



Newcastle Fund

Consultation Proposal

Closes 12 noon
on Thursday 6 April 2017

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Introduction

The Newcastle Fund is the Council's primary vehicle for grants to the voluntary and community sector (the VCS). In September 2016, the Council launched a *Call for Evidence - Shaping the future of the Newcastle Fund* to gather views and ideas on how the Newcastle Fund should look in the future. The findings of the engagement phase are published on the [Newcastle Fund](#) website.

This document takes the findings of the engagement phase in the context of the Council's broader commitments to cooperative working to present an outline change proposal for consultation.

This proposal is in two parts:

- **Part 1** is about the Fund's purpose and direction of travel. These changes are about the core purpose of the Fund and how we set priorities for funding.

When this consultation closes, we will review the feedback, make a decision on elements which can be implemented quickly, and may issue further consultation on detailed arrangements for future stages.

- **Part 2** is about the way that applications are made to the Fund, our decision making and monitoring processes.

When this consultation closes, we will review the feedback and make a decision straight away about whether to implement the proposals.

Future funding rounds

Decision making for the Newcastle Fund takes place ahead of the Council's normal budget setting processes, so that both successful and

unsuccessful bidders have time to make plans before the start of each financial year in April. For reference, the timing associated with upcoming rounds is:

	For grants paid in financial year (Apr-Mar)	Fund open for applications	Decisions made on awards
Round 7	2017/18	June - Sept 16	December 16
Round 8	2018/19	June - Sept 17	December 17
Round 9	2019/20	June - Sept 18	December 18

Part 1: Proposed changes to purpose and direction of travel

Feedback from our engagement on the future of the Newcastle Fund made evident that grant funding – as distinct from contracting - continues to be a vital source of funding for the VCS in Newcastle, and that this funding should be invested in ways that generates the best possible impacts for our communities.

There was no clear consensus in the engagement phase feedback about what the core purpose of the Fund should be. To develop these proposals, we have taken some of the main messages from the engagement phase, and set these in the context of the Council's broad agenda around coproduction, cooperative values and community leadership.

1.1 Purpose of the Fund

Key messages in the engagement phase were that:

- We cannot 'fix' disadvantage with the amount of money available in the Fund or indeed in the public purse as a whole, so we should focus on capacity building.
- We should make our commitments to 'asset based working' more real, and reduce the amount of funding that goes towards activities built on traditional deficit based models.
- We are most likely to have lasting impact on wellbeing and resilience by prioritising building skills, confidence, networks and optimism.

Our proposal is

- To adopt the following statement as the **core purpose** of the Fund:

“The Newcastle Fund exists to support the voluntary and community sector to harness the energy and assets that exist in our communities and unlock (often untapped) potential to improve wellbeing”

- That through this core purpose, we want VCS organisations to use the skills, local knowledge and expertise of individuals and communities to make positive and lasting changes which result in the following **outcomes**:
 - improved community resilience
 - improved individual resilience
 - improved wellbeing and health
- That in supporting **asset based ways of working**, the Fund should focus on projects which
 - Redress the balance between meeting needs and nurturing the strengths and resources of people and communities.
 - Enhance the protective factors that support wellbeing and health and the coping abilities of individuals and communities even when faced with adverse life circumstances.
 - Bring together people and communities to achieve positive change using their own knowledge, skills and lived experience.
 - Share, link and liberate resources and assets – connecting people and organisations within and across communities.
 - Create the conditions for communities and individuals to do things for themselves, in ways which mean people can get help when they need it.

We recognise that asset based approaches are not a prescriptive set of actions which can be *‘rolled out’* but rather they are forms of relationship

building that enables strengths and capacities to be identified and developed, and which mobilise what individuals and communities have to offer, in order to achieve positive outcomes.

If we adopt this proposal we would expect to:

- Engage with VCS organisations throughout 2017 and beyond in order to share learning and help build the understanding and experience of asset based practice, to unlock the potential of communities and individuals to take control, identify their own opportunities and interests and take action to improve outcomes.
- Consider asset based practice through the Fund's application and evaluation processes for Round 8 bids.

1.2 Priority setting

The engagement phase showed that parts of the VCS would like the Council to set priorities for the Newcastle Fund that are more closely aligned with local needs – however, there were different views expressed as to whether these should reflect geographic communities or communities of interest. Others expressed a preference for a citywide approach.

The engagement phase did show an appetite from respondents for the Fund's priorities to have a closer relationship to community intelligence through the Newcastle Future Needs Assessment, and particularly the locally focused data included within the Know Your Community element

Our proposal is to

- Maintain a citywide focus for the Fund but use the newly introduced annual Ward Committee meetings to conduct a debate with local residents and locally focused VCS groups about what local priorities should be.

- Bring together this intelligence from each Ward to create an Annual Prospectus for the Newcastle Fund which will set out a number of co-produced Key Challenges which the Newcastle Fund should seek to address. This will help the VCS to focus their bids on the key challenges that respond to local needs and enable resources to be focused on what matters most to local communities.
- Agree outcome measures in the context of the Key Challenges and priority areas, and in the context of the Fund's core purpose, to demonstrate the value of Newcastle Fund investment.

A new round of Ward Committee meetings begins in April 2017. If we adopt this proposal we would expect to:

- Further consult with Ward Committees, VCS organisations and the public throughout 2017 on how the priorities agreed through the annual Ward Committee meetings may be used to create a set of Key Challenges for the Newcastle Fund Prospectus for Round 9.
- Further consult on how outcomes might be measured in the context of these Key Challenges and priorities.

Part 2: Proposed changes to Fund application, decision making and monitoring processes

2.1 Grant bidding and monitoring processes

We must continue to ensure that money awarded through Newcastle Fund grants is properly agreed and spent. Although the engagement phase showed that people were generally happy with the information provided on how to bid for a grant, it showed that the VCS would like us to 'lean' our application and monitoring arrangements, so that they are more proportionate to the level of grant awards.

Our proposal is to

- Simplify the application process by 'leaning' our application form so it more proportionate to the level of grants awarded through the Fund. In 'leaning' the application form, we want to make it easier for organisations to apply, and particularly smaller and grass roots VCS organisations.
- Consult with the Voluntary Sector Liaison Group to raise the thresholds in the [Addendum to the New Newcastle Compact](#) which determines the frequency that grant recipients must submit performance information. In raising the thresholds as set out below, we are seeking to adopt a more proportionate approach to performance monitoring which better balances risk management and reporting burdens on grant recipients, and particularly smaller and medium sized VCS groups. In raising the thresholds, we are also seeking to generate capacity for richer conversations with VCS organisations on their delivery and outcomes

	Current threshold	Proposed new threshold
Annual report	Grants up to £4,999	Grants up to £9,999
Six-monthly reports	Grants between £5,000 and £9,999	Grants between £10,000 and £29,999
Quarterly reports	Grants of £10,000 and over	Grants of £30,000 and over

If we adopt this proposal we would expect to:

- Implement changes to the thresholds for performance monitoring from April 2017.
- Implement changes to the application form for bids to Round 8 of the Newcastle Fund for launch in June 2017.
- Review the impact of these changes after Round 8 and consider whether any further adjustments are required to support micro and smaller VCS organisations in accessing the Fund.

2.2 Decision making

The engagement phase showed that many parts of the VCS would like greater transparency in how decisions on Newcastle Fund awards are made, including the role of the Newcastle Fund Panel and Newcastle Fund assessment processes.

Our proposal is to

- Maintain a single Panel for decision making comprising Council officers and independents.
- Investigate options for an Independent Panel chair to provide independent scrutiny and challenge of bid evaluations and award recommendations to Cabinet.

- Publish Panel membership as part of proposals to improve transparency of evaluation processes.
- Publish the detail of the evaluation criteria (and any weightings) against which the merits of individual bids are considered as part of our evaluation process. In doing this, we hope to provide greater transparency of our processes, and help bidders to understand how their bids will be evaluated so that the information provided gives bidders the best opportunity of success.

If we adopt this proposal we would expect to implement these changes for the Round 8 Panel for the recommendation of grants from April 2018.

What happens next?

We recognise that the changes proposed in this Consultation Proposal cannot all be achieved in one go and that a staggered approach to implementing the proposals is required. Our proposal is to phase changes over two years, which will allow us to:

- Introduce more proportionate, lean, and transparent processes in 2017, specifically relating to monitoring process for Round 7 grants onwards; and the application form, evaluation criteria, and Panel arrangements for Round 8 onwards.
- Maintain a citywide focus for Round 8 adopting the core purpose, outcomes and ways of working proposed in Part 1.
- Use the newly introduced annual Ward Committee meetings to conduct a debate with local residents and locally focused VCS groups about what local priorities should be, and carry out further consultation on the specific arrangements for using this intelligence to produce a Newcastle Fund Prospectus to provide a set of co-produced Key Challenges for Round 9 bids.
- Engage VCS organisations, and their staff and volunteers, in relation to asset based practice and new ways of working and evaluating change which empowers residents and communities to do things differently.

In consideration of this staggered approach, our immediate timescales associated with the proposals are set out below:

- 6 April 2017: Consultation on Proposal closes
- 24 April 2017: The Council's Cabinet approve arrangements for Round 8 of the Newcastle Fund for grants from April 2018

- April 2017 – June 2017: Consultation and user testing of new application form for Round 8 bidding
- June 2017: Launch of the Newcastle Fund Round 8 bidding window
- 2017-18:
 - New thresholds for performance monitoring implemented
 - Further consultation on developing a Newcastle Fund Prospectus and relevant outcome measures, based on priorities agreed through Ward Committee meeting arrangements, which will be used to inform for Round 9 grants from April 2019
 - Engagement with VCS organisations in order to share learning and help build the understanding and experience of asset based practice and consult will stakeholders on how VCS infrastructure support may support VSC organisations to adopt asset based ways of working

Have your say

You can share your views on our proposal by:

- Writing to us using the postal address below:

Commissioner for Inclusion
Room 115
Newcastle Civic Centre
Barras Bridge
Newcastle upon Tyne
NE1 8QH

- Emailing your responses to newcastlefund@newcastle.gov.uk
- Commenting on our Topic Wall at <https://letstalknewcastle.co.uk/>

The closing date for feedback is 12 noon on Thursday 6th April 2017.