

APPENDIX 1

Strategic Development Plan for The Third Sector in East Renfrewshire

August 2012

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Executive Summary

As the second largest employer in Scotland, the Third Sector is a major economic force delivering a diverse range of public services that help to build communities and support vulnerable groups. A prolonged global recession and an aging population have seen an increase in the demand for services at the same time that public sector spending is under pressure. This has resulted in an increased expectation of the Sector from Government and pressure on public sector purchasers to spend local.

The Sector in East Renfrewshire reflects the national picture in terms of diversity and employer profile, however, evidence from the most recent Health Check undertaken by Voluntary Action East Renfrewshire (2011), suggests that the sector is lacking capacity to take advantage of the opportunities that developments at national and local level have created.

This 'Strategic Development Plan for The Third Sector in East Renfrewshire' outlines the local and national context and promotes a pathway to support and encourage growth and to build capacity for a robust Third Sector. Recommendations include:

- Development and implementation of the Third Sector Development Pathway
- Access to general and customised support packages and dedicated training focusing on
 - Enterprising activity and sustainability
 - Tendering and Procurement
 - Sustainable Growth
- Development and expansion of the East Renfrewshire Third Sector Graduate Internship Programme providing business expertise to organisations on a project basis
- Further development and promotion of the Third Sector Forum ensuring greater opportunities for networking, co-production and influencing service design and delivery in line with increasing demand and expectations.
- Dedicated resources for maximising the economic potential of the Sector

This Strategic Development Plan is recommended to East Renfrewshire Council Cabinet and Community Planning Partners for approval and for wider consultation with organisations in the Sector. A finalised Strategy will be agreed in Spring 2013.

1. Introduction

The purpose of this document is to provide a framework for developing the Third Sector in East Renfrewshire as a core component of the local economy and strategic partner in the design and delivery of local services.

The document outlines the political and economic context of the sector and sets out a plan for encouraging growth, building capacity and supporting enterprise.

A strong, diversified and entrepreneurial economy in East Renfrewshire will help ensure that there are opportunities for residents in the future while also protecting and developing vital services.

2. Vision

Our vision is a strong, vibrant, independent and diverse Third Sector. We aspire to have a third sector;

- Which is innovative and has the capacity to build on and create new opportunities
- Has access to appropriate training that will increase the skills, capacity and resources of our already flourishing Third Sector.
- Has access to an interactive pathway of supports that will grow and change according to the needs of the sector ensuring that Third Sector organisation in East Renfrewshire can thrive and grow as equal partners to public and private service delivery agencies.

3. Context

3.1 National context

The contribution of the third sector in Scotland is significant. In 2009 (the most recent year where statistics are available) an estimated 45,000 third sector organisations generated £4.4 billion towards the Scottish economy. 1.2 million people volunteered in 2009, a participation rate of 28%, which Volunteer Development Scotland estimates has an added value of £2.1 billion. Approximately 137,000 people were employed in the sector in 2009¹. However a recent study by the Third Sector Research Centre found that there has been a significant drop in employment in the third sector in Scotland, particularly in female employees.

The Scottish Concordat developed in 2007 between Scottish and Local Government is based on mutual respect and partnership working. It highlights the need for a similar relationship to be established between the Third Sector and all levels of Government. Severe pressure on budgets of Public Sector departments, Third Sector organisations and community groups combined with increasing demand and demographic trends make innovative, collaborative approaches between sectors essential to designing and delivering services.

Since the development of the Concordat, the recession has had a lasting impact on the delivery of public services and has further demonstrated the need for collaborative approaches in service delivery. The *Christie Commission Report on the Future Delivery of Public Services*, released in June 2011, emphasised that “unless Scotland embraces a radical new collaborative culture throughout our public services, both budgets and provision will buckle under the strain”. The report concludes that partnership working and co-production is essential in the changing face of service delivery and that the third sector plays an integral part in this role.

¹ Source: SCVO

3.2 Local Context

Changes to the funding structure of Third Sector supports, introduced by the Scottish Government in 2009, created a network of **Single Interfaces** in each local authority. In East Renfrewshire, Voluntary Action East Renfrewshire (VAER) has served individuals, voluntary organisations and community groups in the area for more than twelve years and as such was appointed the Single Interface by the Scottish Government in 2009. VAER's function is 'To empower people and communities through the development of volunteering and voluntary action'.

Whilst VAER is not the only support organisation operating in East Renfrewshire, they provide a single access point for all third sector organisations or groups to identify the right support from the most appropriate agency. VAER is tasked with the provision of strong, coherent and cohesive representation for the Third Sector on the Community Planning Partnership which is achieved principally through the development of the Third Sector Forum.

The recession has had a significant impact on East Renfrewshire's economic landscape. A growing population, increased unemployment and a rapidly aging population has placed significant demand on public services. Partnership working and co-production to provide these services has been recognised as essential.

The changing nature of service delivery at local level is already evident with a "Compact for East Renfrewshire" currently in development which will strengthen and support existing structures for partnership working. The Compact will further highlight and support the Council's Community Engagement Framework and commitments to adopting a co-ordinated and inclusive approach empowering communities to strengthen their voice in service delivery and design.

Third sector organisations are well placed to recognise the needs of East Renfrewshire's communities and deliver these services. This will enhance the achievement of the priorities set down in the Single Outcome Agreement.

3.3 Shape of the Third Sector in East Renfrewshire

East Renfrewshire has a diverse third sector (see appendix A) with a large number of small organisations but dominated in funding terms by a subset of larger organisations. (Appendix B is a snapshot of employment from respondents).

Feedback from the healthcheck survey indicates that approximately two-thirds of organisations have an income of less than £50,000 a year.

Although the sector is diverse, with a variety of groups working in different areas, there are noticeable trends in the communities they target. Many organisations exist to benefit the public in general and do not look to target specific communities. Of those that do work with specific communities, 'older people' is the largest target group, with 32% of organisations focusing on older people. East Renfrewshire has the fastest growing population of older people in Scotland relative to size. The demand for older peoples' services is likely to increase as the demographic of the area ages. Children (5-13) and Youth (14-25) are the next largest with 16 and 13 organisations, respectively, targeting these communities. With some of the best performing schools in the country and a competitive housing market, East Renfrewshire is an attractive area for families with children and the demand on these organisations is also likely to grow as more people set up home here.

A growing population presents opportunities for a growing third sector. Feedback from the healthchecks indicates the respondent organisations have 1464 volunteers (see appendix C). With an estimated population in East Renfrewshire of 90,000 this is a participation rate of 9.7%. This number does not take into account those organisations that did not respond or

those who volunteer out with East Renfrewshire e.g. in Renfrewshire or Glasgow. This is significantly lower than the Scottish average of around 28%. With many organisations seeing the need to expand their services but pinpointing capacity as an issues - volunteer positions in East Renfrewshire increasing by over 50% between 2010 and 2011 (see Appendix D) - opportunities exist to encourage a more active community.

Currently there are a small number of key organisations involved in enterprising activity contributing to the East Renfrewshire economy. There is evidence of a growth in the number of start-up social enterprises, with an increase in the number approaching VA for support (appendix E). Feedback confirms a desire within the sector to become more sustainable with a significant number of organisations pinpointing 'generating sustainable income' and 'starting a social enterprise' as specific areas of assistance (appendix F). It is essential that social entrepreneurship is encouraged and opportunities built upon. While social enterprises are simply businesses with a different attitude to profit, development and sustainability of more enterprising behaviour will require targeted interventions and support from a dedicated business resource with an understanding and expertise in the sector including funding and investment options.

Additional business capacity has been provided to organisations through the East Renfrewshire Graduate Internship Programme promoted by the Council. Interns are placed with organisations supporting the development of strategies, business planning and marketing to help increase enterprising activity in the sector.

The Health Checks also highlighted networking as a key support need (appendix F). Organisations are looking at ways of reducing costs through collaboration over the coming months and partnership working is increasingly expected in service delivery. Networking events provide a key forum for organisations to connect with others and discover partnership working opportunities.

4. Rationale for a Development Plan

Given the diverse nature of our local Third Sector, this Strategic Development Plan aims to set the national and local policy context and attempts to understand the nature, scale and potential of the Sector to our local economy. It is intended to "de-clutter" the existing landscape and to clarify what supports and opportunities are available. The Development Plan will promote a clear organisational "Development Pathway" and re-engage with Third Sector Forum. Finally, it will provide a framework for the Third Sector as a core component of the local economy to build capacity within the sector and to engage strategically in service design and delivery.

5. Support for the sector

5.1 National Programme

The Scottish Government has increased core funding for the third sector by 16% for 2011-2012, with an extra £24 million. Additional supports for building the operational and financial stability of the Sector as well as increase the number of organisations involved in service delivery has been provided in three ways:

Just Enterprise is a consortium of organisations led by Community Enterprise in Scotland (CEiS) to deliver a £3 million Scottish Government contract for Business Support to the Enterprising Third Sector.

Enterprise Growth Fund is a £6 million fund managed by the Wise Group with consortium partners CEiS, DSL and the Social Value Lab. It aims to invest in enterprising organisations helping them to grow and become more sustainable. The fund was launched in July 2011 and is currently closed for further applications, indicating the level of need and opportunities available in the sector.

Developing Markets for the Third Sector is programme delivered by a consortium led by Ready for Business. This £1.5 million contract for the period 2011-2014 aims to help public service buyers become more informed about what the third sector can offer in terms of service delivery.

Support is also available from individual delivery partners such as Firstport and the Social Enterprise Academy as well as business support organisations such as Business Gateway and the Supplier Development Programme.

5.2 At Local Level

VAER is a membership organisation, with a Board of Trustees which includes representation from a cross section of local groups elected annually. The Board ensures that all our activities and services keep focused on our aim to 'help grow a Thriving Third Sector'.

VAER has developed a structured Third Sector Pathway that will guide and support the development of the sector in East Renfrewshire. The Pathway has set out the range of services and supports available to organisations at different stages of their development and will provide a managed progression route. The Pathway model recognises the differentiated nature of the sector and demonstrates the need for a flexible approach to support and training that reflects the changing needs and desires of the sector.

This cohesive framework means that the Sector can receive comprehensive advice and support through a single point of access. This support is provided in a number ways tailored to meet the needs of the sector; this can be in the form of 1:1 training, group training and facilitation as well as signposting to other local or national support agencies as relevant (appendix G).

6. Conclusions and Recommendations

The Third Sector is a significant player in the Scottish Economy both in terms of employment and service delivery. With reductions in public spending, Government expectations of the sector are increasing which in turn is creating opportunities for organisations to expand and for new organisations to develop. In addition, changes to funding within the sector and a more contractual relationship with public sector buyers, mean that organisations need to be more enterprising in their approach and to generate more of their revenue from the sale of goods and services rather than from grants.

The Sector in East Renfrewshire, while under developed in comparison to other areas, has demonstrated a capacity and desire to grow.

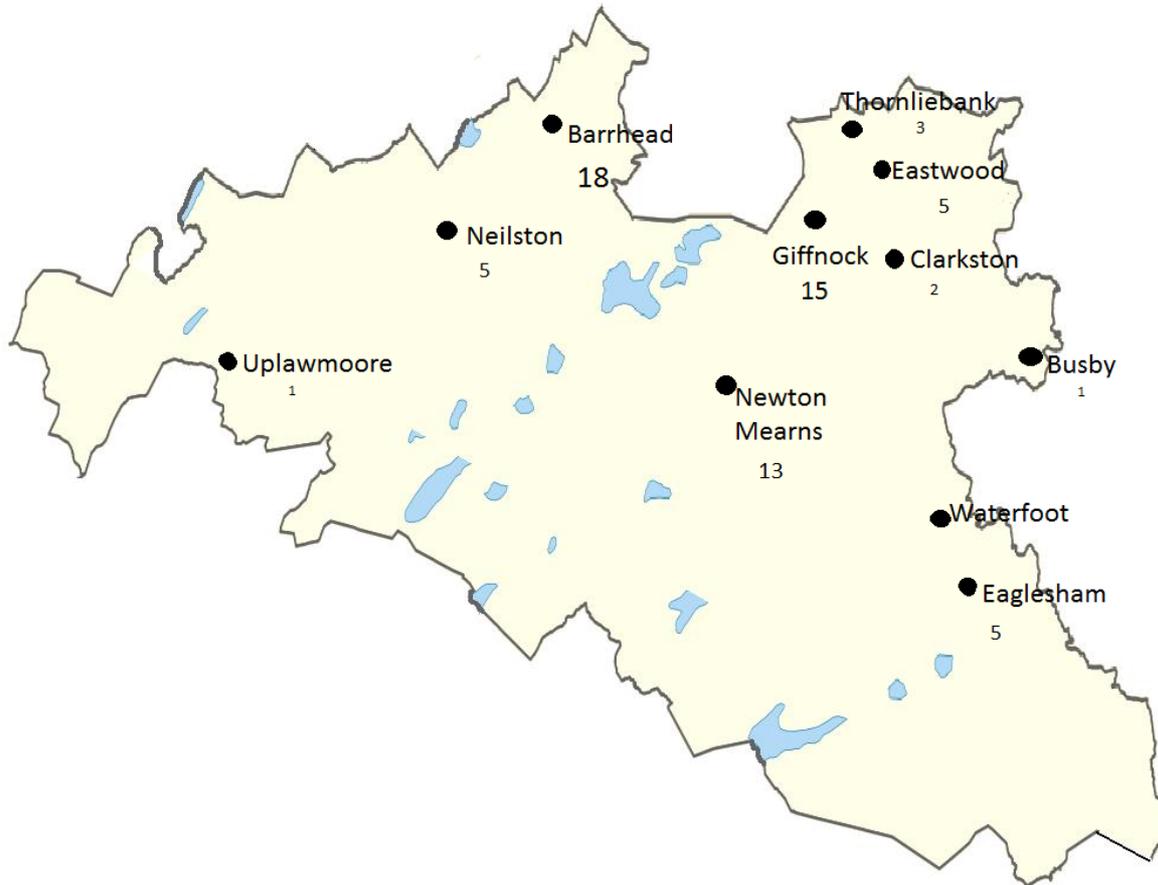
This document makes the following recommendations supported by an Action Plan for consultation and implementation (appendix H) which seeks to:

1. Design and implement the Third Sector Development Pathway allowing access to an interactive pathway of supports that will grow and change according to the needs of the sector ensuring that Third Sector organisation in East Renfrewshire can thrive and grow as equal partners to public and private service delivery agencies.

2. Design and deliver dedicated training focusing on enterprising activity and sustainability.
3. Continue the Graduate Internship Programme to add value to national programmes and help secure longer term sustainability for organisations by building internal capacity.
4. Appoint a Community/Social Enterprise Development Advisor to help build and sustain the economic potential of the Sector.
5. Increase third sector participation in the procurement process through a programme of training and workshops for both third sector and commissioning partners.
6. Further develop and promote TSF in line with increasing demand and expectations on the sector.
7. Develop tools for better tracking and monitoring of the activities of third sector organisations in East Renfrewshire to inform development of sector

Appendices

Appendix A



There are four different types of voluntary organisations operating locally, and these are defined below.

1. Small Self-help Groups

These usually have small membership and exist to bring together small numbers of people with a common problem or interest. Many of these groups are health related and have low funding requirements.

2. Medium Sized Voluntary Organisations

Many of these groups are registered charities but are not exclusively so. They have a larger membership and very often supply services exclusively to their membership. Some have a service level agreement with the Council and the Health Service. These groups may employ staff and have office space.

3. Larger Organisations/ Registered Charities

These groups are mostly registered charities. They employ several staff and provide services on behalf of the Council or the Health Service. These groups have significant core funding requirements. They offer services other than those paid for by statutory funders and many serve a relatively large section of the community.

4. National Charities

These groups have a service level agreement or contract with statutory funders. They employ staff and have a particular client group. They often do not offer any other services to the wider community.

There are also four types of Community Groups as detailed below.

1. Small Resident Based Groups

These groups are concerned mainly with the quality of life for residents for a particular street or streets. They exist in the private and public housing areas. In East Renfrewshire these groups are Resident or Tenant Associations.

2. Neighbourhood Based Clubs and Societies

These groups operate from a variety of premises, for example, local community centres, churches or Council premises.

3. Community Partnerships

These groups are based and operate in a particular locale. They run community centres and work with public sector organisations in the regeneration process. They are resident led and they develop projects to reduce levels of deprivation within these areas and improve the environment.

4. Sports and Hobby Groups

These groups concentrate on sport and hobby activities for recreational purposes.

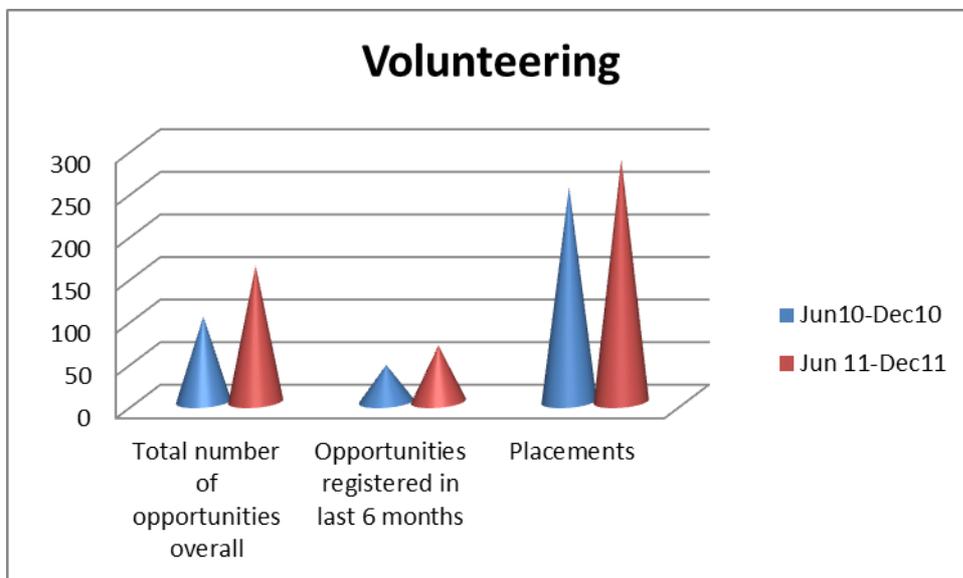
Appendix B

Staff	Number
Full-time	164
Part-time	174
Total	338
Male	89
Female	249

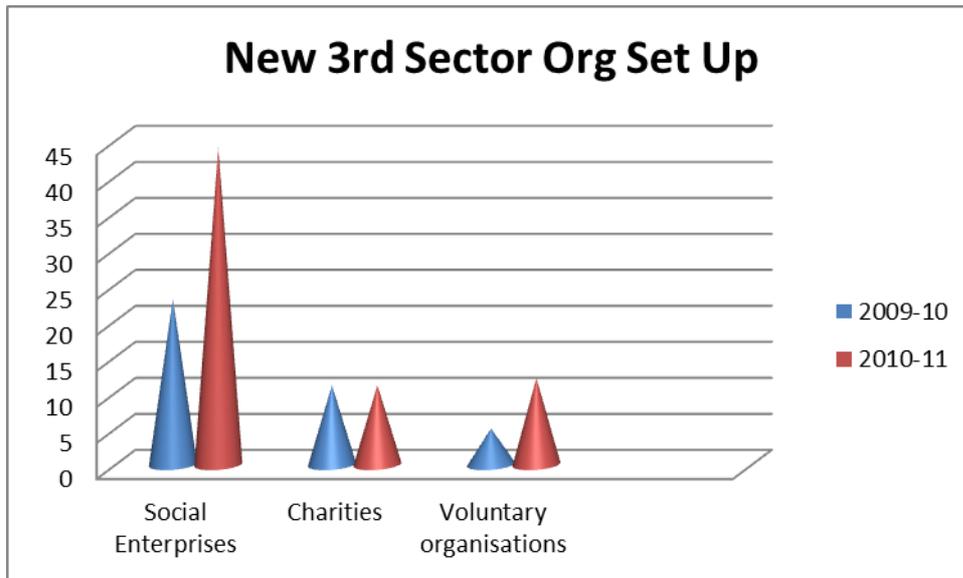
Appendix C

Volunteers	Number
Male	537
Female	557
Unknown Gender	370
Total	1464

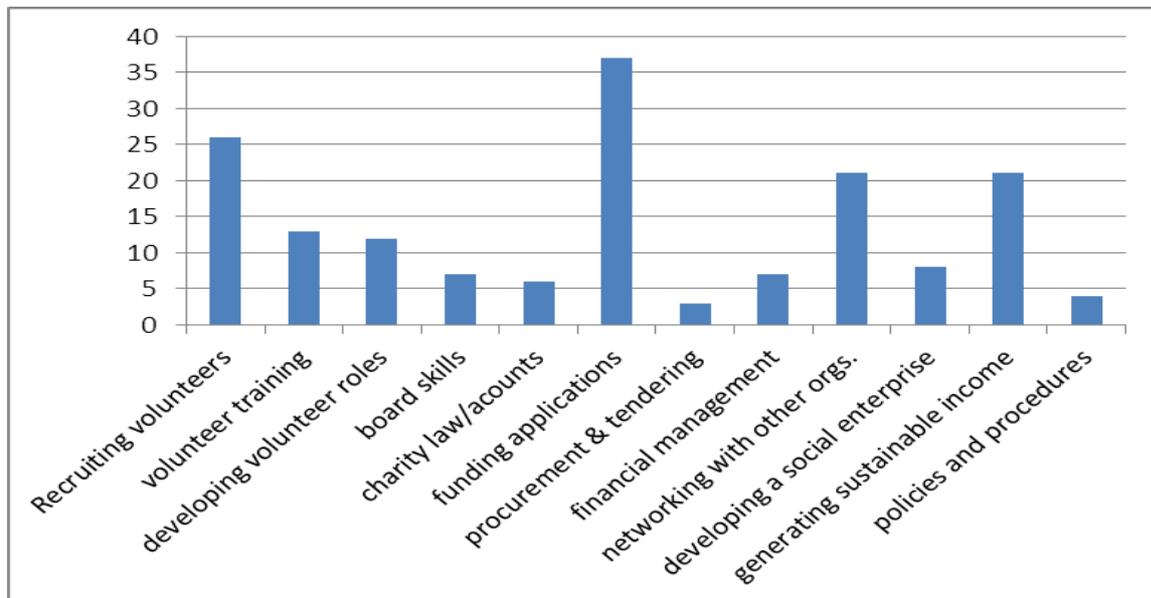
Appendix D



Appendix E

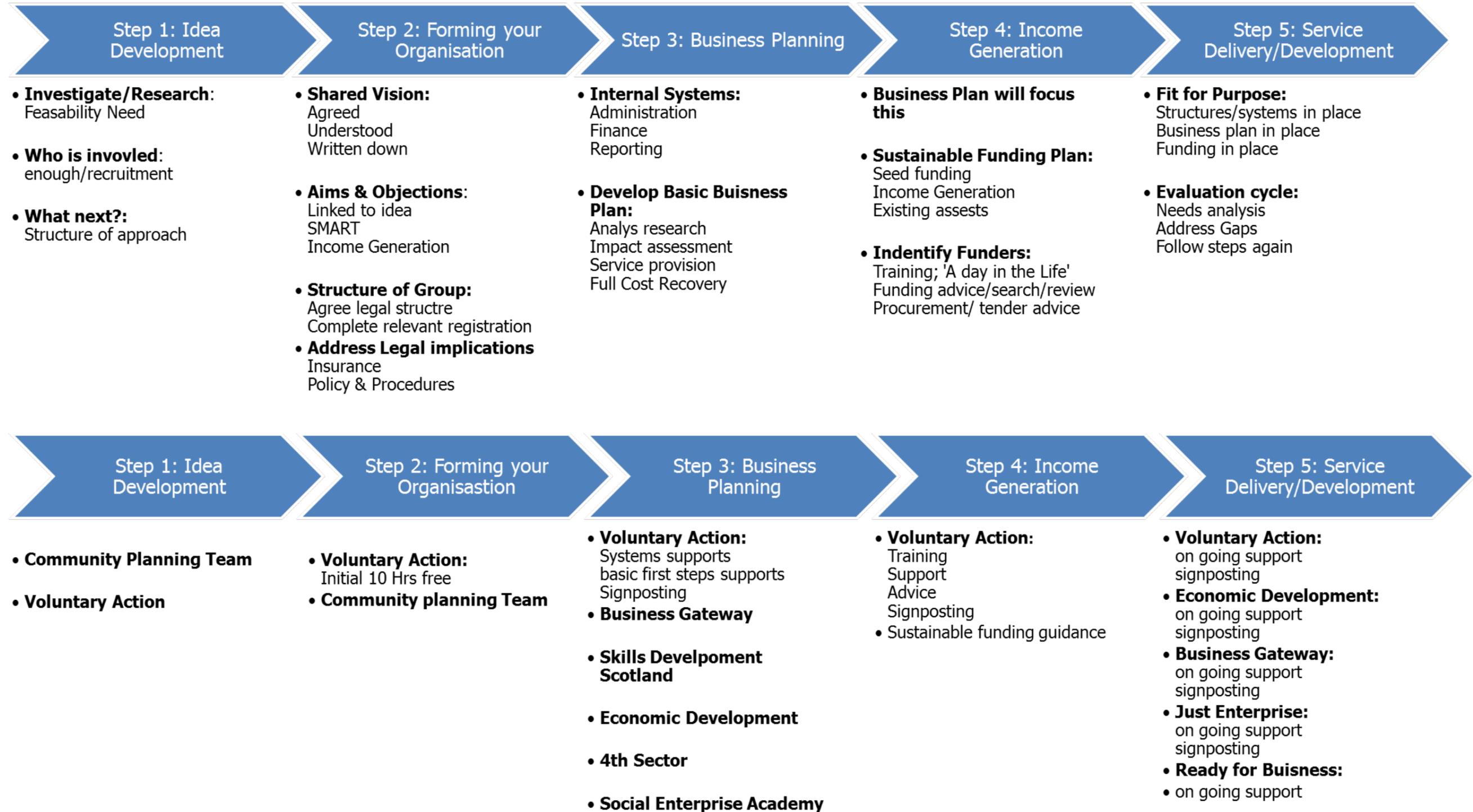


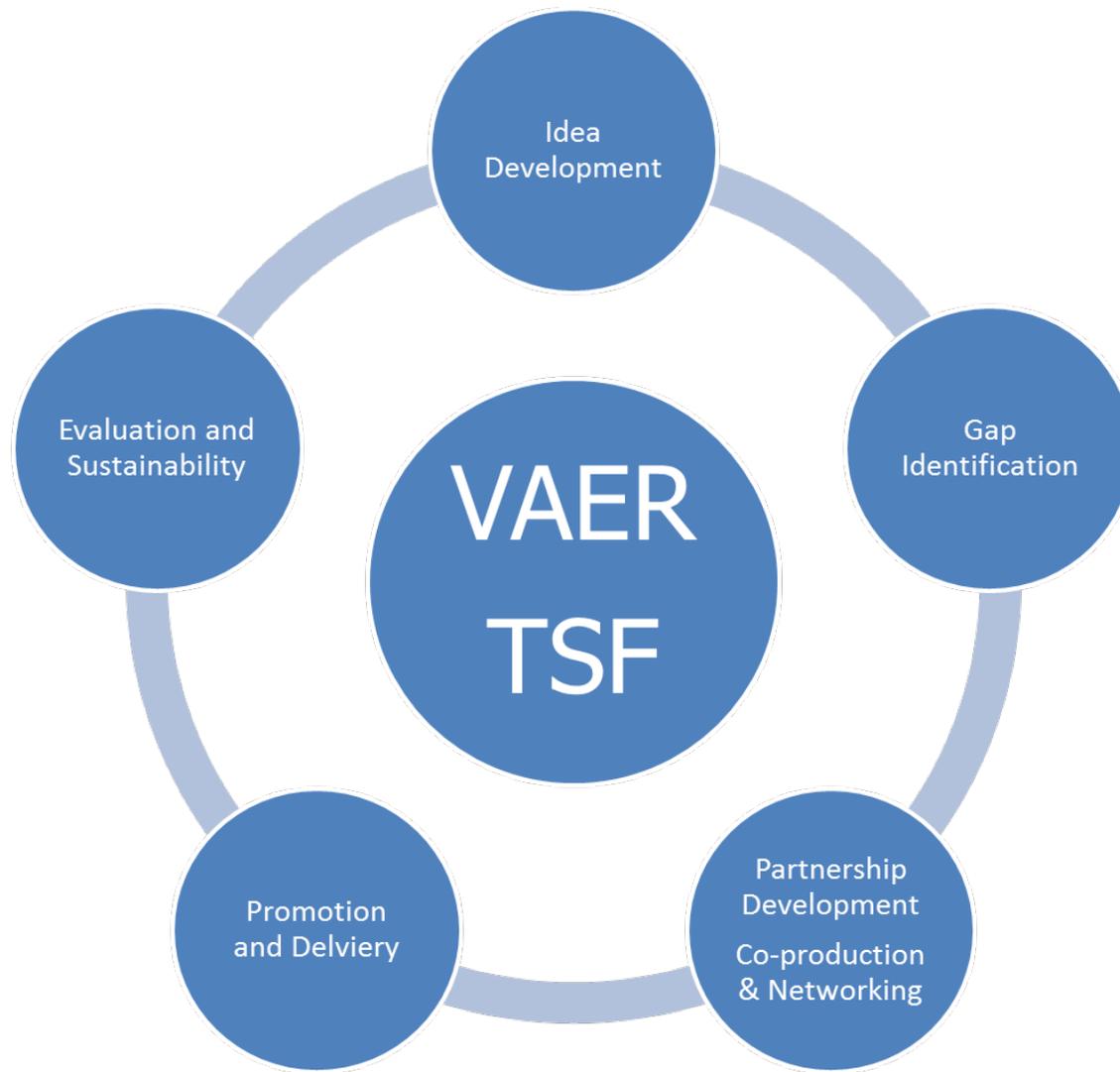
Appendix F



Appendix G

Draft 3rd Sector Development Pathway: operational Support





Appendix H

Third Sector Development Plan - Action Plan 2012-2013

Outcome	Activity	Timescale	Lead Partner/ working with
<p>Third Sector Development Strategy adopted by</p> <ul style="list-style-type: none"> • Third Sector organisations in East Renfrewshire and • East Renfrewshire Council Departments 	<ul style="list-style-type: none"> • Widespread consultation and engagement with 3rd sector organisations on the development plan and associated work • Widespread consultation and engagement with relevant Council Departments on the development plan and associated work • Refresh and revision of Development Plan based on engagement • Launch and implementation of Development Plan document • Development of an interactive Pathway of support that is proactive in meeting the needs of the sector 	<ul style="list-style-type: none"> • April 2012 • April 2012 • May 2012 • End May 2012 	<ul style="list-style-type: none"> • VA <ul style="list-style-type: none"> ○ 3rd Sector Forum ○ Wider 3rd Sector • Economic Development <ul style="list-style-type: none"> ○ VA • VA • VA
<p>Third Sector Organisations' voices are heard and the feel empowered to contribute to shaping services delivered in ERC</p>	<ul style="list-style-type: none"> • Regular mapping of the sector to determine gaps in provision which will feed into service design and delivery <ul style="list-style-type: none"> ○ The data gathered will provide general and specific 	<ul style="list-style-type: none"> • July 2012- On-going 	<ul style="list-style-type: none"> • VA <ul style="list-style-type: none"> ○ TSF ○ Economic Development ○ CPP ○ 3rd Sector orgs

	<p>information that can be relayed to the wider public and other sectors on the level of volunteering activity and the roles voluntary organisations play in everyday life.</p> <ul style="list-style-type: none"> ○ Identification of common areas of work between organisations will assist in two-way communication and representation on specific and sector-wide issues. <ul style="list-style-type: none"> • An accurate map of third sector organisation involvement in service delivery will provide input to Community Planning. • Re-launch of the Third Sector Forum that shows a firm committed structure within Community Planning 	<ul style="list-style-type: none"> • July2012-ongoing • July2012-ongoing • 	
<p>East Renfrewshire's Third sector is supported to continue to grow and flourish.</p>	<ul style="list-style-type: none"> • Development and implementation of a proactive and progressive Training Calendar • Development of appropriate and 	<ul style="list-style-type: none"> • June 2012 • April 2012 	<ul style="list-style-type: none"> • VA <ul style="list-style-type: none"> ○ TSF ○ Economic Development

	<p>clear referral pathway between support agencies</p> <ul style="list-style-type: none"> • Continued support and development of the Graduate intern programme • Design and develop framework to nurture Entrepreneurial activity • Widespread promotion of sustainable funding supports • Research the need for a separate Social Enterprise network as a sub section of the TSF • Information on sector-wide involvement in the social economy. • Continued development and delivery of Enterprise approaches to service design and delivery • Encourage and support existing Third Sector Organisations to be more enterprising 	<ul style="list-style-type: none"> • Sept 2012 • April 2012 • May 2012 • July 2012 – on going • On - going 	<ul style="list-style-type: none"> ○ CPP ○ 3rd Sector orgs
<p>We have a clear Strategy to grow and support the local 3rd Sector</p>	<ul style="list-style-type: none"> • 3rd Sector Strategy agreed and published 	<ul style="list-style-type: none"> • Spring 2013 	<ul style="list-style-type: none"> • ERC / VA / TSF / CPP

Appendix I

Case Study: Social Enterprise Sector in East Renfrewshire

The results of the Voluntary Action health check would suggest that only two organisations would classify themselves as a 'Social Enterprise'. Although as appendix C demonstrates there has been an increase in the number of organisations seeking advice in this area.

It is important that 'social enterprise' is emphasised as a way of working rather than as an exclusionary definition. Many organisations in East Renfrewshire have 'enterprising' activity but would not define themselves as a 'social enterprise'. Even organisations that have a legal structure generally associated with social enterprise organisations (CIC, SCIO) defined themselves as 'community organisations'. Further research into organisations that undertake enterprising activity is necessary to get a clearer overview of this sector.

	Social Enterprise 1	Social Enterprise 2	Total
Income	£50,000 - £100,000	<£5,000	£55,000 - £105,000
Staff (Full-time)	3	0	3
Staff (Part-time)	3	0	3
Volunteers (Male)	4	3	7
Volunteers (Female)	6	9	15
Weaknesses	Volunteers; Funding	Funding (knowledge/applications)	Funding

	Enterprising Organisation 1	Enterprising Organisation 2	Total
Income	£100,000 - £250,000	£250,000 - £500,000	£350,000 - £750,000
Staff (Full-time)	0	1	1
Staff (Part-time)	0	1	1
Volunteers (Male)	4	7	11
Volunteers (Female)	1	8	9
Weaknesses	Funding applications, generating sustainable income	Capacity, need for more volunteers/staff, funding applications	Funding, capacity

Many organisations recognise that reliance on grant funding cannot continue and will need to look at alternative ways of generating income. A quarter of organisations highlighted 'generating sustainable income' or 'starting a social enterprise' as an area in which it could benefit from support from VA.

Support Needs

Start-up advice

As demonstrated in appendix E VA have had a noticeable increase in the number of individuals/organisations seeking information and advice about developing enterprising activity. It is essential that they receive the support needed to develop and encourage social entrepreneurial activity within East Renfrewshire

Funding

Any organisation which wishes to undertake enterprising activity still needs the funds to initiate it. Many have the ideas and knowledge but not the finances. It is essential that financial assistance is provided to allow the sector to grow and develop and become more sustainable in the future.

Capacity

Lacking capacity is a very common issue for organisations, particularly at the beginning and when developing as often funds are limited and not enough staff can be employed. Growing too quickly, if the capacity is not there can be as big a problem as no growth. Having people within the organisation dedicated solely to its development can provide a much needed resource.

Appendix 2

Local Social Enterprise Case Study examples

Name	Activity	Started	Employees/ Volunteers	Est £ Turnover
ReUseIT	Community recycling	2010	4/15	50,000
Neilston Care & Repair	Community gardening, small household repairs, environmental projects	2011	0/4	50,000
Lapwing Lodge	Sports and recreation	1988	1/13	60,000
Giffnock Soccer Centre	Community Sports	1995	0/15* *estimated	77,500
Barrhead Housing Association	Housing and homeless	1986	19/13	3,287,544.00
Cosgrove Care	Care and Support	1960	144/89	2,843,842.00
Whitecraigs Rugby Club	Sports and recreation	1961	9/40	100,000+
Neilston Development Trust	Community Development	2006	2/15	383,320.00