



## Funders' Forum Meeting, 17 January 2007 Summary

### 1. Introduction

The South West Funders' Forum is open to all who fund, invest in and otherwise provide resources for voluntary, community and Third Sector organisations in the Region. The Forum is administered by Funding South West (part of creating:excellence) and this event was sponsored by the Big Lottery Fund. It was attended by 28 people from a wide range of organisations in the public, private and Social Enterprise sectors (a list of attendees follows this report). The purpose of the day was to share information, consider future plans for the Forum and to create an opportunity for networking.

### 2. Funders' Forum - background and plans

Steve Keable and John Skrine outlined the history and progress of the Forum, explaining how it fits into the work of creating:excellence, and is part of a 'family' of networks. These networks enable funders and those who give advice free at the point of delivery to Third Sector organisations in the Region to share information and develop their separate and mutual interests. For their presentation (view this in 'Notes View'), which also outlined current plans and ideas for the future, follow **this link**.

Issues and ideas arising from the discussion which followed included:

- **Small Grants.** There was a high degree of consensus that these are of great importance to community and voluntary organisations. While the costs of their administration and the continuing squeeze on Local Authority funding are threats to them, innovative solutions are emerging in parts of the region. These often involve a partnership between local grant makers and Local Authorities. Other issues raised included the need to combine development help with small grant making, and evaluation (Community Foundations will be reporting on this). It was agreed that a seminar to share current initiatives on small grants and to explore possibilities for further developments should be convened by the Forum in the spring or early summer.
- **Making our systems more efficient.** The encouragement funders give to the sector to collaborate, and share administrative and other functions, should also be applied by the funders to themselves. An example of this is standardisation of monitoring systems. This is frequently called for by grantees, and would be a benefit to funders too. Issues arising from this included the difficulty of making the sector view monitoring positively, rather than as a policing action. Heritage Lottery Fund has found seminars for new grantees to explain the working of monitoring have had 'hugely positive results'.
- **Celebrating success.** It would be good to do something to highlight the difference made by investment in the sector, which is not sufficiently appreciated. This was about showcasing the work of a range of funders.
- **Lead funder.** The Lead Funder initiative led by Bristol City Council might be worth following up in order that good practice can be shared.

If you would like to be kept informed on progress of any of these ideas or initiatives (or have any to add!) please email [John Skrine](mailto:John.Skrine) or ring him on the numbers at the end of this note.

### **3. The State and the Sector: An overview of current initiatives.**

Dawn Woods, Head of Community and Equalities, Government Office for the South West, and Vernon Samuels, Regional Co-ordinator of Capacitybuilders, described some of the major current policy areas and initiatives from Government affecting the sector.

Dawn Woods summarised two key policy areas, and three main areas of activity in relation to current Government interest. These areas of activity are:

- Relationships, including developing the Compact between the State and the Sector. The Compact Commissioner is now in place, and considers his first job to be ensuring that Government Departments are observing Compact principles.
- Funding, including ensuring that Full Cost Recovery is fully observed across Government and providing training in it.
- Building the capacity and infrastructure of the sector, to support third sector as a deliverer, innovator and voice of wider voluntary and community.

In its work, Government wants to move away from a situation where the State leads, to one in which it trusts the Sector more. The two major policy areas of interest are:

- The Local Government White Paper. A key theme of this is to change the balance between Central and Local Government in favour of Local Government, and to give more input to local people. The Third Sector is viewed as an important partner in developing the local 'voice' that will be needed, and is the subject of the final Annex to the White Paper. Transfer of capital assets to the community will also be more strongly encouraged, with a possible fund to assist this.
- The Comprehensive Spending Review. The Third Sector is built into the current Review, with a national advisory panel, and a consultation with the Sector in connection with it started in July of last year. Eight consultation events were held in the SW alone, demonstrating the Government's commitment to genuine consultation. The interim report from that consultation is now available, and shows responsiveness to what was said – the importance of small grants, for example, was heard and has been recognised. It can be downloaded at: [Treasury interim review](#) (or ask John Skrine to email a copy). The second stage of the Review will concentrate on five themes: voice and campaigning; communities; public services; social enterprise; and a healthy third sector.

What do these developments mean for funders? With a background of less money in the public sector, particularly Local Authorities, funders might like to consider ways of sharing information and systems, how to help develop trust throughout the Sector, and who is best placed to deliver grants and resources – it will not necessarily be statutory organisations. And please don't forget marginalised groups!

Vernon Samuels outlined Capacitybuilders' task to take forward the Government's ChangeUp agenda to strengthen the Sector's capacity and infrastructure to better deliver services to the community. While Capacitybuilders has about £70m to spend nationally between 2006 and 2008, it sees its role as change management as well as cash delivery.

The structure through which Capacitybuilders works in the region was set up through ChangeUp, and is working to the Infrastructure Strategy South West. As in other Capacitybuilders programmes, the eleven subregional infrastructure consortia and thematic groups (there are also cross-cutting areas such as rurality, diversity and social enterprise) overbid for this year's funds. This was an issue particularly in the South West.

The next round will be for bids to a consortium development fund, to build infrastructure fit for purpose. Bidders must develop plans for 2008-11, and will be expected to plan with others, such as Local Authorities. It would be very helpful if all interested parties could develop a shared sense of priorities, and to this end Vernon appealed to funders with a subregional geographical remit to get acquainted with the members and activities of the consortium for their area. For information, follow this link: [www.changeupsw.webexone.com](http://www.changeupsw.webexone.com)

Capacitybuilders is currently consulting on its vision to the year 2014. There is a consultation meeting in Taunton on 8 February, and the consultation runs until 31 March. For more information visit <http://www.capacitybuilders.org.uk/> or email Vernon Samuels: [vernon.samuels@capacitybuilders.org.uk](mailto:vernon.samuels@capacitybuilders.org.uk)

#### **4. Mind the Gap: a funder's guide to full cost recovery**

ACEVO (Association of Chief Executives of Voluntary Organisations), in association with the Big Lottery Fund, has published *Mind the Gap: a funder's guide to full cost recovery*:

<http://www.acevo.org.uk/uploads/pdfs/FCRfundersmanual.pdf>

Seb Elsworth, Head of Projects at ACEVO gave a presentation (to download, follow **this link**). Questions and comments in response included the following:

- While it is a natural concern for funders that the greater amounts going to each applicant to include full cost recovery will mean fewer successful applicants, there is evidence suggesting that organisations which are funded with full cost recovery find that the financial stability which this brings makes them less likely to make frequent speculative applications to stay afloat.
- Concern was expressed that few Local Authorities are applying the principles of FCR, and that those who argue for it within them are 'lone voices'. It would be easier to argue for if it could be shown that others were doing it too. Seb agreed to send a list of conforming LAs which could be circulated in the region. He felt, however, that a tipping point towards compliance was being reached in central government.
- Applying the principles often makes for difficult decisions in Local Authorities, especially when some elected members still have a negative view of the value of funding core costs. Seb suggested that this is an aspect of the wider culture on giving – the argument was still to be won.

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## **Attendees**

<b><u>Name</u></b>		<b><u>Organisation</u></b>
Pam	Bacon	South West of England RDA
Shaun	Byatt	South West Foundation
Mark	Cotton	Big Lottery Fund
Seb	Elsworth	ACEVO
Roy	Endacott	The Community Foundation for Wiltshire & Swindon
Lucy	Findlay	RISE
Graham	Harris	Wiltshire County Council
Rosemary	Hopgood	Wiltshire CIB
Debbie	Jones	Somerset Community Foundation
Steve	Keable	Devon County Council
Alison	Kite	Gloucester City Council
Usha	Kumar	South Gloucestershire Council
Nick	Lockwood	Sport England
Lorna	Mackie	Nationwide Foundation
Dave	McGrane	Charity Bank
Melanie	McLoughlin	Devon Community Foundation
Alice	Meason	Quartet Foundation
Kate	Osment	Devon County Council
Guy	Patterson	Help the Aged
Jean	Pippard	Cornwall County Council
Carol	Procter	Heritage Lottery Fund
Daniel	Robinson	The Peter Lang Children's Trust
Vernon	Samuels	Capacitybuilders
John	Skrine	creating:excellence
Alison	Templeton	Somerset County Council
Nigel	Williams	South West of England RDA
Emma	Winfield	Bristol City Council
Dawn	Woods	Government Office for the South West