

Funding Advice for the Voluntary and Community Sectors

What difference does it make?

An Exploration of Five Case Studies in the South West

Contents

Executive summary	2
1. Setting the scene	5
How the five case studies were chosen	5
Clarifying the nature of funding advice and organisational development work/capacity building	7
Is funding advice and support important for the VCS?	8
VCS value, leverage and additionality	9
2. The case studies	
Models of good practice	12
Torbay Development Agency –an integrated funding advice and development approach	12
The Charities Information Bureau – a collaborative partnership between a specialist funding advice agency with local partners and regional reach	15
Bristol – a rich complexity of resources	20
3. The case studies	
Needs and opportunities in historical gap areas	25
Somerset – the emergent role of a funding advice workers' network	25
Gloucestershire – a county of contrasts	29
4. Conclusions	36
5. References	37

Executive Summary

This report¹ summarises the learning from five case studies exploring practice in the provision of funding advice to the voluntary and community sectors (VCS) in Torbay, Bristol, Somerset, Gloucestershire and Wiltshire with Swindon and Bath. Three of these highlight current good practice, and two consider new initiatives to plug gaps in support. Although funding advice in each area has been shaped differently in response to local history and culture, and the levels of development of the VCS vary, the learning across all five is remarkably consistent.

Main findings:

What are the benefits of funding advice and support?

- Investment in funding advice linked to organisational development and capacity building* can unlock significant income for the VCS, helping the sector, including social enterprise, grow and be recognised.
- The leverage of funds and volunteer time into an area by a well-funded VCS is considerable, making a significant contribution to the local economy and resulting in wider community benefits. In the last 18 months, £8 million was raised by the VCS helped by the Torbay Development Agency worker and in the last year the Bristol City Council Regeneration team helped the VCS to raise over £2.2 million. In Gloucester, the City Council's grants to 20 key organisations levers in an additional eightfold amount of resources into the area.
- In areas where there is not significant funding advice and limited capacity building, VCS development, including the number of groups, the range of issues they cover, and their accessibility and effectiveness are much more limited. The level of inward investment levered into these areas is lower.
- Skilled funding advice linked to organisational development produces strong funding applications that demonstrate appropriate project management and business planning, thus avoiding wasted time for funders and applicants.

What works in funding advice and support?

- An approach which combines capacity building and organisational development with funding advice, available locally, appears highly productive. When these functions are integrated, support can be closely tailored to the needs of organisations and groups, and evolve over time.
- This approach appears to be most helpful for new and small to medium sized organisations, especially disadvantaged groups. These may need substantial locally available help to get 'fit for funding', thus becoming more self-managing and sustainable, and able to deliver positive outcomes for their beneficiaries and the wider community. Quite long-term and varied support is needed over an organisation's life cycle.

- Partnerships and larger VCS organisations clearly also benefit from funding and organisational development work, but at a more sophisticated level.
- This organisational development work is essential underpinning for the meaningful use of good funding advice - access to a database or just signposting possible funders are not usually sufficient.
- Organisational development and capacity building enables groups and organisations develop the skills and knowledge to manage their affairs well, deliver positive benefits and become sustainable.
- Users of funding advice services are not concerned about who delivers funding advice and support services - it may be more than one agency or worker - as long as the providers are approachable, visible, consistent, flexible, and seamlessly interface with the capacity building help they need.
- Strong co-ordination, signposting, and clarity around roles and responsibilities between statutory and VCS agencies so that the right help is delivered at the right time is essential.
- Whilst the model of integrating capacity building and funding advice provision into single workers or agencies is very persuasive, the sophisticated level of knowledge and skill needed in funding advice may be difficult for the generic development worker to maintain without access to specialist support.

Building funding advice infrastructure

- The continuity of funding advice posts is considered very important in this context, where it takes time for individual workers to develop the knowledge and local credibility to make a difference. The VCS appears to be highly vulnerable to change in the provision of funding advice with a lack of staff continuity and short term funding.
- Where there is a history of investment in the VCS, the process of developing a strong VCS can withstand the loss of individual workers; where there is no such history, progress may be hard to sustain. Positive relationships, trust, and history between key statutory officers and VCS infrastructure organisations are also significant.
- Some organisations put significant effort into identifying the leverage and additional resources, that both their direct funding of the VCS, and their resourcing of funding advice and capacity building, brings into their areas. Similar approaches to monitoring, along with a focus on wider community outcomes, and the developing of internal quality standards, would be of benefit to all funders and those involved in giving funding advice and help.
- Providing development support at local level requires investment in VCS infrastructure or development organisations, especially if the VCS is to grow and participate in partnerships and develop its representational role within decision making bodies, like the Local Strategic Partnerships.

- More effort is needed to make good funding advice available to hard to reach communities in rural and urban areas.
- The development of both the regional and local funding advice networks (FANs) for information sharing and peer support and the accredited training programme are greatly valued by funding advice workers. The availability of small grants from the Network Development Fund through the South West Foundation and Funding South West has been important in helping them off the ground. Working together, Funding South West and the FANs give a real opportunity to develop both monitoring and quality standards, and to contribute to national developments.
- The dialogue between the funded, funders and funding advisers needs to be resourced and facilitated to develop understanding and good practice.

Conclusions

The case studies and wider work undertaken for this research demonstrate clearly the value to the VCS of good quality funding advice allied to capacity building and organisational development work, if they can be provided 'seamlessly' and at appropriate levels. Such support impacts not only on the strength of the sector and its capacity to grow, but appears to play a significant role in local regeneration, as the eightfold leverage effect achieved in Gloucester City demonstrates. The investment model would argue that funders have much to learn from venture capitalists, who put in both financial investment and considerable business support, in order to secure better returns over the longer term. Despite this positive feedback and the generally helpful influence of ChangeUp in bolstering the capacity of VCS infrastructure organisations, the research has found only a few examples of committed, long-term investment in funding advice linked to capacity building work for the VCS. Overall, funding advice appears to be in a fragile state with resources arriving and departing over relatively short time scales. In such a climate, it is unsurprising that the VCS at local level so often struggles with issues of sustainability. The research highlights the importance of regional leadership and local action to support the development of Funding Advice Networks and the provision of training for funding advice workers, as well as building a stronger evidence base on the impact of funding advice.

About the research

The research was carried out by The Evaluation Trust in spring 2006. Sarah del Tufo, Lesley Frazer and Jenni Wilson interviewed a wide range of local organisations and agencies including Funding Advisers and their managers, their users and partner agencies, as well as some funders and VCOs in the five case study areas across South West England. The research was commissioned by Funding South West, part of creating:excellence, the South West centre for sustainable communities. Copies of the short report are available from John Skrine at creating:excellence:

John.skrine@creatingexcellence.org.uk Tel: 01823 250805

Setting the scene

Funding advice and support are given to VCS groups in the South West (SW) free of charge by many Local Authorities and a range of voluntary agencies and funding bodies. The models and coverage of this support vary considerably, as do the perceived results in terms of a secure and thriving VCS. In 2004 Funding South West, which brings together funders and funding advisers from all sectors who fund and support groups and communities in the region, published research by Red Door Associates³ which mapped the provision of funding advice services in the South West. This found some significant capacity gaps, and an undervaluing of funding advice services.

So the purpose of this research was to identify:

- different models of delivering effective funding advice, and evidence of the difference such advice makes, especially any multiplier effects of extra resources being drawn in.
- In parts of the region where there is not a fully effective funding advice infrastructure operating, and thus to infer the losses involved, drawing on local, regional and national evidence.

And the questions needing an answer were:

- Where in the region is the VCS best supported by dedicated funding advice? What is the nature of this support, the rationale for its provision and the evidence that it is effective in attracting funds to the area served, and supporting VCS activity?
- In areas where there is not much funding advice support, is it possible to point to a relationship between this gap, the level of VCS development and the level of inward investment in these areas? Are there any developments that could bring improvements or pose a threat to the sustainability of the VCS?

How the five case studies were chosen

The case study areas were identified following group discussions with funding advice workers, analysis of 30 short survey forms and 26 telephone interviews with a range of key stakeholders. A number of 'good practice' locations could easily have been chosen. Devon, for example, has the longest-established funding advice workers' network in the region and we had positive feedback on both local authority and VCS work there. The work of the Local Authority funding advice worker in Bournemouth was also strongly recommended. Some important partnerships in East and West Cornwall, the long distance support of organisations by Intercom, the regional infrastructure agency working with Gay, Lesbian, Bisexual and Transgender organisations, and Arts Officers and Community Foundations, were also highlighted. The final choices, agreed with our advisory group in order to achieve an indicative range of rural and urban locations and models of delivery, were:

- **Torbay Development Agency**
- **Charities Information Bureau and its partners**
- **Bristol**

In identifying two less well-supported areas, there were likewise a number of locations that could have been explored. In both the selected areas, however, alongside contrasting levels of resourcing, gaps in funding advice services and threats to the sustainability of the VCS, it was thought interesting new opportunities were being grasped in these areas to address historical shortfalls. The areas chosen were:

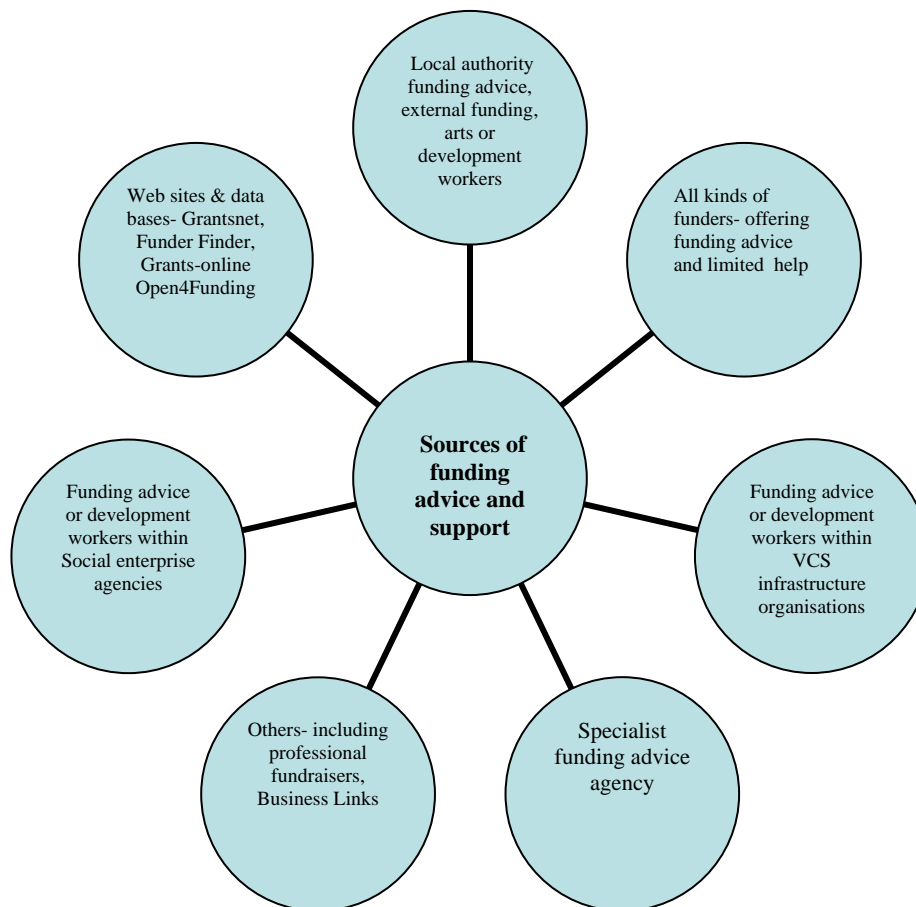
- Somerset
- Gloucestershire

Working with the advisory group and key funding advice networks across the region, and building on evidence from an earlier conference workshop⁴, we identified features of good practice and success in delivering funding advice and used these to develop our interview guides.

Who is giving funding advice to the VCS?

As we see in figure 1, there are a very wide range of agencies and individuals, formally or informally offering funding advice and help, free at the point of delivery, and often not as their main role. Whilst this could look like duplication, the reality is that in most of the South West, resources are spread quite thinly, and the complexity of the picture makes it hard for the organisation looking for help to know where to go.

Figure 1



Clarifying the nature of funding advice and organisational development work/capacity building

During the interviews, the difference between funding advice and help and organisational development work/capacity building became clearer:

Funding advice and help can involve:

- giving up to date and targeted information about funding sources and specific eligibility criteria
- helping groups clarify their ideas and start to turn them into a project with a plan
- identifying gaps in organisational requirements and offering limited help with constitutions and 'off the shelf' policies
- reading over and commenting on applications in draft
- giving support in completing funding applications, knowing where to look for local research evidence, helping to put together budgets, and knowing how to approach the application and the appropriate language to use
- offering training on finding funding etc.
- creating opportunities for funders and potential applicants to meet and share perspectives and raising the concerns of groups about funding issues with funders.

Organisational development work/capacity building can involve:

- working with individuals and groups to enable them to develop the skills and knowledge to form groups, form and run management committees, draw up constitutions, manage their affairs well and deliver positive benefits
- working with individuals and groups from marginalised or socially excluded communities with a common interest or identity, so they are strong enough to have an influential voice locally and to participate in VCOs, neighbourhood activity and partnerships
- working with organisations to clarify the needs and issues they want to tackle and identify a detailed project plan
- working with organisations to develop appropriate policies and procedures
- encouraging groups to network, informally and formally, with other organisations, which have similar needs/interests and link into relevant umbrella organisations, which can offer a representational role with policy makers
- helping larger organisations or projects with business planning and budgeting, monitoring and evaluation frameworks, income generation, and securing ongoing funding etc. to improve an organisation's effectiveness and sustainability in relation to its mission and context.

Funding advice and help and organisational development work are different but complementary skills and approaches; many workers explicitly link capacity building to wider organisational development work.

Is funding advice and support important for the VCS?

Recent work in the South West⁵ and in County Durham⁶ shows that access to funding advice and support is a high priority for the VCS. In the large County Durham study, the three key areas of support that groups want to access in the future are funding information and advice (53%), networking with others (42%), and finding and keeping volunteers (34%). This unsatisfied need for funding advice is reinforced by the South West study *Finding the Funding*, undertaken by the South West Foundation partly to inform this research. 800 questionnaires were sent to small VCOs in rural and urban areas, with a response rate of 76% in rural areas, and 31% in urban areas. Nearly 75% of replies came from groups with an annual income of less than £15,000. Around half overall reported difficulty in accessing information on funding, although interestingly only 27% reported such difficulty in Devon, a county with well established sources of good quality funding advice. Around half the organisations in rural areas also identified that advice on developing and managing their organisations was crucially missing, with the figure climbing to 61% in urban areas.

What does the VCS look like in the South West⁷?

The South West region enjoys the highest level of informal and formal volunteering of all the English regions, and contains at least 25,000 voluntary and community organisations, including over 16,000 registered charities and 1,800 social enterprises. Their collective income is £1.5 billion⁸, and they employ 54,000 people (approximately 2.3% of the regional workforce). The VCS is therefore of considerable importance to the region's economy as well as its community life. However, in comparison to Business Links, for example, which provides comprehensive support for new and existing businesses, the investment in VCS development support is small.

The policy context is 'a-changing'

The list of current policy initiatives that have a bearing on the VCS is huge - there has never been so much Government interest in the sector. ChangeUp, a ten-year investment plan to facilitate the reconfiguration of existing VCS managed infrastructure services so they can meet needs more effectively, is a key initiative. Of importance too is the national Compact, an agreement between the VCS and government to improve their relationship for mutual advantage, and ensure that voluntary and community activity is supported. Regional and local Compacts aim to do this locally between the sector, councils and other local public bodies.

In terms of wider partnerships locally, both Local Strategic Partnerships (LSPs), and Local Area Agreements (LAAs) are key arenas in which Local Authorities need to work more closely with the VCS. As such they are also an important focus for the work of funding advisers.

The changing approach to funding the VCS

Obtaining funding from a range of sources has become increasingly difficult for the VCS as many major European and national funding streams have ended or are declining. Although 38% of VCS income is still from the public sector (including Lottery), this is increasingly going to large organisations following the Government's 2004 Gershon Efficiency Review. At Local Authority level, although there is a potentially welcome growth in Council based External Funding Officers, leveraging in external resources to both

Council departments and the VCS, grant aid budgets are increasingly being cut. This reflects a general shift towards shopping and investment models, rather than giving grant aid, as highlighted by Unwin (2004)⁹.

A recent officer's report to Gloucestershire County Council's Cabinet defined these different models as follows:

'Shopping: [The Council] will state the sort of services it wishes to see in the community, and will provide the opportunity for organisations to bid for money to run these - procurement, commissioning and contracting.

Investing: This will be [the Council's] contribution to providing the voluntary sector with the appropriate infrastructure services that it needs to carry out its role.

Giving: this refers to an unrestricted donation or contribution towards a voluntary organisation's core services or projects, where these are in line with (the Council's) priorities.'

In this climate, the split between fee/contract and grant income to the VCS has increasingly tipped towards fee income, which now comprises 53% of the sector's statutory income. Linked to moves towards full cost recovery, these changes make finding funding even more challenging for the VCS. Overall, the sector is having to generate more of its own income, with trading and loan finance becoming increasingly important.

VCS value, leverage and additionality

Limited desk research was undertaken to identify regional and national evidence on the inward investment the VCS brings into areas, as well as evidence about the relationship between advice, funding, volunteering, sectoral growth and wider community benefits.

This evidence is complex, and often the underlying methodology is weak¹⁰ and response rates poor, especially from smaller community groups. However, new data is starting to emerge.¹¹

Some of the key debates are around:

- What is included in the definition of the voluntary and community sector - only registered charities, or much wider?
- How to value volunteer time - at opportunity or replacement costs?
- Can you infer a relationship between an organisation getting grant aid funding from its local authority and its capacity to lever in additional resources to the area?
- Can you balance attribution of success in a funding application between the effectiveness and capacity of the organisation and that of the funding adviser?

Evidence of VCS leverage in the South West and elsewhere

Leverage can be looked at in four ways - and they all provide evidence for an investment model:

- The numbers of volunteers involved and the 'economic' value of their work

- The additional funding levered in directly by the local authority investment in the VCS through grant aid
- The additional funding levered in indirectly through its resourcing of funding advice and development resources
- The VCS turnover, the jobs created and its contribution to sub regional GDP

Looking at the case study areas, we have evidence from the Lottery Monitor that identifies Tewkesbury, although still almost bottom of the regional rating list along with Sedgemoor, as being now in the top 10 'movers' in England in terms of accessing Lottery funding in 2004 as compared to 2003. In the 1996-2003 period it was second from the bottom in terms of regional Community Fund spend. This improvement reflects in part the work of the External Funding Officer who has helped the VCS to bring in £470,000 over the past 18 months.

There is leverage evidence from four other case study authorities – Torbay, Bristol, Gloucester and Gloucestershire:

- In Torbay, in addition to the £8 million raised in 18 months by organisations helped by the worker at Torbay Development Agency, the 2005 Torbay Lottery data indicates that it has improved from its third from the bottom place in the Lottery charitable expenditure grants for the 1995-2003 period. Charitable expenditure has increased from £815,000 in 2003 to nearly £3.5 million in 2005.
- In Bristol, in 1999, the social economy - the VCS as well as community enterprise - had a total value of £223 million (4.34% of Bristol's GDP); there were more than 9,400 paid staff, 4.6% of total employment in Bristol, with over 20,000 volunteers. The VCS Investment Budget funds 65 organisations from its main programme and 30 further groups on a one-off basis - a £2.2 million grants programme. The City Council Regeneration team, through fundraising support to VCS projects across Bristol, assisted the VCS to raise a total of £2,246,309 additional funds, and helped create or maintain 87 jobs in the VCS in the city. Evidence from the Lottery Monitor also identifies Bristol in the top 10 'movers' for Lottery funding in 2004 as compared to 2003 though it was fourth in the regional rankings for the Community Fund spend in 1995-2003. Leverage evidence is not collected but it was recently noted that VOSCUR and BDA between them receive around £200K from Bristol City Council but lever in an additional £800k to support the local sector.
- In Gloucestershire, County leverage is looked at in terms of external funding acquired. The County's Economic Development Unit has a budget of over £1 million per year and a spend of £3.5 million, £2.5 million comes from external funders. They look for a leverage ratio of 2: 1.
- In Gloucester, the City Council looks in detail with all those VCOs it funds at how the city council money generates other funds coming into Gloucester. They have a basic annual monitoring form, which covers the numbers of users, volunteers, and the volunteers' time. Twenty organisations are looked at in terms of leverage and the ratio is 8:1 - i.e. for every £1 given by the Council, £8 is brought in by external funding. The evidence does not take into account volunteer time and is difficult for county-wide organisations like Young Gloucestershire with a turnover of £1 million, to identify a Gloucester component.

Elsewhere in the region such evidence is rare, although recent work in Bridport, Boscombe and Springbourne¹², indicates that for every pound of public sector investment in Bridport, social economy organisations, including VCS organisations, generate another £6.90; organisations in Boscombe and Springbourne generate another £1.30 for each pound invested. The higher level of public sector funding in Boscombe and Springbourne is thought to be a reflection of the availability of SRB6 and Neighbourhood Management funding as well as the support of charitable trusts in an area of social exclusion. Overall, across the two areas, for every member of staff in the social economy there are seven volunteers. The Devon study in 2003¹³ estimated 92,200 volunteers, 49,000 employed in the VCS, 9.5 of the labour force, and a contribution to GDP of £883 million.

Evidence¹⁴ from other regions is also variable, with urban leverage rates ranging in East London at 2:1 (from an investment of £1 in the VCS attracting in £2 from other sources); to 2.5 :1 in Lewisham; to 4.5 :1 in Brighton and Hove; 7 :1 in North Yorkshire and York, a mainly rural area; and a claimed 14: 1 in Leeds. Both the Lewisham and Brighton studies identified a strong positive relationship between income and number of paid workers and their evidence challenges the view that as income rises, the number of volunteers falls. Research suggests that volunteers provide services worth between three and eight times the cost of recruiting, training, and managing the volunteer depending on the organisation.¹⁵ An estimated 1.1 million full-time UK workers would be needed to replace formal volunteers, well over twice the number of full-time equivalent paid employees in the voluntary sector. This would be at a cost of approximately £25.4 billion.

There is also national evidence on the effective leverage work of Council External Funding Officers¹⁶. They had an average 89% success rate in 2004, the median value of awards being £1.5 million for those authorities without a co-ordination group, and £7.4 million for those with a group. 32% of the bids involve the VCS with a 74% success rate. The median cost of putting together a bid is £2,305 and bringing in external consultants improves the success rate, but of course greatly increases costs.

Whilst many relationships of change and influence can only be inferred, recent research¹⁷ indicates that even when the class composition and levels of deprivation of communities are taken into account, communities with a lot of civic engagement or social capital are also communities with benign policy outcomes. Of course, the benefits provided by the VCS to individuals and communities go far beyond those that can be measured in financial terms. These wider benefits include:

- Service delivery in, for example, health, social care, education, environment and transport
- Services that the private sector has little interest in providing because of the very limited opportunities to make profits, often meeting niche needs and developing service models
- Development and management of community buildings, arts, sports, leisure, and heritage opportunities

- Bringing people together; new community and self help groups; campaigning and potentially stronger voice for marginalised groups; and ‘incubators of civic skills’.

The Case Studies – Models of Good Practice

The case studies presented in this summary do not tell the whole story of each area, and appear here in a condensed format.

Torbay Development Agency – an integrated funding advice and development approach

Background

Torbay, which has been a unitary authority since 1998, consists of three coastal towns that cover an area of 25 square miles and have a combined population of 132,500 people, a significant proportion of whom are aged 65+. Around 20% of Torbay’s residents live in an area that is in the top quartile of the most deprived in England. Torbay Development Agency (TDA) was created by Torbay Council in January 2004 as a public/private sector partnership with its own separate Board. Its remit was to ensure the area’s future sustainability through regeneration, marine services and tourism. During consultation for the new *Torbay Community Plan*, TDA’s Chief Executive, Richard Morgan, became increasingly convinced of the need to view the development of the voluntary and community sector (VCS) as a key component of Torbay’s regeneration. So in November 2004 Hester Kuhon was appointed to the post of Voluntary Sector Manager, with a remit to assist the VCS to realise its full potential and develop into a strong, sustainable sector.

Hester came into the post with a strong business background, and as a former Funding Advice Worker with Torbay Voluntary Service (TVS) had already built up trust and knowledge of the local VCS. Within three months she was able to show the TDA’s Board that her post had been instrumental in bringing £1.6 million of external funding into Torbay’s VCS and wider economy. The figure to date is over £8 million and she has achieved a 75-80% success rate in funding applications. Although initially sceptical of the value of a post dedicated to the VCS, these achievements quickly won the support of the Board. In recognition of the need to extend this work, and of the limitations on Hester’s capacity as a lone worker, funding has been sought from the Big Lottery for a Voluntary Sector Development Officer to work with her, and the outline proposal has been approved.

Objectives and Services

The objectives for Hester’s work are to increase the funding brought into Torbay’s VCS, to build its capacity, raise standards of service delivery, and create social businesses. The services that she offers in support of these objectives are wide-ranging and cover not only funding advice (identifying potential funders, helping with the preparation of bids, bringing together project partnerships) but also help with organisational development to enable groups get ‘fit for funding’ (in areas such as governance, charity

law, financial management, project and business planning, monitoring and evaluation). Much of this work is conducted face to face, supplemented by simple tools, written guidance and training. An annual training budget of £21,000 has been established to offer workshops, short courses and an annual funding conference. The highly successful 2005 conference attracted over 250 voluntary sector delegates, 90% of whom were local. Hester also invests time in creating and maintaining links with funders, including a private benefactor. Where local research reveals gaps in services, for example for older people or those with mental health needs, she is proactive in bringing these to the attention of funders.

Users

Of the estimated 300 voluntary and community groups in Torbay, Hester has been approached by over 200 since joining TDA. They range from small community groups to a small number of large and infrastructure organisations. Given its own reduced capacity to undertake work of this kind, TVS now signposts all funding advice enquiries to Hester. Wherever possible users are invited into TDA or three out-posted 'surgeries' to discuss their funding needs and what they hope to achieve. This takes the form of an initial detailed needs assessment and agreement of next steps, with follow-up meetings at regular intervals to review progress. Hester views this as a step-by-step 'up-skilling' process, helping people to articulate their ideas, identifying potential funding sources, reviewing their draft bids, making suggestions and providing helpful documents, but rarely writing letters or applications for them. Where other organisational development needs are identified, Hester offers advice, support and any relevant available training. She thus acts very much as an enabler, nurturing and reassuring people and helping them to grow.

Partnership work

Initiating and supporting partnerships is seen by Hester as one of the most important aspects of her role. She is currently supporting partnerships to develop a Charity Village in Torbay, to establish Steady Work Torbay (a project to help homeless people regain their lives including employment), to build a Torbay Advice Centre with CAB as the lead partner, and to start a dental project in an area of deprivation in partnership with Charity Bank, Future Builders, Torbay PCT and SureStart. She thus plays a key role, acting as the 'glue' between different sectors, funders and partners of very different sizes and capacities.

Managing and monitoring

Hester uses a number of simple but effective systems to track her work with groups and partnerships. Monetary success is relatively easy to measure but she also monitors the impact of capacity building by recording any new social enterprises, groups and registered charities that emerge following her input, and by seeking information from funded groups about the wider outcomes funding may have yielded in terms of employment, volunteering and benefits to the community. In terms of her own management, Hester reports directly to TDA's Chief Executive and feels that both he and the organisation have been highly supportive as well as providing a challenging and dynamic environment in which to work. TDA uses a Results and Development Annual Review system to set staff targets and to measure staff performance. Hester's work is thus explicitly aligned with TDA's corporate priorities.. Hester receives regular supervision and she is also well linked into the Devon Funding Advisors' Network and

Funding South West, but she does not currently benefit from any formal peer assessment.

Making a difference for users

Users ultimately see Hester's role as having a funding focus, but for the smaller organisations this comes as part of a tailored package. This may include many other elements adapted to their individual needs and circumstances that have wider spin-offs than money. **The Apollo Boxing and Sports Club**, for example, which coaches disadvantaged young people from the Barton area, had an unfinished, vandalised building and was in urgent need of funds and fresh impetus when volunteer Sean Philpot sought help from Hester early in 2005. Her earliest advice focused on getting the club on a proper legal footing, and fundraising to cover these costs and re-stimulate the community's interest and young people's ownership of the project. In monthly meetings, this progressed to helping Sean to apply for funds for specific capital improvements – water, showers, toilets, heating, roofing - for which £18,000 was raised. She has more recently encouraged him to see how the building could be used by other sections of the community. Local mums now use the building three mornings per week and it is becoming a real community resource. Sean is currently preparing a Big Lottery bid to help meet revenue costs of these developments over the next three years. The club is also about to become the training HQ for the Boxing Association for Devon & Cornwall, which is:

'..the biggest honour we could ever imagine. Now we've actually started to believe in ourselves. We never aimed anywhere near that at the beginning. She opened my eyes up to all these possibilities. Why not be the biggest, the best? From the first moment I met her she started to sow lots of little seeds – try this, try that, nothing too big, lots of little projects. She built it up. She could see I was terrified, but it was phenomenally successful. If she'd just given me the names and forms it wouldn't have happened. She's held my hand all through. I've done all the paperwork side of it but she's helped me to produce letters using my words, my terminology and my passion for the club.'

This story is echoed by Janet Howard of **Indigos Go Wild**, a children's club in a less affluent area of Brixham that moved two years ago into a neglected area of woodland. Indigos had already secured 3 years funding for running costs from the Children's Society, but needed Hester's advice on how to raise funds to transform the site and develop the project. Since then Hester has helped Indigos to develop at many levels by advising them on charity law and involving Janet in training. Directly or indirectly she has helped Indigos raise over £200,000 for capital and revenue projects. The initial period of intensive support has gradually given way to a need for less frequent direct contact, and Janet now feels sufficiently confident to share her own knowledge with others:

'She skilled me up and now I help littler organisations. I don't need that same help now. I'm moving up the scale, I'm enabling other people.'

Ruth Pittam, a Trustee of **STEPS**, which has been producing adapted toys for children with a disability since 1989, describes this kind of developmental approach as 'pivotal'. Until Hester became involved 18 months ago, STEPS was run entirely by volunteers from a workshop in Torquay and urgently needed to expand its capacity. It had for a long time encouraged one or two adults with learning disabilities to play an active role as volunteers, but with Hester's encouragement this social inclusion work is being

significantly expanded to include those with physical disabilities, mental health needs, and offenders. Funding for three part-time staff has been secured and STEPS are now drawing up plans for a major expansion. Ruth and her fellow Trustees have felt quite confident to manage their own funding applications but see Hester as an invaluable source of knowledge, ideas and training, focusing their thinking, improving their effectiveness and helping them move from income of £8,500 to £52,000 in 2005.

At the other end of the spectrum, Hester has advised **CAB Torbay**, a long-established organisation with an annual income of £300,000, on a range of specific funding needs. The Director, Ken Pickering, himself has considerable experience of funding processes and can also call on the national CAB organisation for support. Nonetheless, he often uses Hester as an *'early port of call'* when scanning for funding. He asks her to read the drafts of any large funding applications, e.g. to the Big Lottery, and values her insights and suggestions. In particular, he feels Hester has played a major role in the CAB-led partnership that is currently seeking funding to build a multi-agency Advice Centre in Torbay, by offering very wide-ranging help and advice and contributing hugely to the business plan in support of an application to Future Builders.

These users all describe Hester as *'the right person in the right job'*, and feel that TDA has provided a good platform for her skills, enabling her to operate at a strategic level:
'We really need this type of person to help us... she has brought about real tangible change in Torbay.'

The value which users place on Hester's input is however matched by an awareness that many of Torbay's voluntary and community groups have unrealistic expectations of her:

'Hester will guide and encourage and ultimately people are supported to grow, but some organisations are disappointed because they expect her to do all the legwork and simply get them the money, and that's not her job.'

Users also recognise that Hester is a scarce and very over-stretched resource and are concerned about issues of capacity. Hester's work is having a significant impact on the growth of Torbay's VCS but this success is currently very much wrapped up in the knowledge, skills and credibility of one individual. The service is thus highly vulnerable to the loss of the worker despite having strong agency support

The Charities Information Bureau - a collaborative partnership between a specialist funding advice agency with local partners and regional reach

Background

Wiltshire is a rural county of small market towns, with a population of around 433,000. The unitary authority of Swindon has a population of 180,000, with some real pockets of deprivation. The Charities Information Bureau (CiB) was set up by the Rural Community Council 22 years ago, to help and advise groups and individuals on funding and charity law across six local areas within Wiltshire and Swindon, and more recently Bath and North East Somerset (BANES). Historically, CiB had only two staff, and was funded by the County and District Councils. Lottery funding permitted additional advice resources, and since May 2005, ChangeUp has enabled CiB to employ two new part time funding

advisers, Mary Waters and Sabine Orton, with both professional fundraising and training experience.

Objectives and services

CiB's goals are to support community groups, organisations and individuals by:

- making the best quality funding and charity law information available and easily accessible;
- supporting users and Funding Advisers so they can make best use of funding information;
- investigating and developing the range of funding opportunities available to users.

CiB provides information, advice and support around funding and charity law, and gives free access to its comprehensive online database of local and national information. CiB publishes various 'How to' guides and a quarterly newsletter. Groups that approach CiB are typically helped to find out how or where to raise money, how to write good grant applications, become a registered charity, and write a constitution. Those needing further organisational development help are referred to their local development agencies.

Users

Prior to the creation of the dedicated funding adviser posts, two-thirds of enquiries to CiB came by telephone or letter, mostly from groups in Wiltshire. In the six months to March 2006, however, CiB worked with 400 organisations and local authorities across all six areas, with more face-to-face work. The range of users is very wide - CiB identifies about 75% of users as marginalised groups and individuals, with 90% from rural areas.

Partnership work

The aim of the ChangeUp funded work is to build connections, so that frontline VCS organisations can access high-quality funding advice assistance, and are better equipped to deliver services effectively and to support communities. Through the two new funding advisers, CiB is now offering a real opportunity to learn about collaborative models for local delivery of funding advice to the VCS, and partnerships with local agencies and the local authorities. Because each of the six areas has a different history of relationships between CiB, the CVS and the local authority, this has tended to shape the nature of co-working in each area.

The **South Wiltshire Funding Advice Service** is a new advice and information service provided by CiB, Salisbury District Council, and Salisbury & District Council for Voluntary Service (SDCVS). It aims to assist VCOs by providing information, advice and support regarding raising funds, including sources of funding, fundraising plans and funding applications. **Salisbury District Council** has appointed an External Funding Officer (EFO) who divides her time between funding advice to the VCS and external funding advice to Council departments. Sabine Orton is the CiB advice worker and between them they cover twice weekly surgeries at **Salisbury and District CVS**. Organisations book in advance through the CVS.

Both work with a range of organisations, including smaller groups, and aim to provide a seamless service, including helping with funding applications and fundraising plans.

Although their approaches are slightly different, both feel their role is to explore options with organisations and to facilitate them to undertake funding work. Sabine tries to focus their thinking, be realistic and to create a plan; she can explain how the funding world works. The District Council's EFO produces weekly funding alerts sent to all CVS members as well as those on their databases. In direct work with groups, she uses a checklist covering financial set up, constitution, management group, volunteers, workers, existing funding, policies, and planning, with a simple monitoring form covering aims, need for funds, funds approached and details given. Both follow up 1 - 3 months later, using forms plus email and phone.

Where help is needed with organisational development, they refer to the CVS Development Worker, Debrah Biggs. Because of the overlapping needs that are emerging from this work, the Salisbury partnership is becoming increasingly collaborative:

'Half the organisations approach funding advice first, and then get referred onto me, and the circle keeps going. We try to share information and not duplicate. Often groups know they need (wider) help but sometimes can resist the advice we give as too daunting. They will approach the funding adviser just because they want money... You need time to nurture groups and explain why they need policies, otherwise they don't act on the advice We are now starting to do joint visits, working in parallel from the first.'

The District Council's EFO post emerged from a recognition that grant aid will reduce, and, like many local authorities, Salisbury recognises the need to explore the opportunities of external funding. It saw the new post as a way of sourcing and leveraging in new resources for the Council and the VCS. As the Principal Community Development Officer for the Council explains:

'This is an opportunity to recognise that people come to the District Council for funding, and pull the pieces together so you get CVS group development work, plus training, plus funding advice... often funding is the carrot that helps us build a relationship with organisations on wider issues such as policy development, robust management structures, training etc. We are trying to offer a seamless service to the community in partnership with CVS and CIB both for funding and development work.'

The Council considers that a fundamental shift in culture is taking place, that grants are going to become more focussed on delivering outcomes in line with the Council's strategic priorities, which in turn need to reflect community priorities, especially through the process of developing Parish plans. It recognises the need to bridge the deficits in funding by accessing other sources of money, and to support the sector in developing strong policies and 'business acumen'.

The funding advice service is currently a short-term contract and quick wins were required to ensure the post can demonstrate success and benefit to the organisation and the wider community. The difficulty always with short-term posts is that it takes time for things to become imbedded internal and externally and also attracting funding for large projects can take as long as few years work (e.g. The Sunshine healthy Living Project took 2 years going through a range of different application stages before the funding was secured) so the rewards cannot always be recognised within a two-year timescale, much like running a business. She feels the emphasis now needs to be on what organisations can do for themselves with the support, so as to build community capacity,

understanding, ownership and leadership. The Advice Service is an integral part of the whole strategy: *'It's about sharing knowledge and expertise, so there is flexible coverage.'*

Initially there has been a low response rate to the advice sessions, and whilst participation in the CiB training, especially by larger organisations, has been good, take up of programmes that improve and increase the management capacity and the skills of trustees and staff has been disappointing. It is still early days.

In **Swindon**, Jane Butler, CiB's Company Funding Adviser and Local Network Fund Adviser, works closely with Paul Dixon from Voluntary Action Swindon (VAS) who does all the funding advice work with groups for Swindon. Previously Lottery-funded, Paul's post is now part of the three-year funding agreement with Swindon Borough Council. He integrates funding advice into the development work, with VAS as the first point of contact and advice on what VCOs need to do. Previously funded by the Lottery, Paul's post is now part of the three-year funding agreement with Swindon Borough Council, a unitary authority. He integrates funding advice into the development work with VAS as the first point of contact and advice on what VCOs need to do: *'Groups think all they need is funding, but actually they don't- they need all the other help around funding.'*

Paul works with a full range of organisations, but with priority for excluded communities, disadvantaged groups and Neighbourhood Renewal areas. Many groups come direct and he gets referrals from the Borough Council, CiB and local networks, and looks at funding applications, constitutions, management committees, and budgeting. Paul uses an annual monitoring form to assess the difference this work has made. Last year he worked with 120 groups of whom a third returned a form. The feedback was positive, but *'it is hard to put a figure on the leverage.'*

Paul feels they have good working relationship with CiB, and Change Up *'gave us the opportunity to negotiate how we work together. We use their expertise for training'* and together with Jane Butler, CiB's Company Funding Adviser and Local Network Fund Adviser, they have developed a guide for finding funding, which is currently being designed and printed by Thames Water.

Starting in May 2005, Mary Waters and Sabine Orton are the two advisors in **North and West Wiltshire, Kennet and the Bath area**, who bring experience as a professional fundraiser and a trainer with the local authority and VCS. They are both working with a wide range of organisations, with half the work coming direct to CiB, as not everyone knows about the CVS. Some groups approach them with no knowledge at all and grow fast, and are enabled to do the work themselves, and some are not ready for funding. Mary has developed a health check of organisational procedure for small groups and larger established groups. She uses a template that can seem quite daunting, but she goes through it with them to help develop an action plan. She encourages them to have a go at applications, which she will then go through with them. She used to meet every group face to face but is now more selective. She is particularly keen to make links with BME groups and so has contacted both the Racial Equality Councils, and has attended community lunches and Council surgeries with grants officers in North Wiltshire.

CVS North Wiltshire works with a wide variety of organisations, established and new, large and small, that need help with quality assurance, constitutions, board functioning, strategic planning and a little business planning. Mary comes in to run a surgery each

month, which can be booked in advance on the CVS web site. The CVS give priority to their own members but any group can seek help. Mary writes a report on the state of progress for the CVS team, and will refer groups back to work with them. This signposting appears to work well and feedback so far has been good. According to Karen Moyes, the CVS Development Worker:

'Mary Waters has real expertise and is very well versed in funding matters, and good at gently nudging the groups, but not pushing information and theory. It's a tailored service. Sometimes there are unexpected results - for example, a youth group had not sufficiently thought through how it would work and Mary referred them back for business planning and staff structure work and they accepted the help.'

In each of their six areas, CiB have also offered a local training programme for the VCS through their CVS partner, provided by the advice workers supported by CiB's Training Officer. This is linked into Learning Curve's programme of ITC and management training and support around income generation. The training, which has attracted nearly 400 participants, has included filling in applications, planning budgets and full cost recovery, and different ways of fundraising. Other partnership activities include work with the Wiltshire County Central Bidding Unit to run a quarterly External Funders' Network, which brings around £1 million into the County. Their knowledge of local corporate community support also led to their work setting up Swindon Employees in the Community Network, and they are contracted by the Wiltshire and Swindon Community Foundation to undertake outreach and application support work with small community organisations, for their Local Network Fund for Children and Young People.

Managing and monitoring

Due to time pressures, CiB can offer only limited supervision, so they are moving team meetings to a peer learning model, using written monthly reports. The team will discuss case studies and develop joint policies and tools for dealing with similar enquiries, e.g. pre school groups. Staff all use each other informally, and feel they *'can be open about our difficulties with each other'*. In terms of monitoring, CiB send out a letter seeking feedback from organisations 3 to 6 months after the advice work, but this is often too soon for results, and only a quarter of users respond. Most of those who return the forms find the advice helpful and are satisfied with the service and speed of response, but it is hard to get good evidence about success rates. Now the Funding Advisers are taking over monitoring themselves, and phoning to follow up the situation. In Salisbury the funding advice worker is also doing detailed follow up and, as part of a Performance Management System, her supervisor will be sitting in on some advice sessions and offer peer support.

Strategic regional work

In response to the needs identified in the Red Door report, CiB has been working with South West Foundation across the region since 2005 to provide professional training to funding advisers and funders, with support from Funding SW, ChangeUp and the Home Office. Feedback from over 40 participants on the course for Funding Advisers (accredited at Open College Network level 2/3) has been extremely positive. As well as developing skills and gaining a qualification, they have all benefited from meeting each other and sharing experience. The programme evaluation sheets emphasised a growth in confidence, knowledge and understanding of what it means to be a Funding Adviser. CiB also developed and in Spring 2006 delivered 'Funding the Future', an accredited training programme for funders. In 2005/6, CiB and partners ran two well-attended events in Weston and Bodmin called 'Together we can... ensure that funding works for

our communities' bringing advisers and funders together to share knowledge and information about funding issues.

Making a difference

The Laverton Institute, is a charitable trust that administers a community building in the middle of Westbury. The Victorian hall was built by the town's main corporate benefactor and the Town Council took it over in 2003. Richard Slingsbury, CiB's then Senior Funding Advice worker, advised their fundraising sub committee around developing a funding strategy for a phased refurbishment. Helen McKinnon, the Administrator felt

'He advised us where to go for funding and how to go about doing it... and what we needed to have in place in order to apply for funding. We have discovered what a complex project it is. He helped us think about the sequencing, and made sure we checked things... with our solicitor. We have applied for two grants and are almost ready for the Lottery application '

CiB is the only specialist funding advice agency in the region. It is both a direct provider of local funding advice services and undertakes strategic regional work including training and support to funding advisers. Regional access to specialist knowledge and resources is clearly important to both funding advisers and generic development workers. In terms of local funding advice provision, collaborative partnerships, in which staff from different agencies work together to offer funding advice and help with organisational development, appear to work well for users. The South Wiltshire model may also have positive spin-offs in terms of trust and mutual understanding between the VCS and the local authority. Effective relationships and joint working practices may however take time to evolve and for the service to be known and used.

Bristol - a rich complexity of resources

Background

With a population of nearly 400,000, and over 90,000 people working in the city centre, Bristol is the big city of the SW and is the base for a number of key regional organisations such as the Government Office for the SW. It is a rich, ethnically diverse city, but in terms of multiple deprivation and key areas like income, employment, education, skills and training and crime, more people are deprived in Bristol than in any other local authority in the Region. In 1999, the social economy - the VCS as well as community enterprise - had a total value of £223 million (4.34% of Bristol's GDP); it employed more than 9,400 paid staff, 4.6% of all employment in Bristol, with over 20,000 volunteers.

Funding advice agencies

Many different agencies and individuals are involved in giving funding advice alongside their main focus of work, often informally or embedded in their development or funding work. Both GOSW staff and the local Community foundation are regularly approached for funding advice. However, there are a number of key agencies in Bristol where funding advice is a core activity:

Started in 1993, the **Black Development Agency (BDA)** was the first BME led CVS in England. It empowers black and minority ethnic communities Bristol-wide and in the surrounding areas by building their capacity to develop a sustainable black VCS. Much

of its work is project based and includes acting as the intermediary agent for six local BME groups from the Neighbourhood Support Fund; and, with VOSCUR, supporting the Community Empowerment Network (C-Net) which elects representatives to feed in VCS views to the Bristol Partnership, the Neighbourhood Renewal Working Group and the Community Chest advisory groups. BDA are developing the Consortium of Black Groups to establish a powerful voice on BME issues and have helped to establish the regional Black South West Network.

Funding advice is seen as an integral part of their capacity building work. BDA thus includes a session on 'Making good funding applications' within its training programme. The 'Funder Finder' software package is available on a drop-in basis with support from the Information and Training officer, and some of these sessions result in referrals to BDA's Community Development Team, whose weekly information and advice surgeries are often used by small, emerging groups, often from unsettled communities. Although they get referrals from the City Council, Heritage Lottery, and VOSCUR, word of mouth is crucial. The Team helps groups with clarifying aims and objectives, budgeting, work planning, developing policies, as well as identifying their aspirations for long term development and linking them into other parts of BDA. For users such as Mustafa Suleman Mader, a volunteer from "Off Da Streetz", a small BME led community-based organisation for young people, such help with developing a new organisation as well as funding is valued.

. 'I felt comfortable dealing with them as both the information worker and the community development worker understood what we were trying to do... gave me advice on how to complete a successful application, provided me with samples of budgets and what was required to set up an organisation (e.g. constitution, recruiting trustees etc.) I have not had time to complete the forms she gave to me, but I intend on going back to get help with filling in the application forms... The service we received was great. I was feeling quite lonely and unsure of what to do next, but they gave me so much help and support, I now know a lot more about running an organisation. They have also put me in touch with other organisations who are working with the group of young people I am targeting. If I need anything, I will just call up BDA or drop in.'

Julie Kelford is a Volunteer with **St Pauls Youth Promotion**, a small BME led community-based organisation rooted in the inner city area of St Pauls, Bristol. For the last four years SPYP have been creating projects for young people, including creative, sports and radio workshop opportunities, and advocating on their behalf. It has one member of staff and eight volunteers. She says *'This service can be very helpful to organisations that have trouble finding out what is available to them, but not all VCS organisations are aware of it. They don't all know how exactly to make their application attractive, as there is not always help available to people who are novices in the application writing process...'*

Balbir Kaur Nirwan, the Community Development worker, who comes from a strong business background, recognises the economic drivers for a lot of BME community groups as well as the focus on community benefit. Balbir has developed a fund raising strategy form which she takes groups through, starting with the group's values, aims and objectives, and its users. Balbir recognises the importance of people needing to own their organisation as a business and to train and retain staff and volunteers. She considers that many small BME organisations are frightened of sharing what they hope

to do with outsiders - both other organisations and BDA – lest others go and do it themselves.

A number of groups felt that help with funding can be hard to find. Given that BME organisations have particular difficulties in accessing funding 18, the Annual Funders Fayre for BME groups has been an important development. Jointly run with Quartet, the Community Foundation, it involves six key funders and has increased both the number and success rate of applications from BME groups. Event feedback has identified *'lots of contacts made, identification of shared problems and possible strategies'*. However, BDA staff feel, however, that funders need a more sustained investment to keep the Black Voluntary Community Sector informed as well as improve relationships and funders' perceptions, and that they should be contributing to a specialist BDA post around funding advice. This would help promote good practice and avoid wasted effort and would also raise BDA's credibility as a trusted resource. Rana Dildar Singh, BDA's Community Regeneration Manager, feels that once groups start to grow their budgets beyond £50K, they currently tend to look to other BDA partners, like Prohelp and the Cooperative Development Agency, for more specialist support with business planning and strong funding applications. BDA links with other local funding advisers and Balbir Kaur Nirwan, the Community Development worker, is the convenor of the Bristol and former Avon funding advice network that meets quarterly.

VOSCUR started in 1995, at a time when there was no mechanism for VCS representation in the city. Now Bristol's CVS, it employs 15 staff and has a membership of nearly 700 organisations, of which 10% are BME led. Funded by the City Council, Lottery and ChangeUp, VOSCUR plays the leading VCS representational role in Bristol, is a member of the Bristol Partnership and is involved in developing the Local Area Agreements. VOSCUR also sits on funding panels such as Community Chest and the Social Economic Development Fund and works to influence through lobbying, consultation and working in partnership to produce a response on behalf of the VCS. It responds to consultations and inputs into policy documents like the Regional Investment Strategy, and tries to influence via lobbying and consultation and working in partnership to produce a response on behalf of the infrastructure organisations. As Wendy Stephenson, the Director notes: *'We try and pop up wherever we can'*.

In terms of funding advice, VOSCUR offers individual 50 minute supported taster sessions on 'Funder Finder' three times a week, after which groups can use the database on a drop-in basis. The sessions are well used by a wide range of organizations with sessions fully booked up in advance. A six-month follow up of groups using the sessions indicates that users value the service and find it *'supportive, helpful and encouraging'*, but 'the results, so far, show that a lot of users have not been successful in obtaining funds, as they require more 'hand holding'.

VOSCUR offer telephone support and advice on funding issues on ad hoc basis with most of the staff able to advise, with Rebecca keeping the team briefed. However as Wendy notes: *'We really want to do hand holding, but we have no resources... for one to one work. We do what we can, given the resources we get... Lots of groups need capacity building before they apply for funds. A dedicated funding advisor would be able to support them to write business plans and bids. No organisation has a dedicated funding advisor - some City Council Community Development workers will give funding advice, but it is not their whole job... Not every group will income generate.'*

However, Tyndale Circle Day Centre, which offers a day centre service for people with memory loss- (one day per week to provide respite to carers and a safe stimulating environment for its 12 members) found the Funder finder session 'very helpful and constructive', Edward Duffield, volunteer organiser, says:

The City Council pointed me in the direction of VOSCUR and I got booked in to a Funder Finder session with Rebecca, which was very helpful and constructive. She gave me some training on Funder Finder and then I took off on my own. The programme provided me with a short list of potential funders and then narrowed it down to three... It could have been like looking for a needle in a haystack. I was amazed at the number and range of trusts. If I hadn't got the right selection process it would have been very hit and miss. It could have taken hours and hours of laborious work and this was done in only a morning. The speed at which the programme points you to the right trusts that connects to our centre was impressive. Guidance and help was available at VOSCUR on how to write applications, but I could do this on my own. We needed £800 - I applied to three trusts and was successful with two of them. The primary difference it made to us was that we didn't have to divert our time on fund raising activities... Now we know how to go about it and we are aware of another 6 funders, and we can book a refresher course at VOSCUR. VOSCUR's resources are easily accessible - just a phone call to arrange a time to visit and use the resources... It was a supportive, helpful and encouraging process, a high quality service.. She gave me some training on Funder Finder and then I took off on my own. service'.

VOSCUR also works with partner agencies to deliver a training programme to help VCS groups meet City Council's Base Line Standards, covering areas like financial management, developing a fundraising strategy, filling in grant applications and updating on funders. VOSCUR also have a capacity building worker under the City Council led ESF Equal 3Cs programme - Promoting a Credible, Competitive and Confident Social Economy. It aims to develop working models to support social economy business advice and development organisations to build in key elements of performance improvement and quality management approaches into their work.

In a 6 month, Change up funded post, David McKenzie is undertaking strategic work around the future of funding advice in Bristol, working at a strategic level as well as designing a self help funding advice information package. Working across VOSCUR, BDA & BACEN, David is working towards a coherent funding advice system to maximise resources and avoid duplication. He recognises the need for an effective referral system in place. He feels that groups need training on outcomes and how to present their proposals in a way that funders understand; but funders also need to understand the work on the ground, particularly marginalised groups. The organisations have now decided to put in a joint bid to BASIS - the Big Lottery infrastructure fund, for three funding advice workers to work coherently across the consortia over a two year period. The role of each worker would be to support the members of their organisation and to work in a joined up way with the needs of the sector as a whole, and effectively be a consortium funding advice team.

VOSCUR are developing a new business plan using the support of a BACEN worker, and are in the process of changing the work programme to reflect an outcomes focus. They are developing a database system, which will lead to a better tracking of work within the organisation.

Although the research did not set out to cover social enterprises, **BACEN (Bristol Area Community Enterprise Network)** is clearly an important part of the resource picture. BACEN started in 1991-92 as a networking lobbying membership organisation raising the profile of community businesses through the phases of SRB1-6. It is now delivering business development support to the social enterprise sector, including Development Trusts, Credit Unions, and VCS organisations interested in developing trading, and engaged in partnership development, networking and campaigning. It worked with 89 social businesses in 2004/ 5 and has a dual support & policy role.

BACEN is a not for profit company, not a charity, with 10 staff. It receives 10% of its core funding from Bristol City Council Regeneration Unit, and funding for Credit Union and Neighbourhood Renewal work, with a contract as part of its trading side with Neighbourhood Renewal communities. They work closely with the Avon Co-operative Development Agency, and VOSCUR and City Council refer. BACEN does a lot of capacity building but are reflecting on whether this is the best use of the organisation. They are starting to re-negotiate their role with the City Council's Community Development Team as to which is the most appropriate agency in Bristol to provide support to social enterprises. Under C3, they have an additional 1.4 additional staff running a one to one Performance Improvement Programme using the EFQM (European Foundation for Quality Management) model for diagnosis and action planning, with organisations. **The Avon Co-operative Development Agency** also has a new worker under C3. PERFORM (the diagnostic workbook) has been designed to help social economy organisations to improve performance and provides a framework for evaluating how an organisation is developing as an enterprise. After a one day diagnostic session, there is follow up work on action planning and then two days on supporting change and outcome - a total of 6 days in a year, backed by a website. The work has been evaluated as part of a reflective cycle and initial soundings are encouraging; BACEN is in the process of developing outcomes focused evaluation. Elaine Flint, the Director, is very aware that the best outcome is not to do the work for the organisation, but this is a difficult one for organisations to handle.

In the field of funding advice, Elaine particularly identifies the issue of keeping up to date:

We are a small agency and it is a real challenge. Where do we go for this? We would welcome a clearer route to signpost to. Bristol needs a central agency to focus on accurate funding advice, which is up to date, rather than all the agencies giving funding advice and trying to do everything.

Bristol City Council runs a wide range of grant schemes and staff from many departments are involved in advice giving on funding. **The Bristol City Council Regeneration Team** is comprised of 14 workers who give advice and support to the VCS. In 2004/5 they provided development work and funding support to 257 VCS organisations of all sizes, including 58 new community groups, and 231 regeneration structures across Bristol. In practice most of this work is undertaken in the city's Neighbourhood Renewal areas. This includes work on the New Deal project in Barton Hill, delivering community participation in regeneration programmes, and developing and supporting a network of Neighbourhood Partnerships. Last year they gave organisational development and project planning help to 50 organisations around the city, but an organisation will not usually get in-depth help if located outside these disadvantaged areas. Their focus is on regeneration and community cohesion and fairly typical work would be with a regeneration project or NR partnership group where they

train and service groups; help plan and run a project group involving local people, or manage specific projects. They have undertaken a great deal of work with refugees and asylum seeker communities, working jointly with local and new communities.

Their funding advice work also involves helping with constitutions, bank accounts, policies and access to seed corn money. Sometimes, they help organisations apply to Big Lottery, offering very detailed advice. A team leader notes: *'in ideal world we do it with them taking the lead but sometimes we have to take a leadership role - for example the work in developing applications for a neighbourhood nursery was enormous'*.

Very detailed team and individual records are kept that indicate funding levered into the area by the VCS, jobs supported and safeguarded, the numbers of hours worked with groups, and regeneration structures. The Personal Management development system involves the senior managers in producing service plans which directly relate to City strategies. There is monthly supervision with personal plans and targets for all development staff. Peer learning is encouraged and it is clear that funding expertise is shared across teams

Clearly for the VCS, the funding advice picture in Bristol is not easy to understand but moves towards co-ordination and service development are now taking place that should help prospective users understand the 'map' better.

The Case Studies

Needs and opportunities in historical gap areas

Somerset – The emergent role of a funding advice workers' network

Background

Somerset is a large, rural county with a population of over 500,000. The county is widely believed to suffer from a lack of specific funding and poor championing of deprivation. Because in many areas affluence sits side by side with poverty, the usual statistics tend to mask poor access to services, low and seasonal wages, and high housing costs. Somerset is comprised of five districts - Taunton Deane, South Somerset, Mendip, Sedgemoor and West Somerset. As in other two-tier authorities, voluntary and community groups look for support and advice both to the County Council and to their own District Councils, as well as to any infrastructure voluntary organisations that may exist in their area. Historically, the availability across Somerset of funding advice and development help from these three sources has varied considerably from one district to another. This pattern is continually shifting as resources and support are won or lost at local, district and county level. Although levels of volunteering appear to be consistently high across the county (estimated at 1 in 3 adults participating in some form of voluntary or community activity) the strength of each district's VCS, and its level of activity and sustainability are thought to differ quite significantly.

Funding advice and development support at district Level

The recent regional survey conducted by the South West Foundation canvassed the views of 49 small voluntary organisations across Somerset. Of these, 34% got help with

funding advice from their CVS compared with 47% in other rural parts of the region, 25% were helped by the Rural Community Council compared with 21% elsewhere, and local Councils were used by 47%, compared with 45% elsewhere. A somewhat contradictory finding was that, although 55% said they had difficulty in accessing information on funding (compared with an average of 52%), 63% said they could get all the help they needed. Different parts of the county also experience varying levels of funding advice service:

South Somerset is viewed as the strongest district in terms of the provision of funding advice and development support to the VCS. The well-established Yeovil & District CVS is the only one in the county to have a dedicated funding advisor, Alan Williams (20 hours per week) on its staff. Although Alan is believed to have been highly successful in helping the local VCS to attract income and grow, the CVS is reaching the point where it can no longer meet the costs of his post from its own reserves and external funding is therefore being sought in order to sustain this work. South Somerset District Council has historically been very supportive of the VCS, working closely with Alan Williams to offer a complementary service to local groups. For example, the Council and CVS share a joint licence for the 'Grantfinder' database and in 2005 they worked together to organise a well attended funding fayre. The Council's grant processes are described as '*open and easy to access*'.

Taunton Deane was formerly in a similar position, with a funding advice post and Charities Information Bureau (CIB) located within Taunton Deane CVS, funded by the Community Fund. However, replacement funding for the funding advice post could not be found and the CVS currently has little capacity to undertake work of this kind. Although groups can approach the Borough Council for advice and be signposted to appropriate grants and other sources, there is little help available for those that need more comprehensive help. Despite these difficulties, the VCS is considered vibrant and strong in Taunton Deane, a perception which may however be distorted by the number of large and infrastructure voluntary organisations located in the county town of Taunton.

Mendip has had no CVS since its demise several years ago, but Mendip District Council and Somerset County Council have jointly funded a new, small organisation, Mendip Community Support, to help develop the sector's capacity. A part-time Fieldworker, Ann Watson, is now in her 2nd year in post. She estimates that 60% of her time with groups is spent giving funding advice as well as offering wider development support, and she works closely with the District Council's Voluntary Sector Grants Officer to respond to the demand for help. Mendip Community Support has identified the need for a specialist funding advice post to be created, if funding can be secured.

Sedgemoor is another district with no CVS and where the District Council has historically lacked capacity to offer the kind of funding advice needed by the local VCS. The Community Fund has consistently identified Sedgemoor as an area from which few applications have been received or have been successful, and this has been linked to lower levels of community participation and voluntary activity than are found in other parts of Somerset. Against this background, the Community Council for Somerset was awarded Big Lottery funding in mid-2005 to employ a Rural Community Development Worker, Katherine Armstrong. Her work is focused initially on helping groups to achieve a more solid organizational foundation before they move on to seek funding.

West Somerset is the most sparsely populated area of Somerset, with an ageing population of less than 40,000. Although the district benefits from an established CVS, there are currently no dedicated funding advice posts within either the CVS or District Council, although the Council circulates information about funding sources and provides open access to the Open 4 Community website. There is thought to be a significant need here for help for many struggling small groups that have no paid staff and rely on the goodwill and energy of older volunteers to sustain local services.

The strength of the VCS within each district

The linkage between funding levels and volunteering is not well evidenced in Somerset, where high levels of participation are reported in nearly every district despite apparently low levels of investment in some areas. There appears to be a much stronger connection between historic levels of funding and the strength and dynamism of the VCS in each district, however, with South Somerset as an example of a district that appears to have enjoyed higher levels of investment accompanied by a strengthening of the VCS and the development of important community services. In West Somerset, by contrast, where much activity tends to be small-scale and run solely by older volunteers, low levels of investment are considered to have constrained growth and this has been compounded by the lack of support and encouragement to grow:

*Getting funding is extremely hard. I don't see a link with voluntary effort – that happens anyway – but our growth and development as a social enterprise **will** depend on our ability to get funding. Lack of finance inhibits growth and may even contribute to the demise of some groups. People get depressed and give up; I mean, do I really want all this aggro? It's not sensible and not reasonable to expect us effectively to be full-time volunteers. If we're going to grow, we've got to have paid people to facilitate it, do the leg work.* (John Harris, Chair, Wiveliscombe Area Partnership)

Some key gaps in funding for the VCS across Somerset are also identified, most notably for BME groups and networks and for disability organisations. Although no comprehensive research has been undertaken to identify the resources that the sector brings into Somerset, some pilot work was undertaken within the County Council in 2005 to begin to assess the economic value of the VCS, and a newly formed Policy Commission on the VCS has now commissioned the Economic Development and European Group (part of the Community Directorate) to undertake a further survey with a view to producing a more reliable picture of the sector's contribution to the county's economy.

Funding advice and development support at county level

Against this difficult and very mixed background, Somerset County Council is seen as having an important strategic role in sharing good practice across the county, in striving for equity in the provision of funding advice, and in helping the VCS to develop more consistently within each district. There is a particular concern that, following the reconfiguration of the County Council's three geographically-focused Fieldworker posts into a new rural delivery team with responsibility for Rural Renaissance grants, the previously strong community development and funding advice focus of those posts has been lost. Although there are clearly still a significant number of County posts dedicated to funding advice, there is a perception that these roles are becoming increasingly specialised and targeted, and the County's capacity to identify and respond to gaps and inconsistencies within each district and to build the capacity of the VCS has been significantly eroded.

The VCS has itself sought to address the needs of the sector through the formation two years ago of the Somerset Voluntary Sector Network (SVSN), a consortium of infrastructure organisations, following a successful bid to Change Up. SVSN secured additional one-year funding in November 2005 to appoint a Funding Officer, Cathy Pegler (formerly the County Council Fieldworker covering Mendip and Sedgemoor), to bolster the provision of funding advice through infrastructure organisations and to set up a Somerset Funding Advisors Network. Following the award by the South West Foundation of a grant of £1,500 to cover costs for one year, a highly successful launch meeting of the Network was held in February 2006, attended by 38 funding advice workers (26 from voluntary sector organisations, 12 from local authorities). It is however salutary to note that, of 21 Funding Advisors Network members who took part in a mapping exercise, half were on short term contract funding. Almost all offered more than signposting, for example playing a community development role, helping with business planning and hand-holding.

These two Networks are now perceived by many as the key to improving the level and quality of funding advice across Somerset and to strengthening the VCS. Some also think it is important for the VCS itself to take the lead in these areas:

*SVSN is taking up the reins and things are happening. And that's probably essential and a good thing. The advent of the Network is **the** way forward and there's no way back now. There are real constraints on the number of funding advice workers in the voluntary sector, and things aren't getting any easier for local authority funding advice workers either – their posts seem to be more and more specialised and are getting harder to fund. There may be less funding advice activity overall because of all that, so it's a mixed picture... there are swings and roundabouts... Voluntary groups tend to shop around for advice, so from that point of view it is relatively unimportant where that expertise is held... But I think if most advice could be held in the voluntary sector, that has much more impartiality, strength and value. (Carol Stone, Arts Matrix)*

There is, however, concern about the loss of the SVSN Funding Officer's post from November 2006 when the Funding Advisors Network is at such an early stage in its development, and a bid has therefore been submitted to extend its term. Many in the county are also mourning the departure from this post of Cathy Pegler, who recently moved abroad. Cathy was widely trusted as the source of invaluable funding knowledge and expertise and was seen as the champion of funding advice across Somerset.

Complementing these efforts, Somerset Community Foundation is widely respected for its good practice as a funder that supports applicants through its outreach work and its open, accessible grant processes. Another important development has been the advent in 2004 of VISTA, under the umbrella of SVSN, which was set up with funding secured through the Learning and Skills Council. VISTA's remit is to build the capacity of Somerset's VCS through the delivery of programmes to develop the skills and expertise of the VCS in areas that include governance, finance and accessing trusts and grants. Of the 350 voluntary and community groups that are in contact with VISTA, many are from South Somerset and Taunton Deane, fewer are from Mendip and Sedgemoor. The district with lowest take-up of VISTA services is West Somerset.

Gloucestershire - a county of contrasts

Background

Gloucestershire covers an area of 1,025 square miles with a total population of 564,559 and the County has a relatively ageing population when compared to the UK's average structure. The number of people belonging to black and minority ethnic groups stands at 16,000, of whom over half are in Gloucester City, the only District where the proportion approaches the national average.

Funding advice and development support

Gloucestershire County Council currently gives £1.7million in grants to the VCS, and across the Council hold contracts worth over £50 million with the VCS and non-profit organisations, mostly in the area of adult social care, but also including over £2 million worth within the Economic Development Unit. This year the County Council is consulting on the commissioning of some services from the VCS (whilst still grant funding others), and this is thought to mark an important shift in the County's use of its grant funds. For the VCS, this situation of flux is compounded by the anticipated move to unitary authorities within two years, and the consequent reluctance of the District Councils to spend time on unifying grant processes across the county. Once the unitary situation is clarified, there should be a real opportunity for breaking out of the silos and entering into more joint working around the funding of the VCS.

Funding advice to the VCS by the County Council is described by one of its officers as 'sporadic and reactive, rather than a proactive resource'. Officers do not usually get involved in writing bids, other than major partnership bids relevant to the County, often through the County Bidding Group (a mix of statutory agencies and VCS organisations). There is little capacity to provide advice and support at any lower level than this, though some departments like Community Transport and Arts do undertake capacity building, offering advice and training on funding, contracts and tendering, and supporting groups to bid for Lottery funds. Recognising this lack of specialist staff, the County Council has paid to provide the VCS with the 'Open for Community' funding search database, which is free to use and is located on the GLOSHUB (a website funded by the County Council and hosted by GCVS) for easy access. Approximately 100 groups per month use this to conduct their own funding search. Although the website and workshops were mentioned positively by nearly all the respondents, they were not seen as offering the kind of mentoring help needed, for example, to prepare a lottery bid. Two District Councils (Stroud and Forest of Dean) have External Funding Officers; Tewkesbury had a similar worker in post until recently.

Within the VCS itself, **Gloucestershire Infrastructure Group** (GIG), a consortium of infrastructure organisations across the county, is delivering the main Change Up programme. At a strategic level, GIG has recently identified a need for a Funding and Finance Policy Officer post to represent the sector's needs to funders and work on implementing Compact, and a bid to the Big Lottery is currently being prepared.

The Gloucester / Tewkesbury contrast

Against this county backdrop, the two Districts that present the starkest contrast in terms of the relative strengths of the local VCS, and the provision of funding advice and development support, are Gloucester City and Tewkesbury.

Gloucester is largely urban and contains a population of 110,000 within an area of just 15 square miles, with 7.5% of the residents coming from black and ethnic minority communities. The thriving VCS is attributed in large part to **Gloucester City Council's** investment in it over the past 15 years - its grant programmes represented 8% of the Council's budget in 2004. These programmes are thought to have provided important core funding, enabling some now well-established organisations to consolidate and pursue government funding streams, as well as 11% of its grants budget going to support BME organisations. Its Community Development Team of four is mainly engaged in strategic and partnership work, for example offering infrastructure support to the BME sector. It signposts most requests from groups for individual help to Gloucester Council of Voluntary Service (GCVS) and Linking Communities (the umbrella organisation for the BME sector).

Gloucester CVS (GCVS) was set up in 1996 in response to an identified need for a local development agency to support and promote the VCS within Gloucester city as well as leading on county-wide work. The City Council contributes £93,000 core funding including a rent element, and the County Council funds the Partnership and Participation Project, which supports and develops partnership working, including ensuring that the VCS has effective representation on the Gloucestershire Strategic Partnership and its theme groups. GCVS has also worked with the Compact Steering Group to oversee the Compact's development and implementation, particularly around the Funding and Finance Code of Good Practice. Respondents from both the voluntary and statutory sectors perceive that there is a positive working relationship and clarity of roles between GCVS and the City and County Councils.

GCVS had two funding advisor posts until their contracts ceased in 2005, one covering Gloucester and the other with a county-wide remit. The workers were greatly valued but were overloaded with direct work with groups. According to one statutory sector worker, *'the funding advisors spent more time on strengthening the organisations, than on helping them with funding advice'*.

The funding advisors found that many groups thought they needed more money, but what they actually needed was help building the right systems to manage the money and project they already had – ie capacity building. The Community Development Team at GCVS has increased the organisation's capacity to support a wider range of the 350 groups in Gloucester and the 30 networks in the county, around organisational issues, governance, conflict resolution, group work, and roles and responsibilities. They also offer funding advice alongside this work. Despite the relative strength of the VCS in Gloucester, small groups continue to require direct help. According to Sally Pickering, GCVS's Chief Executive:

We need to keep the 'hands on' work; some groups are able to pick up what is required quite quickly, and they need their confidence building to help them step up... there is an argument for more resources for a post to work with small groups, and one that is demand-led.

In recognition of the particular needs of BME organisations in Gloucester and across the county, **Linking Communities** was set up in 1998, funded by SRB and the Gloucester City and County Councils, and offers funding advice and extensive hand-holding:

'We spend hours and hours, and even days... explaining why the funders want information and the types of information needed. We build their skills and knowledge. There are cultural and language barriers that make it doubly difficult to understand the language of funders and what is needed'.

Linking Communities also helps prepare groups to talk on the telephone to funders, rather than speaking on their behalf, as “*funders prefer to talk directly to groups.*” The organisation has held funding workshops and invited speakers from key funders.

“Groups can communicate directly with funders and funders can build up knowledge of Gloucester and group. It is good to build up a rapport at these events”

There are however continuing concerns about Black and Minority Ethnic (BME) organisations and small groups in the city, which provide vital services, but are vulnerable and could close at any time. The BME sector in Gloucester is responding to pressures by exploring joint bidding, building partnership agreements, and identifying which areas to bid into as a sector but, *‘it is harder for BME communities to do strategic work at partnership level as well as deliver services. We have so few staff that you can’t attend meetings, if you do then you are not fulfilling your contract on service delivery.’*

By contrast, **Tewkesbury** is a large rural borough of 160 square miles, with a dispersed population of 85,000. 23% of the population are aged 60+ and 15% have a limiting long-term illness. Poor public transport links make access to services difficult, and this is a key focus of voluntary activity, as over 100 organisations offer transport help, mainly to older and disabled people. A Council officer noted:

Tewksbury has pockets of deprivation, rather than large areas of deprivation, which funders find harder to see; and the Big Lottery Consultation findings have also highlighted this factor.

Although Tewkesbury has a strong volunteer tradition, the lack until recently of any CVS support is widely believed to have hindered the development of the local VCS. Tewkesbury has always been a Lottery and County Council grant ‘cold spot’, despite promotion, to such an extent that questions have been raised about it in the House of Commons. Interestingly, both the Lottery and the County Council have long been concerned at the lack of applications from the Tewkesbury area. 2% of the County’s funding goes to groups in Tewkesbury – which is directly related to the fact that only 2% of applications come from there (compare with Forest at 11%), despite increased publicity and awareness-raising by the County Council of funding opportunities.

Against this background, **Tewkesbury Volunteer Bureau and Help Centre** has been very active in founding the new **Tewkesbury District Council of Voluntary Service (CVS)**, which has been able to appoint a part time development worker with limited funding from the Community Foundation, ‘Awards for All’, the South West Foundation and Lloyds TSB Foundation. The sector is seen as needing immediate help with organisational development issues, funding, training and networking. With the CVS being so new, vital opportunities to engage with the Local Strategic Partnership and the government’s Change Up VCS infrastructure development programme have also been missed, and the VCS now has an urgent need to ‘catch up’ in terms of strategic development and partnership working, and to develop its voice at county and regional level.

The VCS also faces difficult funding issues. A complete freeze on all grant aid, with the exception of the CAB, to the VCS from Tewkesbury Borough Council has impacted on organisations’ core funding, making the VCS increasingly reliant on fund raising, and on grants from trusts. The local CAB has lost £38,000 from its local authority contract and

has been forced to move from its town centre base to the Borough Council offices, outside of town, and to reduce opening hours. The cuts in the grant aid budget have impacted on most organisations' core funding, making matched funding hard to find, and forcing the VCS to be increasingly reliant on income generation (sales etc), as well as on grants from trusts and charities.

In terms of funding advice and development support for the VCS, Tewkesbury Borough Council has decided, unlike all the other District Councils, not to provide a contract to **Gloucestershire Rural Community Council (GRCC)** for the services of its fieldworker, with the result that, *'groups find it a real struggle. We work there when we can realistically, but we are reactive, rather than proactive like we are in other rural districts'*. Fortunately, the GRCC Village Hall Adviser is able to help some local village hall groups move away from grant dependency and toward social enterprise income generation. If in the longer term many County and Borough Council grants are replaced by contracts, the fear in the local VCS is that the tendering process will put Tewkesbury's largely volunteer-led groups at a significant disadvantage.

The Borough Council also has its own small **Community Development Team** of mainly temporary workers. Until recently, the Borough employed an External Funding Advice Assistant, Charlotte Dooley, who worked with over 100 groups as well as council programmes, and helped bring in £470,000 to the VCS in the borough over the past 18 months. This work, which included significant hand-holding, was highly valued by users. She felt that:

'New groups find it hard to know where to go for advice and existing groups find it hard to get advice to develop new ideas. There is a general lack of understanding of what is involved to get funding – setting up a bank account, writing a constitution, child protection policy, equal opportunities policy, business plans, budgets etc.'

This view is echoed by user groups who have great difficulty in finding funders and are often not confident in the use of IT. Groups run by volunteers do not know what is out there, do not know how to get funding support, and think that only large organisations receive grants. Thus grant seeking amongst small groups in Tewkesbury is almost unknown. To address these issues, Charlotte produced regular newsletters, a database and a guide to funding information. She saw her role as being not just about finding money, but also about obtaining resources and building partnerships. She found it necessary to spend a long time with some groups, as volunteers needed both advice and confidence building. A local organisation noted:

'The Funding Advice Assistant at the Council is the best thing that ever happened to us in voluntary sector, and it is first time ever that we have had any (external) money coming into Tewkesbury. She found all sorts of pockets of funding'.

The organisations and projects benefiting from Charlotte's help varied from keep fit groups requiring very small grants, to organisations and partnerships such as the Churchdown and Innsworth Community Project that needed help in raising large sums. This work has been highly valued. For example, the Priors Park Neighbourhood Project, helped by Charlotte to raise £106K in 18 months identified that:

The Funding Officer at TBC provided 1:1 help with funding applications... [she] gave us a chance to have a meeting to discuss our concerns and arrive at

possible solutions together, and not a quick phone call. We had not approached anyone before. We were able to use the advice and guidance... on what to include and what not to include and why. We had more understanding of the thought processes behind the funding. [She] did not try and influence us in any particular direction - we had responsibility for writing our own applications. [The funding] was generally as a result of the Funding Officer's information and help.'

However, Charlotte left her employment with the Council in March 2006 and, although her post is now permanent, there are concerns that the recruitment process has not been initiated for a replacement. The local VCS has equally valued the development time afforded through the Council's Community Development Officer post, which it is hoped can also be made permanent.

Some similar challenges for the VCS are identified in the **Forest of Dean (FOD)** which, like Tewkesbury, has particular geographical and transport issues as well as poor health status. Although the situation is starting to change now with more incomers, resulting in the formation of two distinct communities, there is a long history in the FOD of mining and working class involvement in local politics, a high level of volunteering and a very vibrant VCS of at least 200 organisations. A Council Officer sees this as resulting from *'both good volunteers and an effective Volunteer Bureau which matches up volunteers with organisations.'*

The **FOD District Council Funding Officer**, Carolyn Mitchell, has been four years in this long-standing post and manages a diverse set of funding streams, including offering matched funding to groups to enable them to access Lottery funding. Carolyn recognises that groups are often not ready to apply for funds, and would like to be able to offer more 1:1 community development help: *'Funding is the last thing some groups should be thinking about, but often it is the first...'* Carolyn works closely with the GRCC fieldworker, and they reinforce each other's messages about the need for business planning, sustainability and community consultation. They are currently working together with Prohelp (Business in the Community) on a 6-step workshop to take groups through the preparation stages when seeking funds. In terms of the link between funding and the strength of the local VCS, Carolyn sees many groups successfully delivering important services on very little income, but she recognises that *'as the demand for their services increases they can no longer run on their own effort, and then need external funds.'*

Although the local CVS, **Forest Voluntary Action Forum (FVAF)** mainly redirects requests for funding advice to the Council's Funding Officer, it does offer some direct support and advice, including training workshops; funding information in their newsletters; telephone support and some 1:1 support visits, including commenting on draft bids and access to GLOSHUB. It recognises a particular need for better communication with the Council's Funding Officer in order to follow up those groups who do not pursue her signposting to funders, recognising that *'she doesn't always have the time for bespoke help'*.

Needs and opportunities

There is a widespread view that more capacity building help is needed across the county, as the essential prerequisite for successful funding. Generic development workers may find it difficult, however, to give the latest advice on funding streams, once groups are at the stage of seeking funding. Both statutory and VCS workers feel they are

'struggling to keep up to date on funding... We don't have the specialist knowledge of what is out there... and current funding trends.' It is therefore thought that the County should have an external funding adviser to undertake active *'horizon scanning'* of funding opportunities and identify potential partnerships. GIG has recently identified a need for a strategic Funding and Finance Policy Officer post to represent the sector's needs to funders and work on implementing Compact, and a bid to the Big Lottery is currently being prepared. In this situation, the need to co-ordinate funding advice more effectively has resulted in the formation, through the County Bidding Group, of a Gloucestershire Funding Advice Network. Twenty people came to a successful first meeting in April 2006, convened by Daniel Robinson, the Development Funding Officer with the Gloucestershire Diocesan Board.

The Gloucester/Tewkesbury contrast highlights the importance of investment in infrastructure organisations and in funding advice and capacity building posts if the VCS is to thrive. Funding advice posts are needed at strategic policy and *'horizon scanning'* levels as well as for local support, since generic development workers may not have the required level of knowledge to offer a fully integrated service. Clarity of roles and responsibilities between statutory and VCS workers are very important, and it is hoped the emergent Gloucestershire Funding Advice Network will support the development of coordinated funding advice work across the county.

The **Stroud District Council Regeneration Team identifies** community need through a variety of methods, such as encouraging the development of community plans (eg, Parish Plans) and assessing statistical trends. Being predominantly a rural District, community needs range from social isolation to economic exclusion.

The Regeneration Service assists project development and associated funding work by working in partnership with a wide range of organisations, from public sector, non-government organisations through to the voluntary sector. Regeneration project work often crosses many professional areas, including community development, economic development, with the principals of *'sustainable development'* underpinning much of the core strategic direction.

Stroud District Council's Regeneration team works on both a proactive and reactive basis. Strategic development is based on effective community consultation often undertaken by volunteer community groups. Other project work is driven by the community and voluntary sector which approaches the Council for support. .

"One of the Council's aims is to help to empower others to develop positive community action and be sustainable in what they do."

Stroud District Council manages a number of funding schemes which tackle social and economic exclusion issues. The Council's funding criteria takes account of the applicant projects ability to tackle identified community need and the capacity of the organisation to deliver a good quality project. They also encourage community groups to share best practice by encouraging networking and grass routes partnership working, such as developing facilitated *'forums'*. The Council's grant funding encourages match funding by offering up to 25% of total project costs. For example, the Council set up a Village Shop and Post Office Forum, which enables village shop owners to exchange views, identify issues and provides them with an opportunity to develop projects. Another example is the Parish Community Plan Forum which is facilitated by a Council officer in partnership with the Rural Community Council; this was established in response to interest

expressed by Parish Plan working groups. The Forum offers a space where groups can both meet with professionals and other similar community groups in an informal workshop setting.

The VCS in Stroud district is varied depending on the geographic area. In scenic areas with retired professionals, the level of volunteering and fundraising activity is relatively higher in comparison to areas of working families on lower incomes. Rural areas with lower levels of voluntary activity struggle to maintain community owned facilities and activity, for example such some rural areas have observed deterioration of Village Halls facilities and associated decline in user group activity, eg, closure of playgroups

It is recognised however that injections of funding alone is not always the answer, as development work is needed to ensure that community groups have the skills and knowledge to be able to operate sustainably in the future. However, resources are not always available to offer the required level of support to groups. Stroud District Council funds the Gloucestershire Rural Community Council to assist community groups with grass-roots development work and capacity building. There are also effective working partnership links with Business Link, Co-operative Futures, Stroud Council for Voluntary Services, as well as various Council departments to which community groups are often signposted for specialist support.

Community groups need support in a range of management skills if they are to operate effectively and survive for future generations, such skills include business planning and fundraising. As one officer noted:

” There is a real need for skilled handholding to help groups write funding bids, which requires experienced people.”

It is thought that those organisations with the appropriate skills, knowledge, time and management capacity will continue to access funds, but those who do not have this level of capacity will continue to miss out on available support, especially those living in relatively deprived areas.

“Effective partnerships are needed at the local level but they need more direct ‘handholding support’ which isn’t currently possible from larger organisations with restricted resources of their own, there are limits to how much we can do. On the other hand, the voluntary sector cant be expected to delivery everything they need as they don’t always have the skills necessary. For example, it is not realistic to expect an aging village hall committee to fundraise large amounts for a major capital programme or to keep up to speed with complicated new legislation. We need to further examine ways of offering more effective support to the voluntary sector, whilst accepting the voluntary sector is a very limited, and geographically unbalanced resource.”

Conclusions

The case studies and wider work undertaken for this research demonstrate clearly the value to the VCS of good quality funding advice allied to community and organisational development work, if they can be provided 'seamlessly' and at appropriate levels. Such support impacts not only on the strength of the sector and its capacity to grow, but appears to play a significant role in local regeneration, as the eightfold leverage effect achieved in Gloucester City demonstrates. Despite this positive feedback and the generally helpful influence of ChangeUp in bolstering the capacity of VCS infrastructure organisations, the research has found only a few examples of committed, long-term investment in funding advice linked to capacity building work for the VCS, compared with examples of statutory bodies increasingly disinvesting in work of this kind.

Overall, funding advice appears to be in a fragile state with resources arriving and departing over relatively short time scales. In such a climate, it is unsurprising that the VCS at local level so often struggles with issues of sustainability. The investment model would argue that funders have much to learn in this respect from venture capitalists, who put in both financial investment and considerable business support, in order to secure better returns over the longer term.

In such a turbulent environment, the research highlights the importance of regional leadership and local action to support the development of Funding Advice Networks and the provision of training for funding advice workers, to alleviate isolation and promote best practice. It also identifies the need to build a better evidence base on the impact of funding advice, for example by encouraging funders and funding advice agencies to collect and collate better data about their impact on local economies. The Bristol case study further suggests that, since funding advisers are increasingly required to think about income generation and its links to social enterprise work, further case study work on the role of social economy sector organisations would be useful.

Acknowledgements:

The Evaluation Trust acknowledge the very generous help from all the very busy interviewed organisations and groups and the critical support and advice of the Advisory group including Funding South West.

Authors:

The research was carried out by The Evaluation Trust in spring 2006. Sarah del Tufo, Lesley Frazer and Jenni Wilson interviewed a wide range of local organisations and agencies including Funding Advisers and their managers, their users and partner agencies, as well as some funders and VCOs in the five case study areas across South West England. The Evaluation Trust, Phone/fax 0118 966 4864, e-mail evaluationtrust@maurice.u-net.com

The research was commissioned by Funding South West, part of creating:excellence, the South West centre for sustainable communities. Copies of the short report are available from John Skrine at creating:excellence:

John.skrine@creatingexcellence.org.uk Tel: 01823 250805

References

1. For a summary version of the report see Creating Excellence website
2. *ibid* ii
3. <http://www.creatingexcellence.org.uk/regeneration-item-funding01-htm-1-2.html>
4. 'Knowing me, knowing you'. 18th October 2004. Regional Funders Forum and Funding South West
5. For a much fuller discussion of issues around funding delivery and how it can be improved see. Finding the Funding. J. Crawley South West Foundation 2006
6. Shaping the future - The development of voluntary and community sector infrastructure in County Durham. Rob Macmillan Sheffield Hallam University. 2004
7. South West Forum 2005
8. The new Guidestar figures which include housing associations put the figures at over £3 billion.
9. The grant making tango: issues for Funders. J. Unwin 2004 Baring Foundation.
10. Reviewed in www.swslim.org.uk/downloads/SL1208.doc
11. The Audit Commission is doing a research project on VCS added value in public service delivery contracts with Gloucester and Gloucestershire as two of the study areas.
12. 'The Economic Contribution of the Social Economy in Bridport and Boscombe and Springbourne' 2006 J. Mellor and S. Jones on behalf of SEDNet/ Bournemouth, Dorset & Poole Learning & Skills Council www.dorsetcommunityaction.org.uk
13. Research into the VCS in Devon for the Learning and Skills Council.
14. References available on request from Funding SW
15. Gaskin K. <http://www.ivr.org.uk/euroviva.htm>
16. CIPFA SIS ref 46.04
17. Whitely, P. 2004. A Health check of British Democracy: What do we know about participation and its effects in Britain? ESRC
18. Finding the Funds. Taylor, M. and Hoyle, I. 2003 BME Sustainability project