



Grants for community organisations

Transcript of a speech by Phil Hope MP, Minister for the Third Sector, to the National Association for Voluntary and Community Action (NAVCA) at the launch of 'Sustaining Grants', 3 September 2007

Thank you, Kevin [Curley, Chief Executive of NAVCA], for your kind words of introduction.

And thank you for inviting me here, and to Debra [Allcock-Tyler, Chief Executive of the Directory of Social Change], to the launch of 'Sustaining Grants'. I hope you all have your copies with you.

I'm delighted to be with you, to have this opportunity to offer my congratulations to you and your partner organisations. It's a powerful and accessible summary of the real importance of local community and voluntary organisations. And, as Debra rightly said, of the importance to them of grant funding.

It's great to be here with Joe Montgomery, speaking as well this evening, from DCLG [Department for Communities and Local Government]. I think there are particularly important messages here for local government as well as for central government.

I think it was quite interesting that [Prime Minister] Gordon [Brown] today, this morning, speaking to another third sector audience, was making it very clear – if I can pick up Debra's challenge really – about his support for a strong, thriving, healthy, dynamic third sector: voluntary organisations, charities, social enterprises, and the co-operative movement as a whole. Not just because it's right because of the terrific work that I know, you know, that you

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all do. But also because it's all part of that vital part of being a healthy democracy, a strong civil society, taking on some of those long-term challenges. There are no quick fixes here. But really to get to the heart of what it is, and what we need to do in local communities, families, with individuals, in neighbourhoods to bring about the kind of transformation and social regeneration, as well as the physical regeneration, getting around things. It's about, absolutely, the third sector. I think Gordon said that really clearly.

I see the third sector not as a fox with a scorpion on its back at all Debra, but as a loose and baggy monster. I think Alun Michaels used to call it that if you remember when Alun was doing this job. And it is that diversity. And I have to say to you, the people who give sustainable grants to the third sector are another kind of loose, baggy monster as well.

The trick is, can we have the credit of partnership working together, to be joined up. Of how the diverse sectors can work collaboratively in partnership, in mutual interest and most importantly of all in the interests of the communities we serve. That's the challenge that the Compact, full-cost recovery, three-year funding, sustainable grants, is actually all about.

As Kevin said, I worked for the sector, for the NCVO [National Council for Voluntary Organisations], in the National Youth Bureau as was, and was a consultant working with the not-for-profit sector for 13 years. And all that experience of working with small and large voluntary organisations and social enterprises. Also from my own experience of meeting third sector organisations in the health field in my constituency this morning in Corby and East Northamptonshire. And just having this job, which is a fantastic job for any Minister to have, to be Minister for the Third Sector, what is clear is the absolutely central role that third sector organisations and communities, in particular, play.

I just wanted to say that the Government does recognise why community groups, small groups at that, are at the heart of successful active participation

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in communities. Bringing people together in the way that the best of them do, around common concerns in the local area. Then effecting change in those local areas. And it's about creating.

I think if you have a healthy, thriving, dynamic third sector that then you've got thriving, dynamic, healthy neighbourhoods and communities in which they are located.

One of the key points, and I know this again from all my experience in Government, is that the third sector and communities can reach communities, parts of communities and people in the communities that Government often simply can't reach because they are, we are, Government.

I think we can really see the economics of that in the recent report we published on the role of the third sector in economic and social regeneration. That made it very clear community organisations really do have the capacity to reach out to individuals – some of the most marginalised, some of the most excluded groups, some of the most vulnerable people in our society – and then transform those peoples' lives because they are of the community in which those people live and experience. And I think, more importantly, not only reach out to people who are vulnerable, isolated, excluded, but, empower those people to not be isolated and excluded. Indeed, to then become people who transform their neighbours, and around their communities in which they experience those problems.

Community organisations also give voice to the voiceless. Gordon re-emphasised that role this morning, about campaigning, about being advocates for those people. Because their voice is not easy to have because of the very nature of the communities in which they are growing up in. And to be that voice and to make sure that voice is heard at local as well as national government levels.

So community organisations are very much a key partner in building strong, active and connected communities. And I have to say that the excellent

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examples in this pamphlet show just what it can mean right across different parts of England.

Let me just give you a couple of examples I like.

The South Shropshire Youth Forum Project got a grant from Sport Relief which gave some 50 young people the chance to take part in weekly life skills training. Along with the kind of thing youngsters get to do in football training. And have a route forward in that way.

You were a little bit sceptical about outcomes I thought, Debra, in what you said about the role of the sector, but there were real outcomes for these young people as a result of that interaction and that fun.

The personal fulfilment for the young people and fitness and getting yourselves switched on and motivated.

But it's also part of, more interestingly, wider communities. Ludlow Police recorded a 15% reduction in violent crime, a reduction in antisocial behaviour, and a reduction in fear of crime within the community. And I think those organisations shouldn't be shy in saying there were personal development outcomes for these young people and the wider community, outcomes which lead on from themselves in a positive way. It's good for the young people and it's good for the community.

The way the project was delivered, it pulled together a whole range of local agencies so they are not in silos but operating in collaboration. Sometimes community organisations can do that, bringing together, in a way that other organisations on their own can't.

I think the phrase in the report was "multiple wins from a single intervention". I think it's a really important holistic way of looking at organisations.

The other one I wanted to highlight to you this evening is West Norwood Community Development in Lambeth. And that shows how the sector has the ability to talk to those who would otherwise avoid approaching local agencies. And it was, I think, a very topical example.

They had a Home Office grant which funded an anti-gang, anti-gun and anti-knife crime workshop. I don't think you can get much tougher than that. In an area where you try and do some intervention and some work. And as the report shows, against a whole range of expectations, that workshop was packed full of people worried and concerned who wanted to hear what could be done about that issue. And it allows the organisation to get into the community that is experiencing gun and knife crime and gangs in a way the local authority can't. Nobody else could do what that grant enabled that community to do.

It gave them insights, gave them inroads to try to understand and then challenge and address the issues around knife culture, gangs and guns and so on. And gave many young people being sucked into that arena a way out, a different way forward, so they didn't have to engage in that way.

I know there are lots of other examples. I know Kevin gave one earlier in the document and I know there are in the document hundreds more that could have been included as well.

And one hundred per cent what all those examples show in the report is the role grants have played in making it possible.

For some it was acting as stepping stones, for others a lifeline for organisations just starting out. Grants creating opportunities, allowing groups, quite rightly, to take risks, to innovate, to do things differently. To do things: that if there is a problem we can learn how to solve it and engage with those organisations to get those skills and experience on the street to help us to understand and to act. And doing so to see if we can solve it offer and in doing so give those organisations independence.

We hope that we have reflected that in the consultations and discussions during the whole of the third sector review – the biggest consultation exercise the sector has ever been engaged in which reported last month – highlighted three key points about grant funding.

Firstly, of securing funding we know is a key concern of community-based organisations. We must understand the responses.

Secondly, the positive impact that small grant funding streams can have, which are described in the report on Sustaining Grants.

And thirdly, the value of maintaining that mix of simple and accessible grant funding, alongside what other third sector organisations are also interested in, which is increased opportunities for contracting to deliver public services. Not either/or, but both.

So, as a result of the review, we announced our £80 million small grants fund, which will start to roll out from next April. It's going to be delivered to community groups through local grant funders. And if you haven't yet spotted it, a further £50 million in endowments so we can support endowment funds at a local level. And then use their interest to sustain small grants to local community groups and voluntary organisations.

We will announce shortly the details of how those two programmes will work in practice, but the key principle will be that grants will be aimed at the smallest organisations. I know there is fear that somehow the large organisations, the ones that already know the system, will somehow capture the cash. That isn't the intention. We want the money to get out to the small, possibly voluntary-led organisations only.

We want the grants to be flexible, to meet the needs that small organisations have. To be delivered by funders, grant givers, who are well-connected and

accessible. And we want the application process to be a straightforward application process, so it doesn't involve bureaucracy and form-filling.

So I hope those are going to be really important and valuable as they roll out. We will be announcing the details over the coming weeks and months.

But, I wanted to say, small grants are not the end of the story.

The third sector review highlighted the importance of parallel investment in capacity building in particular, so we can enable groups to access funding from a whole range of sources, and make maximum use of it already available.

So we have also announced that Capacitybuilders will have a bigger focus on making sure that infrastructure organisations, all these intermediary bodies, are really equipped to reach down to the smallest groups. We're very keen Capacitybuilders really do have that ability to ensure they achieve that.

We also want to encourage community ownership of assets. So that the people who use local facilities have the chance to look after those facilities, and ensure they are fit for purpose. To that end, we are using some £30 million to refurbish local authority buildings in readiness for them to be transferred across to community ownership and management.

So those are three important community schemes – £80 million for small grants, £50 million endowments, and £30 million community assets – that I think add up to a very large package that will get down to reach those community organisations

I'll end by repeating my congratulations, and thanks to what I think is going to be a really influential report. It certainly makes the case for grant funding for community organisations is there, it's sustained, it's strong and it's valued.

I certainly look forward to seeing its impact.

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I'll be making sure that my ministerial colleagues in other government departments and indeed in local authorities listen loud and clear.