

GRANT APPLICATION 2015/16 – ASSESSMENT AND RECOMMENDATION

Priority Corporate Outcomes	To develop new and effective partnerships to deliver public services and increase choice, accessibility and value for money To empower local residents and the community at large to play a more active role in improving their lives, local communities and public services	
Organisation	INCLUSION BARNET (in partnership with Community Barnet)	<div style="border: 1px solid black; padding: 2px; text-align: center;">ref</div> 224/S/PSD
Address	The Concourse, Grahame Park, NW9	

Corporate policy, aims and objectives

The council is seeking to develop new and effective partnerships to deliver high quality public services having regard to the significant reduction in government funding. The voluntary and community sector has a significant role to play in this strategy, especially by increasing choice, accessibility and value for money, leading on innovative solutions and improving customers' perception of public services. As part of the process of delivering more for less, the council is changing its relationship with residents such that they take on more personal and community responsibility for keeping Barnet a successful borough.

The voluntary and community sector is being challenged to sustain its services with reduced, or, in many cases, no, public funding, annual core grants having largely been converted into funding through commissioning, and with increased competition for support from national grant-making trusts and public funders.

Activities / proposal

Inclusion Barnet (IB) is a registered charitable incorporated organization (CIO) formed in September 2014 by Barnet Centre for Independent Living (BCIL), aimed at broadening its work beyond the delivery of peer-led support services to help disabled people achieve independence, an objective that is constrained by its existing status as a community interest company (CIC). Legal reasons prevent the direct conversion of a CIC into a CIO. Business is to be transferred to IB later this year, when BCIL will become a trading subsidiary.

Set up with the council's support in 2010, BCIL was a strategic partner in the borough's Right to Control pilot, leading on user-led approaches adopted across other projects and peer-led brokerage. Although a contract to provide an information, advocacy and brokerage service to adults with disabilities has ended, giving rise to the transfer of some staff under TUPE regulations to the new provider, BCIL continues to offer peer-led support in setting up a personal budget and care planning and help for people with mental health problems in partnership with Richmond Fellowship and Mind in Barnet. It also hosts 'People's Choice', a self-advocacy organization for people with learning difficulties, and is a delivery partner for 'Healthwatch Barnet', giving local people a say in the planning of local health/care services.

This application concerns a proposal by IB to set up a 'local giving' scheme in Barnet, 'Barnet Giving', to create and multiply opportunities for local fundraising to increase funds for existing and new community-based support groups, services and projects in response to local needs. Modelled on similar schemes operating in other boroughs including Islington, Hackney and Kingston-upon-Thames, the project seeks to galvanize self-help; build local resilience; and increase residents' active engagement with their communities against the backdrop of reductions in public funding. It will increase the fundraising capacity of the local voluntary and community sector, in particular in the area of individual giving, and underpin its sustainability.

Many local voluntary and community groups are run by volunteers or by small teams focused on providing frontline services, with little fundraising expertise or resources, and face growing competition for funding from elsewhere. National grant-making trusts and public funders like the Big Lottery are frequently oversubscribed and closed to new applications. In terms of general fundraising, people tend to give more readily for large, national charities with a high profile. But 52% of respondents to research by the national parent body for community foundations said that they would give more to their local communities if it were easier to donate and see the impact of their contribution.

The Barnet Giving Scheme will:

- * create a single fund, making it easier for people to give locally, the proceeds to be placed in an endowment for distribution through a grant application process based on in-depth local knowledge;
- * co-ordinate local fundraising efforts, encouraging existing fundraisers to work together rather than compete with each other;
- * run dedicated fundraising appeals focusing on particular areas of need, for which there may be little local support;
- * consolidate the work of individual local grant-giving trusts;
- * collaborate with local businesses and their employees to fundraise for local causes.

The scheme will be created with the help of London Funders, the membership network for funders of, and investors in, London's civil society, supported for the purpose by City Bridge Trust. It will be overseen by a steering committee made up of local partners, local people and service users, to be led by an independent chairperson, and will employ an expert fundraiser with volunteer back-up. The administration of grants will be contracted out to the London Community Foundation (LCF), experienced in supporting other funders, as the most cost-effective and efficient way of managing the process. Community Barnet will partner IB in developing the scheme, leading on communications, insight and promotional work.

It may also serve to reactivate an endowment fund of c£300,000 for Barnet aimed at providing grassroots funding for smaller not-for-profit groups, which has remained largely unspent since it was created by a predecessor body, with the support of the former Office of the Third Sector, in 2010, an aspiration that is under discussion between IB and the LCF.

The Barnet Giving Scheme is the first project to be rolled out by IB in the context of the diversification of BCIL's work, embracing charitable work across a broader spectrum linked to development of social change; self-help; and community awareness. It is recommended for support in terms of how it will help (a) the local voluntary and community sector to diversify income; build fundraising capacity; and reduce its reliance on public funds, with a focus on sustaining projects that tackle poverty, inequality and social exclusion, and (b) channel more local giving into the local community.

Cost and financial need

In 2014/15, BCIL incurred expenditure of £626,616, of which 70% were staffing costs. 95% of income was through contracts with the council for information, advocacy and brokerage and peer-led personal budget and care planning support (£496,000) and sub-contracting arrangements for the delivery of mental health support and Healthwatch (£107,000). The balance of income included small fixed-term grants in support of specific elements of its work. There are no charges to clients. BCIL states that net current assets of £133,335 at 31/3/2014, all unrestricted funds, remained largely untouched in 2014/15, the accounts for which have yet to be published pending completion of an audit.

The three-year contract for information, advocacy and brokerage (£352,000 pa) ended on 29 June 2015, arising from which expenditure is estimated to fall to £330,000 in 2015/16. The mental health support sub-contract (£102,000 pa) extends to January 2016. The changes in the way the organisation will in future operate, most probably as a smaller entity (in the name of IB), embrace the uncertainty over its future income. It is in the process of bidding for new funding streams to add to income that will be generated by BCIL as the trading subsidiary. It meanwhile remains financially viable with a working reserve that is equivalent to six months' turnover based on the new projections.

The cost of setting up and running 'Barnet Giving' over the first twelve months is shown as £25,068, of which £14,890 (59%) is to recruit and employ a part-time community fundraiser for 2.5 days a week. The remainder of the budget is made up of operational overheads; communications and materials; training/mentoring; and management and supervision. A grant of £10,000 is requested to add to a confirmed charitable trust award of £5,000 to cover the fundraiser post on the basis that IB will defray all other expenditure (£10,178) from reserves.

The aim of the first year of operation is to raise £50,000, of which at least £20,000 will be dispensed as grants and £10,000 used to start an endowment fund. A proportion of funds raised, especially through sponsorship, will defray running costs, principally LCF's fee for grants administration (calculated as a percentage of turnover), and towards sustainability in year two. The expectation, based on the most successful giving schemes in existence, is that up to £100,000 will be raised annually, doubling the sum available for grants whilst also building an endowment fund to add to the scheme's sustainability and diverse income strategy.

Grant recommendation, type and conditions

£10,000 (from Edward Harvist Charity)

Start-up grant

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One-off grant

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Special conditions:

Payment of the award should be made subject to (a) agreement of an implementation plan, to include the criteria, terms and conditions for the award of grants; (b) approval of the contractual arrangements with LCF for the administration of awards; (c) agreement of targets and milestones for monitoring purposes; (d) the submission of details of the sustainability strategy; and (e) the receipt of quarterly progress reports and an undertaking to provide an evaluation of the scheme at the end of twelve months.

Target grant outcomes

(a) To grow and develop support through fundraising in the local community for the local voluntary and community sector and (b) to rationalise the strategic distribution of grant funds and strengthen the sector's sustainability.

Date: August 2015