

AGENDA ITEM: 8

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Meeting	Cabinet Resources Committee
Date	5 January 2006
Subject	Grant Application, 2005/06
Report of	Cabinet Member for Policy & Performance
Summary	This report attaches an assessment of an application by Barnet Voluntary Service Council for renewal of a fixed-term grant, for decision by the committee in accordance with the procedure for approving voluntary sector grants of between £20,000 and £50,000 pa.

Officer Contributors	Community Partnerships Manager
Status (public or exempt)	Public
Wards affected	Not applicable
Enclosure	Grant assessment - Barnet Voluntary Service Council: Funding Advice Service
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Ken Argent, Manager, Grants Unit, 020 8359 2020

1. RECOMMENDATION

- 1.1 That, subject to the Council's standard conditions of grant aid and to the special conditions set out in the assessment, the grant recommended be approved.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Dec 21/5/2001-6: adoption of scheme of delegated powers, reserving to the Cabinet Resources Committee approval of grants of between £20,000 and £50,000.
- 2.2 Cabinet Dec 3/9/2001-16: review of the grants programme, 1999 to 2002, and approval of principles and criteria for grant aid over the four years, 2002-06, with the primary aims of targeting support to facilitate the council's policy framework and continuing to create resources to promote new initiatives developed either by new organisations or those currently receiving grant support.
- 2.3 Council 1/3/2005-185: approval of Borough Treasurer's Service Performance Management Plan and budget for 2005/06.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Corporate Plan sets out as one of the council's key priorities 'Supporting the Vulnerable in our Community', acknowledging that every sector of every community has a right to lead full and independent lives. Importance is attached to working with the voluntary and community sector in support of this objective, and to promoting the value of volunteering, self-help and good citizenship. An active, vibrant and well-resourced voluntary sector provides opportunities for people to help others; apply and develop their skills; and contribute to an improved quality of life in their local communities.
- 3.2 The grant recommended with this report supports the range, effectiveness and sustainability of the voluntary and community sector in Barnet. It accords with the Borough Treasurer's Service Performance Management Plan and the four-year development programme, which includes offering a mix of funding types to ensure that the grants programme remains flexible and responsive to changing priorities, and focusing on meeting quality standards and attaining outcomes.

4. RISK MANAGEMENT ISSUES

- 4.1 All grants are made subject to the council's Standard Conditions of Grant Aid, with which applicants are required to signify their compliance by signing a written undertaking. Amongst other things, the conditions cover how awards are spent, allowing council officers a right of access to proof thereof, and requiring notification of any change in an organisation's circumstances which significantly affect its finances, operations or grant entitlement. The council reserves the right to withhold payment of any approved grant, or to demand full or partial repayment, if it appears that an organisation has failed to comply with any of the conditions attached to the award.

4.2 In common with all revenue grants of £10,000 and above, the award recommended herewith will be released in quarterly instalments, subject to monitoring to demonstrate satisfactory compliance with targets and outcomes agreed in advance.

5. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

5.1 Set out below are details of the funds available for 2005/06, showing the sums allocated to date by the Cabinet and the Cabinet Resources Committee and in delegated grants reports 1 to 8:

Budget item	2005/06 budget £	Approvals / Commitments to date £	Funds available £	Recommended to this meeting £
General Fund:				
main fund	779,010	294,200*		
less reserve for fixed-term grants		370,370	114,440	35,610
small grants	70,000	35,340	34,660	0
contracts	440,870	440,870	0	0
TOTAL	1,289,880	1,140,780	149,100	35,610
Edward Harvist Charity:				
community fund	55,000	13,700	41,300	0
training fund	5,000	1,161	3,839	0
TOTAL	60,000	14,861	45,139	0
Borough Lottery:				
TOTAL	15,000	3,950	11,050	0

(* This sum incorporates an award of £17,500 approved by the Cabinet in July to Hornsey YMCA towards implementation of a new youth project at Church Farm, for which no provision was made in the 2005/06 grants budget. The Cabinet agreed that any consequent overspend on the budget up to an equivalent sum will be re-imbursed).

6. LEGAL ISSUES

6.1 None.

7. CONSTITUTIONAL POWERS

7.1 Paragraph 3.8 of Part 3 of the Constitution reserves to the Cabinet Resources Committee the power to approve grants to voluntary organisations to the value of between £20,000 and £50,000 per annum.

8. BACKGROUND INFORMATION

8.1 Attached is an assessment of an application by Barnet Voluntary Service Council for the renewal of a fixed-term grant in support of its Funding Advice Service.

9. LIST OF BACKGROUND PAPERS

9.1 Grant application and monitoring data.

9.2 Anyone wishing to inspect the background papers should telephone 020 8359 2020 or 2092.

Legal – VWR
BT – MG

GRANT APPLICATION 2005/06 – ASSESSMENT AND RECOMMENDATION

Corporate Priority	Supporting the Vulnerable in our Community	
Organisation	BARNET VOLUNTARY SERVICE COUNCIL - Funding Advice Service	ref 21/C/UMB
Address	52 Moxon Street, Barnet	
Contribution to policy		
<p>The council attaches a high priority to working in partnership with the voluntary and community sector and to promoting the value of volunteering, self-help and good citizenship. An active, vibrant and well-resourced voluntary sector provides opportunities for people to help others; apply and develop their skills; and contribute to an improved quality of life in their local communities. It also plays a key role in representing the wishes of local communities in policy and strategic planning.</p> <p>As the main umbrella body open to all voluntary and community groups in Barnet, Barnet Voluntary Service Council (BVSC) aims to promote, co-ordinate and support voluntary and community activity across the borough. By offering a range of information, advice, resources, consultancies and training to its 280 member groups, encouraging and supporting new voluntary activity and providing a voice for the sector in strategic partnerships, it helps underpin effective and efficient joint working.</p> <p>Previous reviews of the grants programme have highlighted the need to ensure timely advice, training and support for local groups, and to develop funding partnerships and packages with a range of external agencies. BVSC's Funding Advice Service, for which a further period of fixed-term funding is sought, provides specific fundraising advice, consultancy and training to local voluntary and community groups to enable them to take full advantage of the many external funding opportunities that exist, thereby improving their range, effectiveness and sustainability.</p>		
Outline of activities/project and service evaluation		
<p>BVSC's principal functions are to:</p> <ul style="list-style-type: none"> * provide a focal point for local voluntary/community groups to co-operate and discuss local needs; * act as a primary channel of communication with statutory agencies; * represent and co-ordinate the involvement of the voluntary/community sector in strategic multi-agency partnerships; * collect and distribute information of interest and relevance to voluntary and community groups; * provide access to training courses on management and development issues; * maintain and improve standards of financial control through training and practical support; * promote and support the development of new initiatives; * produce newsletters and a quarterly magazine ('Link'), and organize photocopying/printing at low cost for local groups; * provide professional administrative support to special interest networks. 		

In addition to these core functions, BVSC operates various specific projects designed to meet the needs of vulnerable or under-represented sections of the community, including:

- * an organisational development service, offering advice and support to newer and developing groups;
- * a community accountancy project ('BECAP') (in conjunction with Enfield Voluntary Action), offering training on setting up accountancy and financial management systems and one-to-one advice and consultancy; and
- * the co-ordination of sub-regional working, training and learning (across Barnet, Enfield, Haringey and Waltham Forest) as hosts of the North London CVS Development Project.

It also acts as the lead agency for Barnet Children's Fund and one direct service project, 'Advocacy in Barnet'.

This application seeks to renew the council's support of another of BVSC's projects, the Funding Advice Service, originally set up six years ago in response to an overwhelming demand from groups for help and guidance with fundraising. Delivered by a part-time funding advice officer, whose post was increased from three to four days a week in 2002, the service incorporates:

- * working with voluntary and community organisations to identify their funding requirements and supporting them to develop appropriate funding strategies;
- * the provision of information on potential sources of funding;
- * advice and guidance on making grant applications; and
- * building and maintaining relationships with external funding bodies to raise the profile of, and need for, funding of the voluntary and community sector in Barnet.

Much of the work takes the form of one-to-one advice sessions and consultancy, making use of specially designed fact sheets; published trust guides; and resources such as 'Funder Finder'. Many of the groups accessing the service are newly emerging ones who need support in setting up and becoming a viable organisation and often require basic help first, such as with budgeting or drawing up a business plan, involving a package of support in conjunction with BVSC's development officer and community accountant.

There are regular, practically based, training workshops to improve fundraising skills and the quality of applications. The training is adapted to cater for the different needs of groups and includes support for specific types of organisation, such as those serving black/ethnic minority communities or working with children and young people. It is also now focusing on newly emerged trends of 'outcomes funding' in response to increasing demands of evidence measuring change; partnership working; and long-term sustainability.

With the aid of new IT software that will enable groups to do more of their own preliminary research, BVSC envisages that the funding adviser, whilst continuing to offer professional expertise and detailed assistance, will in future have more capacity for outreach work, targeting groups that are reluctant to seek help.

Building and maintaining positive relationships with funders continues to be an integral part of the service. This includes regular seminars with representatives of funding bodies, which has proved to be a particularly effective method of not only increasing the number of applications made, but also improving the rate of success.

The service has proved to be highly successful in its primary objective of helping secure

external funding for local voluntary and community groups and has far exceeded monetary targets set. Between 1999 and 2002, external grants to the value of over £950,000 were raised by groups with the benefit of its help, twice as much as projected for the period. Since its expansion, funding successes have quadrupled. Over the last three years (up to September 2005), external funding levered into the borough has risen to £3,917,753.

This sum incorporates a total of 253 grants to Barnet organisations, of which the majority were smaller community groups, many newly formed. The largest single contributor was the Big Lottery Fund (formerly the Community Fund), which accounted for 25% of the total. The Bridge House Estates Trust Fund awarded the highest number of grants (17), totalling £455,000. The City Parochial and Lloyds TSB Foundations; National Lottery 'Awards for All'; BBC Children in Need; and ESF Fast Forward Grants, in particular, have all significantly increased the value of their support to Barnet.

Various recent surveys have highlighted the importance attached to the service. 78% of respondents to a training needs analysis showed that fundraising was the area in which they most wanted training, whilst 73% of those who completed a capacity building questionnaire rated the service as 'essential'. 'ChangeUp', the 'Capacity Building and Infrastructure Framework for the VCS' published by the Active Communities Unit of the Home Office in 2004, identified funding voluntary and community activity as one of the six key priorities for supporting the sector.

Strategic help with fundraising enables groups to concentrate their resources on actual service delivery and is a cost-effective way of strengthening and developing voluntary and community services, thus supporting the 'ChangeUp' agenda, which aims to create a nationwide infrastructure to ensure that front line organisations are sustainable; offer first class provision; and have the skills to negotiate contracts.

The case for maintaining the service is strengthened by the continuing constraints on the council's grants programme, especially where new groups and new developments are concerned; reductions in funding from other sources such as the Barnet Primary Care Trust and the Big Lottery Fund; and a redefinition of many charitable trusts' criteria, targeting their grant giving more narrowly, as a result of the additional demands placed on them.

The Community Partnerships Manager endorses the proposed continuation of funding given that the service fills a gap in the provision of fundraising advice, which he considers is best offered by those, like BVSC, closest to the voluntary and community sector.

Quality and equality

As the principal support agency for the voluntary/community sector in Barnet, BVSC aims to be a model of good practice and is committed to participation, partnership, accountability and community involvement, and to working towards continuous improvement in all aspects of its work. Quality assurance is addressed through independent surveys; individual and group comments on services; training course evaluation forms; feedback on fundraising successes; and levels of participation in BVSC activities. It is fully committed to equal opportunities in service provision and recruitment of staff and committee members.

In the latest membership survey, 66% of respondents thought that BVSC was providing an effective service (33% did not comment) and all of its services except two were given an average rating of "3" on a scale of one to four.

The Funding Advice Service is guided by an annually agreed work programme, which is subject to quarterly monitoring covering the number of groups helped; the take-up of places at seminars and workshops; and the number of successful grant applications made. All clients are asked to complete an evaluation form after training or an individual consultancy, and the feedback is used to design and adapt future courses, etc. 47% of members rate the service as 'excellent' and most of the remainder 'helpful'.

The quality of advice is underpinned by membership of the Second Tier Advice Workers' Network, facilitated by London Voluntary Service Council. Feedback from funding agencies has been extremely positive, with particular praise for the content of fact sheets and the accessibility of the service. A range of charitable trusts has commented on a significant improvement in the standard and relevance of applications from Barnet groups, and a higher proportion of bids that they are able to support.

Cost and financial need

BVSC's annual turnover has grown to more than £700,000, of which over 90% is funded from grants and contracts, which include fixed-term awards from a variety of sources for most of its projects. The balance of expenditure is largely met from membership fees and charges. Net current assets at 31/3/2005 were £202,161, of which £200,153 were restricted or designated funds, leaving an uncommitted balance of £2,008 (less than 1% of total expenditure).

The council's annual core funding, secured by a rolling three-year contract, this year amounts to £86,647, and constitutes 12% of its total revenue. BVSC is also in receipt of two existing fixed-term project awards from the grants budget, comprising £30,250 (extending to June 2006) for the community accountancy project (match funded by the London Boroughs Grants Scheme) and £52,920 (extending to February 2007) towards the development of community engagement. A one-year start-up/revenue grant of £40,750 is supporting the establishment of a new volunteer support and development service for the borough.

Service agreements with Adult Social Services and the Children & Families Service support its specific activities in those areas, including administration of the Children's Fund.

The Funding Advice Service has been assisted since 1999 with two three-year project grants, the first, amounting to £73,550, running to October 2002, and the second, increased to £104,260 to facilitate its expansion to four days a week, which expired this autumn. Both fixed-term awards incorporated a 2.5% annual inflationary uplift, most recently resulting in payments of £33,900 in 2002/03, £34,750 in 2003/04 and £35,610 in 2005/06.

This application is for a third period of funding to enable BVSC to maintain the service for another three years. The budget submitted amounts to £127,454, costed as £40,288 in year one, £42,446 in year two and £44,720 in year three. Staffing costs constitute the main element of expenditure (78%), comprising the funding adviser's salary (28 hours a week); administrative support (six hours a week); on-costs; and training. The balance is made up of administration (printing, postage, etc); programming costs (for seminars, etc); and contributions to premises overheads and managerial supervision (in line with other project grants awarded).

The budget includes provision for re-grading the funding officer's post in line with the prevailing market rate in the interest of retaining the incumbent, which accounts for much of a 13% increase in year one. The estimates for years two and three have been inflated by 5.4%.

There is no provision in the grants budget to support the re-grading, nor to inflate any award, as previously, over the three years. The grant recommended is therefore based on a cash standstill, subject to the conditions below.

Grant recommendation, type and conditions

£35,610 (year one of three-year project grant)
**+ approval in principle to replicating the award
in 2006/07 and 2007/08**

Project grant *
One-year revenue grant
One-off/start-up grant

Special conditions:

The award should be made subject to (i) agreement on targets and outcomes; (ii) regular monitoring and satisfactory compliance with the targets and outcomes set; and (iii) budgetary provision for supporting the service, as agreed in principle, in years two and three.

Duration of project and exit strategy (project grants only)

The grant is for a three-year period extending to October 2008. The continuation of the Funding Advice Service thereafter will be subject to review in the light of ongoing demand and in the context of BVSC's financial management strategy, involving a variety of funding streams to maintain specific elements of its work.

Target grant outcomes (for monitoring and evaluation)

To offer fundraising advice, consultancy and training to local voluntary and community groups aimed at improving and developing the range, effectiveness, quality and sustainability of the voluntary and community sector in Barnet.

Date: January 2006