

Real Help for Communities: Targeted Support Fund



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Real Help for Communities: Targeted Support Fund

Guidance notes for local funders

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I. About this document and the Fund

I.1 What is this document and who is it for?

This document describes the arrangements for administering the Government's *Real Help for Communities: Targeted Support Fund* funded by Office of the Third Sector (OTS) in the Cabinet Office and administered nationally by the Community Development Foundation (CDF).

This document sets out Guidance for local funders that will deliver the *Targeted Support Fund* in the fifty top-tier local authority areas identified as most at risk of increased deprivation as a result of the recession.

If you have any questions that are not answered in this document, please call the CDF helpline on 01223 400331 or e-mail targetedsupportfund@cdf.org.uk and CDF will help you with your queries.

I.2 What is the Targeted Support Fund?

In February 2009, the Office of the Third Sector (OTS) launched an action plan to help charities, volunteers and social enterprises. It pledges up to £42.5 million to help the third sector deliver extra help to those that need it most during the economic downturn.

The plan, *Real Help for Communities: Volunteers, Charities and Social Enterprises*, sets out a targeted package of support that includes measures to help thousands of voluntary organisations, charities and social enterprises provide advice, support and skills development where it's needed most. More information about the three additional spending programmes announced in the action plan is provided in section 7.2.

The *Targeted Support Fund* is part of the *Meeting Demand for Services and Tackling Unemployment* section. Please refer to the OTS website to access the full report. www.cabinetoffice.gov.uk/third_sector

The *Targeted Support Fund* has two elements and is targeted at the 50 top-tier local authority areas that are considered most at risk of increasing levels of deprivation as a result of the recession. The two elements are:

- A £15 Million grants programme for small, local, third sector service providers in the 50 top-tier local authority areas that are considered most at risk of increasing levels of deprivation as a result of the recession. Organisations that are offering services that specifically relate to needs resulting from the recession will be prioritised (e.g. debt advice, relationship breakdown services, mental health services and skills development programmes);

- The development of stronger commissioner engagement with small/medium providers in these local areas. This programme will be delivered as a distinctive element of the Office of the Third Sector's existing National Programme for Third Sector Commissioning.

This document deals with the £15 million grants element only.

The commissioning element:

The OTS is currently running a procurement to appoint a delivery partner for phase 2 of the National Programme for Third Sector Commissioning. The partner will work with the Community Development Foundation (CDF) to link in both elements of this programme.

As a local funder you may be required to engage with the commissioning element of this programme in your area. Engagement may involve (but not be limited to) attending meetings, conferences and workshops, or advocating on behalf of your local community to help build more holistic joined up service provision in your area. Where participation is a requirement additional provision will be made to cover associated costs.

1.3 Why are the Government launching the Targeted Support Fund?

Evidence from the third sector suggests that demands on third sector organisations are increasing as a result of the recession. Third sector providers are facing particular challenges to provide people with the real help that they need.

A survey in August 2008 by the Association of Chief Executives of Voluntary Organisations (ACEVO) and the Charities Aid Foundation (CAF) found that 72% of charities had experienced an increase in demand for services in the previous 12 months. Particular service areas are experiencing very high increases in demand – notably those relating to housing and debt, employment, and mental health – and other services will need to act pre-emptively to maintain downward pressure on property crime, drugs and alcohol abuse and relationship breakdown. For example, Citizens Advice Bureaux across England and Wales received 35% more requests for advice on mortgage and secured loan arrears over the last 12 months to September 08, and 51% more between July and September 08 than the same period in 2007.

The Office of the Third Sector surveyed its national network of Grassroots Grants local funders to identify the key needs in their communities and the challenges faced by local third sector providers of services that respond to these needs. Despite the diversity of local contexts, the needs and challenges identified were consistent across all areas. They found that there are four key services that are experiencing a significant increase in demand:

- (1) Employment;
- (2) Legal and financial advice;
- (3) Mental health support; and
- (4) Relationship breakdown support.

Almost 70% of local funders' responses claim that small, third sector, local service providers face an increasing demand for these services, but are facing the greatest challenges in securing sustainable funding in the current economic climate. This information highlights particular vulnerability of vital community services during the recession.

1.4 How will the Targeted Support Fund reach the organisations and communities that need the most help now?

The *Targeted Support Fund* will do this in 3 ways;

- **Geography:** the 50 top-tier local authority areas identified as most at risk of increased deprivation due to the recession. A full list of the areas and the amounts of funding for each is provided in [Appendix A](#)
- **Organisation Profile:** Funding to small, local, third sector, service providers, that are facing increased demand for services
- **Recession Services:** grants for key services that will help to sustain the quality of life in identified communities

1.5 How much funding is allocated per top-tier area?

The funds available for small grants have been allocated at a top-tier local authority level i.e. a county, a London borough or a unitary authority. The amounts are detailed in full in [Appendix A](#), against the relevant areas.

1.6 What is the delivery timeline for the Targeted Support Fund

Action	Dates	Notes
Targeted Support Fund areas announced by OTS	April 2009	
Formal offer letter and terms and conditions sent to Grassroots Grants local funders	April 2009	Formal acceptance by local funders to be received by 27 April 2009
Local funders open fund locally	4 th May 2009	
Deadline for receipt of applications to local funders from local organisations	29 th June 2009	
Local funders assess applications and submit list of approved grants to CDF	1-31 st July 2009	CDF collate and check for accuracy lists of approved organisations, grant monies and management costs from local funders
CDF pay local funders	by 21 st August 2009	CDF notify local funders of approval by 14 th so they can issue grant offer letters
Local funders send offer letters and terms and conditions to successful applicants	17 th August 2009	
Deadline for receipt of acceptances from successful applicants	28 th August 2009	
Local funders make grant payments to successful applicants	By 1st September 2009	
Local funders monitor and support organisations as appropriate	September 2009 – March 2010	OTS do not expect intensive monitoring and support to be required
Programme closes	31 March 2010	Local Funders report any unspent monies to CDF by 17 th May 2010

2. The Process of Grant Administration, Eligibility and Assessment

2.1 How is the programme to be administered nationally?

The Community Development Foundation (CDF) will administer the fund working with the Grassroots Grants local funders in the targeted top-tier local authority areas of England.

2.2 Who is eligible to apply for a grant from the Targeted Support Fund?

The fund provides targeted support to small, third sector, local service providers that are;

- Established, constituted and solvent third sector organisations operating in the 50 identified areas of England set out at Appendix A.¹ Applicants must:
 - be a third sector organisation – this includes:
 - registered charities
 - ‘exempted’ or ‘excepted’ charities²
 - voluntary and community organisations
 - social enterprises
 - have an evidenced income³ of no less than £30,000 and no more than £250,000 per annum⁴
 - be active in their local community for a minimum of 18 months, with a proven track record in delivering the services they want funding for
 - provide their most recent set of annual accounts
 - be connected with and/or meeting the needs of the local community, evidenced as a minimum by being located or having a delivery arm physically in the community that they provide services to.

¹ The Targeted Support Fund will not provide funding to organisations working in Scotland, Wales and Northern Ireland, or those that primarily benefit communities overseas in Europe or elsewhere. The grants must be used for activity within local communities in the specified top-tier local authority areas in England.

² ‘Excepted’ charities – certain religious charities, parochial church councils, armed forces charities, scouts and guides are not required to be registered with the Charity Commission. ‘Exempt’ charities – these include Universities, Students Unions, Housing Associations, Charitable Industrial and Provident Societies, Further Education Corporations, Governing bodies of Foundation and Voluntary Aided Schools, certain National Museums and Galleries.

³ In the case of credit unions, this value is exclusive of the value of member’s shares.

⁴ Taken as an average income over the last three financial years (or over the life of the group if it is less than three years old)

How do you check whether an organisation is a social enterprise?

A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for stakeholders and owners.

Social enterprise may take a range of legal forms such as; a Company Limited by Guarantee (CLG), a Community Interest Company (CICs) or a Co-operative for the Benefit of the Community (BenCom). All Community Interest Companies are social enterprises. Most Companies Limited by Guarantee are not social enterprises, although some are. Equally some co-operatives may not be social enterprises, whilst those that are often register as BenComs. However this can not always be applied across the board.

Good ways to check if an organisation is a social enterprise are;

- Do they operate for the benefit of the community?
- Do their accounts show that they principally (i.e. more than 50%) re-invest their profits to further their social or environmental mission?
- Do they describe themselves as a social enterprise?

NB Social Enterprises can generate profits. Social Enterprises can also distribute some of these profits to shareholders and owners, however they should not be distributing more than 50% of their profits.

- Providing key, recession focussed services under one of the themes below:
 - A. Information, advice and guidance (housing, financial, debt and legal advice and support)
 - B. Employment and employability (training and support related to finding employment).
 - C. Health and wellbeing (mental health, relationship breakdown, counselling, domestic violence & substance abuse)

Organisations seeking funding to deliver services such as advice related work must assure the local funder that they have appropriate insurance and accreditation to carry out this service.

2.3 What about single issue groups?

It is the responsibility of the grants panel to take an informed approach to grant awards that reflect local demographics and local recession impact. With this in mind, it is permissible to make grant awards to single issue groups, provided that the package of grant awards across the top-tier local authority area (TTLA), ensure services are supported that meet the needs of the whole local community.

2.4 What about organisations that straddle top-tier local authority area boundaries?

Organisations straddling the boundaries of a given TTLA are still eligible provided they meet the criteria set out above. However the funding is intended to target communities within the 50 targeted areas and as such the organisation must be able to demonstrate how they will ensure the funding is used for the benefit of the intended recipients only.

2.5 Who makes the final decision on grant awards?

Grants are for the direct benefit of recession-hit communities of people only, via organisations that have a track record in delivering the services relevant to this fund. Grant applications should be assessed by the local grants panel, chaired by the Local Funder. In the event of a disagreement amongst the panellists the chair will have the final decision. In the unusual occurrence that grant awards do not appear to reflect the aims or eligibility of this programme, CDF reserve the right to veto such a grant award.

2.6 What about partnerships and consortia?

Local funders can consider applications for grants from partnerships or consortia of organisations as long as the eligibility criteria are adhered to. The maximum grant size remains at £40K.

2.7 Which organisations cannot be funded through this programme?

Local funders will not be able to fund the following:

- Any unregistered charity – for the Targeted Support Fund, all organisations must have a minimum of £30,000 income per annum, and any charity with an income of over £5,000 must be registered with the charity commission. Therefore any charities that are not registered cannot apply for a grant under the Targeted Support Fund.
- Statutory organisations, such as local authorities, schools and the police force, including arms length public sector organisations that are controlled wholly or in part by, for example, a local authority, a primary care trust or agencies of these
- An organisation that does not have a physical local presence; for example a purely digital service provider
- Regional or local offices of a national organisation which are not separately and independently constituted and registered. Organisations will be regarded as a local 'branch' and be ineligible where they receive core funding from a national body to which they are affiliated.
- Any purely social, cultural or leisure organisations as evidenced in their constitution.
- Any party political activity
- Organisations that are for the sole benefit or relief of animals or plants

To note: There are some restrictions on the types of activities that can be supported for groups working with asylum seekers. This funding cannot be used for the provision of services to asylum seekers when those services are inconsistent with immigration laws or Home Office policy, for example providing paid employment or work based training to asylum seekers. For the purposes of this fund, an ‘asylum seeker’ means a person who has brought an asylum or human rights claim in the UK which has not yet been determined by either the Secretary of State or, as applicable, any relevant appellate authorities.

It also includes a person who is a dependant on such a claim. Further information can be found at <http://www.ind.homeoffice.gov.uk>

2.8 The application process and paperwork – OTS and CDF expectations and requirements

In the interests of efficiency, local funders are encouraged to use their existing grant applications processes for administering this fund. We expect to see a particular focus on ‘timeliness’ as the *Targeted Support Fund* needs to be responsive to local communities experiencing difficulties due to the recession, and also for the administrative burden placed on applicants to be proportionate and reasonable.

Whilst local funders are free to devise their own application forms, we require that they include the following questions so that the programme can be monitored and evaluated effectively.

Amounts

How much money are you applying for?

£

The maximum funding that can be received through the *Targeted Support Fund* is £40,000.

Have you applied to another Targeted Support Fund local funder for grant funding? If yes, to which local funder?

Yes	
No	

Recession focus

Which theme of the Targeted Support Fund do your services currently address? Please select one only:	A. Information, advice and guidance (housing, financial, debt and legal advice and support)	
	B. Employment and employability (training and support related to finding employment)	

	C. Health and wellbeing (mental health, relationship breakdown, counselling, domestic violence & substance abuse)	
Please give a description of up to 250 words about your organisation; this should outline who you are, what you do and who you help. Please note if you are selected for a grant we might use this information in publicity material, including publishing it on the OTS website.		
Please provide a brief explanation of how demand for your services has increased as a result of the economic downturn.		
Please give a brief description of how you will use the grant – use up to 150 words to describe your project. We reserve the right to use this information in publicity material, including publishing it on the OTS website.		

Geographical

What is your organisation's post code?

--

Which town(s) do you operate in?

--

Which county(-ies) do you operate in?

--

Are you a third sector organisation?

Yes	
No	

Please tick any that apply

Voluntary and Community organisation	
Social Enterprise	
Registered Charity	
Cooperative or mutual organization	

Other (please state)

If you are a registered charity please insert your charity number

If you are a company registered with companies house, please enter your number

Do you have appropriate accreditation and insurance to provide the services which this grant will fund? If yes, please attach a copy of the relevant documentation

Yes	
No	

How many people work for your organisation?

Total number of paid staff/workers

Total paid hours per week

Total number of volunteers

Total volunteer hours per week

How much has your annual income and expenditure been in the past 3 years?	Financial year	Or state your own financial year	Annual income	Annual expenditure
	2008-09 (please include estimates where final accounts are not yet available)			
	2007-08			
	2006-07			
	2005-06			

The Targeted Support fund can only fund organisations in a robust and stable financial position, as demonstrated by your accounts.

Have you enclosed your most recent set of annual accounts approved by an auditor (or an independent examiner where allowed by charities law)?

Yes	
No	

Equalities Information

[This information is not used in the assessment of your application but is used to ensure the programme meets Equalities legislation and duties on gender & gender identity, ethnicity, sexual orientation, age & disability]

Please tick yes to confirm that your organisation will not discriminate in any aspect of your work on the grounds of age, disability, ethnicity, gender or gender identity, race, religion and/or sexual orientation?	Yes	NO
Please confirm that your organisation complies with all legislative duties related to equality and diversity?	Yes	NO

2.9 The Grants Panel – making the most informed decisions possible: panel make-up and background Information

This section describes how the programme will work at the top-tier local authority level. It is accepted by OTS that targeting at this level can work well and that local intelligence is vital to the accurate and effective distribution of the grants. It is clear that there will be a broad spread of recession-related needs and OTS will rely on the local funders to ensure that help is delivered where it is needed.

This section outlines data and panel representatives that will be useful in reaching informed decisions to support your communities during the recession. The local funder is key to this process as local funders are imbedded in their community and in touch with the ever-changing impact of the recession on their community.

The Grant Panel

Feedback from stakeholders during the consultation and development phase of this programme stressed the importance of linking into local networks and statutory service provision – in particular, to make decisions with reference to local needs, local services, local recession planning and available local statistics.

Government recognises that in the current economic climate challenges can only be overcome by working in partnership to achieve mutually beneficial outcomes for local communities. To support this, the OTS will write to Local Authorities' Chief Executives and the Chair of Local Strategic Partnerships to invite them to nominate an appropriate representative from each body to sit on the grants panel alongside the local funder. The local funder will Chair the panel and may invite any additional panel members the local funder thinks appropriate. The OTS is writing to Local Authorities and Local Strategic Partnerships concurrently to invite them to join the panel. If you are content to deliver this programme with us CDF should have the name of the nominated panellist when you send through your grant acceptance form. The OTS and CDF aim that this will save time for local funders.

The responsibility of the local funder

As chair of the grant assessment panel and the local delivery partner for this fund, you are responsible for making key decisions that will help your communities through the recession.

Full use should be made of data that can help build an accurate and up-to-date local picture. Upon receipt of your grant agreement form the OTS and CDF will send through the latest statistics in your area and any relevant research which may be useful for you in assessing the areas of need in your community.

The OTS and CDF expect the range of grant awards to take account of the needs of your community, based on all available information.

2.10 The Grant Amounts

The grant amounts have been designed to allow maximum flexibility balanced with the need to ensure impact. Therefore:

- the maximum grant to a local organisation will be £40,000 and the minimum will be £10,000
- the grants must be spent by 31 March 2010
- the OTS anticipates grants being made in full in advance of expenditure to all organisations

An application for *Targeted Support Fund* cannot be entirely or in the main for capital purchases (e.g. computers, photocopiers, digital projectors etc). The expectation is that grants will primarily fund revenue costs such as:

- Wages and on-costs (National Insurance, insurances, pension)
- Associated overheads (rent, telephone, heat and light, materials)
- Delivery-specific costs (events, marketing, web site and leaflets)
- Contribution to core costs (this should be explicit in the application)

For the purposes of this programme, capital costs are defined as being for any single asset that costs more than £1,000 (net of VAT), and that have a life of more than one year.

3. Legislative compliance & best practice principles in grant-making

3.1 Equalities and legislative compliance

Local funders must comply with all legislative duties relating to equality and diversity. Local funders must not discriminate in any way on the grounds of age, disability, ethnicity, gender or gender identity, race, religion and/or sexual orientation.

3.2 The Data Protection Act 1998

Information supplied by local funders will be retained by CDF on a database and will be used to compile statistics for OTS, or to provide data to them. Details of successful applications will be made available on CDF's website, and applicants need to be informed of this. The information may also be used for CDF to contact you by letter, fax, telephone or e-mail with details of future funding and other information which may be of interest to you e.g. training courses and newsletters from CDF or relevant organisations. Your contact details (telephone number, website and email address only) may be published by CDF for the purposes of advertising the *Targeted Support Fund* to potential applicants, but will not be shared with third parties for any other purpose.

3.3 The Freedom of Information Act 2000

The Freedom of Information Act 2000 gives members of the public the right to request any information that CDF holds. This includes information received from third parties, such as, although not limited to, grant applicants, grant holders, panels of judges, contractors, complainants, suppliers, trustees. Grant applicants are protected under the Data Protection Act 1998 and no personal details are given out, except as required within this Guidance.

3.4 Charity Commission Guidance

All local funders should have read and understood the [Charity Commission's guidance on campaigning and political activity](#). All organisations funded through the Targeted Support Fund must not participate in activities that relate to party political campaigning.

3.5 Full cost recovery

Local funders should offer full cost recovery in a manner appropriate to the organisations applying. Core cost funding is an eligible use of Targeted Support Fund grants and we expect a favourable view to be taken of requests for full cost recovery. The spirit of this fund is that all the organisation's costs are relevant, as long as the costs are legitimate to the purposes of the organisation and/or its planned activities.

Local funders might wish to refer to a detailed template for full cost recovery, available from the Association of Chief Executives of Voluntary Organisations (ACEVO) at <http://www.acevo.org.uk>

However, this may prove too complex for the smallest groups and local funders could provide simple guidance to grant applicants on this issue. An example of an explanation is provided below:

Full cost recovery means securing funding for all the costs involved in the delivery of the work. Your budget should reflect the full costs to your organisation, including the direct costs of projects, and all the overhead costs associated with running them.

After you have worked out the costs of each project, look back over it to make sure that you budget all the running costs of that activity such as rent, electricity, telephones etc. You should try and apportion some "core" costs such as rent (share the costs between projects / activities) because it will apply to many projects at the same time.

It is easy to focus upon developments and forget that you need to cover the core costs of your existing work. Remember, many sources of funding come as "unrestricted" funding so can be used for core costs, including the Targeted Support Fund.

3.6 The role of the Compact

It is important that the local funders recognise the Compact given that this programme uses Government funding. The OTS has liaised with the Commission for the Compact on the development of this programme. Given that the application window is 8 weeks long the OTS request that local funders ensure that; the information requested is proportionate to the requirements of the fund and that the fund is promoted widely adopting a proactive approach to encourage organisations to apply.

General principles to be adopted are listed below:

- **focus on outcomes** – the achievement of outcomes should be used as a key indicator of the success of funding
- **simplicity and proportionality** – processes should be as simple as possible and in proportion to the amount of money involved
- **consistency and co-ordination** – funders and purchasers should endeavour to join-up or standardise parts of the funding or procurement chain to minimise burdens on organisations and ensure a focus on delivery
- **timeliness** – allowing time for planning, decision making and action so they have real effect
- **transparency and accountability** – allowing informed decisions about spending priorities to be made and for both Government and the sector to learn from previous work
- **discussion and dialogue** – this helps build trust and can identify and overcome problems before they impact on the delivery of outcomes
- **empathy** – understanding each other's needs and requirements should help avoid problems and help achieve outcomes
- **participation** – provide whenever possible an opportunity for the voluntary and community sector to contribute to programme design.

3.7 Addressing fraud

OTS and CDF take grant fraud very seriously and ask local funders to ensure best practice in grant administration to reduce the potential for fraud.

3.8 Ensuring quality delivery

Local funders need to ensure that the Targeted Support Fund takes every possible precaution to ensure that where professional advice services are supported through this funding, appropriate insurance (e.g. Professional Indemnity Insurance) and qualifications/accreditation are in place (e.g. legal advice should only be provided by a qualified legal practitioner). Local funders will need to check this before grants are awarded to organisations.

4. Monitoring

4.1 Monitoring requirements for local funders – Reports

Monitoring requirements for local funders will be kept to a minimum whilst ensuring accountability for public money. Local funders must complete for each top tier local authority area:

- 1 Grants Award Form (Form X) showing details of grant applications
- 1 End of Programme Finance Report (Form V)

For more details see Section 5.1 below.

4.2 Audit and record keeping requirements

Local funders should be aware that the *Targeted Support Fund* will be subject to audit by the National Audit Office (NAO) who will conduct visits and scrutinise records of a random sample of local funders and grant recipients. CDF has a good working relationship with NAO, who are familiar with the workings of Third Sector organisations and also the characteristics of third sector organisations.

4.3 Evaluation

The local funders are required to co-operate with the central evaluation of the programme – this will be commissioned independently by the OTS. This activity may involve participating in an interview process, providing information to evaluators, or completing a survey.

5. What happens next?

If you are willing to comply with the requirements set out in this document to deliver the Targeted Support Fund in the top-tier local authority area(s) specified in your grant offer letter you must return your signed grant acceptance letter to CDF **by 27 April 2009**. Early responses are very welcome.

OTS and CDF will hold a briefing event for all local funders who have been invited to deliver this fund.

5.1 Drawing down and claiming your grant

The Organisation must complete and return to CDF all of the following documentation associated with the Offer of Grant before CDF can release payment. **This documentation should reach CDF no later than 27 April 2009:**

- The “Acceptance of Offer of Grant” which must be attached to the Offer of Grant letter and the Terms and Conditions, and signed by the Organisation’s Chief Executive or another duly authorised person from the Organisation.
- The BACS payment form (“Form Z”), so that CDF can pay the Grant.
- The Authorised Signatories Form (“Form Y”). This is so that CDF has a record on file of the original signatures of two people from the Organisation who will be authorised to sign off all fund-dependent forms.
- A copy of the Organisation’s current insurance policy, where applicable, confirming that it has relevant insurance in place for the activities being undertaken with the Grant specifying the amount of cover.

Following the receipt of this documentation, the first instalment, i.e. 60% of the Management Costs for each top-tier local authority area will be paid to the bank account detailed on “Form Z”. The final instalment, i.e. 40% of the Management Costs for each top-tier local authority area will be paid at the beginning of October 2009. The grants funding will be paid to local funders following receipt and verification of the Grants Award Form (Form X) as explained below. Provided that the Grants Award Form (Form X) is received by CDF no later than 31 July 2009, then the grants funding will be released to the Organisation for receipt by 28 August 2009.

For receipt by CDF no later than 31 July 2009, the Organisation should send to CDF, for each top-tier local authority area, a completed Grants Award Form (Form X). Until this has been received CDF will not be able to release the payment for the grants funding nor any subsequent management costs.

For receipt by CDF no later than 31 July 2009, the Organisation should send to CDF for each top-tier local authority area, a short case study for each funded Third Sector Service Provider, using the information provided by the Third Sector Service Provider in the application form. This should consist of, at least, a photograph supplied by the Service Provider, a brief explanation of the services they provide, how they have been affected by the economic downturn, how they will use the grant, and permission for CDF and/or OTS to use all of this information for the purposes of publicising the programme, including press releases.

For receipt by CDF no later than 17 May 2010, the Organisation should send to CDF, for each top-tier local authority area, a completed End of Programme Finance Form (Form V).

We’re telling you this now so that you are aware of what we will need in order to release the funding to you.

6. Rationale and Formula

6.1 Rationale for area selection

The primary aim of the programme is to ‘help those most at risk of increased deprivation’. The aim has been to establish which fifty top-tier local authority areas are most at risk of this. Working at top-tier level allows the local funders to adapt the fund to needs across the area.

OTS developed a formula, underpinned by the Indices of Multiple Deprivation (IMD)⁵ data, balanced with a factor weighted towards those areas with the highest rises in Job Seekers Allowance (JSA) claimants.⁶

This was then refined by cross-referring a number of other factors, as follows:

1. The Department of Health’s (DH) Spearhead areas⁷
2. Communities and Local Government’s (CLG) Vulnerable Areas research⁸
3. An overlay of a low IMD ranking⁹

As an example, Swindon scores quite low on IMD (87 out of 149) but has had a very significant rise in job losses and is expecting more. In contrast, other areas might rank highly on IMD but may have much lower rises in JSA claimants. Swindon makes the list; the programme is not about long-term deprivation but about the effects of the recession.

⁵ Extent measure of IMD, based on IMD data of November 2007 from CLG. This is the most balanced and useful measure of deprivation at top-tier local authority level.

⁶ The Extent measure of IMD, based on IMD data of November 2007 from Communities and Local Government has been used. This is the most balanced and useful measure of deprivation at top-tier local authority level. Office of National Statistics JSA claimant data, January 2008 to January 2009 has been used – calculated with assistance from NOMIS advisers and available at www.nomisweb.co.uk.

⁷ DH Spearhead areas are defined by looking at a range of health equality factors such as death rates from cancer and cardio-vascular disease.

⁸ CLG have produced data that identifies a number of vulnerable areas that includes factors such as repossession rates, cohesion scores and economic vulnerability.

⁹ If an area is ranked 100 or more for the extent measure of IMD, they were removed from the list as it cannot be said that they are at risk of increased deprivation when overall they have levels of wealth in the top third for England.

Other areas 'hide' pockets of significant deprivation and increased JSA claimants. Durham county is one example, and the area demonstrates the need for local intelligence to help target funding most accurately. It includes districts such as Easington that has seen significant rises in JSA claimants in the last year and where we would expect funding to be targeted.

The areas that this fund will target are also all within the Department of Health's Spearhead areas. Although this has not been the sole purpose of the fund, there is a strong cyclical relationship between poor health and deprivation: many areas with high IMD scores are Spearhead areas. An undoubted consequence of job loss can be poorer mental and physical health, often in areas that already have existing high levels of poor health.

6.2 Formula for funding allocation

The total grant 'pot' for each area is based on a per capita calculation and the number of new Job Seekers Allowance (JSA) claimants in the given TTLA area (from January 2008 to January 2009).

6.3 Management fee for local funders

The management fee for the Targeted Support Fund takes account of the need to ensure:

- all areas are able to deliver this programme in line with the principles of full cost recovery, therefore all areas have a basic allocation of £28K management fee
- that areas receive sufficient funding per grant awarded, in recognition that delivering a large number of grants is more resource intensive. Therefore an additional £500 is allocated per grant award for each local funder (based on a median amount of £25,000 per grant award)
- that local funders delivering the programme in more than one TTLA will have to convene additional grant panels and provide additional monitoring information which requires more resource, therefore an additional £5K is awarded per area

7. Other Information

7.1 How to contact CDF

Postal address:

CDF

The Michael Young Centre

Purbeck Road Website:

Cambridge

CB2 8HN

Telephone helpline: 01223 400331

E-mail: targetedsupportfund@cdf.org.uk

Website : <http://www.cdf.org.uk>

7.2 Information on other spending programmes announced in the Real Help for Communities Action Plan

- Up to £10 million investment in **volunteer brokerage scheme** for unemployed people with create over 40,000 opportunities for people to learn new skills and give back to communities through volunteering.

How to find out more:

From April 2009 DWP will be running a programme of brokerage support for jobseekers, who have been unemployed for six months, and want to volunteer. The brokerage scheme is delivered by BTCV and a partnership of national volunteering charities. There will be a broker based in each Jobcentre Plus district of England who will be looking for third sector organisations who can provide volunteering opportunities to these individuals. Further information about how to become involved will be made available in due course. The OTS will email local funders with this information when it is received as recipients of the Targeted Support Fund and other local grant programmes may be interested in offering a volunteer placement through this programme.

- A £16.5 million **Real Help for Communities: Modernisation fund** to help with the cost of mergers, partnerships and moves to more efficient sharing of back office functions for at least 3000 third sector organisations.

How to find out more:

The £16.5m Modernisation Fund will help third sector organisations become more resilient to the impact of the recession. It is focused on organisations providing recession-related services to communities. The funding will be targeted at helping these organisations overcome barriers to collaboration and merger or take other steps to adapt. There will be grant funding and interest-free loans available. To register an interest in the fund or to check eligibility please visit <http://www.modernisationfund.org.uk/>

- A £0.5 million investment in the **School for Social Entrepreneurs** to double the number of people it trains to become social entrepreneurs, particularly those working in deprived communities.

How to find out more:

The OTS understands that individuals can act as catalysts in driving social change too. The £500K investment through the action plan will generate new training places for social entrepreneurs through the School for Social Entrepreneurs. The School for Social Entrepreneurs operates in every region of England. To find out more about these places please visit the SSE website at; <http://www.sse.org.uk/>

Appendix A: Targeted Areas and Funding Allocations by Top-Tier Local Authority Area (TTLA)

AREAS AND AMOUNTS		
Ordered by risk of increased deprivation	TTLA AREA	Amount available for Grants (per TTLA)
1	Birmingham	£1,004,620
2	Dudley	£309,908
3	Walsall	£354,367
4	Blackburn with Darwen	£128,703
5	Bolton	£250,557
6	Bradford	£410,892
7	Greenwich	£188,380
8	Calderdale	£235,013
9	Kirklees	£406,001
10	Manchester	£435,894
11	Oldham	£190,989
12	Rochdale	£241,209
13	Salford	£227,730
14	Tameside	£229,143
15	Wigan	£361,433
16	Blackpool	£112,071
17	Halton	£167,727
18	Knowsley	£167,292
19	St. Helens	£186,858
20	Gateshead	£217,729
21	North Tyneside	£182,945
22	South Tyneside	£178,923
23	Sunderland	£343,823
24	Darlington	£110,332
25	Durham	£668,950
26	Derby	£225,665
27	Torbay	£152,291
28	Doncaster	£352,845
29	Barking and Dagenham	£136,964
30	Southend-on-Sea	£148,813
31	Kingston upon Hull, City of	£471,874
32	Liverpool	£439,046
33	Nottingham	£279,907
34	Sandwell	£364,042
35	Barnsley	£311,539
36	Rotherham	£338,823
37	Stoke-on-Trent	£306,321

38	Hartlepool	£97,288
39	Middlesbrough	£141,530
40	Redcar and Cleveland	£125,116
41	Stockton-on-Tees	£198,815
42	Telford and Wrekin	£197,402
43	Bournemouth	£161,313
44	Swindon	£277,733
45	Leicester	£283,168
46	North East Lincolnshire	£155,009
47	North Lincolnshire	£198,380
48	Wakefield	£334,801
49	Warrington	£210,338
50	Wolverhampton	£235,230