

2 February 2018

Dear Councillor Forbes

Re North of Tyne Devolution Consultation

Newcastle CVS is the lead infrastructure organisation for Newcastle and Gateshead's voluntary and community sector. As well as developing and supporting voluntary and community organisations to be more sustainable and resilient, we organise networks and events and represent the voluntary and community sector in strategic discussions. We carry out research and produce policy studies. We have over 750 member and associate organisations that are local voluntary and community organisations, CICs and social enterprises and operate in Newcastle and Gateshead.

We have attended a number of meetings and been involved with a number of discussions on devolution issues over the last few years. For this consultation we promoted the information and consultation meetings through our e-inform mailings (over 2,300 recipients), social media and attended meetings in Newcastle and Gateshead and contributed to the discussions.

You will appreciate we support and represent organisations in Newcastle and Gateshead and therefore we can't necessarily support or object to the proposed scheme, but instead we will comment on the governance issues that we believe could impact on our membership.

Many of our members (and ourselves) support individuals and communities who are going through tough times as result of poverty, austerity, welfare reforms, the retraction of public services and the general economic climate in the North East. Much of the work done by the voluntary and community sector is with people and communities who are furthest away from the labour market.

Governance

As the 'minded to' deal is an outline, we think it is important to build inclusive structures from the start, rather than 'add-ons' further down the line. Our experience is that if we (the voluntary and community sector) are not involved in key decision-making groups and structures from the start, we tend to be ignored. Not only do we support people and communities in need, but we are also a significant employer – a fact that is often overlooked. There are around 6,000 voluntary sector jobs in Newcastle.

The voluntary sector makes a significant economic impact contributing £12.2bn to the UK economy; this is similar to the GDP of Cyprus. Registered charities employ a workforce of 853,000, while civil society as a whole (other not-for-profits such as social enterprises, housing associations and mutuals) employ 2.2 million paid staff, equivalent to 7% of the UK workforce.

Across the North (North West, Yorkshire and Humber and the North East) voluntary organisations employ more people than the area's financial and insurance sector. The voluntary sector's value in the North East (measured by salaries) is £750 million. The workforce is relatively stable with 37,500 full time equivalent employees, though a 10% rise between 2010 and 2016 to 45% of staff in part-time work shows a shift in working patterns.

The voluntary and community sector also works with volunteers; with many community organisations being run and managed by volunteers. For some people, this experience gives them confidence, skills and experience to enter into paid work.

As previously stated, much of our work is with individuals who are not engaged in the labour market, and we recognise, that for all sorts of reasons, many of them never will be. However the support and activities we provide can help improve their health and wellbeing and prevent them from using (more) expensive public and private sector support and services. We have large charities who are engaged in delivering work activities and Big Lottery funded initiatives e.g. Building Better Opportunities and the Work Programme. This funding is through national sources.

Often the voluntary and community sector has roots into those communities (geographic and of interest) who believe they have been excluded from key regeneration initiatives and / or feel neglected by public services. A lot of these relationships have built up over the years around trust and stability. Many voluntary organisations work with children and young people.

Finance and Investment

In relation to finance and investment, sometimes there are funding opportunities from the Big Lottery Fund and others which require matched resources. Often voluntary organisations cannot apply for these as we don't have the funding resources and/ or the risk is too great. If the North of Tyne Investment Fund was able to supply some matched resources, this could encourage gearing and maximising funding into the North of Tyne area.

Inclusive Growth

For the reasons identified previously, we believe it is essential to have voluntary sector representation on the Inclusive Growth Board from the start. The current LEP model provides insufficient opportunities for VCS (voluntary and community sector) involvement, and we believe this would establish good practice from the start. A Memorandum of Understanding could be drawn up between the new Combined Authority and the VCS.

Education and Skills

We support the concept of the Education Improvement Challenge. Through our Children and Young People's forum over the years, we have noted more confusion about school structures and the loss of engagement with voluntary organisations. At the same time, more young people have been excluded from schools and certain school structures no longer have the levels of responsibilities they once did. We note the proposal indicates "*The Councils will work with partners, including health services*", we would like this to also include the voluntary sector.

There is active voluntary sector involvement in the field of adult education, and we would suggest appropriate voluntary sector involvement in the Skills Advisory Panels and that the voluntary is considered to be one of the "*other relevant partners*".

Employment

As raised previously the Inclusive Growth Board should include appropriate and representative voluntary sector membership as an employer, advocate for excluded communities and expert in volunteering.

Energy and low carbon

There are significant local voluntary and community organisations that actively contribute to this field. The National Energy Action (NEA) charity is based locally and there are multiple examples of creative charities and CICs.

Internationalisation and competitiveness

There is significant voluntary and community contribution and involvement in the Great Exhibition of the North and we would expect active involvement and delivery in any legacy programme.

One of the features of Newcastle in particular, is the amount and diversity of voluntary and community activity; which we believe is a selling point.

Housing and land

Amongst our members are Housing Associations and tenants groups and we recognise the need to encourage housing growth must be balanced by environmental protection and genuine community concerns.

Digital Infrastructure

Our recent reports have highlighted the development of digital approaches and techniques as a way many organisations are using to manage demand.

North of Tyne commitments

We note the commitments underpinning the 'minded-to' deal and would ask that appropriate voluntary sector representatives are involved in developing the full implementation plan.

We welcome the concept of clear communication in a guide to the deal, and consideration should be given on how to communicate this to all communities in the North of Tyne area, using social media as well as more conventional leaflets.

We note the comments on commitments to public sector equality duties and hope these can be widened to include socio-economic impact.

Additional Comments

Similar to other organisations, we work across Newcastle and Gateshead and we would be distressed if this new arrangement made any joint arrangements more difficult. We are aware that many of our members, particularly those in the arts and cultural sector are nervous about what this means. There is significant nervousness about any potential 'border', and there are huge flows across both directions. We are concerned that certain North of Tyne decisions could have a negative impact on Gateshead, and would request involvement and 'sense-checking' as appropriate.

We were informed about the voting system for the elected Mayor and we believe that most electors are not used to systems that are not 'first past the post'. There needs to be clear communication and education (in line with Electoral Commission guidance) on how to vote (not who to vote); particularly as there will be local council elections at the same time in some parts of the North of Tyne area next year.

There was a suggestion of a Voluntary Sector ambassador from the Authority; we would welcome working with this lead.

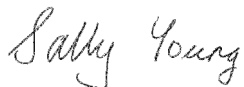
The actual name is significant and thought needs to go into this, rather than 'North of Tyne'.

We note this could be the precursor to other deals, particularly around health and social care integration, but it is unclear how this would fit in with the newly established Gateshead Health and Care System Board.

We hope this combined approach does not lead to commissioning large contracts which could exclude smaller and more local voluntary organisations. Clearly the current Carillion situation and other significant failures has led to discussions around different and more intelligent ways of commissioning rather than relying on large, external providers.

If the appropriate authorities agree this 'minded-to' deal, we together with our sister organisations (VODA and Voluntary and Northumberland Community Voluntary Action) would welcome discussing this further.

Yours sincerely

A handwritten signature in cursive script that reads "Sally Young".

Sally Young
Chief Executive

cc
Pat Ritchie
Helen Dickinson
Geoff Paul
Patrick Melia