

Greater Manchester Strategy 2013-20

Response to consultation

June 2013

Introduction

This response is made on behalf of the Greater Manchester Centre for Voluntary Organisation. We have also encouraged voluntary organisations to make their own responses. To inform this response we have also encouraged voluntary organisations to provide comments to GMCVO. A consultation event was held on 16th May 2013 in collaboration with AGMA, which was attended by representatives of forty voluntary organisations of all sizes and types. The views expressed by delegates have helped to shape our response.

We welcome very much the opportunity to contribute to the Strategy at draft stage, and the open approach to consultation with the voluntary sector.

Brief responses are given below to each of the consultation questions. However we would very much welcome the opportunity to contribute directly to further drafting with suggestions for appropriate revisions and additions.

Assuming some amendments could be made, we would also like the opportunity formally to sign and endorse the Strategy as a partner on behalf of the voluntary sector.

1. Is the picture of Greater Manchester in the strategy (our economy, our assets, our challenges and potential) accurate? Is anything missing?

1.1 We are aware of the importance of the Strategy as the framework within which significant decisions will be taken. This being the case it is crucial that there is appropriate reference to the voluntary sector throughout the document.

1.2 We are not concerned about the exact word(s) used to describe it in the document. At various times the sector has been known as the 'voluntary and community sector' or the 'third sector' whilst the current government talks a lot about 'civil society'. When we refer to the 'voluntary sector', we mean *'voluntary organisations, community groups, the community work of faith groups, and those social enterprises and community interest companies where there is a wider accountability to the public via a board of trustees or a membership and all profits are reinvested in their social purpose'*.

1.3 The voluntary sector of Greater Manchester is an important asset to the city region, making serious contributions to the identified key drivers, Growth and Reform, and should be acknowledged as such. It is a significant economic player in its own right, providing services and opportunities to GM people, creating a positive environment for

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visitors and helping to reduce the barriers to economic and social inclusion for individuals and communities. It is a major employer and host for work placements and volunteers.

1.4 A report recently published by GMCVO and partners (*'Greater Manchester State of the Voluntary Sector 2013, a report on social and economic impact'*, Sheffield Hallam University Centre for Regional Economic and Social Research, May 2013 <http://www.gmcvo.org.uk/greater-manchester-state-voluntary-sector-2013>) shows that the voluntary sector:-

- Comprises 14,592 community and voluntary organisations, co-operatives and social enterprises;
- Has an income of £1b pa and contributes an estimated £1.7b pa GVA to the Greater Manchester economy (3.5%)
- Employs 23,600 full time equivalent paid staff;
- Provides 1,990 work placements;
- Hosts 334,200 volunteers contributing 1.1 million hours each week, valued at £947m pa;
- Makes 21.2 million interventions with clients, users or beneficiaries pa;
- 47% of organisations receive no public sector funding and three quarters bring in other types of funding (trading, grants from independent funders and donations)
- more than three quarters of voluntary organisations bring in non public sector funding,

1.5 With regard to challenges, we would like to see explicit reference to rising levels of poverty and its correlation with worklessness, low wages and childhood (*'Greater Manchester Poverty Commission Research Report'*, Centre for Local and Economic Strategies, December 2012, <http://www.gmcvo.org.uk/greater-manchester-poverty-commission-report-published>). This report shows that:-

- The causes of poverty are complex;
- Significant pockets of persistent and multiple deprivation were present in Greater Manchester even before the onset of the economic downturn and recession in 2007;
- Households containing one or more workless residents were the most likely to be in the bottom income quintile, but working households are also affected, and 61% of children experiencing poverty live in households where at least one adult is working;
- Couples with children are the most common family type to be suffering from persistent low income (33%), followed by single households with children (18%);
- Based on qualification types, residents with no qualifications account for 44% of those experiencing persistent low income, with 21% of those qualified above degree level (2005-08); these figures have changed from 60% and 7% respectively since 1991-1994

1.6 Given that many working households are living in poverty, voluntary organisations would like to see an aspiration within the Strategy to make Greater Manchester a 'living wage' zone.

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2 Is our vision for Greater Manchester the right one? Is it ambitious enough? Is it achievable?

- 2.1 The vision is rightly ambitious.
- 2.2 Many voluntary sector respondents would actually like to see the vision made more ambitious, with sustainable economic growth being seen as a means to an end, i.e. to an excellent 'quality of life' for ourselves and our children. This is implied in the Strategy but never made explicit.
- 2.3 We very much support the ongoing commitment to economic inclusion expressed in the vision and objectives:- "all our residents are able to contribute to and benefit from sustained prosperity" and "all people are valued and are able to fully participate...", with the implied goal of reducing inequalities and poverty. We would like to see an explicit objective of reducing inequalities.
- 2.4 We also recognise the need for public service reform and large reductions in public spending. But we consider that a simple correlation of worklessness and low skills with dependency on public services is unproven, and would like to see reference within the objectives to the importance of changing social norms and creating a culture of resilience and enterprise. We believe the voluntary sector could play an important role here.
- 2.5 The vision may be achievable, but we would argue that it will only be achieved if there is bottom-up understanding and buy-in to the vision and the Strategy from all Greater Manchester residents. This is not something that can be imposed top-down; it needs the involvement and co-operation of people and communities.

3 Do our four priority areas (growth, business, worklessness and skills and dependency and demand) reflect the areas where bold, collective action can make a difference in Greater Manchester?

- 3.1 Broadly we would agree with these priority areas.

Growth

- 4 **Are the nine priorities relating to economic growth the right ones? (Does your organisation have a role to play?)**
- 5 **Are the actions that we've described under each priority heading the right ones? Is anything missing?**

- 5.1 We welcome the shift in approach from trying to attract business to areas that need employment to identifying business that can succeed and instead trying to identify needed support. This is a more organic and sophisticated approach.
- 5.2 We would like to see a stronger emphasis on the role of SMEs, as development of SMEs can be swift and flexible to respond to demand and opportunity. Encouraging the development of SMEs led by (social) entrepreneurs will also encourage the desired culture of self sufficiency and enterprise.

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5.3 Remember that voluntary organisations are also ‘SMEs’ and refer to the potential for significant growth in the ‘non-profit and charitable and/or ‘social and community enterprise’ sectors including:-

- Low / non-profit enterprise enabling more inclusive employment especially in economically inactive neighbourhoods and town centres;
- Community arts and sports – greatly enhancing the cultural offer;
- Youth employment and employability.

5.4 We would like to see reference to specific incentives for social and community enterprise, on the grounds that such organisations include ‘beneficiaries’ within the business, often providing employment for those deemed unemployable by mainstream business, and are obliged to reinvest all profits in their declared social purpose thus boosting the micro economy.

Businesses

6 Are the three priorities relating to business the right ones? (Does your organisation have a role to play?)

7 Are the actions that we’ve described under each priority heading the right ones? Is anything missing?

7.1 This section is dominated by consideration of the needs of big business. There is a mention of support for SMEs but that this will be a “private sector led joining up of ... business support”. We would argue that parts of the voluntary sector also trade (28% of income is from sale of goods and services) and may need specific support not necessarily available from the Business Growth Hub in its current form. (For example voluntary organisations have specific needs to understand regulations about charity trading, VAT liability and restricted and unrestricted funds.)

7.2 With regard to retaining talent, voluntary organisations referred the importance of retaining students. Pilot work currently led by UnLtd in three of our universities to encourage student social entrepreneurs should be built on. There is an opportunity to incentivise young people to start their own enterprise and remain in the area.

Worklessness and skills

8 Are the three priorities relating to worklessness and skills the right ones? (Does your organisation have a role to play?)

9 Are the actions that we’ve described under each priority heading the right ones? Is anything missing?

9.1 We welcome the emphasis on employer led skills and on young people.

9.2 However voluntary organisations also consider it is important not to sacrifice lifelong learning, and to understand that the creativity and imagination unleashed by broader learner-led education can itself be an inspiration for starting an SME.

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- 9.3 We would like to see explicit reference to the important role of the voluntary sector in reaching and engaging people furthest from the job market, and in supporting those furthest from skills development back into education and training, by developing confidence and 'soft skills' and providing volunteering opportunities and work placements.
- 9.4 Volunteering was strongly highlighted by young NEET people consulted during preparatory research for developing the Big Lottery Talent Match programme for Greater Manchester, as being a crucial factor in enabling them to be ready to enter paid employment. The importance of volunteering in preparing people for work should be acknowledged alongside other important factors such as apprenticeships.
- 9.5 There should also be emphasis on addressing workplace inequalities by considering the particular needs of women, disabled people and people from ethnic minority backgrounds, all of which are considered 'hard to reach' by the Skills Funding Agency and who are disproportionately more likely to be under-skilled and/or under-employed and less likely to start their own enterprise. The voluntary sector on the other hand has a strong track record of employing women, people from ethnic minorities and disabled people, with more than half of local voluntary organisations being led by women. There is an opportunity to work with the voluntary sector to understand the reasons for this and the positive steps that could be taken by mainstream learning providers and employers.

Reducing dependency and demand

10 Are the four priorities relating to dependency and demand the right ones? (Does your organisation have a role to play?)

11 Are the actions that we've described under each priority heading the right ones? Is anything missing?

11.1 Broadly we would agree with these priority areas.

11.2 Voluntary organisations were generally uncomfortable with the language around this section, which appears negative. We would prefer reference to 'encouraging independence' rather than 'reducing dependence'.

11.3 We would like to see a clear acknowledgement of the role played by community organisations and community hubs in shaping social norms (see 2.4). Our opinion is that without a change in social norms it is unlikely that reductions in demand on public services can be achieved since a reduction in one service will simply result in heavier demand on another. For example it is notable that as public spending cuts came into force in 2011, the voluntary sector noted a surge in demand for its services. A GMCVO report in autumn 2011 ('An ounce of prevention is worth a pound of cuts', GMCVO, October 2012 <http://www.gmcvo.org.uk/ounce-prevention-worth-pound-cuts>) found that 73% were experiencing increased demand, and 54% were aware of new needs emerging.

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11.4 We would like to see the Strategy mention the importance of the voluntary sector in enabling people and communities to develop cultures and initiatives of resilience and mutual aid, thus reducing demand on public services as well as enhancing quality of life.

11.5 We would like the Strategy to refer to the potential for significant growth in community based 'wellbeing' services supporting parents, offenders, elderly people etc to remain in or return to the community independently, and to take more responsibility for their own and their children's health.

General

12 Do you have any other comments?

12.1 For further information and discussion please contact:

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