



Voluntary Sector Funding

A Report of the Overview & Scrutiny Task Group

May 2007

Councillor Mistry (Chair)
Councillor Fox
Councillor Pagnamenta

Executive
July 2007

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Chair's Foreword

There is no doubt that voluntary and community organisations in Brent play a key role in delivering services, advice and guidance that may not otherwise be available to our residents. The council's Main Programme Grant fund of just under £1million helps to fund many organisations, but as a scarce resource there are far more applications for funding than funds available. Much of the funding is allocated on an 'historical' basis which means that it is difficult for currently unfunded organisations and emerging communities to access this fund which leads to questions about equality and whether the council is getting best value for the



In undertaking this review, my colleagues and I wanted to ensure that we listened to the views of as many members of the voluntary sector as possible. We focussed on three main questions:

- What are your issues and concerns with the currently grant giving process?
- What changes they would like to see to the process?
- How the relationship between the council and the voluntary sector could be improved?

We also listened to the views of council officers and gathered information and learning from other local authorities.

My colleagues and I would like to thank Councillor Colwill the Chair of the Voluntary Sector Liaison Forum, and Councillor Bessong the Chair of the BME Forum for providing the task group with the opportunity to engage with Forum members. We very much appreciate the contribution of all of those who attended the Forum meetings and would like to say a special thank you to them for taking the time to talk to us.

We would also like to thank the following people who attended our task group meetings and contributed to our discussions and findings:

- John Carlin – West London Network
- Joan Hooper & Keefa Kiwanuka – Brava
- Ann O'Neil – Brent Mencap
- Mr Elmi – Horn of Africa Refugee Welfare Group
- Mr Davis – Boys2Men
- Mr Cherifi – CompuSoft Training Centre
- Mike Bibby – Strategy Planning and Performance Manager
- Beverleigh Forbes – Acting Voluntary Sector Team Manager

Finally, my sincere thanks must go to Jacqueline Casson of the Policy and Regeneration Unit for her fantastic support guidance and expertise in researching, organising the meetings and finally reporting on our findings.

We realise that there are some difficult decisions ahead and that whatever process is used for allocating this scarce resource will result in winners and losers. We have therefore highlighted the need for a phased introduction of changes as the voluntary sector will need time to adjust and absorb the changing environment.

I hope that the proposals set out in our report will enable the Council to build on good practices, reinvigorate its relationship with the voluntary sector and maximise the use of a scarce resource effectively for the benefit of people of Brent.

Executive Summary

This report outlines the work, finding and recommendations of the Overview & Scrutiny task group's investigation into Voluntary Sector Funding.

The council's Main Programme Grant (MPG) fund provides just under £1million per year in grants to local voluntary agencies. Much of the funding is allocated on an 'historical' basis and for a number of years there has been little change in the organisations that receive funding, and the levels of funding provided to each organisation. It is very difficult for currently unfunded organisations and emerging communities to access council resources which has led to questions about equality, and whether the council is getting the best value it can for the money it spends.

In order to complete our work and produce a set of recommendations that deliver benefits to our local communities, the task group decided early in the review that it was important to hear the views of as many members of the voluntary sector as possible. The task group focused on Brent specific issues while taking into account the national agenda and learning from other local authorities.

The evidence we have heard during our consultation process has highlighted that there is a great deal of consensus between the members of the voluntary sector we talked to and council officers as to what the main issues are. The overriding concern we identified is that of how to reinvigorate the relationship and improve the level of trust between the council and the voluntary sector. It is the responsibility of both the council and the voluntary sector to work towards an improved partnership, but by instigating change the council can take the lead in this process. This concern was paramount in our thoughts when coming to our conclusions.

There are some difficult decisions ahead and any move away from the 'historical' funding of voluntary group will result in winners and losers. Support needs to be given to those organisations that are currently funded and may not be successful in applying for funds in the proposed new process. The task group believe though, that the review of Main Programme Grant funding, which this task group report will inform, must result in changes being implemented and that all of the recommendations set out in this report, if implemented successfully, will start this much needed process.

Our finding and recommendations focused on the following areas:

- ***Co-ordinating the Council's Approach***
- ***Establishing Funding Priorities***
- ***Length of funding period***
- ***Application, Assessment and Monitoring***
- ***Capacity Building and the Voluntary Sector Team***

Recommendations

1. That an overarching Voluntary Sector Strategy is developed that clearly sets out what the council is trying to achieve in the way it works with and funds the voluntary and community sector to achieve more for local people. The strategy should:
 - a. Provide clear links to the Sustainable Community Strategy, the Corporate Strategy and the Local Area Agreement
 - b. Set out all of the different types of funding available from the council
 - c. Ensure meaningful engagement with the voluntary and community sector when developing priorities for funding
 - d. Provide a framework for supporting and developing a vibrant voluntary and community sector through capacity building initiatives
 - e. Encourage partnership working by providing a framework for the implementation of Brent's voluntary sector compact.
 - f. Define the role of the council's voluntary sector team and other relevant sections of the council
 - e. Promote equity, equality and diversity.

The Voluntary Sector Team should lead on developing this strategy with input from other parts of the council including the Policy and Regeneration Unit. The Overview & Scrutiny Committee to receive an update on the strategy in six months.

2. That the council holds an annual event or conference with the voluntary and community sector with the aim of enhancing relationships and building trust.
3. That consideration should be given to phasing the introduction of the proposed changes to the funding process over a period of up to three years and that no organisation that is currently funded has all of their funding withdrawn immediately, unless there are issues relating performance.
4. That within the context of the Sustainable Community Strategy, the Corporate Strategy and the LAA the council should be more specific about what services it wants to fund from the Main Programme Grant and identify the outcomes and outputs it expects from the funding it provides. The council should allocate specific amounts of money for each priority.
5. That the allocations of resources should be on the basis of analysis of need based on robust evidence and that the voluntary and community sector are able to feed into that process, through information they have gathered via their direct contact with Brent residents.
6. That funding provided under the new funding process should be awarded for a period of three years, with service level agreements that are monitored annually prior to funding being released. An increase for inflation should be added each year.

7. That the Voluntary Sector Team ensures that the application and assessment process be as transparent as possible by:
 - a. Advertising spending priorities and inviting applications as widely as possible including: The Funder's Fair, the Internet, the Brent Magazine, Brent Brain, via Brava and the local press. This should:
 - o Include a clear time line for applications.
 - o Be sufficiently in advance to enable applications to be processed and agreements made well before the end of the financial year.
 - b. Providing clear written guidance to applicants on how to complete the application form.
 - c. Being clear about assessment criteria prior to applications being invited e.g. the use of a points system.
 - d. Sufficient checks to ensure that there is no duplication of applications
 - e. Providing feedback to unsuccessful applicants on how to improve future applications
8. That monitoring should take place at least once per year and should focus on outcomes and outputs including through:
 - a. Self assessments against agreed targets.
 - b. Annual Voluntary Sector Team visits to a selection of organisations, clients and users.
9. That the Executive considers allocating an additional amount equivalent on 15% – 20% of the current Main Programme Grant as 'seed corn' capacity building money to help the development of voluntary and community sector groups where there are emerging needs, communities and organisations. This should be provided for 3 years on the understanding that this will cease thereafter.
10. That an annual Funder's Fair is established with the aim of bringing together all funding organisations operating in the area and the voluntary and community sector.
11. That there is a review of the role of the Voluntary Sector Team and the role of Brava to ensure that there is greater clarity and to avoid duplication particularly in relation to capacity building.
12. That the Voluntary Sector Team is provided with a period of stability and as we recognise that a number of our recommendations will incur additional expense, that they are resourced and supported sufficiently during the implementation of the changes introduced as part of the review of Main Programme Grant giving.

1. Introduction

Scope of the Task Group's Work

The council's Main Programme Grant (MPG) fund provides just under £1million per year in grants to local voluntary agencies. Much of the funding is allocated on an 'historical' basis and for a number of years there has been little change in the organisations that receive funding, and the levels of funding provided to each organisation. It is very difficult for currently unfunded organisations and emerging communities to access council resources which has led to questions about equality, and whether the council is getting the best value it can for the money it spends.

At the same time there has also been a desire to reinvigorate the relationship between the voluntary and community sector and the council, and move from the current grant giving position to a more commissioning based approach.

To undertake this review the Task Group:

- a. Reviewed the national and local position in particular taking up the work of the '*From Patronage to Partnership: Building a New Relationship with the Voluntary & Community Sector*'¹ consultation paper
- b. Investigated Brent's current grant giving process, identifying the issues and problems.
- c. Explored the views of the voluntary and community sector, both currently funded and none funded organisations, in relation to: the current grant giving process, the changes they would like to see and how the relationship between the council and the voluntary & community sector could be improved.

On completion of the investigation the Task Group aims to make recommendations on:

- a. Proposals for new ways to allocate MPG funding to: ensure best value for money, delivery of high quality services, ensure equality and ability of emerging communities to access funds and strategic fit with local priorities
- b. How the council can set priorities for MPG funding
- c. How to help the sector build capacity to meet the demand of any new proposals
- d. How to improve and develop the relationship between the voluntary and community sector and the council

2. Membership

Councillor Kanta Mistry – Chair
Councillor Ralph Fox
Councillor Robin Pagnamenta

¹ A Consultation paper published by Brent Council July 2003

3. Methodology

In order to complete the work identified in the scope and produce a set of recommendations that deliver benefits to our local communities the task group decided early in the review that it was important to hear the views of as many members of the voluntary sector as possible. To do this the task group:

- a. Heard from the West London Network and Brent Association for Voluntary Action (BRAVA).
- b. Talked in some depth to two currently funded and two non funded organisations to explore their views on the Main Programme Grant process.
- c. Attended Brent Voluntary Sector Liaison Forum
- d. Attended Brent BME Forum

We used our attendance at the Voluntary Sector Liaison Forum and the BME Forum to split into small groups and explore three main questions.

- a. What do you think about the current Main Programme Grant process? What are the issues / problems?
- b. What changes would you like to see to the process?
- c. What could be done to improve the relationship between the council and the voluntary sector?

As far as possible these groups were facilitated by members of the task group. Their findings were fed back to the Fora and included as evidence in the task group's deliberations.

Evidence was received from council officers who work with the voluntary sector: the Voluntary Sector Team Manager, the Strategy Planning and Performance Manager Housing and Community Care and the Local Strategic Partnership Co-ordinator.

The task group focussed on Brent specific issues while taking into account the national agenda. To gather information and learning individual members of the task group visited the London Borough of Tower Hamlets and the London Borough of Camden, local authorities who have both recently reviewed their grant giving process. We also undertook telephone and internet research to seek best practice from other local authorities and London Council's.

4. Context

Local

The voluntary and community sector performs a vital role in delivering services in Brent, many of which support those in the local community who are unable to access statutory services. The sector's ability to act as service deliverers, advisers, campaigners and innovators is not in doubt. What this review aims to identify is how Brent Council can use its Main Programme Grant fund to deliver best value services that fit with the priorities identified in the Sustainable Community Plan, the Corporate Strategy and Local Area Agreement, and reinvigorate its relationship with the sector.

Previous Reviews

The council has for some time been considering how to introduce change. A consultation paper produced by the Voluntary Sector Support Team in 2003, '*From Patronage to Partnership: Building and New Relationship with the voluntary and community sector*', identified the issues and challenges and set out principles of funding. The Executive approved the principles set out in this paper in July 2003.

The key issues and principles for funding identified in the consultation paper emerged from an examination of the various reviews previously undertaken by the council. These reviews included the **Best Value Review 2002** and the **Review of the Main Programme Grants 2002²**.

The issues identified in '*From Patronage to Partnership*' were:

- a. The relationship between the council and the voluntary sector continues to be strained and there is much to do to improve the effectiveness of partnership working
- b. Grants are allocated on a primarily historical basis and the relationship between the grants awarded and council priorities is not obvious
- c. The funding process is not transparent or well understood
- d. There is little clarity about the full level of support available to organisations that apply for funding

The principles for funding identified in *Patronage to Partnership* were:

- a. Any decisions need to be open and accountable.
- b. The historical funding basis needs to be changed with support for the development of new organisations.
- c. Funding decisions should be linked to corporate priorities.
- d. Funding should be primarily seen as allowing organisations to focus on capacity building and funding alternatives or to deliver specific outputs.
- e. An incremental approach to changes in funding levels is required.
- f. Longer term funding time frames should be considered to give organisations realistic planning time.
- g. Allocations of resources should be against clear and consistent criteria including value for money.
- h. Organisations should be committed to maintain high standards of financial and legal governance, accountability and conduct.
- i. Organisations should develop performance indicators with targets that represent significant step change and continuous improvement.
- j. In taking funding decisions consideration should be given to the totality of other support received from the council.

A consultation conference, based on this paper, was held in October 2003. Comments made at the conference were incorporated into a report, which included an implementation process and action plan. This report was agreed by the Executive in November 2003. This was not fully implemented.

² Details of the key findings from these reviews can be found in the Patronage to Partnerships report.

Brent's Compact

In spring 2003 Partners for Brent, Brent's Local Strategic Partnership, set up a small multi agency working group to develop a compact for Brent. The aim of the compact is to describe how Brent's voluntary, community, public and private sectors organisations should work together and provide all sectors with clear guidance on what organisations can do to improve relationships across the different sectors. The Compact was agreed by Partners for Brent in late 2003 and has also been registered with the National Council for Voluntary Organisations.

The working group was set up made up of senior officers from Brent council, Brava, Brent Community Network, Bent NHS Teaching Primary Care Trust and the London Fire Brigade. The intention was that regular reports would be made to Partners for Brent on how well the compact is working, though this has not always happened.

Corporate Strategy

Brent's Corporate Strategy 2006 – 2010 agreed by Full Council in November 2006 stated that one of its priorities is to:

'Improve and develop relationships with the voluntary sector to support the effective functioning of the voluntary sector and the achievement of community priorities'

In particular, it specified that a review of council grant funding programmes to ensure they are reflective of corporate priorities. This task group report forms part of that review.

National

Since 1997 the government has emphasised the role of the voluntary and community sector in helping to develop and deliver better public services. They believe that involving the 'third sector'³, a term they frequently use, brings unique benefits such as: expertise in its specialist areas, ability to connect with sections of the community the public sector find it hard to reach and ability to innovate and develop new forms of service. Government reviews conducted in 2002⁴ and 2004⁵ were clear that there was potential for the voluntary sector to expand its role in service delivery.

The voluntary sector is at the heart of the government's reforms aimed at improving public services. They are seen as: contractors delivering services, campaigners for change, advisers influencing the design of services and innovators⁶. Virtually every section of the Local Government White Paper – Strong and Prosperous Communities⁷ refers to the role and contribution of the voluntary and community sector. It says that in tackling difficult cross cutting issues it is clear that services should be designed to meet the needs of the community placing greater emphasis on the need for the statutory sector and non statutory partners to collaborate to transform services. The government believes that the voluntary & community sector's potential can only be fully realised when barriers in commissioning and

³ The Third Sector is a term frequently used instead of voluntary & community sector

⁴ The Role of the Voluntary Sector in Service Deliver: a Cross-Cutting Review, HM Treasury 2002

⁵ Exploring the Role of the Third Sector in Public Service Delivery and Reform – a discussion document, HM Treasury, February 2005

⁶ Local area Pathfinders – building public service partnerships

⁷ Strong & Prosperous Communities Published in October 2006

procurement are dismantled to help the voluntary and community sector build its capacity to deliver effective services. The Local Government White Paper says:

'We want the best local partnership working between local authorities and the third sector to be the rule, not the exception and for the sector to be placed on a level playing field with mainstream providers when it comes to local service provision'

The Government's definition of commissioning in this context is: The process of assessing the needs of people in an area, considering how best and by whom those needs can be met, and then planning the provision of appropriate services.

5. Key Findings

Brent council's Main Programmes Grant (MPG) fund is £970k for 2007/8. The Voluntary Sector Team is responsible for administering the fund and consists of an acting manager, three grant officers and one administrative officer. In brief, the current grant allocation process is as follows:

- a. Adverts inviting bids for the MPG are placed in Brava news and Brent Council's website in the autumn.
- b. Applicants are asked to show how they can meet the priorities set out in the Corporate Strategy.
- c. Grant officers analyse the applications and make recommendations to the Executive.
- d. The decisions are taken in January / February and the funding set for one year.
- e. Monitoring does take place as the year progresses, though we heard that this is not always effective because some groups are monitored and some are not and funding is not always set against specific outcomes and outputs.

The Voluntary Sector Team has told us that this process is very bureaucratic and results in far more applications, up to £3 million worth, than funds available. This leaves the team limited time to work on funding advice, capacity building and developing a better relationship with the sector.

The team is currently located in Housing and Community Care, but have relocated within the council structure several times during the last three or four years. It seems likely that it is this, along with changes in senior posts, which resulted in the actions from the *From Patronage to Partnership* report not being implemented. Members of the voluntary sector have raised this report with us on a number of occasions as an example of nothing happening as a result of consultation.

Why change is needed

Evidence collected by the task group from council officers and the voluntary and community sector suggests general agreement that the current Main Programme Grants allocation process needs to change.

We heard from council officers who have identified a number of reasons why changes needed to be made. These include:

- a. The relationship between the council and the voluntary sector is frequently strained. We need to address their concerns.
- b. The 'historical' nature of the MPG allocation means organisations can become complacent and not evolve or seek funding from other sources.
- c. Because the pattern of funding does not change substantially from year to year new organisations find it hard to get funding.
- d. Scarce resources – we need to make sure the money is used to deliver services that the people of Brent need and projects relate to the councils corporate priorities
- e. Funding is for 1 year, which does not give stability for long term planning.
- f. Equality issues – currently no equalities impact assessment but these are due to be implemented in autumn 2007.

Issues identified during our discussions with individual voluntary and community sector organisations, the Voluntary Sector Liaison Forum and the BME Forum were very similar and included:

- a. A comprehensive needs assessment should inform the funding priorities – changes in the needs of local communities are not taken into consideration
- b. Need for greater clarity around funding criteria – the voluntary sector should be involved in the process
- c. Application forms not clear and the process is not consultative.
- d. There should be a change to the historical system of funding to allow new organisations to access council funds
- e. Assessment of applications needs to be more transparent and feedback provided to those whose applications are not agreed.
- f. Provide seed corn money for groups involved with emerging communities
- g. More capacity building and funding advice should be available so that organisations can reduce reliance on local authority funding.
- h. Communications and information sharing between the council and the sector should be improved.
- i. There is a need to encourage more partnership working between voluntary and community sector organisations
- j. Monitoring needs to be effective but not onerous

The evidence we have heard during our consultation process has highlighted that there is a great deal of consensus between the members of the voluntary sector we talked to and council officers as to what the main issues are. The overriding concern we identified is that of how to reinvigorate relationships and improve levels of trust between the council and the voluntary sector. It is the responsibility of both the council and the voluntary sector to work towards an improved partnership, but by instigating change the council can take the lead in this process. This concern was paramount in our thoughts when coming to our conclusions.

There are some difficult decisions ahead and any move away from the 'historical' funding of voluntary groups will result in winners and losers. Support needs to be given to those organisations that are currently funded and may not be successful in applying for funds in the proposed new process. This could be done by ensuring that all of their funding is not withdrawn immediately and by encouraging affected organisations to seek funding from other sources. Consideration should be given to

phasing the introduction of the new funding process over a period of up to three years to ease the immediate impact of change. To ensure successful implementation of our recommendations some additional resources will be required and this is reflected in our findings.

We do believe though, that the review of Main Programme Grant funding, which this task group report will inform, must result in changes being implemented and that all of the recommendations set out in this report, if implemented successfully, will start this much needed process.

1. Co-ordinating the Council's Approach

In addition to the Main Programme Grant fund there are a number of other grants allocated by various departments across the council. These included: grants from the Department of Health, regeneration funding, EU funding and Neighbourhood Renewal Funding. At present there is no central database to help track this funding and provide a clear picture of which organisations and projects the council is allocating funds to. This leaves the potential for duplication of funding and means that voluntary organisations frequently have to provide the same information to different part of the council. The Voluntary Sector Team recently secured money from E-Government funding to purchase a software package to resolve this problem. The system, which is called *Grant Tracker*, will record money paid to individual organisations, the purpose of the funding, project outcomes and outputs and links to the council's corporate priorities. Officers from the various departments involved have been trained and the Voluntary Sector Team made a bid the Council's Performance Fund to recruit an administrator to develop and manage this system. Unfortunately this bid was not successful therefore task group would like to recommend that appropriate resources are identified to ensure that Grant Tracker is implemented and works effectively.

Brent council does not have an overarching Voluntary and Community Sector Strategy. Other authorities we have talked to who have a strategy, the London Borough of Tower Hamlets for instance, see their strategy as key to the development of a new relationship with the voluntary and community sector, as it sets out how they intend to work with the sector and provides clear links to the Sustainable Community Plan, the Corporate Strategy and their Local Area Agreement (LAA). We recommend that Brent Council develops a Voluntary and Community Sector Strategy that clearly sets out what the council is trying to achieve in the way it works with and funds the voluntary and community sector. It should set out how it will engage with the sector, encourage partnership working by providing a framework for the implementation of the Brent's compact, promote equity, equality and diversity and provide a framework for supporting the voluntary sector through capacity building initiatives. We believe that this would provide much needed clarity and would be key to enhancing the relationship and level of trust between the council and the voluntary and community sector. In addition the council should consider holding an annual event or conference with the voluntary sector to air views and concerns, aid with communication, consult on changes, and consult on spending priorities for the coming year.

Recommendation

1. That an overarching Voluntary Sector Strategy is developed that clearly sets out what the council is trying to achieve in the way it works with and funds the voluntary and community sector to achieve more for local people. The strategy should:
 - a. Provide clear links to the Sustainable Community Strategy, the Corporate Strategy and the Local Area Agreement
 - b. Set out all of the different types of funding available from the council
 - c. Ensure meaningful engagement with the voluntary and community sector when developing priorities for funding
 - d. Provide a framework for supporting and developing a vibrant voluntary and community sector through capacity building initiatives
 - e. Encourage partnership working by providing a framework for the implementation of Brent's voluntary sector compact.
 - f. Define the role of the council's voluntary sector team and other relevant sections of the council
 - e. Promote equity, equality and diversity.

The Voluntary Sector Team should lead on developing this strategy with input from other parts of the council including the Policy and Regeneration Unit. The Overview & Scrutiny Committee to receive an update on the strategy in six months.

2. That the council holds an annual event or conference with the voluntary and community sector with the aim of enhancing relationships and building trust.
3. That consideration should be given to phasing the introduction of the proposed changes to the funding process over a period of up to three years and that no organisation that is currently funded has all of their funding withdrawn immediately, unless there are issues relating performance.

2. Establishing Funding Priorities

We understand that there is no legal obligation on the council to provide any funds to the voluntary sector by way of grants. The government clearly wants to encourage local government to change its relationship with the voluntary and community sector by moving to a more commissioning based approach to funding services. We have looked at other local authorities who have, or are currently developing commissioning as a way of working with the voluntary sector. Those we looked at said that it provides greater clarity about what the specific priorities are and what outputs and outcomes the council wants to fund. Brava recognised that this push towards a commissioning based approach existed but cautioned that there would be a need to ensure capacity building initiatives were in place to enable the sector to ready themselves for the change (see section 7).

The Voluntary Sector Team have told us that grant applications are currently invited and assessed in relation to the Corporate Strategy, though specific areas within the strategy are not highlighted as a priority. This broad invitation resulted in a large number of applications being received and has made the whole process very bureaucratic. Our consultation with Brava, the Voluntary Sector Liaison Forum and the BME Forum highlighted the sectors desire for the council to be more explicit and specific about what it wants to fund. Voluntary organisations have told us that they could then tailor their projects and applications accordingly and have said that this would help provide greater transparency in the applications and assessment process.

We believe that by being more specific about what it wants to fund and by ensuring that those priorities are needs driven and outcomes focused, the council would achieve better value for money, obtain better outcomes for local communities, and improve its relationship with the voluntary sector.

In developing specific spending priorities it is important that there is a link to the Sustainable Community Strategy, the Corporate Strategy and the Local Area Agreement (LAA). The council is currently exploring ways of using the Client Index software and market segmentation tools, which help build up information on the level of need in an area. This more detailed robust evidence base could enable very specific and measurable needs to be identified. The voluntary sector team could explore ways of tapping into these tools, as well as the service planning and budget planning process, to establish and evidence spending priorities. Members of the voluntary sector have also said that they would like to be involved in establishing and evidencing those priorities. They already do this in a broad sense in that they are involved, via the LSP, in developing the Sustainable Community Strategy from which the priorities contained in the Corporate Strategy are drawn. Further involvement could come via their direct access to information about Brent's residents which should be considered as part of the evidence base and used to help identify spending priorities.

The task group recommends, that within the context of the Sustainable Community Strategy, the Corporate Strategy and the LAA, the council should be more specific about what services it wants to fund from the Main Programme Grant and identify the outcomes and outputs it expects from the funding it provides. We also recommend the allocations of resources should be on the basis of analysis of need based on local information and that the voluntary and community sector are able to feed into that process. This could be achieved as part of the annual event or conference proposed in a previous section of this report.

Recommendations

4. That within the context of the Sustainable Community Strategy, the Corporate Strategy and the LAA the council should be more specific about what services it wants to fund from the Main Programme Grant and identify the outcomes and outputs it expects from the funding it provides. The council should allocate specific amounts of money for each priority.
5. That the allocations of resources should be on the basis of analysis of need based on robust evidence and that the voluntary and community sector are able to feed into that process, through information they have gathered via their direct contact with Brent residents.

3. Length of funding period

Our evidence shows that there is a desire from both the voluntary sector and the Voluntary Sector Team to move towards introducing awards that cover a three year period. This would help to provide the stability that the sector needs in order to plan ahead, recruit and retain key staff, and seek funding from other sources. It would also lighten the administrative burden for voluntary organisations and the Voluntary Sector Team freeing up the team's time and resources for other work. Other authorities we have looked at with funding allocated for a period of three years do so by developing service level agreements with annual reviews prior to funding being released. We recommend the introduction of three year funding awards underpinned with service level agreements and annual reviews. In addition we would like to ensure that an annual increase for inflation is provided.

Recommendation

6. That funding provided under the new funding process should be awarded for a period of three years, with service level agreements that are monitored annually prior to funding being released. An increase for inflation should be added each year.

4. Application, Assessment and Monitoring

We learnt that adverts inviting bids for Main Programme Grants are placed in the autumn of each year. The Voluntary Sector Team advertise for grant applications as widely as possible including, Brent News, Brava newsletter, the councils website, and by writing directly to organisations. We heard from some voluntary organisations, particularly currently unfunded organisations, who felt that they were 'out of the loop' and that the timescales for application were too tight. Some of the individuals we talked to also said that they found the applications forms complicated. The Voluntary Sector Team explained that the application form had recently be reviewed and made more relevant ensuring that all of the information requested was necessary for reasons of probity and assessment. We believe that the 'Funders Fair' we are recommending later in this report should form the start of the council's advertising and information giving process. Advertising should take place early enough to enable applications to be processed and agreements made well before the end of the financial year, this would enable organisations which are unable to secure funding from the council time to seek funding from elsewhere. We also recommend that a guidance booklet is developed to provide clear information on how to complete the application form.

A number of issues relating to the transparency of the application and assessment process were raised with the task group. Setting specific priorities with identified outputs and outcomes will help make the application process more transparent and will also help to simplify assessment and monitoring. A number of the local authorities we looked at are reviewing how they assess applications not only to increase transparency but also to provide Members with the best possible basis for decision making. For some this has included the development of a scoring system. We would like to see the assessment criteria being made clear at the time of applications and feedback given to unsuccessful applicants so that they know what they need to do to be successful in the future. It is important that the information on how the applications will be assessed is included in the guidance

Recommendations

7. That the Voluntary Sector Team ensures that the application and assessment process be as transparent as possible by:
 - a. Advertising spending priorities and inviting applications as widely as possible including: The Funder's Fair, the Internet, the Brent Magazine, Brent Brain, via Brava and the local press. This should:
 - o Include a clear time line for applications.
 - o Be sufficiently in advance to enable applications to be processed and agreements made well before the end of the financial year.
 - b. Providing clear written guidance to applicants on how to complete the application form.
 - c. Being clear about assessment criteria prior to applications being invited e.g. the use of a points system.
 - d. Sufficient checks to ensure that there is no duplication of applications
 - e. Providing feedback to unsuccessful applicants on how to improve future applications
- 8 That monitoring should take place at least once per year and should focus on outcomes and outputs including through:
 - a. Self assessments against agreed targets.

5. Capacity Building and the Voluntary Sector Team

The 'historical' nature of the council's current Main Programme Grant funding process has led to a great deal of concern about how new voluntary organisations can access funding. We heard of examples of new organisations serving emerging communities that were finding it difficult to get established and find funding even though there was a recognised need for the service they wanted to offer. This in part may be due to their capacity to develop the proper governance and financial structures necessary to attract funding.

The need for a ring fenced pot of money, to nurture new groups, build capacity and develop services was mentioned to us on a number of occasions. The council should be proactive in identifying such organisations and support their development. We believe that it is vital to the development of the voluntary and community sector in Brent that the Executive considers allocating an additional amount equivalent on 15% – 20% of the current Main Programme Grant as 'seed corn' capacity building money to help the development of voluntary and community sector groups where there are emerging needs, communities and organisations. This should be provided for three years, on the understanding that this funding will cease thereafter. Organisations

could then apply to deliver council specified projects in competition with other organisations or seek funding from other sources

Our investigation has led us to believe that there is currently a great deal of duplication between the role of the Voluntary Sector Team and that of Brava particularly in providing funding advice and capacity building. We also found that the relationship between the two was limited. We therefore recommend that there is a review of the role of the Voluntary Sector Team and the role of Brava to ensure that there is greater clarity and avoid duplication.

To help build the capacity of the voluntary sector in Brent and encourage currently funded organisations to seek and obtain funding from sources other than the council, we would like to propose that an annual 'Funder's Fair' is held early in the financial year. The aim of this is to bring together national and local funding organisations and commissioners who operate in the area and voluntary organisations who are seeking funds. This sort of practical help would help to maximise the money that is being brought into Brent from external sources and would contribute to the development of relationships between the voluntary sector, the council and other funders.

Recommendations

9. That the Executive considers allocating an additional amount equivalent on 15% – 20% of the current Main Programme Grant as 'seed corn' capacity building money to help the development of voluntary and community sector groups where there are emerging needs, communities and organisations. This should be provided for 3 years on the understanding that this will cease thereafter.
10. That an annual Funder's Fair is established with the aim of bringing together all funding organisations operating in the area and the voluntary and community sector.
11. That there is a review of the role of the Voluntary Sector Team and the role of Brava to ensure that there is greater clarity and to avoid duplication particularly in relation to capacity building.
12. That the Voluntary Sector Team is provided with a period of stability and as we recognise that a number of our recommendations will incur additional expense, that they are resourced and supported sufficiently during the implementation of the changes introduced as part of the review of Main Programme Grant giving.

References

The task group referred to a number of reports in the course of its work. Key documents included:

From Patronage to Partnership: Building a New Relationship with the Voluntary and Community Sector – Brent Council 2003

Our Compact – Partners for Brent 2003

Brent's Corporate Strategy 2006 – 2010 – Brent Council

Brent's Sustainable Community Strategy 2006 – 2010 – Partners for Brent

Strong & Prosperous Communities Local Government White Paper – October 2006

NCVO Briefing on Strong & Prosperous Communities Local Government White Paper – National Council for Voluntary Organisations 2006

The role on the Voluntary Sector in Service Delivery: a Cross Cutting Review - HM Treasury 2002

Exploring the Role of the Third Sector in Public Service Delivery & Reform – HM Treasury 2005

Local Area Pathfinders building public service partnership – HM Treasury 2006

Fruitful Funding a guide to levels of engagement – National Council for Voluntary Organisation.

The task group heard evidence from a number of people during the course of its investigations. These included:

Members of the Voluntary Sector Liaison Forum

Members of the BME Forum

John Carlin – West London Network

Joan Hooper & Keefa Kiwanuka – Brava

Ann O'Neil – Brent Mencap

Mr Elmi – Horn of Africa Refugee Welfare Group

Mr Davis – Boys2Men

Mr Cherifi – Compusoft Training Centre

Mike Bibby – Strategy Planning and Performance Manager

Beverleigh Forbes – Acting Voluntary Sector Team Manager

Voluntary Sector Funding Task Group 2007

Sharon McGilchrist – Third Sector Manager, London Borough of Tower Hamlets

Julietta Joseph – Grants Manager, London Borough of Camden

Telephone and internet research was also conducted with the following organisations:

South Somerset Council – Getting Closer to Communities Beacon Council and short listed for Municipal Journal 'working with the Voluntary and Community Sector achievement award.

Bristol City Council

London Borough of Croydon – Increasing Voluntary and Community Sector Service Delivery Beacon Council

London Councils