



Communities and Equalities **Scrutiny Committee**

Date: Thursday, 8 October 2020

Time: 2.00 pm

Venue: Virtual meeting - Webcast at

https://manchester.public-i.tv/core/portal/webcast_interactive/485334

This is a **Supplementary Agenda** containing additional information about the business of the meeting that was not available when the agenda was published

Advice to the Public

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

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Membership of the Communities and Equalities Scrutiny Committee

Councillors - Hacking (Chair), Andrews, Battle, Chambers, Collins, M Dar, Doswell, Douglas, Evans, Grimshaw, Hitchen, Kirkpatrick, Rawlins and Rawson

Supplementary Agenda

6. **Update on Work with the Voluntary, Community and Social Enterprise (VCSE) Sector During Covid-19** 3 - 16
Report of the Director of Policy, Performance and Reform

This report provides an update on the work with the VCSE sector in light of Covid-19, specifically updating on the work of Macc (VCSE Infrastructure Support Service) and the Council's Our Manchester Funds Programme Team.

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This supplementary agenda was issued on **Friday, 2 October 2020** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA

Manchester City Council Report for Information

Report to: Communities and Equalities Scrutiny Committee - 8 October 2020

Subject: Update on work with the Voluntary, Community and Social Enterprise (VCSE) Sector during Covid-19

Report of: Director of Policy, Performance and Reform

Summary

This report provides an update on the work with the Voluntary, Community and Social Enterprise sector in light of Covid-19, specifically updating on the work of Macc (VCSE Infrastructure Support Service) and the Council's Our Manchester Funds Programme Team.

Recommendations

The Communities and Equalities Scrutiny Committee are asked to note and comment on the contents of this report, and advise on future communications and update reports.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Officers will work with the VCSE sector and the VCSE Infrastructure provider to consider how the sector can play a full and active part in Manchester's ambitions to live within our science-based carbon budget and become a zero carbon city by 2038 at the latest
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Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The VCSE sector and infrastructure service contract supports the growth and sustainability of the VCSE including the workforce, volunteering and relationships with business.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The VCSE sector and infrastructure service contract specifically supports volunteering pathways into education, employment and training and the positive contribution residents (particularly older people) make through voluntary work and their active contribution to city life and their communities.

A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The VCSE have continued to reach and work with Manchester's communities during the Covid-19 crisis, and the VCSE infrastructure service contract works with them and other key stakeholders to find new ways of reaching those communities that remain untouched by Manchester's success, creating resilient and vibrant communities of people.
A liveable and low carbon city: a destination of choice to live, visit, work	The VCSE sector, VCSE infrastructure and its partners continue to reflect and celebrate diversity, engage communities and engender pride in the city.
A connected city: world class infrastructure and connectivity to drive growth	VCSE organisations across the city have and continue to take part in networks to improve local connectivity with partners in the public and private sector. The VCSE infrastructure service contract provides a range of information across a number of mediums to help cultivate and improve local connectivity.

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Background documents (available for public inspection):

None

1. Introduction

- 1.1. The Voluntary, Community and Social Enterprise (VCSE) sector plays an essential part in delivering and achieving the aims set out in the Our Manchester Strategy, the long-term vision to make the city the best it can be by 2025. This has been further demonstrated during the Covid-19 pandemic, where many local groups and organisations have adapted their own activities and services to continue to provide much needed support to residents of the city.
- 1.2. As is the case for the Council, Covid-19 has represented a short-term challenge to the VCSE sector in responding to its impact, and a medium / long-term threat to the viability, diversity and strength of Manchester's VCSE sector as a result of reduction in income. This is at a time when needs and demand for local services is increasing. The Covid-19 pandemic has meant that many VCSE organisations have had to undergo rapid service transformation, with many services that were face to face becoming telephone or video based for both individuals and groups. Organisations have had to learn how to use social media in creative and inventive ways; with many groups and organisations having to develop resources that their service users can use at home. Critically, organisations are learning what services work for which service users remotely and which do not.
- 1.3. This report provides an update on the work with the VCSE sector in light of Covid-19, specifically updating on the work of Macc - VCSE Infrastructure Support Service (contract provider) and the Our Manchester Funds Programme Team (Programme Team). This includes information around equalities and inclusion, the funding landscape and follow up to the discussions at the last committee meeting on the 5th March 2020, regarding the targeting of VCSE groups and how the Council is working with other funders in the city.

2. Background

- 2.1. The 'City of Manchester State of the Voluntary, Community and Social Enterprise Sector' (2017) report, estimates that there are over 3,300 VCSE organisations working in Manchester, with an estimated income of £526 million (2014/15). Organisations are working across the city on a range of areas such as work with children and young people, equalities - communities of interests, as well as community development, education, training, research and economic well-being. It is estimated that 11,000 Full Time Equivalent (FTE) paid staff are employed in the city, with over 110,000 volunteers and committee/board members actively participating.
- 2.2. The Council works with the VCSE sector in a number of ways and across a number of departments and teams, including Adult and Children's Commissioning, Social Care, Culture, Neighbourhoods, Sports and Leisure, Work and Skills and via a service level agreement with Young Manchester - the city's Children and Young People's VCSE grant funder. This covers a range of commissioned contracts and grants including the Neighbourhood Investment Fund, Housing Related Support, strategic grants to large arts organisations, grants to cultural organisations and small grants for campaigning activity such as Hate Crime Awareness and International Women's Day. The total amount of

Council funding to the VCSE sector is estimated to be over £30 million per annum.

- 2.3. The Our Manchester Voluntary and Community Sector (OMVCS) grant fund was developed to build on the Councils relationship with the VCSE sector, using the Our Manchester approach to invest £2.466 million a year for 3 years (£7.4 million in total) into 63 organisations. The programme went live in April 2018 after an almost 2 year co-design process that involved representatives of the VCSE, Members and Council and Manchester Health and Care Commissioning (MHCC) officers. This programme is managed by the Programme Team, and is currently in year 3 of its 3 year funding cycle.
- 2.4. The Programme Team also manage the citywide VCSE Infrastructure Support Service contract held by Macc. This contract includes *capacity building* – development and support around governance, organisational structures, policy and funding; as well as *engagement and influence* in partnership work, co-design processes and *volunteering* opportunities for residents. The contract is jointly commissioned with MHCC, and began in October 2019 for 3 years (with a +2 year option to extend).

3. VCSE Infrastructure Support During COVID-19

- 3.1. Macc repurposed all its services and activities to focus on the Covid-19 response. Below is a summary of key areas of work and activities and some key points about Macc's approach, though a more detailed report is available on request.
- 3.2. **Communications:** Ensuring all VCSE organisations and partners can easily find up to date, reliable guidance, resources, and practical information in plain language for a wide range of communities.
- Covid-19 microsite established and updated daily with new resources and guidance: <https://www.manchestercommunitycentral.org/coronavirus-advice-and-resources>
 - Worked with the Council to produce information in a range of languages and formats for groups to use in community engagement work.
 - Weekly email update plus event and newsflash bulletins as well as social media and a Covid-19 WhatsApp group for VCSE Leaders.
- 3.3. **Adapting and Transforming:** Support for VCSE organisations to adapt and deliver services in new ways.
- Developed guidance and tools on responding to situation specific challenges – e.g. staffing issues, safeguarding, digital support, reopening premises safely, workforce support, funding support
 - Online form for groups to tell Macc about their needs – in addition to other ways to request help (phone, email, online events)
 - Worked with Tech for Good Live and Salford Council for Voluntary Services (CVS) to develop a tech volunteer support scheme for tech

experts responding to support requests from charities now rolled out across Greater Manchester (GM).

3.4. Impact Assessment: Understanding the needs, challenges and opportunities for VCSE organisations and the people they support to influence planning, funding decisions and identify opportunities for collaboration

- Initial approach was to capture evidence of impact through active listening – feedback from conversations and events (including polls at VCS Assembly events) is compiled at a weekly “sitrep” meeting in order to drive actions for Macc or to be raised with partners. Deliberate choice not to launch a survey as there was an immediate deluge of surveys across the country and local groups did not generally have capacity to respond.
- Over summer, Macc launched the new State of the Sector survey (in collaboration across GM) to capture up to date evidence. Report due early 2021.
- Focus groups: now working through a programme of thematic conversations with clusters of VCSE organisations (e.g. homelessness, carers, domestic violence, good neighbours, Black, Asian and Minority Ethnic (BAME)¹, etc.) to understand impact, challenges ahead, learning, etc.
- Reporting impact at GM level via GM VCSE Leadership Group and nationally via National Association for Voluntary and Community Action (NAVCA).
- *No Going Back* report gathering insights from 22 local VCSE leaders. Available here:
<https://manchestercommunitycentral.org/news/%E2%80%9Cinvest-crucial-sector-or-risk-losing-it%E2%80%9D-say-manchester%E2%80%99s-voluntary-sector-leaders> A follow up is being planned with a focus on marginalised communities and neighbourhood-level work.
- #ManchesterKind – good news stories of the local community response to the pandemic shared on social media.
- Spirit of Manchester Stories – gathering “day in the life” stories of the work of local groups to share on social media as part of our annual Spirit of Manchester programme

3.5. Webinars, Training and Events: Keeping VCSE people connected, learning and supported

- Voluntary Sector Assembly Events have been held online starting from 30th March.

¹ This term has been used to describe this area of work from the beginning as a way of explaining what is being done and the key audiences it is wanting to engage. However, the OM Funds team knows that many people of colour in the UK feel like Black, Asian and Minority Ethnic (or BAME) is not a term that they own or that appropriately describes them. Every person has their own terminology and language that they are most comfortable with. Within the OM Funds team it has always been agreed that it is important that the team questions the terms and language that are being used in order to be inclusive as possible, and are open to discussing this and the best way to engage organisations that work with diverse communities so that they can be included in this work.

- Community Explorers (focused on local health issues and collaboration) meetings for North, Central and South held fortnightly (online) as a space for VCSE and public sector partners to meet and confer.
- Programme of webinars held starting from 28th April on topics including furloughing, safeguarding, resilience, funding opportunities.
- Council updates with the VCSE sector arranged on specific topics such as the Residents and Communities response and recovery, as required.

3.6. Community Volunteering: Supporting people to be involved and building collaboration through our Community Volunteering programme - local people able to find ways to help, local groups able to bring in additional capacity

- Call for volunteers launched on 20th March. Over 900 people signed up on the first weekend. Note that the NHS volunteer scheme launched a few days later and caused some confusion (as it did across the country)
- From the start Macc decided to focus on placing volunteers with organisations where they would be supported, working with the Manchester Hub to track demand and resource pressures across the city. Feedback from VCSE groups was there was limited capacity to take on additional volunteers (again, also seen around the country) – Macc also directed residents to local mutual aid groups and other voluntary activities to help with the collective effort.
- Work ongoing and being developed with the Council to place volunteers to support direct Council delivery coordinated by Mcr VIP.
- Guidance developed on good practice and safe volunteering in the delivery of activities during Covid-19.
- Key early success was persuading the GM Mayor to make his volunteering ask about directing to local volunteer centres: <https://volunteergm.org/> was put together based on Macc advice – avoiding further duplication of effort.

3.7. Good Neighbours and Mutual Aid: Influencing and supporting good neighbourliness and mutual aid networks, support around safety, coverage across the city and inclusivity.

- 'HOUR Manchester' (time banking) project repurposed to focus on Mutual Aid Groups (MAG) and produced guidance for MAGs on safe practice and practical issues such as shopping, handling money, etc.
- Facebook group for MAG Admins providing support and shared learning, and mapping coverage of MAGs.
- Ongoing work to support MAGs to think about their future role – with a large online conference held in August. Some are becoming more formal organisations, some are keen to remain less formal and have reduced activity as lockdown measures eased but are engaged in discussions about next steps.

3.8. Working with Older People: Ensuring older people continue to be heard and celebrated, not just silenced as victims. Macc's GM Older People's Network continued to function though focusing more on keeping the members engaged through weekly calls and updates. A lot of staff time was spent on individual calls to members who simply wanted to catch up and chat during initial lockdown. This

has now become more regular online events around key issues and resuming their programme of events, now online.

3.9. Funding strategy: Supporting the VCSE sector by working on a collaborative funding strategy for the sector in Manchester, described later in the report in point 6.5.

- Fortnightly meetings are being held with GM officers from The National Lottery Community Fund (TNLCF). This has led to positive relationships and co-ordination with capacity building services at Macc to improve access to funding.
- Hardship Grants: providing support to people facing hardship through delivery of Macc grant programmes. Big Change Mcr transferred to Macc from the start of April – providing hardship grants to homeless people. Launched the Migrant Destitution Fund GM supporting migrants with No Recourse to Public Funds. Over £25k raised via online donations and applications to GM Mayor’s Fund, We Love Mcr and others.
- Currently running a small grants programme to fund fixtures and fittings for VCSE organisations providing food support enabling them to replace or increase equipment as part of planning for increased pressures over winter.

3.10. Influencing and Representation: Working collaboratively with partners, influencing local planning and decision making, connecting to GM and national conversations

- Representing the sector on the Covid-19 Response Group chaired by the Director of Public Health, meeting weekly since the beginning of March.
- Connecting to local hubs to direct people to support and collate information about availability of services - Integrated Neighbourhood Team Leads and Health Development Co-ordinators, to connect across the “13 neighbourhood” structure in Manchester.
- Established a system for gathering and sharing live data about VCSE services available in each neighbourhood and/or on a city wide footprint [link here](#). The aim of this was to help track referrals to VCSE organisations from the Manchester Community Hub to identify where demand was building up and target groups for offers of support, funding assistance and additional volunteer capacity. This is an area that could be more effective and developed further going forward.
- Manchester VCSE leaders have continually emphasised the need to improve engagement with the sector by MCC, MHCC and MLCO in planning and operating the city’s response – particularly in contrast to the engagement seen in other boroughs. There has been some improvement over the summer but opportunities were missed as many of the regular leadership / collaboration structures have been put on hold. This is being taken forward by officers as an action from the Our Manchester Investment Board (OMIB), chaired by the Chief Executive of the Council.

3.11. **Prioritisation of support:** Macc will continue to work differently to meet the changing needs of VCSE groups. This will include the continuation of the programme of online support and adapting rapidly to meet changing demands, e.g. support with information about reopening, access to Personal Protective Equipment (PPE), etc. Macc is now hosting conversations about the future shared use of VCSE premises. We are prioritising groups for outreach support: BAME-led organisations, groups in North Manchester, community venues, mental health provision, poverty projects, food and welfare support. We are also doing some direct bid writing work for groups where capacity (but not capability) is an issue and are about to recruit for additional capacity to our team to increase our offer.

4. The OMVCS Support During COVID-19.

4.1. The work of the Programme Team has complemented the wider offer to the VCSE sector delivered by Macc (above), whilst continuing to work closely and provide direct support to the OMVCS funded groups throughout this period. As well having open conversations about needs and risk, the usual monitoring requirements were temporarily relaxed, with flexibility also built into the funding to enable groups to respond to the challenges around continuing to reach residents in the city. As part of the ongoing engagement with funded groups, the Programme Team undertook surveys at two separate points to understand the VCSE's risks, issues and responses to the crisis. All groups fed back on adapting their work and many launched new services to continue to support the people they already worked alongside, meeting increased demand from new service users. Activities included befriending calls and check-in calls with service users, food preparation and delivery, collecting prescriptions and food shopping, developing activity packs and newsletters, putting their support online and developing online services, utilising Zoom, etc., to engage in a different way and translating, printing and posting information. Groups also shared some of the highlights of the work they were doing:

- All FM started running a daily show talking to people in the community about their experiences
- Fareshare were amongst those on the frontline of food delivery alongside the Council, its partners and local businesses, working 12 hour days to get food to organisations like the Mustard Tree and Emmeline's Pantry, which provide food for vulnerable residents
- Whalley Range Community Forum communicating with the community via WhatsApp has been a great way to get our local community together and to help support those that need it. This included a local musician providing a concert in their yard for neighbours which was filmed and shared in the group.

4.2. Similarly to what is highlighted in the 'No Going Back' report in point 3.4, organisations shared their concerns in more detail about the biggest issues they are facing as a direct result of Covid-19:

- Increased demand: many organisations have seen an increase in demand for their services since Covid-19 and expect it to continue even as lockdown restrictions eases
- Reduced/changed grant funding: some funders have significantly amended their funding offer, pausing applications for funding or pivoting their offer to short term Covid-19 response.
- Reduced income from trading and services: many organisations rely on the trade and services to support their activity. This might include offering training, room hire or running a community cafe where profits are put back into the charity. Closures during lockdown and changes needed to ensure social distancing have and will continue to affect trading income.
- Cancellation of contracts: some organisations provided contracted services (e.g. services to schools) which have been cancelled and no income received
- Uncertainty in corporate pipeline: VCSE organisations are aware of the profound impact of the virus on all sectors and are uncertain about the implications of this on corporate donations.
- Reduction in events: charity balls, sporting events etc. have been cancelled or postponed and there is limited understanding of when these will again become a reliable income stream
- Increased costs: VCSE organisations have experienced some unplanned costs, including purchasing equipment and PPE
- Limited capacity, particularly in small charities: the securing of income is often the responsibility of the senior team. At this time, leaders are having to balance this activity alongside increased complexity of general operations and significant business transformation activity, inclusive of HR.

4.3. Whilst the Covid-19 pandemic has affected us all, it is important to recognise the impacts it has had on particular communities of identity. Initially it was recognised that the most at risk groups were those over the age of 70, some disabled people and those with ongoing health conditions. As the situation has developed, people from BAME backgrounds/communities and particular South Asian communities are now recognised as disproportionately more likely to be affected by Covid-19.

4.4. A Covid Health Equity Group (CHEG) has been established with partners (including the VCSE sector) across the city to improve experiences of and outcomes for communities that suffer disproportionate adverse impacts from Covid-19. This will involve reducing the risk of transmission, severe disease and death among groups of people who have been identified as most risk including. This work seeks to strengthen connections between statutory bodies, neighbourhood workers, faith and community organisations and the new informal Mutual Aid networks. Formalise relationships, build trust through two-way responsive communication – Greater Manchester Equality Alliance

5. ONGOING OMVCS WORK

5.1. The OMVCS grant fund/work of the Programme Team has taken an Our Manchester approach of *putting people at the centre, starting from strengths, listening and understanding, creating the capacity, enthusiasm for people to be*

able to do things themselves, and working together more effectively and taking the time to listen and understand. This has sat alongside principles specifically established through the comprehensive co-design with the VCSE sector over the past 5 years:

- Relationships built between the Council officers and VCS groups with real people - not just email inboxes and monitoring forms
- Proportionality within funding process, funding levels, monitoring and management
- Simple and flexible strengths based approach
- Long-term funding for the VCS (minimum of 3 years)
- Fair, open and transparent policy and procedures
- Funding for both running costs and direct services
- Funding to both large and small organisations
- Encouragement of Manchester-based organisations to apply / grow / develop
- Building on strengths and successes with organisations and grant programmes to help to grow the resource and future investment.

5.2. The concept and principles behind the OMVCS fund and approach remain sound and relevant and the monitoring and evaluation of the work to date has been effective in demonstrating both individual impacts and outcomes for residents, as well as the programme level impacts and outcomes to date. For example, the year in numbers in the soon to be published OMVCS Annual Report 2019/20.

- 63 groups funded, supported by 19 Liaison Officers (from across the Council)
- £2.4 million of Council investment bringing in £5.2 million additional funds
- 191,891 people supported
- 7,887 volunteers giving 131,419 hours = £1.2 million (economic impact using Real Living Wage at £9/hour)

5.3. The current OMVCS grant fund delivery is set against priorities specifically drawn from the Our Manchester Strategy (We wills)

- Strong sense of citizenship and pride in the city
- Collectively improve health and wellbeing (of residents)
- Support the contribution older people make (Age Friendly city)
- Increase volunteering
- Support carers

As part of a condition for funding and business as usual delivery, organisations are monitored against these priorities on a quarterly basis. Standardised quarterly monitoring captures qualitative and quantitative evidence including demographics - ward of residence, age, gender and ethnicity. Monitoring submissions are regularly reviewed by the Programme Team, who are also supported by 19 Liaison Officers that work across the Council (Neighbourhoods, Commissioning, and Equalities & Inclusion) who act as a named points of contact and support for the VCSE organisations that are funded. Liaison Officers

are in regular contact with organisations throughout the year, and use monitoring submissions to guide discussions around any risks, issues, or success stories.

- 5.4. The Programme Team, in conjunction with Performance, Research and Intelligence (PRI), undertakes an annual survey which is used to gather information about what residents the funded VCSE organisations are reaching throughout the year. This was designed with equality considerations and the aims and objectives of the Our Manchester Strategy.
- 5.5. The standardised monitoring requirements (see point 4.1 for Covid-19 arrangements) will be reinstated from Quarter 3 (October to December), and the team will consult with the funded organisations to reschedule this year's annual survey to ensure that the most meaningful information is gathered to support the wider monitoring and evaluation of the OMVCS grant fund.
- 5.6. The impact of Covid-19 on the city and the sector is not to be underestimated. The priorities for any future investment in the sector will need to be refreshed from what is currently used above, although should seek to continue to connect to the Our Manchester Strategy (reset). Any future investment will also build on the above and the key areas of work and learning that have taken place since the inception of the grant fund, including the adaptations, needs, demands and responses to Covid-19.
- 5.7. Prior to Covid-19, the Programme Team had also been working on additional priorities of working with BAME VCSE organisations and leaders, and working with groups and organisations in North Manchester. These were agreed by the OMVCS Programme Board in response to the EIA and gap analysis from the first round of the OMVCS grant fund (2018), and have embedded equality considerations throughout their development to date. Jointly funded by the Council and MHCC, the following pieces of work have been set up and continue to be delivered:
 - North Manchester Together: Working group which oversees the North Manchester priority for the Programme Team and is made up of public, private and voluntary sector partners and is chaired by the Strategic Neighbourhood Lead for North. This work has continued to progress during the pandemic, with Conversations 2 Cash (C2C) - a new mini grants programme to support VCSE groups in North Manchester and launched in September (fact sheet circulated to North Manchester Members 8th September 2020).
 - Developing work with BAME Organisations and Leaders: Ongoing work being undertaken by the Programme Team, aiming to build on what's working well to increase the support to BAME VCSE organisations and leaders, using approaches and ideas generated by/with BAME VCSE organisations, leaders, communities and other key partners. A number of engagement events had taken place prior to March 2020, with the aim to use and develop feedback from BAME organisations and leaders into proposals and ideas for funding. Covid-19 has meant a delay in this work, but it is now able to be progressed, with a proposal for a funding programme developed and engagement with BAME

organisations/partners now ready to commence again. The activity and timeline for this programme will be aligned to the wider decisions being taken for the OMVCS grant fund, with a view to further communication and engagement taking place during the autumn.

6. Funding

- 6.1. A number of emergency funds such as the We Love Mcr Charity - Community Response Fund and the National Lottery - Coronavirus Community Support Fund, have provided much needed and welcomed short term grant support for VCSE groups and organisations across Manchester, helping them to adapt and continue to deliver vital activities to those most in need. Over £2.5 million has come into the city for VCSE groups and organisations from those two funds alone. Flexibility in funding arrangements and monitoring has been built into most funding streams during this time, notably this has been done within the OMVCS grant fund, Culture arrangements and with youth and play funding delivered by Young Manchester. However, the picture both locally and nationally is already a cause for concern as the position around long term funding opportunities for the VCSE sector remains unclear at best.
- 6.2. Organisations have responded dynamically to the Covid-19 situation, employing a range of tactics to overcome the gap and preserve resources for the future, including applying for the additional funding described above, furloughing staff, adapting services, and repurposing funds where possible. These tactics notwithstanding, it is highly likely there will continue to be a financial strain on the VCSE sector for the foreseeable future amidst the ongoing Covid-19 crisis and thereafter, which for some organisations may mean closure or a negative impact on their ability to deliver the same services to residents. However, currently none of the OMVCS (and associated grant) funded organisations have had to close down. At this moment in time, Macc are not aware of any outright closures – there have been some rumoured closures but none are confirmed.
- 6.3. As described in this report, most organisations have lost income and resorted to using reserves but, particularly for smaller VCSE organisations in the community sector, this has been offset by the plethora of short term emergency funds which has been relatively easy to access. The challenge is over the immediate future as the impact of those emergency funds is limited but funders have yet to announce their plans for the future. With the reductions in organisations' reserves over the last 10 years (as evidenced in State of the Sector research), the sector's capacity to withstand shocks is greatly reduced. Macc has analysed its database of groups alongside the data which has been shared with us by funders (for recent successful and unsuccessful applications). Macc are using this to identify groups for outreach support to help groups stabilise during the coming months.
- 6.4. In regards to specific communities of identity, targeted funding is needed to enlist the capacity of BAME-led organisations in the community engagement work around Covid-19. Macc have been pushing this with funders (including setting up a BAME Priority Group in the GM Funders Forum) and supporting programmes such as the BAME mental health funding from Greater Manchester Health &

Social Care Partnership (GMHSCP) being administered by Greater Manchester Centre for Voluntary Organisation (GMCVO). A £225k emergency grants scheme for small GM BAME led VCSE organisations affected by the Covid-19 pandemic has been launched in order to respond to the needs of BAME communities². There are also national developments around a BAME specific funding programme. Macc have been involved in some discussions about a community engagement funding programme alongside development of “talking points” to enable the VCSE sector (especially BAME communities) to mobilise staff and volunteers in myth busting though progress is slow.

6.5. A Manchester VCSE Funding Strategy and Partnership Group has been set up and is currently being supported by the Programme Team, working with funders across the city and Macc to share information, address issues and mitigate risks as much as possible and where appropriate to start to develop joint funding plans and activity. Membership currently includes MHCC, MCC (OMVCS, Culture), the National Lottery, Housing Associations, Greater Manchester Mental Health Foundation Trust (GMMH) and We Love Manchester. The Group’s role is:

- **Alignment:** To enable collaboration between existing and new funders and to ensure that all elements of the strategy are funded.
- **Additional funding:** To identify sources of and raise additional funding and to act as a conduit for additional funding
- **VCSE needs assessment:** To carry out needs assessment to inform each element of the strategy.
- **VCSE Communications:** to consult with and inform the VCS sector about the work of the partnership
- **Legacy:** To create an ongoing mechanism for funders to develop a joint strategic approach to funding Manchester’s VCSE sector beyond the aftermath of the Covid-19 crisis.

6.6. The funding partnership is already making progress with joint funding work initiated between the OM Funds Programme Team, MHCC and Young Manchester, with the support of Macc, on the development of a new ‘VCSE Covid Recovery Fund.’ This joint funding approach across children and young people and adults aims to respond to the funding gap in the VCSE sector by providing much needed resources and seeks to:

- Improve the health and wellbeing of Manchester residents
- Support the sustainability of the VCSE sector in Manchester (in order to support health and wellbeing of residents)
- Address health inequalities within the city of Manchester
- Support securing funding from new sources, including through the fund and the activity of grantees

6.7. Within these broad themes and to make best use of any jointly agreed investment, it is proposed that any priorities and targeting (of the fund) will reflect some of the key priorities of the sector, OMVCS and Young Manchester, with a clear focus on the sustainability of the sector. This in turn will allow VCSE

² You can find more information here: <https://www.gmcvo.org.uk/emergency-grants-gm-bame-communities>

organisations to continue to improve the health and wellbeing of Manchester residents and address health inequalities within the city. This work will be aligned with the future funding decisions of the Council and the strategic developments and planning of the funding partnership.

- 6.8. An important part of the VCSE funding landscape in Manchester, is the ongoing and future of the Councils investment in the VCSE sector, given the forthcoming Local Government Budget Settlement and subsequent budget challenges being faced across the Council from 2020/21 onwards. The OMVCS grant fund is currently in the 3rd year of a 3 year programme (ends March 2021). Discussions are currently taking place with the Executive and Senior Officers, to consider options, agree the future plans and communication and engagement with the VCSE sector and wider stakeholders.

7. Conclusion

- 7.1. It is currently too early to estimate the full impact (both financially and on organisational capacity) of Covid-19 on VCSE organisations within Manchester. The Programme Team, Macc and other funding partners across the city has and will continue to engage with VCSE groups and organisations to understand the reality of the situation, whilst continuing to support the sector in the ongoing response and recovery from Covid-19.

8. Recommendations

- 8.1. The Communities and Equalities Scrutiny Committee are asked to note and comment on the contents of this report, and advise on future communications and update reports.