

# VOLUNTARY TIMES

The Newsletter for the voluntary sector  
in the London Borough of Hounslow  
Issue 78. April 2009



**London Borough  
of Hounslow**

*Welcome to the April edition of the Voluntary Times.*

*The Borough Council when we set the Council Tax is always high drama. In the middle of debate I was delighted to receive a text from our Corporate Community Investment & Cohesion team, who were at an award ceremony in central London, telling me that Hounslow had been awarded Beacon status for its outstanding work in the area of cohesive and resilient communities. This is a wonderful achievement for Hounslow, and we are delighted to be recognised for our hard work*

*over the years. The Beacon awards recognise local government's excellence and innovation in improving quality of life for their residents and communities and it means that the council have received a share of £3m government funding to expand its work and help other councils achieve the same success. Having a strong and united community lies at the heart of our vision of Building Pride Borough Wide.*

*As recession hits and deepens, there will clearly be increasing pressure on all organisations providing public services. This pressure will be felt most acutely by those organisations providing services to people at the edges of society, often in the greatest need of support. There are no magic spells to ward off the storm, but remember that numerous support mechanisms are readily available for voluntary and community sector organisations in the Borough. Significant guidance resources have been produced by prominent third sector umbrella organisations such as the recession*



**Message from  
Councillor Peter Thompson,  
Leader of the Council**

*support websites developed by both Acevo and NCVO, which address key issues associated with managing an organisation through the recession. Navca have released a local resilience action plan that provides a framework for groups to develop their own local action plan. Specific grants and loans are becoming available to support groups in covering short term gaps in cash flow, and specialist advice regarding collaborative working and merger resources are now readily available from organisations such as the Charity Commission.*

*On a final note, The Hounslow Compact is currently undergoing its annual review. The Hounslow Voluntary Sector Compact was the first local compact in London. Originally written in 2000 by a Compact steering group and adopted by the LSP (The Local Strategic Partnership), it provides a framework of understanding illustrating how the voluntary sector, local authority and other local public and private sectors will work in partnership. The purpose of this review is to ensure that awareness is built surrounding the Compact, that the issues addressed are still relevant and that any successes and failures associated with the document are learnt from. As part of this review, a consultation exercise took place on the 16 April as part of the 'Voluntary Sector Matters' event. This session enabled the Community and Voluntary Sector in Hounslow to identify any specific issues which they felt should be included within the Compact, as well as to identify any successes brought about by the document as it currently stands.*

# NEWS UPDATE

## THE BUDGET

There was considerable support announced for the third sector in the Budget announced early last week. Chancellor of the Exchequer, Alistair Darling, has announced a £20m hardship fund for charities delivering services to people worst hit by the recession. The Budget also contained a pledge to fund voluntary organisations and local councils to provide 100,000 new 'socially useful' jobs for 18 to 24 year olds who have been unemployed for at least a year. They will also be funded to create 50,000 new jobs in areas of dense unemployment. Ten per cent of these will be 'green' jobs.

[www.direct.gov.uk/en/NI1/Newsroom/Budget2008/index.htm](http://www.direct.gov.uk/en/NI1/Newsroom/Budget2008/index.htm)

## REAL HELP FOR COMMUNITIES

A £42 million action plan has been produced by the government, outlining how third sector organisations will be supported during the economic downturn. 'Real Help for Communities; Volunteers, Charities and Social Enterprises' sets out a targeted package of support for organisations operating in areas that need it most across the country.

The package consists of:

- A £16.5m 'modernisation fund' to help the voluntary sector with mergers and partnerships
- A £15.5m 'community resilience fund' that will give grants to small and medium-sized voluntary organisations which provide services such as skills development and debt and family breakdown advice in the most deprived areas
- A £10m volunteer brokerage scheme that will aim to create opportunities for £40,000 unemployed people

Following the publication of the action plan, the Office of the Third Sector is holding free regional road shows for small and medium front line third sector organisations to provide a practical understanding of how to access the support available. The London road show is taking place in Central London on Thursday 7 May.

[www.cabinetoffice.gov.uk/third\\_sector.aspx](http://www.cabinetoffice.gov.uk/third_sector.aspx)

## USE OF RESERVES

Charities have been advised that now is the time to take more risk and begin to use their reserves to ride out the recession. Consultant Mike Hudson, director of the Compass partnership, a group of not-for-profit management consultants, has outlined that the purpose of reserves is to support organisations during pressing times. If income is one of the determinants of a reserves policy and the organisation is anticipating a temporary fall then the using of reserves can contribute to ensuring long-term success.

The use of reserves as the basis of the third sector's business model, as opposed to the reliance on borrowing as generally the case in the private sector, means that the third sector has been outlined as better placed to overcome the recession.

Although it is often the case that charities feel the impact of recession between 6 and 18 months after it has hit business, the long-term outlook is brighter for organisations working within the voluntary and community sector.

[www.charitycommission.gov.uk/publications/cc19.asp](http://www.charitycommission.gov.uk/publications/cc19.asp)

## COMPREHENSIVE AREA ASSESSMENTS; THIRD SECTOR CRUCIAL!

The means by which local authorities are examined in their progression against local priorities is changing. Comprehensive Area Assessment (CAA) looks at how well local services are working together to improve the quality of life for local people and is a radical departure from the old Comprehensive Performance Assessment (CPA), which was fundamentally concerned with the Local Authority alone.

Partnership working is the focus for CAA; local public services will be held collectively to account for their input on better outcomes by looking across councils, health bodies, police forces, fire and rescue services and others responsible for local public services. The most significant element of the new approach is that it will target subjects that local residents feel most passionate about and this emphasis on local outcomes means that many charities, community groups and social enterprises will be consulted for the first time on how the performance of local statutory bodies is affecting their client groups.

The Office of the Third Sector have worked closely with the Audit Commission and five partner inspectorates to provide clear information on how to use the third sector to reach local residents and to appreciate the range of third sector roles in areas.

[www.audit-commission.gov.uk/caa](http://www.audit-commission.gov.uk/caa)

## NEW COMPACT TO BE LAUNCHED

Activity is now underway on producing a refreshed and revised national Compact, which will be launched during national Compact week in November. Sir Bert Massie, Commissioner for the Compact, recently received a letter from Kevin Brennan, minister for the third sector and Simon Blake, chair of Compact Voice, asking him to lead the process to redraft the document.

The Compact, which has not been revised since its establishment in 1998 by former Prime Minister Tony Blair, is an agreement that provides an overall framework for promoting effective partnership working between the Government and the voluntary and community sector. It aims to address areas of poor performance and sets out a statement of intent to work in partnership, supported by five codes of practice. These five codes cover funding and procurement, community groups, Black and Minority Ethnic (BME) groups, volunteers and consultation.

The revised Compact aims to take what is best from the existing documents rather than start from scratch, ensuring that the new version takes into account recent developments in law, policy and practice. In addition, the new Compact aims to take into account the implications for Local Compacts, the new local performance framework, Local Strategic Partnerships, Local Area Agreements and the Comprehensive Area Assessment.

[www.thecompact.org.uk](http://www.thecompact.org.uk)

## COLLABORATIVE APPROACHES TO BEAT RECESSION

The Charity Commission has proposed to give merger advice as part of a package of help for small charities to stay solvent as a result of the Chief Executive's recent proposition that all charities should think about whether they could become more effective by collaborating with others.

Andrew Hind suggested to the commission board that charities should think about stopping some activity that has grown over time, but is of secondary importance to their core rationale of why they are a charity in the first place. He further suggested to the board that promoting such thinking should be central to the model board agenda the commission is currently producing to help trustees of small charities deal with the effects of the recession. The paper will give advice on ensuring charities remain solvent, make effective use of their resources and have 'sound and robust' governance procedures.

The commission board also endorsed a suggestion that it should encourage trustees to think about opportunities arising from the recession, such as a wider pool of volunteers. Andrew Hind agreed to look into setting up a panel of charities to provide the commission with rapid feedback on the effects of the recession.

[www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)

## CUT IN RED TAPE FOR SMALL CHARITIES

Small charities have been given more freedom to dedicate their time and money to making a difference as opposed to paperwork, due to the raising of income thresholds above which stricter accounting rules apply.

Key income threshold changes that came into force on 1 April include;

- Raising the threshold above which charities prepare accruals accounts from £100,000 to £250,000
- Raising the threshold above which accounts must undergo external scrutiny from £10,000 to £25,000
- Increasing the threshold above which charities submit annual accounts and Trustees Annual Reports to the Charity Commission from £10,000 to £25,000

The treasurers of many small charities will welcome these changes. Organisations such as friends of parks groups and village hall committees run often by volunteers generally have Treasurers with book keeping and accounting skills, but who are less able to prepare the more demanding statements obligatory in the Accruals basis. The levels of expertise previously required often deterred group members from volunteering to hold this position, but now the extended base for the simpler Receipts and Payments basis should counter act this.

[www.opsi.gov.uk/si/si200905](http://www.opsi.gov.uk/si/si200905)

## CONSORTIUM TO INVESTIGATE COMPACT BREACHES

An advice and advocacy service has been launched to help voluntary and community sector organisations challenge decisions made by public bodies. The Empowering the Voluntary Sector Programme, funded by the Big Lottery Fund will deal with issues such as breaches of the Compact, complaints procedures and judicial reviews and is a joint initiative between umbrella body the NCVO, local infrastructure group Navca and the Public Law Project.

[www.navca.org.uk/news/evsnewfunding.htm](http://www.navca.org.uk/news/evsnewfunding.htm)

# FUNDING UPDATE

## FUTUREBUILDERS NEW LOAN FUND

Futurebuilders have launched a new £4m loan fund that will offer bridging loans, cover for reserves and overdraft guarantees, as well as larger packages for charities hoping to deliver public service contracts. The fund will support groups in covering short-term gaps in cash flow and ultimately aims to assist more organisations to win a share of new contracting opportunities. In order to qualify for money from the fund, organisations must be committed to winning public sector contracts, be able to take on a loan and be unable to secure a commercial bank loan.

[www.futurebuilders-england.org.uk/our-products/product-menu/cashflow-fund](http://www.futurebuilders-england.org.uk/our-products/product-menu/cashflow-fund)

## NEW £58M LOTTERY FUND PROGRAMME

The Big Lottery Fund's new look Awards for All programme has now opened, offering grants totalling more than £58m. Changes made to the programme intend to make it easier for applicants, such as a simpler application process and a maximum application turnaround time of six weeks.

Awards will be available of between £300 and £10,000 for grass-roots social and environmental projects that benefit local communities in England. The fund is open to Voluntary and Community Groups, schools and health organisations, parish and town councils.

[www.awardsforall.org.uk](http://www.awardsforall.org.uk)

## HOUNSLOW CORPORATE GRANTS

The Community Investment Fund is now open for applications. This fund aims to support services to enable local communities to participate more effectively in local development and regeneration. The criteria for this fund are quite extensive and grants are available of up to £15,000.

The Community Youth Fund aims to encourage local community activities for young people in the Borough. Most grants will be in the region of £200 to £2,500.

There are three rounds for this funding this financial year; July 2009, November 2009 and February 2010.

Area Committee Grants are available of up to £500 for projects working specifically in each of the five Area Committees in the Borough.

[www.hounslow.gov.uk/index/  
community\\_and\\_living/voluntary\\_sector/  
vs\\_funding/vs\\_council\\_grants.htm](http://www.hounslow.gov.uk/index/community_and_living/voluntary_sector/vs_funding/vs_council_grants.htm)

## THE ALLEN LANE FOUNDATION

The Allen Lane Foundation is a grant-making trust set up in 1966 by the late Sir Allen Lane, founder of Penguin Books, to support general charitable causes. The Foundation no longer has closing dates. Applications will be processed continually.

The Foundation is interested in funding work which benefits people in the following groups, or generalist work which includes significant numbers from more than one such group:

- Asylum-seekers and refugees;
- Gay, lesbian, bi-sexual or transgender people;
- Gypsies and travellers;
- Offenders and ex-offenders;
- Older people;
- People from black and minority ethnic communities and migrant workers;
- People experiencing mental health problems; people experiencing violence or abuse

[www.allenlane.org.uk](http://www.allenlane.org.uk)

## THE TUDOR TRUST

Tudor's focus is on smaller groups, led by people of vision, which are committed to growth, progression and development. Some of the other characteristics they are looking for when they make grants include:

- Organisations which are embedded in and have developed out of their community - whether the local area or a 'community of interest'
- Organisations providing direct services to marginalised people
- A focus on building stronger communities by overcoming isolation and fragmentation and encouraging inclusion, connection and integration
- High levels of user involvement, and an emphasis on self-help where this is appropriate

- Work which addresses complex and multi-stranded, often difficult, problems in unusual or imaginative ways
- Organisations which are thoughtful in their use of resources and which foster community resilience in the face of environmental, economic or social change
- Organisations and people who know what difference they want to make and have the energy and vision to make it happen
- They can only consider making a capital grant for new premises or for building improvements if the organisations using the building display some of these key characteristics. Good buildings which contribute positively to their environment are important, but they are most interested in what goes on inside the building and the difference building improvements would make to your work.

They are more likely to fund groups with an annual turnover of less than £1 million.

[www.tudortrust.org.uk](http://www.tudortrust.org.uk)

## THE NATIONWIDE FOUNDATION

The Foundation aims to achieve maximum impact with its funds and defines its criteria based on research into societal needs and gaps in the provision supported by other funders including government.

The Foundation currently makes grants to registered UK charities (including those in Northern Ireland) which offer financial and/or housing related support to:

- Survivors of domestic abuse
- Older people who are one of the following:
  - aged 70yrs and over
  - aged 50yrs and over who have dementia
  - aged 50yrs and over from Black and Minority Ethnic (BME) groups
  - aged 50yrs and over who are carers for family members or partners who are also 50 years or older
  - aged 50yrs and over who have experienced or are experiencing financial abuse
  - aged 50yrs and over who are rurally isolated

The Small Grants Programme offers grants of up to £5,000 to registered charities with incomes of under £500,000.

[www.nationwidefoundation.org.uk/default.asp](http://www.nationwidefoundation.org.uk/default.asp)

## THE NEXT EDITION

The next edition of this newsletter will be available in July 2009. If you have any articles you would like to submit please contact Sara Lindsay at the Civic Centre by Thursday 11 June.

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