



STATUTORY FUNDING

a funding information leaflet from *funderfinder*

Statutory funding is public money distributed by the government, through a variety of routes, usually in the form of grants, but also now often under a contract. It is one of the most important sources of income for voluntary and community groups. There are numerous pots of money and these are constantly changing in line with changes in government policy. Administration is by a variety of agencies, not always local authorities, and this makes it quite hard to find out about all the statutory money that might be appropriate.

The main distributors of statutory funding are:

- Country Governments (for Scotland, Wales and Northern Ireland)
- Central Government (for England)
- Regional Government
- Local Government
- European Funding
- Health Funding
- Other agencies e.g. Arts Councils, Sports Councils

One point to be aware of is that government funding in England now works rather differently to funding in the other UK countries. In England the Government has been keen to increase the third sectors role in delivering public services through commissioning and service level agreements, leading to an increase in contracts rather than grants.

Country Governments

Scotland

The Scottish Council for Voluntary Organisations (SCVO) publishes advice on fundraising on its website, which includes details of statutory funding. See:

www.scvo.org.uk/scvo/Information/Money.aspx

The Scottish Government website lists the voluntary sector funds it is making available: www.scotland.gov.uk/Topics/People/15300/funding General enquiries on voluntary sector issues should be addressed to: Third Sector Team at either: Area 3H Bridge, Victoria Quay, Edinburgh EH6 6QQ, tel: 0131 244 3053, or 3rd Floor, Highlander House, 58 Waterloo Street, Glasgow G2 7DA, tel: 0141 305 4085, e-mail: kerry.edwards@scotland.gsi.gov.uk

Wales

The Welsh Assembly has a number of grant schemes for the voluntary sector. The Welsh Assembly website is www.wales.gov.uk. Some schemes are administered by other agencies, in particular, Wales Council for Voluntary Action at Baltic House, Mount

Stuart Street, Cardiff Bay, Cardiff CF10 5FH, tel: 029 2043 1700, website:
www.wcva.org.uk.

WCVA produces a range of information sheets on funding in Wales, which includes funding from the National Assembly, WCVA's schemes and grant-making trusts. These are available to be downloaded from their website. In addition, their website also gives details of a whole range of funding sources for organisations in Wales, including charitable trusts.

Northern Ireland

The Department for Social Development's Voluntary and Community Unit is the main department dealing with the voluntary sector. Contact them at: Lighthouse Building, 1 Cromac Place, Gasworks Business Park, Ormeau Road, Belfast BT7 2JB, tel: 028 9082 9424, email: vcu@dsdni.gov.uk, website:
www.dsdni.gov.uk/index/voluntary_and_community.htm

There is also a website giving details of grants available from government departments. Organisations must register online first: govfundingdbni.nics.gov.uk/gfdpublic/

The Northern Ireland Council for Voluntary Action (NICVA) produces *Grant Tracker*, an interactive software package which contains information on sources of funding available to the voluntary and community sector in Northern Ireland. Updated quarterly and available on CD and online, the annual subscription is: £100 (NICVA members), £145 (non members). Contact them on tel: 028 9087 7777, website: www.grant-tracker.org

Much of what follows in is only applicable to England, but do look at European Funding (p.4), Other Agencies (p.4), and Finding Out More (p.5).

Central Government - England

Most central government departments have a funding programme open to voluntary organisations, but these are generally for organisations with a national remit for piloting new, innovative projects which can be copied elsewhere.

Grants schemes change frequently and it is difficult to keep up to date with what money is available and when. www.governmentfunding.org.uk used to be free, but now is only available on subscription. The new [Funding Central](#) website from NCVO does include government grants and contracts in its search, but you can't see a list of the range of grants from the various departments.

Capacitybuilders

Capacitybuilders is a non-departmental public body set up in 2006 to take over the management of the Government's ChangeUp programme and to work with other funders to build capacity of the third sector. One of its remits is to fund infrastructure organisations to enable them to provide better services to local groups. It also has a number of other grant programmes, including a Modernisation Fund to help groups increase impact and become more resilient and a fund to help local volunteering development organisations. Capacitybuilders also aims to bring together signposting, resources and learning for third sector organisations.

The Capacitybuilders main website is: www.capacitybuilders.org.uk For resources and signposting go to their Improving Support website at: www.improvingsupport.org.uk.

The Social Investment Business

A new organisation, and the trading name for Futurebuilders England Fund Management Ltd manages funds on behalf of the government. It manages the Futurebuilders England Fund, Communitybuilders Fund, Social Enterprise Investment Fund and the Modernisation Fund. Its website is a good starting point for information about all of those funds - www.socialinvestmentbusiness.org

In brief:

Futurebuilders England is the £215m investment fund to help the third sector deliver better public services. It provides a range of products, including loan financing, grants and professional support, designed to meet the varying needs of third sector organisations and help them compete for public service contracts. There are various loan packages available, depending on the size of your organisation. Loans are available from £3,000 upwards with interest rates at 6%.

Website: www.futurebuilders-england.org.uk

The ***Social Enterprise Investment Fund*** is a £100 million Fund from the Department of Health that provides loans, grants and professional support to social enterprises involved in the delivery of health and social care services. It offers a number of financial products from start up and growth grants to loan-based investments of up to £10m.

Website: www.dh.gov.uk/seif

Communitybuilders is a £70 million fund is a joint programme between Communities and Local Government department and the Office of the Third Sector. It provides loans, grants and business support to multi-purpose, inclusive, community-led organisations (sometimes known as Community Anchors).

Website: www.communitybuildersfund.org.uk/

The ***Modernisation Fund*** is funded by the Office for the Third Sector. It is a £16.5 million fund that provides interest-free loans of between £30,000 and £500,000 to help organisations be more resilient to the impact of the economic downturn.

Website: www.modernisationfund.org.uk

Regional Government

Each of the government regions for England has a number of regional bodies which may be relevant or useful in finding funds:

Regional Development Agencies: these exist to develop social, economic and environmental regeneration of the region. They have responsibility, for example, for the Community Investment Fund.

Government Offices for the Regions: devolved central government, they are responsible for the allocation of European Funds.

Regional Assemblies/Chambers: these bring together regional "stakeholders" (local authorities, private and voluntary sector representatives); however, they are due to be abolished from April 2010.

Regional Forums of voluntary and community groups: exist to promote the voluntary and community sector at regional level and to be a channel of communication. They do not make grants.

Locally

At a local level the main sources of statutory funding are local government and health agencies. Funding may be in the form of grants and service level agreements (SLAs), or as contracts for services. See below for more details about the difference and also where to find out more information.

Local government

Councils differ quite considerably in how they fund voluntary organisations: how much is via contracts and how much is grant-aid; although sometimes the difference is more in the name rather than reality.

However, the local authority is still a main source of funding for voluntary groups. Different departments within a local authority may each have their own pots of money to allocate in the form of grants. Some local authorities may have a "community chest" - a small grants scheme for voluntary groups and many also manage some central government schemes.

Health

Primary Care Trusts manage health budgets at a local level to provide primary and community health care. Funds, either as contracts or grants, may be available from them for specific pieces of health-related work. You should talk to your local PCT if your project is concerned with health issues.

Europe

There are lots of different pots of European funding. It is a complex and ever changing area, and is not necessarily appropriate for small community groups. However, Community Grants (England only) does make accessing European funds easier for small organisations. For more information details see FunderFinder document *European Funding*.

Other agencies

There is a large number of Quangos, Non Departmental Public Bodies (NDPBs) and government-related agencies which administer delegated funds from central government. They fund other sectors as well as the voluntary and community sector and each has its own guidelines and criteria. Examples of these are:

- Arts Councils – country/regional
- British Council
- Connexions
- Countryside Council for Wales
- English Heritage

- Equality and Human Rights Commission
- Historic Scotland
- Housing Corporation
- Learning and Skills Councils
- Natural England
- Scottish Natural Heritage
- Sports Councils

Other considerations

Partnerships

At all levels of government there is much talk about partnerships between the public, private and voluntary sectors as the way forward for tackling social and economic issues at local level. Many recent government initiatives are managed by inter-agency partnerships, and in order to access public funds, groups are increasingly being asked to form or join partnerships.

Compacts

The Compact is the agreement between government and the voluntary and community sector in England to improve their relationship for mutual advantage. In 1998 central government published a national Compact and there is a Compact Commissioner whose role is to champion the Compact by acting as the independent voice, overseeing and developing the Compact and its associated codes. Most local authorities have developed Local Compacts covering key issues such as information exchange, consultations, co-operations, funding, resources and support. For more information and details of local compacts see: www.thecompact.org.uk

Contracts and SLA

Contracts and Service Level Agreements are formal agreements, providing funding in return for the delivery of a service or services. They are often multi-year agreements, and are a more formal arrangement than a grant carrying more specific details about the services to be provided and conditions to be met.

Most contracts are awarded through a competitive tendering process, and larger contracts can entail extremely bureaucratic processes, involving compliance with a raft of EU and UK regulations. The process of purchasing services through competitive tendering for contracts is known as procurement.

Service Level Agreements tend to be less bureaucratic and competitive and are generally used for smaller scale service delivery.

Finding out more

To really keep up with what funding is available from statutory sources, you need to "plug yourself" in to some of the existing networks. Start with your local development agency - Council for Voluntary Service/Voluntary Action or similar (contact your relevant country organisation or NAVCA on tel: 0114 278 6636, website: www.navca.org.uk if you are not sure of contact details). They will be able to help identify what funding could be available to you locally. You could also join your Regional Forum (your CVS will know how to contact them).

For a guide to contracts and service level agreements look at the Finance Hub section on the subject: www.financehub.org.uk/selling_goods_and_services/default.aspx

There is detailed information about public Service Delivery on NCVO's website at: www.ncvo-vol.org.uk/publicservicedelivery/

Useful resources

Government Funding Guide, by Sarah Johnston et al, pub. DSC, 2009, £35, ISBN 978 1 906294 38 0.

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