

THE STATE OF THE SECTOR



A report on the voluntary
and community sector
in Kensington and Chelsea,
London 2008.



Acknowledgments

KCSC would like to thank all our funders for their support in the work that we do and our trustees, staff and volunteers for their commitment and support. KCSC would also like to thank all of our members who have supported the work of the organisation over the past year and would particularly like to thank those members who completed the questionnaire which has helped to produce this report.



Guests at the Funding Link event 2007 in Kensington and Chelsea

(Photograph courtesy of KCSC photo library)

A special thank you is given to the Big Lottery Fund which has made the publication of this report possible.

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Foreword

From the late 19th century until after the establishment of the welfare state in 1948 much of what is now delivered by secular voluntary groups to redress poverty and disadvantage was delivered by active church, university or public school members, often with connections to a range of social movements. These movements were led by sons and daughters of successful entrepreneurs who saw what industrialisation had resulted in for working class people in cities. They set up foundations, missions and settlements to educate, support and house people.

Modern day organisations evolved as a result of the welfare state not being a cure for all society's ills and developed into a wide range of groups united in their need to reduce poverty and disadvantage. Groups are united by their independence from the state and ability to campaign for hidden causes and voices.

In this report we show that our members are still delivering services that reach a wide range of groups, with the diversity of our communities reflected in the types and range of work undertaken by our members. We are pleased to have discovered how much activity is present and how much we do that contributes to active citizenship. Literature often indicates that it is these types of relationships that glue society together and this is echoed within this borough. We consider that the existence of the local voluntary and community sector is vital for local life to flourish because we can reach individuals who are isolated, we can create bonds between communities and we can be a critical friend to the state and the services it provides. We believe our role to be unique and necessary for the future of this part of London.

This year, this report has been produced in place of our annual review. In producing this report we asked the local sector to take part with KCSC in a year long process to look at their past and scope their future. This report marks a review point in the process. We held an 'Our Legacy' conference in February 2008 where we looked at our history and how it influenced the sector today. Our AGM on the 29th October 2008 will now look at the future of the sector and where we are in terms of our strengths and our weaknesses, what we can do to secure a future for our work, and how we may need to change to continue being effective.

The wishes of the conference will be appended to this report to create a wider view of who we are, our background, our present and our future. We will aim to put it into the context of the changing external environment, taking into account the impact it is having on our sector. During the next year we will continue to collect helpful facts and figures to illustrate the findings in this report. We plan to launch the final report at our AGM in 2009.

Mary Gardiner
Chief Executive

Introduction

The aim of this report is to provide a picture of the voluntary and community sector (VCS) in the borough of Kensington and Chelsea. The report assesses the shape and the size of the sector by bringing together known facts and figures to build the evidence.

Since 2007, some of the work of Kensington and Chelsea Social Council (KCSC) has been to capture evidence on issues which matter to the local voluntary and community sector. Combined with

statistical data, it is our intention to build a comprehensive picture of the state of the local sector which will encompass all aspects of VCS life. In doing so, this report represents stage one of building that picture, which looks at a range of sizes of members of the sector in relation to services provided, income, area of work and potential impact. It also looks at some of current issues which are affecting the VCS as a whole including central government policy, local strategies, and types of funding which open up the political debate on the future role of the sector.

Further mapping will need to be conducted for stage two of our report to reveal the complete state of the local sector with the aim of capturing a much wider sample. This will include the very small community and faith groups which are likely to be under the radar of regulators such as the Charity Commission and the emergence of the newer social enterprise model organisations. Both types of organisations and the local VCS as a whole require a deeper analysis on how they contribute to the economic, environmental and social well-being of communities.

The sector increasingly needs to prove its relevance in today's climate of tighter public spending. It will need to demonstrate its skill within an environment which requires value for money, efficiency and competitive tendering between the private, public and voluntary and community sector. These are some of the difficult challenges which face the VCS as it strives to maintain its independence in areas of campaigning, advocacy and service delivery whilst seeking the money it needs to survive.

The VCS in Kensington and Chelsea has a long and interesting history which was revitalised by the arrival of people from the Caribbean in the 1950's. The history (since 1958) has helped to create a sector which has a strong knowledge of its diverse community and the struggle to meet its needs. It also has a history of innovation and the ability to connect with the community in ways which can bring pride to those who work in the sector. It is for those reasons that this report is brought to you, to remember the history of the local sector, to celebrate its current achievements and to prepare itself for the future.

Angela Spence
Policy Development Manager



The success of the sector is its ability to work within and support diverse communities now and into the future.
(Photograph courtesy of RBKC Mediastore)

Methodology

KCSC has a total of 850 voluntary and community organisations on its database. These range from small local community groups to organisations delivering services across a wider region which are based in the borough. The method used to capture the evidence within the report includes:

- 1 Details about KCSC members held on the KCSC database**
 - 2 KCSC questionnaire sent via email to every organisation held on the database and by post for those members without an email address**
 - 3 Charity Commission website**
 - 4 Organisation Annual Reports**
 - 5 Guidestar website**
 - 6 Royal Borough of Kensington and Chelsea website**
-

Putting together the information from these sources provided a varied amount of data. The questionnaire sent to members of KCSC to update information already held on the database received a return of 111 (13% response rate). This presents only a snapshot of updated information, particularly on the important area of sources of funding and annual income. Previously held information on the database has therefore been used to build a picture on areas such as ethnicity, services, staffing and location of activities.

Information from the Charity Commission and Guidestar have helped to build a more detailed picture of the annual income of voluntary and community groups in the borough but does not provide information on annual income for small groups who do not have to register with the Commission. In total information on the annual income of 198 organisations were collected using these sources.

Gathering information from annual reports on funding sources has been helpful in providing a sample of where funding comes from in the borough. Coupled with information already held on the KCSC database, information on sources of funding was gathered on 80 organisations.

Information on organisations which have been funded by RBKC was collected from the RBKC website.

**All information on income and income sources relates to financial year ending 2007. Information on audited accounts for 2007/8 is not yet available on the Charity Commission website.*

A Snapshot of the history of the VCS in Kensington & Chelsea

A Snapshot of the Voluntary and Community Sector (VCS)

In the 1950's Kensington and Chelsea developed a reputation as an area which welcomed new communities. People arriving from the West Indies believed it to be an area where they could get work, be housed and be given support to become a part of the community. However, in the 1950's and 60's North Kensington became a part of London nobody much cared for or about. Homes were overcrowded, and dilapidated, services were few, and the area was considered dangerous and exciting.

Overcrowding in the area provided little space for children to play and problems with housing became much worse when rent controls were removed and unsavoury landlords took advantage to increase rents and take advantage of those already suffering from poverty and living in poor conditions. This was particularly common for the newly arrived immigrants who due to discrimination found it difficult to rent property and therefore had to take what they could get and as a result were exploited.

During the 1950's and 60's those families which were more affluent in the area moved out to the suburbs. This change altered the social and economic balance of the area and the disparity between the north and parts of the south of K&C grew. As a consequence of poor living conditions and dreadful housing practices as well as race riots the area developed a local view of unrest which led to the determination to improve social and living conditions through local voluntary action. As a direct result a number of key local voluntary agencies developed that worked with local people to campaign, influence and grow organisations. This led to the strong local voluntary and community sector that we still see today.

Notting Hill Social Council (NHSC) was set up in 1960, a partnership across faith, secular and political groups, it led a number of key projects such as the setting up of Notting Hill Housing Trust in 1963 which later helped to set up Shelter. The Neighbourhood Law Service (North Kensington Law Centre) was set up in 1968 to offer free legal advice and assistance to the community and was the first of its kind in the country, leading to a national network of centres.



The arrival of people from the West Indies changed the face of Kensington and Chelsea. (Photograph courtesy of KCSC photo library)

A Snapshot of the history of the VCS in Kensington & Chelsea

The Motorway Development Trust (now known as Westway Development Trust) was set up in 1969 and has worked in partnership to support new groups to emerge when a need has been identified. In 1964 the sister organisation to NHSC, Chelsea Social Council was established to work with groups in Earls Court and Worlds End, where conditions were similar to those in North Kensington.

Between the late 1960's and early 1990's the development of the black and minority ethnic (BME) voluntary and community sector was distinct, and reflected the changing nature of local communities. Initially community groups were set up to support the newly arrived immigrants from the West Indies and Ireland but by the late 1980's and early 1990's the sector had grown to support a wider Diaspora particularly from East and West Africa. The growth of smaller BME community groups in the 1990's led to the setting up of the Migrant and Refugee Communities Forum (MRCF), a federation of BME migrant and refugee community groups in the borough.

In 2002 the two social councils merged to become Kensington and Chelsea Social Council. This joined 2 sets of member organisations together and offered to local groups a stronger lead body that was more able to advocate, support, develop and share knowledge than had been possible previously.



Michael Bach, Chair of Trustees at the KCSC AGM in 2007.

(Photograph courtesy of KCSC photo library)

The VCS in Kensington and Chelsea today

Today in Kensington and Chelsea we have a wide range of organisations delivering services that bring benefits to the community. They reflect, to a degree the way in which the local council is divided into business groups which are:

- **Families Children and Young People**
 - **Engaging Communities**
 - **Older People**
-

These groups now form a set of voices feeding into our local strategic partnership, the Kensington and Chelsea Partnership (KCP). This structure encourages greater recognition of the work of the sector and its potential as an influencer of policy development. It also highlights the continued importance of making a difference to individual lives and to local life.

Today the voluntary and community sector in Kensington and Chelsea is estimated to be worth around £19m with a large proportion of around £7m coming from RBKC. However this estimate is likely to be much greater when considering the annual income of national organisations working in the borough (see section on charity income in the report).

The NCVO Almanac 2007¹ has found that only charities with the annual income of £1m stand a better chance of increasing their income year on year, whilst the income is falling for those under £1m. The report recognises the growing trend in 'super-charities' which dominate the sector with only 2% of the largest charities bringing in 43% share of the sector's income.

The role and contribution of the sector to the economy is not in dispute. Existing research demonstrates that there are many voluntary and community groups that already directly contribute to social and economic inclusion. Organisations in the borough such as Sixty Plus estimate the value of the work of their volunteers equates to around £82,000 for 11,500 hours of work, which demonstrates volunteering in the borough to be very active and again contributes a great deal to the economy.



Services users from St Clements and St James Community Development Project

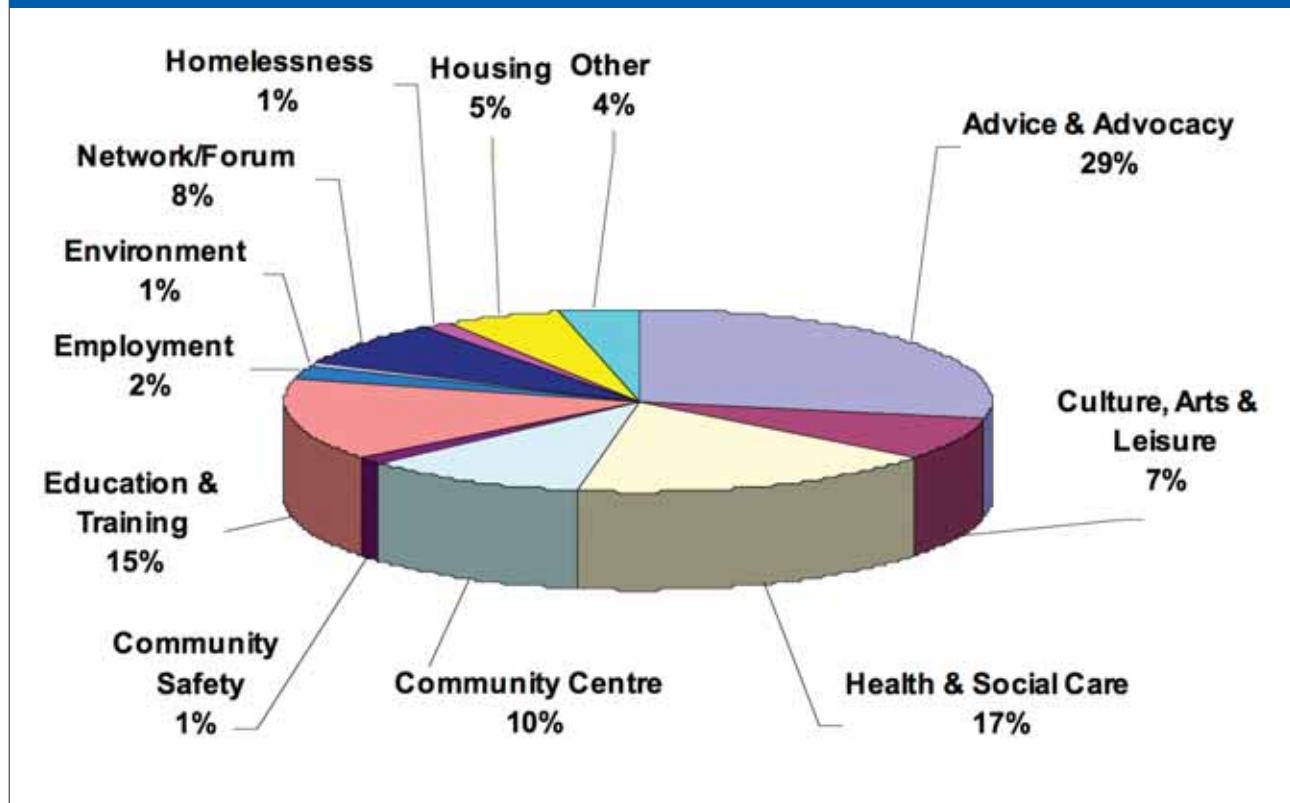
(Photograph courtesy of St Clement's)

¹ The UK Voluntary Sector Almanac; The State of the Sector; 2007, NCVO.

State of the Sector – Results

Section One – Purpose of the Organisation

CHART 1 – PURPOSE OF THE ORGANISATION



From 221 responses, the largest proportion of organisations in the borough (29%) were set up to provide advice, information, advocacy and campaigning work as a main or secondary service*. Health and Social Care shows the second largest proportion of organisations (17%). The lowest percentage is within the environment, community safety and homelessness.

Whilst the results are indicative, they reveal a clear need for advice, information and advocacy services within the community and greater resources for services such as community safety and the environment.

*Main service refers to services offered as a priority within the organisation based on the purpose of the organisation. Secondary services are services offered in addition to the main or priority service.

State of the Sector – Results

Section Two – Types of services offered in the borough

CHART 2 – SERVICES DELIVERED IN THE BOROUGH

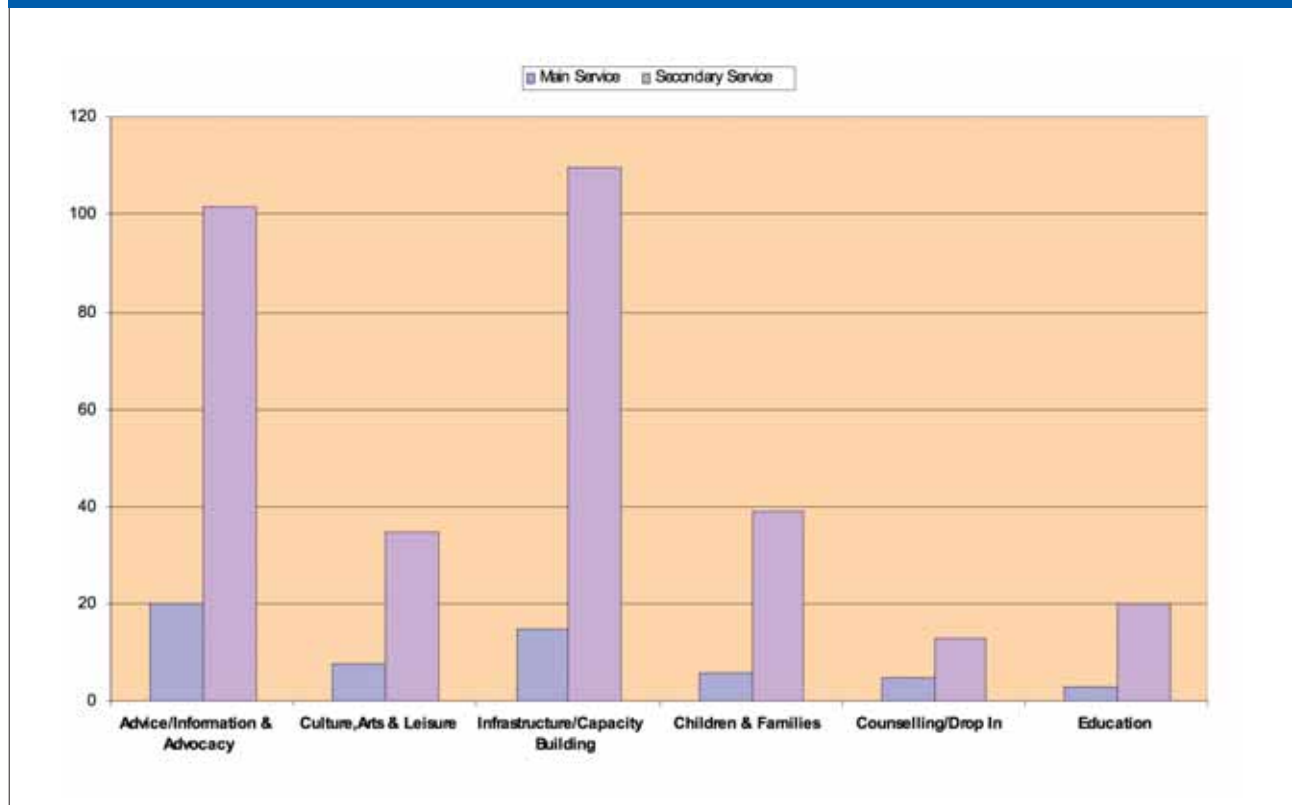
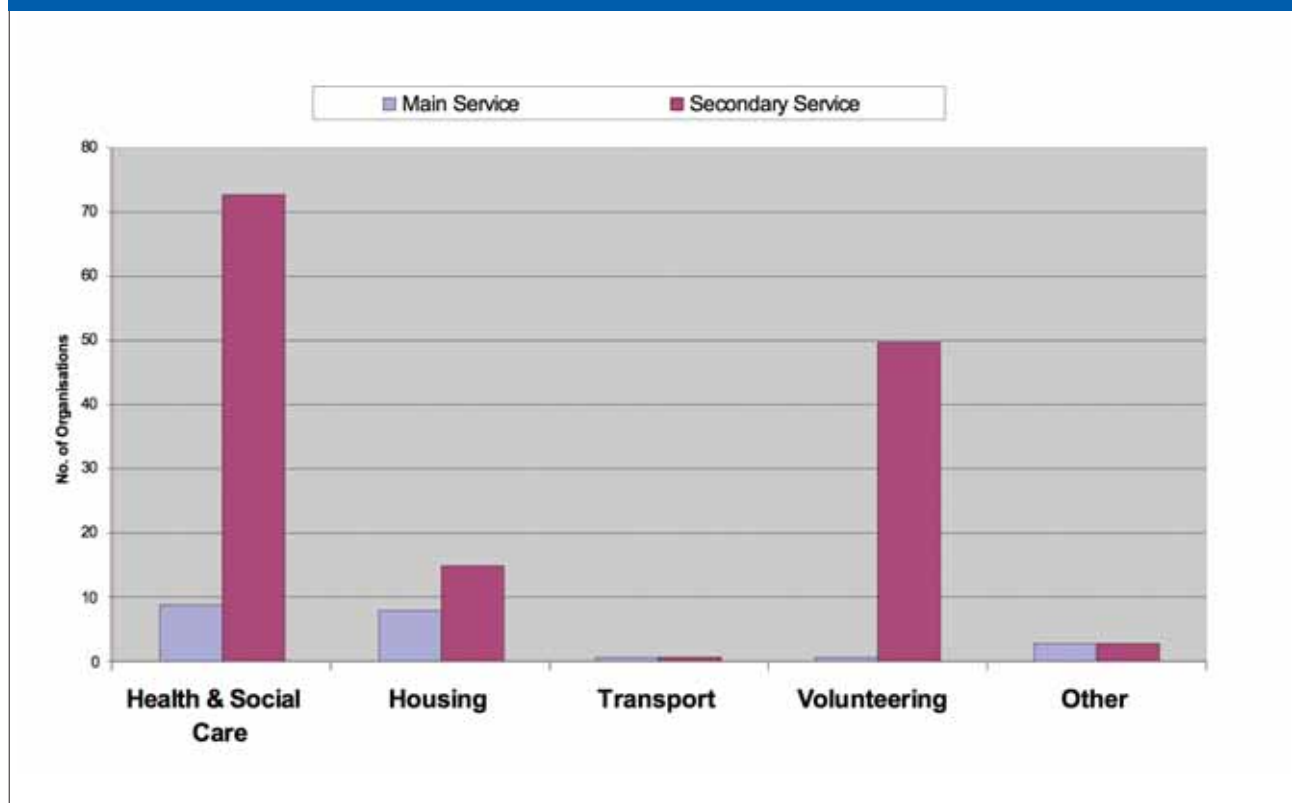


CHART 3 – SERVICES DELIVERED IN THE BOROUGH



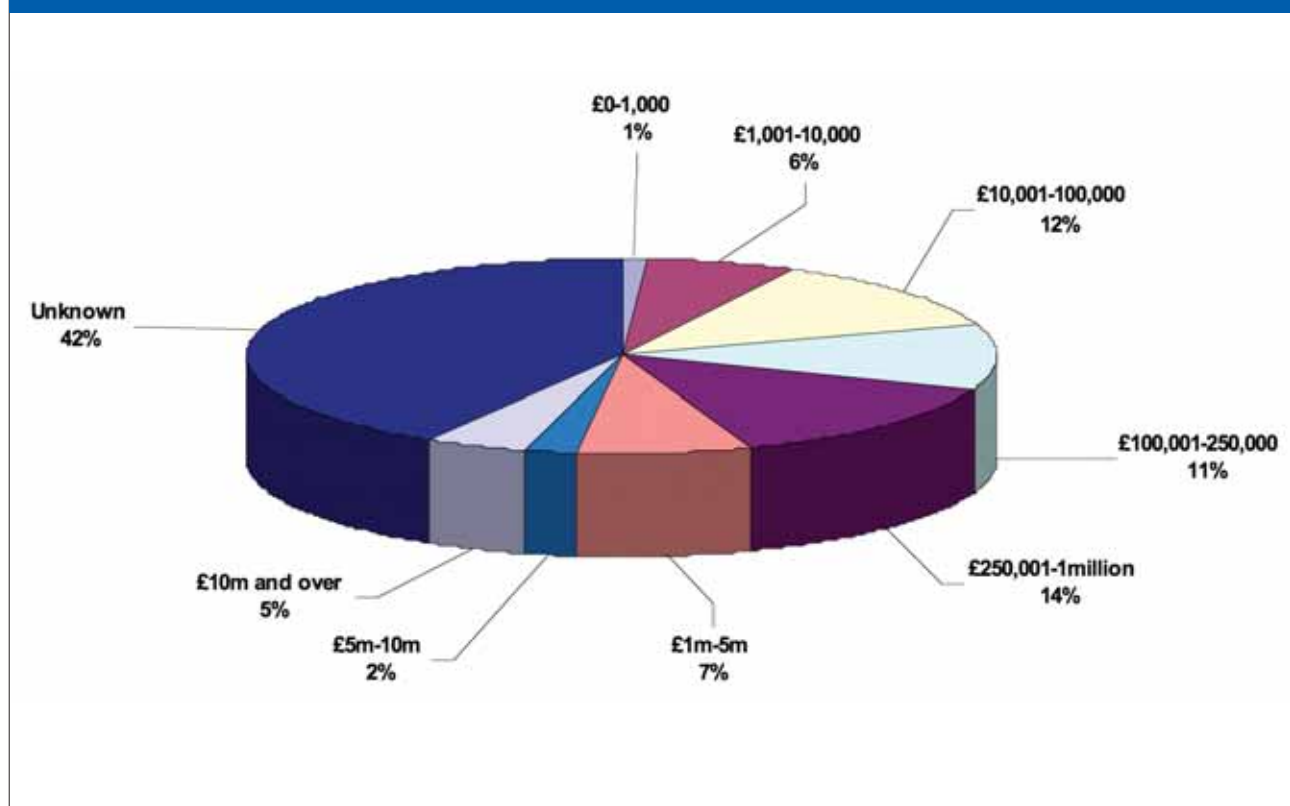
State of the Sector – Results

Section 2 shows the types of main services provided by organisations in the borough compared to those services which were indicated as secondary services provided by the same organisation. The sample reveals that advice/information and capacity building services had the highest proportion of services delivered as priority and secondary services. Both charts also show a higher response to secondary services compared to main services.

The results may reveal to some extent the level at which organisations are delivering other services in addition to what they are funded to provide as a matter of meeting needs and expectations within the community. Further evidence will need to be gathered to understand the nature of service provision within the borough and whether it is linked to funding or based on client need in spite of funding.

Section Three – Income and sources of funding

CHART 4 – ANNUAL INCOME BRACKET



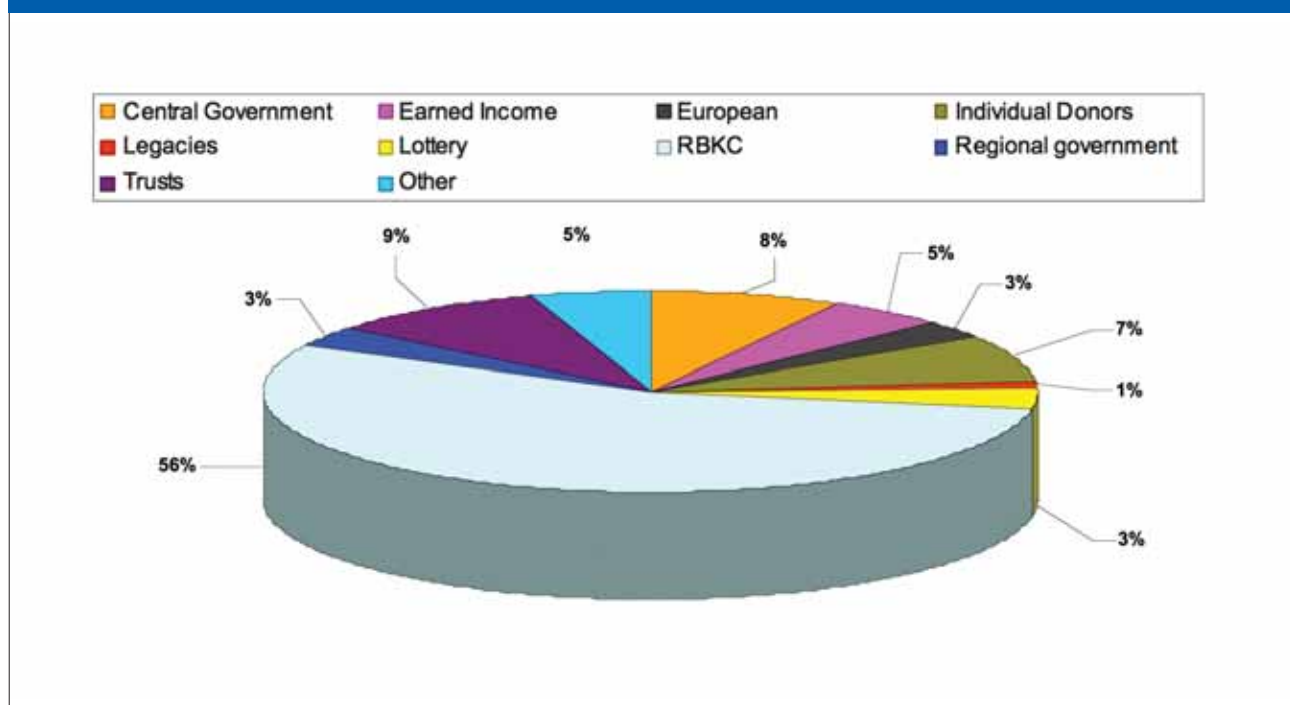
State of the Sector – Results

Annual Income Bracket	Number of Organisations	%	Actual Total Income
£0 - 1,000	4	1	£1,425
£1,001 - £10,000	21	6	£92,672
£10,001 - £100,000	41	13	£1,704,234
£101,000 - £250,000	35	11	£5,459,158
£251,001 – £1m	47	14	£24,082,385
£1m - £5m	24	7	£63,737,634
£5m - £10m	8	2	£53,818,015
£10m	15	5	£1,117,399,453
Unknown	137	43	

Chart 4 and the table above show the annual income of voluntary and community groups in the borough broken down by size.

As previously mentioned it is the organisations with annual income of £10,000 or less that tend to go unrecorded yet according to NCVO Almanac 2006 over 50% of the VCS fall within this bracket. KCSC will continue to develop this area of knowledge for stage 2 of the report to ensure all small voluntary and community sector groups are captured within the dataset.

CHART 5 – SOURCES OF FUNDING



State of the Sector – Results

Chart 5 reveals that out of a sample of 201 organisations, 121 received funding from RBKC in 2007 with the second largest funder being trusts.

Whilst the evidence shows a good funding relationship with the Council, the strong reliance on this type of funding may impact on future sustainability unless organisations seek to diversify income through other means of income generation.

Section Four – Paid staff and volunteers

CHART 6 – PERCENTAGE OF PAID STAFF EMPLOYED IN THE SECTOR

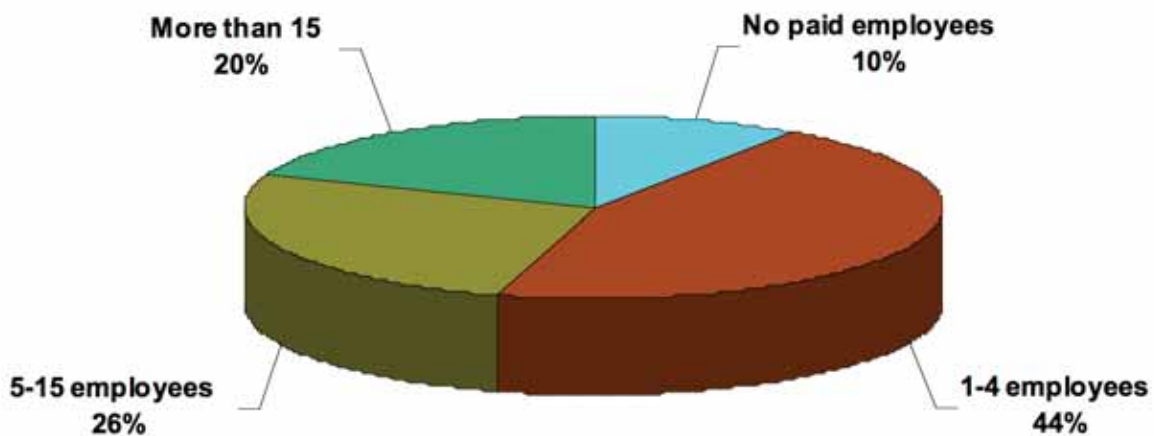
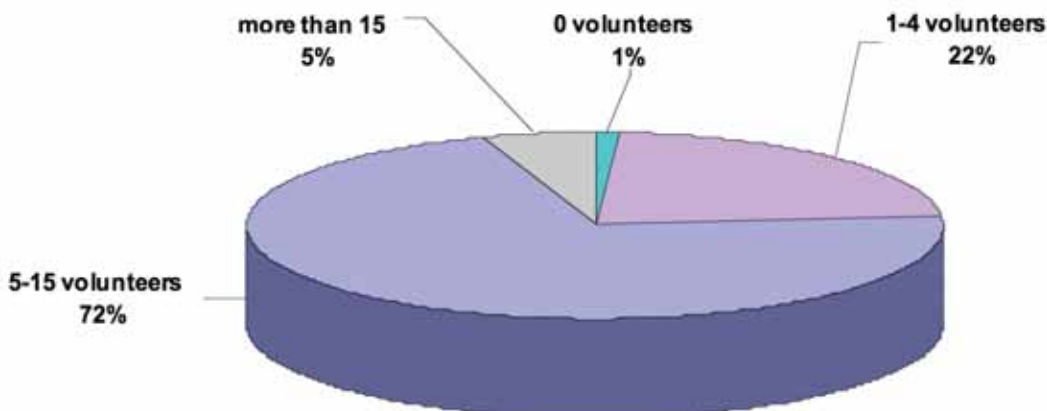


CHART 7 – PERCENTAGE OF VOLUNTEERS WORKING IN THE SECTOR



State of the Sector – Results

123 organisations responded to the question of total paid staff within the organisation including that of part-time paid staff. It is encouraging to see in chart 6 that 44% of organisations have between 1-4 paid staff and a respectable 26% have between 5 and 15% paid staff. Chart 7 shows that when it comes to volunteering either informally on a casual basis or formally as a trustee the borough has a high 72% rate of organisations where between 5 to 15 people volunteer during one year.

Both charts reveal the extent to which the sector contributes to economic and social capital within the borough.

Section Five – Service users and geographical coverage

CHART 8 – PERCENTAGE OF SERVICE USERS IN THE BOROUGH

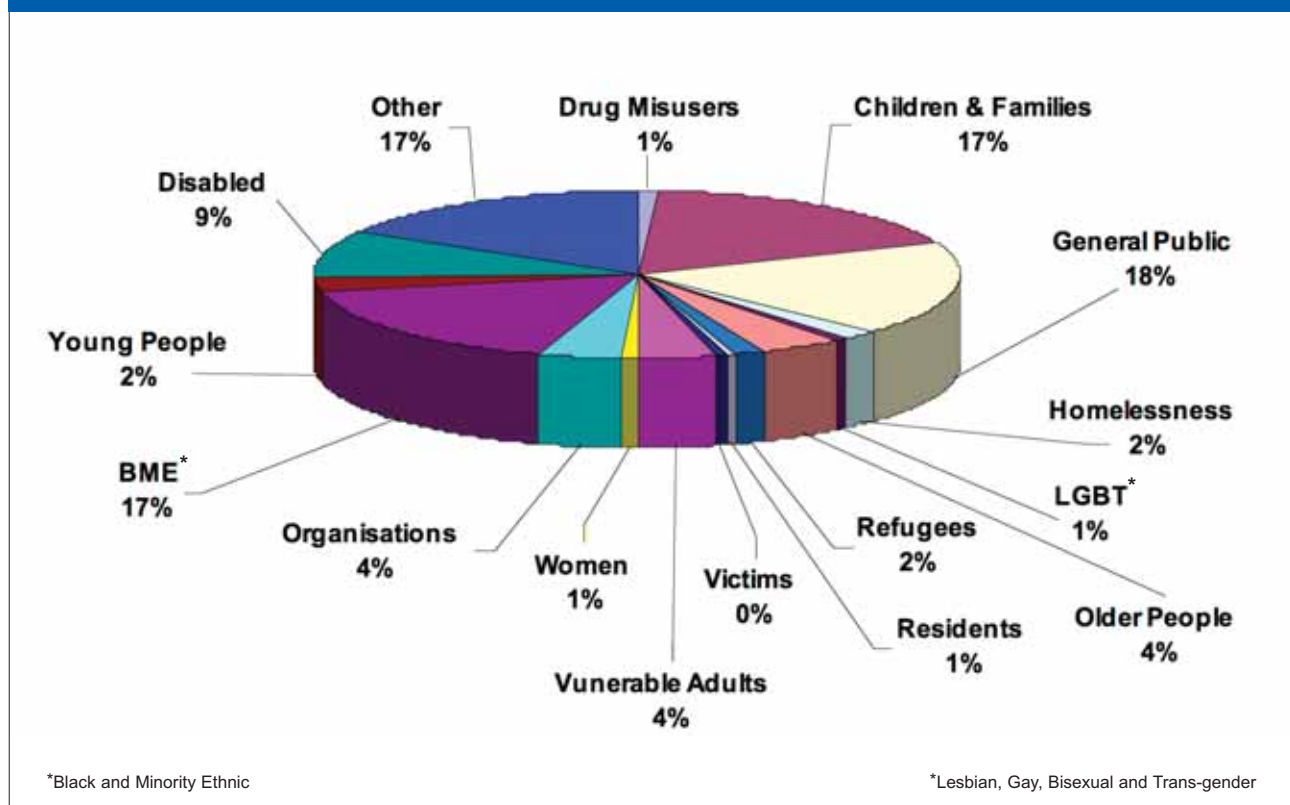


CHART 9 – GEOGRAPHICAL COVERAGE

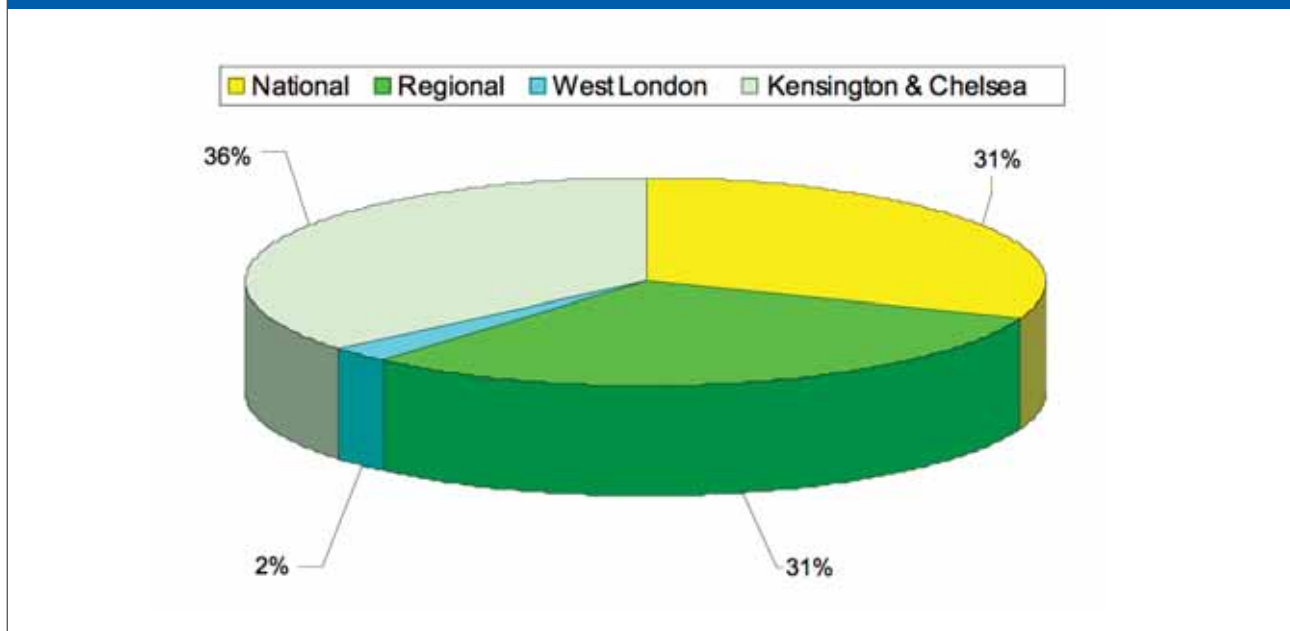


Chart 8 shows the range of client groups using services provided by voluntary and community groups in the borough. The highest proportion of organisations in the borough has indicated their beneficiaries as the general public, children and families and black and minority ethnic communities. Chart 9 shows that there is a near even spread between those organisations in the borough which operate nationally, regionally and in Kensington and Chelsea.

Future challenges for sector

Whilst some factual information exists to show evidence of a vibrant voluntary and community sector in Kensington and Chelsea, there is mainly anecdotal evidence on the sector's positive contribution to quality of life of communities. The report has begun to paint a picture of the shape and size of the sector in relation to its composition, activities and resources. We know that the sector is active in all areas of community life and contributes greatly to its well being, but more knowledge is required which will profile the sector in its entirety, particularly on how it is meeting local government outcomes.

As the nature of funding changes there are likely to be mixed fortunes in the borough. Some organisations will continue to maintain or increase their level of operation as they form partnerships and adapt to contracts but there will be a larger percentage that will struggle. Small community groups that rely purely on local authority funding could fall into this bracket. The reliance on funding from the council in the borough also reveals the sector's vulnerability as the local authority tightens the budget on grant funding and the commissioning of services becomes standard practice. The results also highlight the importance of the relationship between both voluntary and statutory sectors as they look to drive change together at the local level.

Earned income is likely to increase as grant funding from local authorities becomes harder to obtain. Our evidence shows that only 5% of organisations generated earned income for the financial year ending 2007 but this is an important area for further exploration as the boundaries between the way in which the private sector and the voluntary sector generate income become more blurred.

Since 1997 central government's efficiency agenda has led to the sector being recognised as a potential partner in delivering public services. This new context in which the sector has been placed has opened up opportunities for voluntary and community organisations to sell their services at a cost that can generate income. The challenge is how the sector can maintain its independence and values when possibly viewed as agents of the State?

With the advent of the personalisation agenda in the form of individual budgets there is a move away from the local authority as a provider of services. This presents both challenges and opportunities for the sector. The opportunity exists for the sector to help shape this agenda ensuring its role is a pivotal one between the individual and the statutory services.

The question of the survival of small groups will remain with the sector whilst the sector works its way through the changes. Small groups serve a very specific need and whilst they may not require large amounts of funding to deliver strategic services, they require a reasonable amount to help deliver projects. NCVO Almanac 2007 states that small organisations are continuing to struggle with total income of the sector falling during 2004/5 (excluding 'super-charities').

Meeting future challenges

The government states quite clearly that it is keen for the third sector to play a greater role in public life in bridging communities and representation. At the local level there is now a greater role for the sector to get involved in the policy making process, to identify and decide on local priorities, to deliver services and to hold local government to account. Local Area Agreements are now the main vehicle for driving public spending and targets must reflect local need and commissioned services delivered by a range of providers.

The local sector has had a strong history in promoting equalities in the borough. The challenge is to ensure that equalities groups have a voice which is individual in meeting particular needs and collective when promoting the equalities agenda and is channelled through formal structures.

Having a strong local voice is what the government says it wants at the heart of communities. The voluntary and community sector's involvement in Local Strategic Partnerships and the delivery of the Local Area Agreement is a necessary part of the process of empowering communities. KCSC provides a clear avenue for local voluntary and community groups to work closely with the local authority in Kensington and Chelsea. Our evidence shows that participation in the 4 Voluntary Organisation Forums (VOFs) is improving.

The VOF structure provides the opportunity for local voluntary and community organisations to engage with local policy through discussing shared concerns, interests and ways to influence strategic planning. The forums provide a space for dialogue which is an essential aspect of developing voluntary sector participation in political debate.

Organisations will also need to be clear about their future development and prepare themselves for the growing demand to be players within a competitive environment as professional service providers. This will include:

-
- **building Information and Communications Technology (ICT) infrastructure such as websites, organisation emails, databases etc**
 - **good governance in accordance with the governance code**
 - **diversifying income and**
 - **workforce development, as staff will be increasingly expected to generate income within a business environment**
-

Conclusion

Whilst there is a new role for the sector as a formal partner with the State, it is important that it maintains its uniqueness and independence. The sector has been and should continue to be a vibrant force which promotes a healthy democracy that can give people a voice and challenge political institutions. VCOs play a key role as advocates for individuals and communities ensuring that the needs and concerns of those they represent are properly taken into account.

As we move towards the end of another decade, the sector should prepare itself for new ways of working, new ways of generating income and new ways of engaging with the State. The sector should also remember its history and celebrate its achievements to date in working innovatively, and in advocating and campaigning on behalf of those who need it most.



The arrival of people from the West Indies changed the face of Kensington and Chelsea. (Photograph courtesy of KCSC photo library)

About Kensington and Chelsea Social Council

KCSC aims to enable the voluntary and community sector to achieve the following outcomes:

-
- **Increase knowledge, confidence and skills of Voluntary and Community Organisations (VCOs) so that they are strengthened and improved**

 - **Increase VCO good practice**

 - **Increase VCO ability to develop new projects and services and respond to emerging needs**

 - **Increase awareness of the context and environment in which VCOs are operating**

 - **Increase awareness of all service provision within the borough resulting in more holistic provision, less duplication and complementary services**

 - **Increase the number of partnerships, collaborative projects, consortia and networking between and within sectors**

 - **Increase input into strategies, plans and their implementation with changes made as a result of influence and contribution by VCOs**

 - **Smaller less established VCOs access our services and become engaged in the VCS**

 - **Are able to campaign and lobby effectively for local people**

Our Goals

Infrastructure Development

To identify and respond to emerging needs and issues and coordinate provision of infrastructure support to ensure effective coverage of the needs of frontline organisations.

Services and Support

To provide services and support to frontline organisations with a focus on outcomes in sustainability, accountability, good governance and quality standards.

Information

To provide information that is easily accessible, relevant and up to date; that supports the sector by providing tools and resources, and promotes and celebrates the local sector's achievements.

Representation and Advocacy

To improve representation and advocacy and work towards adherence of the Compact to ensure that all the diverse groups in the sector have a voice in local policy and decision making.

Networking and Liaison

To promote mentoring between voluntary and community organisations and other stakeholders to improve awareness of the voluntary and community sector and promote partnership working locally, regionally and nationally.

Improving the capacity of KCSC

To empower and equip KCSC to meet the changing needs of our stakeholder and lead by example.

Our Achievements from April 2007 to March 2008

Capacity Building

We have continued to provide support to organisations aiming to achieve levels 1,2 and 3 in PQASSO as well as providing advice surgeries and a wide range of training for organisations in the borough.

Partnerships

Our capacity building team worked closely with staff at RBKC's Family and Children Services from December 2007, to support organisations to bid for contracts under the new commissioning process.

We have spent time building a stronger relationship with the Primary Care Trust and this has led to our involvement in supporting the BME Health Forum and developing a number of consortia

Staffing

During this financial year, KCSC welcomed new staff members to the team, Siobhan Sollis and Sofia Roupakia to deliver services in capacity building. Kuldip Bajwa, Laretta Johnnie and Angela Spence to deliver services within policy and partnership development.

Funding

In February 2008, KCSC secured £500,000 from the Big Lottery Basis bid.

Events

In February 2008 KCSC held a seminar event called 'Our Legacy, Our Future', and a consultation event in March on the community strategy. A series of evening seminars has been introduced to add to local discussion on policy implementation.

Voluntary Organisation Forums (VOFs)

The forums have continued to flourish through this financial year with attendance steadily growing. Newer networks that feed into VOFs have been supported.

Staff and Trustees

Staff

Mary Gardiner	Chief Executive Officer
Harjit Dhaliwal	Office Manager
Brenda Nambooze	Administrative Assistant
Angela Spence	Policy Development Manager
Lauretta Johnnie	Development Officer Partnerships & Forums
Kuldip Bajwa	Information & Communications Officer
Lev Pedro	Organisational Development Manager
Sofia Roupakia	Development Officer Training
Siobhan Sollis	Development Officer Capacity Building

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Jane Turner	
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