



Croydon Voluntary Sector Alliance

THE COMMUNITIES RENEWAL PLAN – JOINT VCS STATEMENT

Thursday 21st October 2021, 10:00- 12:00, Online

Welcome and introductions: Steve Phaure, CVA's CEO introduced the event

Croydon's Mutual Aid, Food Banks and the wider Croydon's Voluntary and Community Sector (VCS) played a gargantuan and central role during the pandemic which was recognised at the most senior level in the borough and we were told there'd be a shift in resources towards the VCS. However, the council ran into financial crisis and the conversation nearly flipped from investment to de-investment. Consistently we've made the case over the last year that any short term impact on our resources, that have been stretched already, is going to significantly impact on the medium and long term. Looking longer term towards recovery we have a big role to play and this sector is up to it but we must do so in partnership not only with the council but also the NHS so we want to work together constructively on commissioning for this year and beyond.

About 10 months ago the council decided to delay cuts so VCS groups commissioned through the Community Fund were written to, it was too late for some who had already gone into discussions with the council. Rent subsidies were planned to be withdrawn but following the representations we made the council have kept rent subsidies. In a recent meeting with The Leader I was given a positive indication that rent subsidies will remain. We live in uncertain times and following the Joint Voluntary & Community Sector Statement CVA and our community partners made (attached) The Leader has written in response (attached). Decisions on Council budgets have been postponed at cabinet this week but will be made at the cabinet meeting on 6th December before public feedback is invited.

Croydon Council – Renewal Plans - Community and Economic Recovery Plan for Croydon - Council budget-setting process & VCS Funding 2022/23

- Gavin Handford, LBC Director of Policy & Partnerships

Budget process- we had intended to bring budget proposals to cabinet this Monday but that's now delayed until 6th December. There were two key items on Monday for public consultation, Purley Pool and Council Tax Support Scheme.

The council is in a period of significant financial challenge. We have a £50 million capitalisation agreement this year enabling the council to balance the budget for 2021-22, on top of £70 million last year. It's the largest capitalisation agreement that the Govt. has provided to a Local Authority. The condition of this agreement is that the council delivers £44 million worth of savings in 2021/22 financial year. The Council is on track to deliver these savings including a small underspend forecast but there are some significant financial risks.

In order to set a balanced budget for 2022-23 the council needs to make additional savings of £38.4 million and will still need a further capitalisation agreement, discussion is ongoing with MHCLG.

Reduced spend across council so next year we're budgeting for a £400,000 reduction to the Community Fund. This is on top of the £38.4 million of savings that the council needs to make.

However, Adult Social Care is working towards direct payments to the VCS and this has far more value than the Community Fund. Total Community Fund for 2021-22 is just short of £2.3 million so with the reduction of 400,000 there will be £1.863 in 2022-23. This does not cover the VCS services funded outside of the Community Fund. By the end of this financial year we need to notify you of the cuts you'll each receive in the Community Fund to allow for the 3 month notice required. I will be writing to each of you in the next couple of weeks with our savings proposal to allow you time to respond and tell us the impact.

Steve: For some clarity on the process, letters will be sent to groups in early November to propose savings. On what basis will cuts be made? Has the consultation you conducted last year on the impact informed the decisions on where the proposed savings will be made?

Gavin: A large number of responses said, "don't make the cuts" and that's something we have to do. Some said make the cuts a small amount from a number of contracts and we think that's the right approach too. As you can imagine the priorities, we set out in the VCS Strategy that informed our commissioning of the Community Fund needs to be revised in light of the council's current financial position. We are working on the revised VCS Strategy and will share that with you soon and ask for your feedback.

Steve: So the proposed cut to the Community Fund of £400,000 is on top of £38.4 million savings needed?

Gavin: In the budget papers in March, we delayed the cuts in the short term but included further savings in the medium term from the Community Fund on top of the further £38.4 million savings needed. It's challenging for us to find savings and if we don't Commissioners with no local knowledge will make these decisions.

Steve: There are choices that have been made over where savings can be found which suggests there are still choices that can be made to avoid VCS cuts. The Leader will be seeking public feedback on initial proposals going to Cabinet in December.

Discussion:

Maddy Orobator: Croydon will have an elected Mayor at the next local elections in May 2022. What will be the impact of the election result?

A: Yes, that will come in next May. What the impact will be will depend on who that Mayor is. In the mean time we need to set that balanced budget by March. The new Mayor may want to set an emergency budget when they are elected.

Comment: Marilyn- As a resident on many panels the information provided today has helped bring it all together for me so thanks to Gavin.

A: Pleased to hear we are giving consistent messages

Q: Lisa and Kelly, Croydon Neighbourhood Care Association (CNCA)- I'm hear as an umbrella body for many groups in this meeting supporting the over 65s doing an incredible job on very small budgets- mostly operating with volunteers. My concern is that cutting their budgets will have the impact of putting older people back in the system. Short term savings now will cost so much more down the line. If you cut these services they cannot cover their core costs. These are old people who have paid in to the system. We are already seeing the impact- loss of staff, safeguarding concerns as we can only stretch so far.

A: Recognise the issues and challenges that you are highlighting. However, we need to look beyond the council to fund this work, there are other funding sources.

Q: Rob- Considering this isn't going to Cabinet until 6th December and there will be consultation after that, how can Gavin be writing to groups to let them know their funding will be cut? Is this just going to cabinet for information to be rubber stamped and the decision has already been made?

A: The £400,000 reduction is built into our financial strategy for 2022-23. The VCS has told us that advance notice is helpful and that's why I'll be writing to you. If a different decision is made about what not to cut, another decision will be needed about where the savings are going to come from to get that balanced budget for 28th February 2022.

Steve: It does show that there are choices that the council can still make.

Q: Rowenna Davis, Mutual Aid & Accommodation Action- We know that if VCS services get cut there will be much bigger implications for statutory services later on, £5 spent in prevention may save £500 down the line. How is the council measuring what the extra financial impact will be if you cut prevention? Is that being featured and if so how?

A: The council has invested significantly in prevention services over the last few years, how we make those cuts will be based on discussions with the relevant services and on the potential impact of the cuts.

Q: John Gilhooly- £400,000 represent 18% and you've mentioned priority services so some cuts will be big. Is there any advice CVA and council can give us on which funds to go to dependent on your activity?

A: Regular newsletters come out from the infrastructure groups on funding opportunities.

Steve: A further challenge is that external funders look favourably on partnership bids when they are supported locally what they won't do is fund things that the LA has stopped funding.

Q: Andy Stranack- I wonder if Gavin could outline the wider impact to the VCS - Asset Disposal Strategy, Rent subsidies etc.

A: The Govt. expects the council to sell assets which includes community buildings. Infrastructure groups are notified when assets are being disposed of so they can notify groups with an interest in a purchase. In case of rent subsidy, funded through CIL this year, we are doing a budget review and hoping to continue that. We are still working through the budget process and I'd encourage everyone to read the papers which will be published on Friday 26th November on the council's website and feedback any impacts.

Q: Jennie Blake, PACE- Do you know roughly what percentage cut will be made? Our 3 year funding ends in March 2024, what will happen after that, will we be reapplying next year as normal or will there be no funding in 2024?

A: We have started to consider the recommissioning process, however, we want to conclude the funding situation for 2022/23 first. In Spring, we aim to start the process of discussing a commissioning framework for the future Community Fund to give you as much time as possible in advance of the 12 week tender process. Working on the basis that decisions for 2023-24 will be shared in September of next year.

Q: Lisa & Kelly, CNCA- Can the letter from Leader be circulated to us all?

A: Attached following approval from The Leader

Q: Marion, Pathfinders New Addington: Goldcrest Youth Centre in New Addington is for sale, a group of VCOs put a bid in and we have yet to receive a reply. Rent subsidies are how we survive. Our group was going to close on 30th of this month. Whilst we are purely voluntary this rent subsidy is the difference between us being able to support 15,000 people and numerous groups. I want you to understand the impact that your decisions are having on communities.

A: I'd be grateful if you could forward that bid to me as VCOs should have every opportunity to feed in. I'm sorry that hasn't worked, I will pick that up.

Comment: Rob Elliott Chair snwca- If CIL funding can be used to subsidise rent for groups why can't the same funding be used to offset the £400,000 cuts? Where do the Prevention groups stand? There is a chance that organisations are going to be issuing redundancy notices to their staff instead of Christmas cards.

A: Not all Local Authorities provide rent subsidy. The CIL pot is one off and we are required to spend it on infrastructure e.g. new roads. Within there is 15% for community use. We are reviewing CIL funding and there will be multiple demands on it, I don't know how they'll allocate it. The Prevention Fund was moved into the Community Fund so the figures I've quoted are for both.

Steve: Process is to being in early November, I'll follow up and link with what you've told us this morning. I understand 15% covers the £250,000 that goes towards rent subsidies but the

whole of that £2 million in the CIL potentially could be used and we need some transparency on those choices. One of least transparent process the VCS has tried to access is the S114, for development. You mentioned at the beginning that you're on track and there's some underspend, has it been considered that you use that underspend to reduce the VCS proposed cuts?

A: There is £86,000 underspend, which is significantly less than 1% of our budget. There are significant risks and we're not able to count on that yet as there is still 6 months to go.

Q: Norman, Addiscombe Neighbourhood Care: We were told there'd be no further spends from the council whilst finances are resolved. Seems strange whilst we're being cut the council is still commissioning new services, BME PIC service for example. It's no good having a PIC service with no groups to refer to.

A: Formal S114 notice is very strict which says 'no new spending- stop now' as we were forecasting a £68 million overspend and we had to address that. Once we balanced the budget the restrictions have eased so that we can use ring fenced monies, One Croydon budgets etc where we're acting as the Commissioner. If there's specific concerns do send them over and I can get more information.

Q: Jasmine, Selsdon Contact- Much busier than we've ever been and clients have lost faith in the council as they can't get through. The cuts will have a huge impact on us. Thinking about the umbrella groups, CNCA and CVA, have been really helpful. It concerns me that the umbrella groups who assist us are being cut too.

Comment: Elaine Harrison- As an organisation working with Croydon residents but not based in Croydon we are appalled at these cuts as the voluntary sector did not cause this financial catastrophe yet is being made to suffer the consequences of it. I am sure there are other ways to make these savings and perhaps the Council could take advice from CVA and VCS.

Comment: Elizabeth Ash, CCC- The funding emails are council funded and are being cut too

Comment: Venessa Bobb- My concern is for the 18 plus and elderly autistic people that constantly get overlooked.

Q: Andy Stranack- What is the impact on infrastructure groups as Jasmine asked?

A: The infrastructure groups are in conversations about reducing the funding they receive. Counter arguments are being made about the impact of those cuts. It would not be appropriate to give any further detail on individual contracts in an open forum.

Comment: Maddy Orobator- The Localism Act allows us to consider alternative to a cuts Agenda. The local elections could change everything not least a new Mayor's priorities as Gavin stated.

Q: Elizabeth Ash, CCC- Not sure if I missed it at the beginning. Given the deep concern and impact of these cuts is there a reason why the Cabinet member responsible is not on this call?

A: We're told there was a clash for this morning and will be doing everything we can to ensure the cabinet member can make the next meeting.

Q: Inaspectrum Adult Autism- Are communities looking outside of Croydon for funding to make the pot bigger and lessen demand on Croydon council.

Q: Norman Addiscombe Neighbourhood Care & CNCA- we are in health prevention so whilst we hear there are financial challenges we need some join up thinking to support the grass roots prevention activity as once stopped it'll be a huge task to re-start.

Steve: There is a VCS Commissioning Framework being worked up by Rachel Soni who's serving as Commissioner at the moment giving us that opportunity for join up.

VCS Joint Statement: Steve- I'm conscious there are groups on this call who would be happy to add their name as signatories. When I write on behalf of the VCS I can only add the names of those who are part of our CEO network but I'd welcome any additional signatories and also glad to hear any responses to The Leader's letter to be included in the response.

In the system if, as we understand it £100,000,000 is being re-commissioned why can't the £400,000 be found to prevent the disruption that will ensure at the grass roots. We need answers and transparency to stop the disruption so we'll carry on making that representation and will be stronger with your support.

Croydon Communities Renewal Plan

See Gavin's attached presentation on recovery plans

Steve: When we first fed back to you on the proposed cuts about 10 months ago at the same time we were coming together on the Communities Renewal Plan and VCOs in this room were coming together on serious violence, mental health, food poverty and localities which is a piece of work running alongside and connecting with all that's going on in City Hall. These are the issues we as a sector have been trying to influence.

Gavin: Local Strategic Partnership (LSP) has been very effective in Croydon and whilst others have stood their LSP down, in Croydon we've maintained that as a positive approach to joint working. As we start to think about recovery we start to look at the impact of the pandemic and what needs to be done and the LSP is the place to discuss social, economic impact of covid. The Mayor of London (MoL) has published 9 missions for recovery- the high streets, strong communities, digital access for all, a green new deal, young people, healthy food and weight, good work for Londoners, robust safety net, mental health and wellbeing. We've been working across the LSP to get the Croydon version of these 9 recovery missions. We'll be running a workshop in November checking with all partners that we've captured the right issues and addressed where we need to do more. We'll ask this to be shared more widely so that grass root input can be gained. The Communities Renewal work is part of these plans, across the 9 missions, so we're helping you to access those MoL funds. We're not out of the pandemic yet and need to be adaptive within our recovery planning.

Steve: It's important within the challenges that we retain that long term strategic focus. We have CVA and a few others at the LVP but there are many others to hear from and the Communities Renewal Plan enables us to hear from many more.

Healthy Communities Together

- Sarah Burns, CVA Head of Communities

One Croydon's Localities Operating Model- shifting the power and resources to local people, presentation attached.

Over the last year CVA and Community Led Support in the council have been inviting VCS grass roots groups and people to quarterly Local Community Partnerships in each of the 6 localities to:

- Celebrate and share knowledge about what's working well
- Identify and discuss challenges
- Make and strengthen connections and explore partnership working
- Develop an Action Plan to work on before the next event

Please do get involved in your LCP, see programme of events attached. The plan is to have Community Builders in each locality so that they can bring the local intelligence and insight from neighbourhoods into locally owned community plans with commissioning devolved and accountable to LCPs.

Edwina, Chair of LVP Board- There's some really good opportunities here for VCS groups to influence and make a real difference for local people. LCP are really essential as we can hear from VCOs and join that up with Health & Social Care Multi-Disciplinary Teams (MDTs). It's really exciting work.

Norman, CNCA- Really important we don't lose sight of existing work. We need to make sure people don't fall through the gap of losing funding before other funding is available.

John Gilhooly, Neighbourhood Watch- LCPs are really important. Can a guidance note be circulated on what funding is available?

A: CVA's newsletter frequently has a funding focus. To subscribe to this list please click on this link: <https://cvalive.us3.list-manage.com/subscribe?u=2997e36d9b6764383e6a870fc&id=19ebc20bab>

Steve: The Local Community Partnerships are all about local democracy and with Steve Reed MP we will be meeting on 5th November, 10.00- 13.00, for the The Charter for Community Control Conference at Croydon College. Please book your place here: [Charter for community control conference Tickets, Fri 5 Nov 2021 at 10:00 | Eventbrite](#). Directions to follow.



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