities, which are bruising.

Our Chief Executive raised our concerns about the confusion relating to the Connexions funding in a letter to Nick Skellett of 8 Nov. It was evident to us that the consequences of changes to funding and contracts had not been thought through, despite the best efforts of the sector through the Connexions partnership.

In the absence of new contracts, notice of expiry of the existing contracts(to March 2008) had to be given to some 34 voluntary sector Professional Adviser staff on 18 Dec. creating great personal uncertainty for staff, and without any indication of future prospects.

Expressions of Interest were eventually sought on 4 December with a closing date of 12 December. The actual outcome of the contract bidding process is still not known as at 11 January. There has therefore been both a continuing uncertainty, and a lack of transparency in this process, especially in relation to the work which has apparently been reserved for VT.

SCC needs to be aware that this process has caused great disquiet in the sector, principally because of its lack of transparency, and because the processes have been in clear breach of several elements of the Surrey Compact.

This is all the more regrettable because of the good relationships that had been built up in the Connexions partnership.

b) Volunteering :

- The encouragement to internal SCC staff to volunteer is welcome, and we commend our own web site - Doyouthwork.com as a place to go to learn more about youth work opportunities.
- The emphasis on the Volunteer Bureaus (VBs) is also welcome, but this is also a significant issue for borough councils as co – funders of CVS and VBs.

c) Infrastructure proposals:

- Surrey CVYS is currently in the second year of a three year funding agreement. Whilst Surrey CVYS is confident of its contribution and value to SCC, **full tendering** would potentially be challenging, and we would welcome early discussions about the prospect of full tendering for its infrastructure role from April 2009.
- Surrey CVYS has a unique focus on Children and young people in Surrey and we believe that this is welcomed by our members and statutory partners alike.
- The fact that the Astolat lease has at long last been signed by SCC is welcomed and the tenants have imaginative proposals for the exemplary “green” use of the building

d) Engagement proposals:

- This is the weakest section of the Draft Strategy. Many of the statements here just relate to internal management issues for SCC, and are neither strategic nor partnership focused (such as SCC monitoring its own performance on Compact compliance, VCS contracts)
- The concept of “engagement” should be about how the Council can interact with the VCS, and about how the VCS can engage with, and represent its own clients and communities. This does not come across.

What `s Missing?

7. Surrey CVYS is disappointed that there is no mention of its extensive contribution to working with children and young people. This should at least be picked up in the suggested new opening section about the value, and contribution of the VCS sector in Surrey.
8. There is no mention of quality or social value in the Strategy, and yet it is clear that funders like SCC, and providers like Surrey CVYS will need to get better at the mechanics of service spec. commissioning and delivery. This has for example been the subject of a recent Government publication (See “*Why measuring and communicating social value can help social enterprise become more competitive*”. Cabinet Office. Nov 2007)

9. One way of the public sector and the VCS to understand each other better would be to encourage joint training, work shadowing, and indeed secondments between the sectors.

Conclusion

10. Surrey CVYS welcomes the Draft Strategy, recognising it as a serious effort to engage better with the VCS. This effort will need to be sustained over time as an ongoing partnership, and not a one off event, coinciding with the JAR and the CPA.
11. The financial challenges faced by the County Council and indeed of other major public authorities like Surrey PCT and Surrey Police will of course impinge on the VCS , but the approach should be of long term collaboration, and not short term exploitation which would diminish the capacity of the sector. In this respect there is much to be learnt from the Connexions contracts process which has been less than ideal, and in the perceptions of the sector undermined much of the good work of the County Council's VCS Strategy.
12. The shift to long term contracts of a three year duration, is welcomed, as this will provide the sector with some continuity, but this does need to be applied sensitively, and grants still used to encourage innovation and highly localised or specific services.
13. Overall a shorter, more focussed document would be valued that described a long term vision for the County Council's dealings with the sector, and recognising its value including that of Surrey CVYS. For our part we are keen to play a positive role in contributing to a more mature relationship between ourselves and the County Council, in our joint commitment to the children and young people, who are the only ones who really matter.