



The VCS Grants Prospectus: a proposal for a new approach to voluntary and community sector grants

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What are we proposing?

People from the council and the voluntary and community sector (VCS) have worked together to design a new approach to grant funding and together we have agreed that we need to focus the council's grant investment on tackling disadvantage in the city.

We believe that by having a clear focus and by working better together, we can use this money more strategically, more powerfully and have a far bigger impact.

We are calling this new approach a 'prospectus' because we will have one document in which we tell people what council grant funding is available, what we want to achieve, what we expect from funded organisations and what the processes are for applying for and allocating the grants. It will ask VCS organisations to propose how they can use their skills, local knowledge and expertise to support disadvantaged people in the city (individuals as well as geographic communities and communities of interest). It will include a set of 'values' for funded organisations to sign up to. This prospectus will last for four years with the first grants in place in April 2017.

What do we want to achieve?

In 4 years' time we want to see that this co-designed approach to VCS grant funding is resulting in less disadvantage and inequality experienced by Bristol's residents and for those who are experiencing disadvantage being more able to cope or manage, not just day-to-day but for the longer term.

We want to make a real difference for disadvantaged people in the city and to do this we will support VCS organisations to address any number of the eight key factors of disadvantage that we have identified. These factors are:

- poverty (financial poverty, food poverty, fuel poverty)
- unemployment and underemployment
- physical and emotional ill health
- lifestyle deprivation (not being able to access services and opportunities in the city)
- low engagement (not participating in the community)
- physical, social and digital exclusion or isolation
- discrimination
- crime and violence

We have called these eight factors our 'key challenges' and we show some examples of how they impact on local people and how we will focus support through the prospectus in a draft document called 'VCS Grants Prospectus Key Challenges – a Bristol story'.

We know that disadvantaged people in our city face multiple, complex and often deep-seated issues and that disadvantage impacts on geographic communities and communities of interest. We need to be clear about our priorities, recognising that we cannot expect to 'fix' disadvantage with (up to) £5 million per year for four years. We have clear evidence of who is disadvantaged in our city, and where they are, and the story this tells helps to illustrate what we are trying to address.

We believe that we can only achieve real and lasting change for disadvantaged people if we are clear not just about our focus, but about the ways we expect organisations to work. We have developed a set of values that will underpin all prospectus-funded activities by calling for funded organisations to work in ways that:

- Make a real difference
- Support the most disadvantaged
- Offer early help
- Build on existing strengths of people, organisations and communities
- Connect people
- Link with the wider city

This will bring about a real change in the ways we work together, with an emphasis on building resilience, early intervention, collaboration and sharing resources, community cohesion and asset-based approaches (recognising and using the skills, strengths and resources within our communities). These are explained in the definition section on page 7.

For more detail about this please see the 'VCS Grants Prospectus vision, values and principles' document.

We will also want to demonstrate that the prospectus funding has made a difference and organisations receiving funding will need to provide us with data about the effectiveness of their activities, providing evidence of the impact in reducing disadvantage or inequality and (disadvantaged) people being more able to cope.

How will it work?

The concept of the prospectus is summarised visually in a one-side diagram (page 7).

To successfully implement the prospectus for VCS grants we need to have an effective application process. We want this to be proportionate and inclusive so that small VCS organisations are not excluded from or disadvantaged by the process. The process must allow organisations to describe their proposals and the way they will work so that all applications can be fairly and consistently considered and appraised. It must also implement our shared values and commitments, as described in the Bristol Compact.

We are designing three application processes for small, medium and large grants and our proposals for these, including the draft application questions, are set out for consultation in the draft VCS Grants Prospectus: application process.

We are proposing to offer a mix of four-year grants (with funding tapers built in at years 3 and 4) and two-year grants (see the 'VCS Grants Prospectus: application process' document, page 9). We think this will give funded organisations a stable funding base from which to lever in additional income and allow us the flexibility to meet changing need.

We need to maximise the proportion of grant investment, effort and resources used to

directly benefit disadvantaged people. In this spirit, the council is also interested in looking at how we can support organisations in ways other than through grant funding. In the future this could include support with finance, IT and human resources functions as well as supporting organisations with an interest in sharing premises to find suitable locations so that they can collaborate on a day to day basis and share costs.

What funding will come into the prospectus?

The council currently invests around £18m annually in supporting VCS organisations. Of this £1.5m is the notional value of annual concessionary rents or leases with local VCS organisations, £8.5m is through mandatory business rate relief to charities, £0.3m is through discretionary business rate relief, £0.4m in small grants and £7.3m through revenue grants.

These £7.3m of revenue grants are made by many different teams in the various council departments and have many different purposes. Our proposed new approach will align up to £5m of this revenue grant funding to make it work better for the people who need it most. The actual amount available for the prospectus will depend on the impact of the government's spending review on the council's budget.

Some grants will not be within the scope of the prospectus and there are a number of reasons for this:

- (i) The Care Act implementation will affect £0.5m grants which will become statutory provision for the council and therefore become commissioned contracts. Further grants of £0.3m may also be affected, pending a decision by the council's People directorate.
- (ii) £0.4m is the value of the grant for VCS infrastructure (VCS support, development and representation) currently provided through Voscur's Support Hub, which we are in the process of re-commissioning. This re-commissioning will be completed before the prospectus is launched so that the successful organisation will be in place to support organisations with the new grants process.
- (iii) We will use £0.7m to re-commission community advice provision in the city (new grant agreements to be in place by 2016) because of the strategic importance of having this in place at a time of major welfare reform.
- (iv) An element of the council's £0.9m Key Arts Provider (KAP) grants is focused on increasing participation for those who are often excluded from arts-related activity as a result of disadvantage. Many Key Arts Providers also receive funding from Arts Council England. We will work towards the KAP fund contributing to the prospectus vision to tackle disadvantage and at the same time contributing to Arts Council England's commitment to greater inclusion.

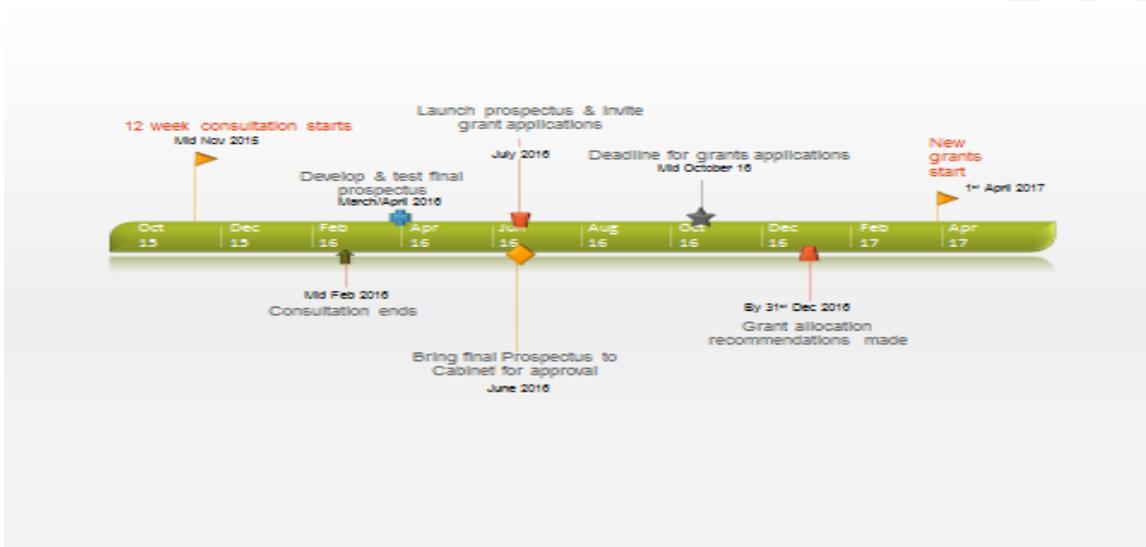
We expect the VCS infrastructure support and the community advice grants to come into the prospectus at a later date.

We also expect commissioners to consider grants as an option alongside contracts (using the council's own funding decision tool) when beginning all future commissioning projects, even if these are not within the initial scope of the prospectus. All future grants will use the prospectus standardised approach and values.

What will happen next?

After the consultation period has ended the co-design group will use the feedback to guide our development of a final prospectus. We plan to 'test' the prospectus for equalities impacts with equalities voice and influence groups at this post-consultation stage.

We will have a completed prospectus to take to the council's Cabinet in June 2016. Once it is agreed by Cabinet, we will launch the prospectus in July 2016, with the first grants process running in the autumn of 2016 so that we can make funding recommendations by the end of December. We will then be able to comply with the Bristol Compact and give three-month's notice to end existing grants and three-month's notice for new grants to be in place from April 2017.



Other VCS grants prospectus consultation documents

VCS Grants Prospectus Key Challenges: a Bristol story

VCS Grants Prospectus: application process

The following background documents are also available from our [web page](#) (see below) or on [request](#):

VCS Grants Prospectus: vision, values and principles

VCS Grants Prospectus Equality Impact Assessment

Consultation survey

We have an [online survey](#) with questions relating to the three consultation documents and we would encourage you to complete it. Please contact the Investment & Grants Team and ask us to send you a copy if you would prefer not to complete it online.

Website and contact details

Email: investmentandgrants@bristol.gov.uk

Telephone: 0117 903 6437

Consultation Finder website: www.bristol.gov.uk/consultationfinder

VCS Grants webpage:
<https://www.bristol.gov.uk/people-communities/grants-for-voluntary-and-community-organisations>

Definitions

Here we explain some of the terms we have used in the context of this proposal and the prospectus consultation documents.

Asset-based approach

Asset based approaches provide a different way of thinking about the role of individuals, communities, associations and institutions in creating vibrant, prosperous and inclusive communities. There are three basic questions:

1. What is that communities can do best?
2. What do communities require help with?
3. What do communities need outside agencies to do for them?

If we can be clear about the answers to each of these questions, we can make better use of the resources we have or have access to and we can support one another to use them for the benefit of whole communities. We are emphasising that our focus is asset based to make clear our starting point that activities funded through the prospectus should not be about imposed solutions

Bristol Compact

The Bristol Compact is the agreement made between the public sector and the Voluntary and Community Sector (VCS) in the city. The Bristol Partnership has adopted the Bristol Compact on behalf of the city and promotes and encourages its use. The Compact recognises that positive working relationships are crucial to Bristol and it seeks to define and strengthen the links between the public sector and the VCS – for the benefit of Bristol, its people and communities.

Co-design

We have been very fortunate to have drawn together a group of people managing VCS organisations locally who have agreed to work with us, using co-design principles, to produce a new approach to meet the needs of the city as the VCS sector understands it, as well as from the council's perspective. Our co-design principles were established with support from academics from Bristol University and gave us a framework for working towards a common goal and achieving consensus. This approach has enabled open and honest discussions and a very creative, confident and challenging environment which goes beyond the "funder" and "funded" traditional relationship. The content of this consultation paper is the result of this and presents a common view that the investment from the council needs to be focused on addressing the key challenges for the city and our citizens, specifically issues of disadvantage and inequality in Bristol.

Collaboration

We use the term collaboration to mean three things. We want organisations funded through the prospectus to work together, either formally or informally, to enhance their impacts on geographic communities or communities of interest. We want organisations to come together to build solidarity and advocate change where this is needed to tackle disadvantage. We also want organisations to share their learning for the benefit of the city.

Community cohesion

By community cohesion we mean understanding, tolerance and good relations between people from different communities so that there is a sense of belonging for all communities and the diversity of people's different backgrounds and circumstances is appreciated and positively valued. Community cohesion cannot be forcibly imposed by external agencies but

has to be achieved through community members working together for the benefit of all. Tackling equalities issues, ensuring those from different backgrounds have similar life opportunities and ending discrimination are fundamental to creating cohesive communities.

Communities of interest

Communities of interest or identify are terms used to describes people who share particular characteristics, usually the 'protected characteristics' in the Equality Act 2010 (such as age, race, religion and belief, gender, sexual orientation and disability). For example we might refer to Somali women or Disabled young people as communities of interest.

Disadvantage

The focus of the prospectus is on Bristol's most disadvantaged citizens. By 'disadvantaged' we mean those people and communities who lack or are denied resources, rights, goods and services, and who cannot be part of the usual connections, activities and opportunities¹, available to the majority of people in Bristol.

Early intervention

Early intervention is acting to prevent problems occurring and supporting people to reduce the impact of problems and stop escalation when they arise. It involves working together across agencies and with communities in Bristol to provide the right support at the right time.

Geographic communities

By geographic communities we mean places or neighbourhoods in Bristol. We know that some neighbourhoods are very deprived and that some are affluent. Our focus for the prospectus will be on the most deprived areas of Bristol.

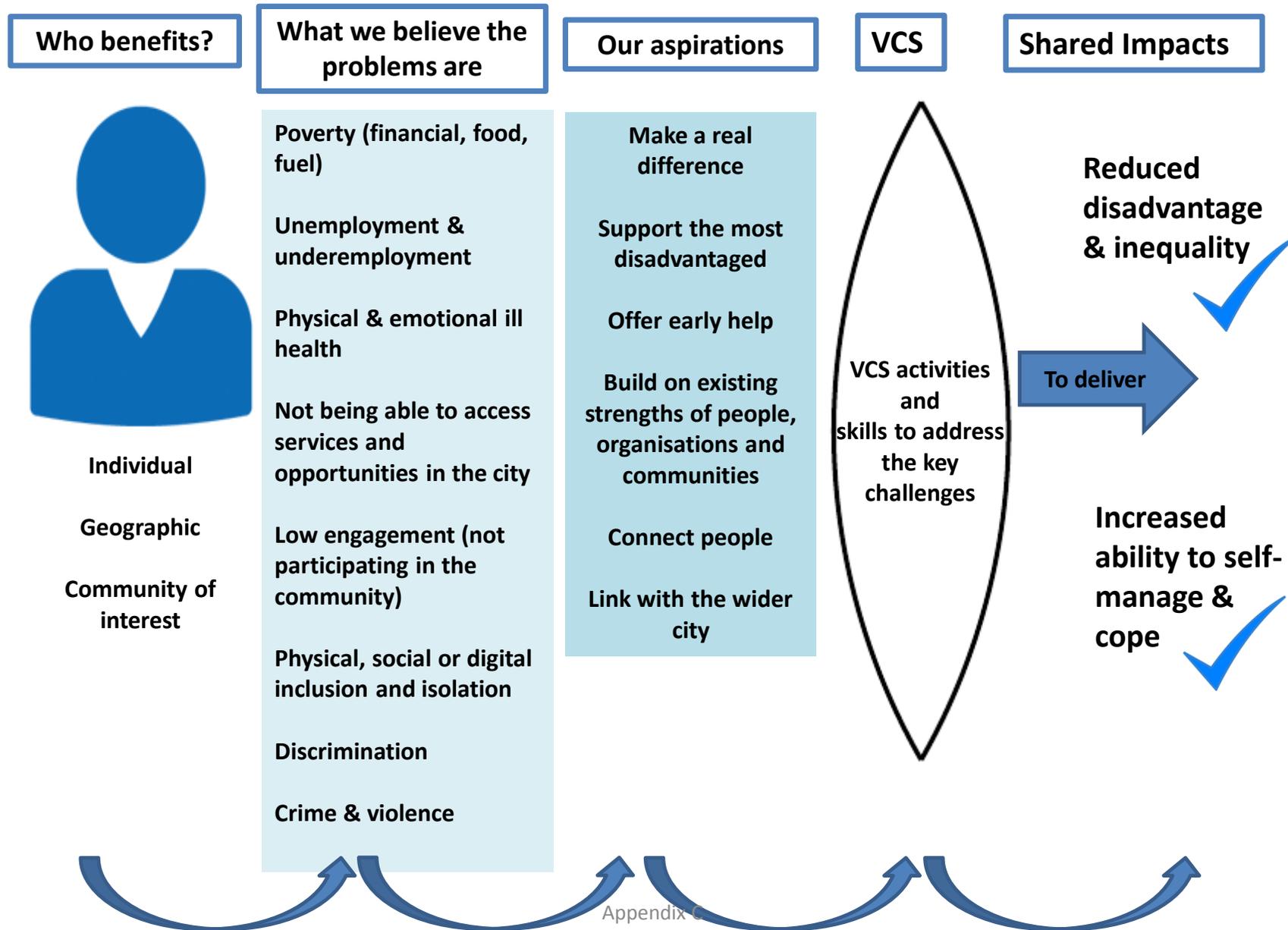
Resilience

The term resilience is commonly used in science to describe the ability of materials to withstand large forces, shocks or stresses. In the prospectus we use resilience to mean the ability of individuals or communities to cope with difficult times or situations. Resilient communities are ones that can use local resources and expertise to help themselves. Some people and organisations use the term 'readiness' instead of resilience. The prospectus will fund organisations that enable communities to be stronger and to respond flexibly to change.

Voluntary and community sector

For this grants prospectus, by voluntary and community sector we mean non-governmental, community-based organisations which are value-driven (their values arise from the community) and which reinvest their surpluses to further social, environmental or cultural objectives for the community. The sector includes voluntary and community organisations, charities, Community Interest Companies, co-operatives and mutuals. They range from small volunteer/single worker organisations and local community groups to large established organisations. Information about which VCS organisations will be eligible to apply for grants is included in the VCS Grants Prospectus Vision, Values and Principles document.

¹ This is based on a definition taken from: Levitas, R., Pantazis, C., Fahmy, E., Gordon, D., Lloyd, E. and Patsios, D. (2007) The Multi-Dimensional Analysis of Social Exclusion. Department of Sociology and School for Social Policy, Townsend Centre for the International Study of Poverty and Bristol Institute for Public Affairs, University of Bristol (page 9)



Appendix C