

LBHF 3rd Sector Investment Fund Service Specification: Infrastructure: Building Capacity and Strengthening Communities

1. Introduction

The Council's vision, as articulated in the Community Strategy, is to work with partners to create a borough of opportunity for all and to deliver high quality, value for money services. There is a focus on putting in place key "building blocks of opportunity", which will enable all local people to have a real stake in the borough and share in its growing prosperity.

Under the Infrastructure specification, we have identified two main themes in which the sector can work with local organisations and communities to achieve this and we are proposing to fund projects which deliver outcomes under either or both of these themes.

Please note that the funding available for infrastructure support is limited and we have therefore decided to focus on funding the broad core costs of an organisation with the expectation that organisations will lever in substantial levels of external funding as well as generate their own income in order to run various projects. The two themes are as follows:

Theme 1 Infrastructure: Building Organisational Capacity

Section 3b of the specification sets out the outcomes the Council is seeking in order to strengthen 3rd sector organisations so that they can deliver long term benefits to local residents. In order to build a strong, sustainable and diverse 3rd sector capable of delivering effective, value-for-money and good quality services, we need to fund organisations providing infrastructure support, ie. organisations that provide capacity building support to other organisations through the provision of information, advice, training and other activities, including the development of networks, partnerships, advocacy and campaigning activities.

Theme 2 Infrastructure: Strengthening Local Communities

Section 3c of the specification sets out the outcomes the council is seeking in order to strengthen local communities and enable all local people to have a real stake in and to promote community cohesion and neighbourhood renewal through the provision of local community resources such as hubs, community centres, forums and networks which support local people and projects. (By hubs we mean places or spaces that generate community or neighbourhood activity)

2. The local 3rd sector – the need for infrastructure support

There are over 900 3rd sector organisations in Hammersmith & Fulham, including community, voluntary, social enterprise and other not for profit organisations. Of these, around 300 groups a year receive direct support from the Council through funding or premises. Most rely heavily on funding from external sources.

With increasing opportunities for 3rd sector organisations to tender for service contracts, and the need to meet increased quality assurance requirements, whilst at the same time facing increased competition for less funding due to the current recession, organisations providing infrastructure support play a vital role in ensuring that the local sector is well placed to secure funding and deliver high quality, value for money services.

On a neighbourhood level, there is a need for neighbourhood based organisations to play a range of roles in the community:

- To provide a place to meet and for community activities to take place - to provide access to start up premises, office space and meeting space
- To support and promote the growth of the wider community sector - to support other community sector organisations and operate as a platform for community activity
- To provide services – in particular preventative services to vulnerable people which reduce the demands on the public sector
- To provide advocacy and voice for the community - to facilitate wider community forums and networks, to act as an intermediate between external agencies and grassroots activity and to negotiate on behalf of the local community sector
- To stimulate community involvement and activity - to generate wealth for communities, to contribute to wealth creation in an area by investing in the personal development of individuals, which can connect people to the labour market and by improving benefit take-up and reducing outgoings through advocacy and advice

There is an expectation that services provided under the Infrastructure service specification will provide outcomes which will be developed, managed and delivered within a framework consisting of local and national guidance documents and in line with relevant priorities as follows:

- The priorities outlined in the 3rd Sector Strategy which are based on delivering Council's priorities as set out in the Community Strategy and Local Area Agreement, particularly the expectation that services offer high quality, value for money services to the most vulnerable in our community
- The ChangeUp Local infrastructure Plan and ChangeUp 2008 -11 workplan
- National strategies and policies including: The Role of the VCS in Service Delivery: A Cross Cutting Review 2002, The Future Role of the Third Sector in Social and Economic Regeneration 2007, Firm Foundations (Home Office 2004)
- There is also an expectation that organisations will work towards minimising the environmental impact of their organisation on the wider community, as outlined in papers such as Greening the Third Sector (City Bridge Trust 2007)
- There is an expectation that organisations applying for funding under this specification will be working within a Quality Assurance framework such as PQASSO or Matrix and within an equal opportunities framework

3. Outcomes sought under the Infrastructure specification

We anticipate a high demand for funding under this service specification and will therefore be unable to directly fund all of the outcomes that 3rd sector Infrastructure organisations will be delivering on.

Under this specification we have identified three groups of outcomes as follows:

- Outcomes for all infrastructure organisations seeking funding (section 3a)
- Outcomes: Building Capacity (section 3b)
- Outcomes: Strengthening local communities (section 3c)

In order to ensure that funding from the 3rd Sector Investment Fund is maximised, all infrastructure organisations are expected to deliver the outcomes listed in section 3a. We also expect organisations to meet some of the outcomes from either section 3b or section 3c or from both.

As previously stated, in order to strategically utilise the 3rd Sector Investment Fund, the focus of our investment will be on core costs, with the expectation that infrastructure organisations will lever in additional resources through income generation, in order to achieve the direct service delivery outcomes for the sector.

It is important to emphasise that the overall funding from the council will be awarded on the basis that an organisation has the capacity to deliver the outcomes in section 3b and 3c as outlined below, even though the council may not be directly funding these outcomes.

3a. Organisational outcomes for infrastructure groups

All infrastructure organisations that are funded under this specification will be expected to achieve all of the following outcomes for their own organisations:

Sustainability	Improved long-term sustainability having adopted realistic and comprehensive business plans and fundraising strategies and maximised income from existing resources.
Leverage	Increased ability to use 3 rd Sector Investment funding to lever in further resources in order to provide direct services and deliver outcomes for local communities and organisations as listed under section 3b and 3c
Strategic working	Increased ability to influence, engage and work in partnership with other 3 rd Sector organisations, the council and its partners, on a wide range of activities which support the delivery of H&F priorities.
Quality and Good practice	Implementation and development of good practice models on a range of issues including quality assurance, equal opportunities and energy conservation as well as piloting and delivering accredited training on issues relevant to the sector.
Environmental practice	3 rd Sector Infrastructure organisations will adopt environmental policies which ensure that their organisations and the community facilities/premises they use have improved financial viability, use less energy, pollute less, create less waste and have a reduced contribution to climate change.

3b. Outcomes: Building Capacity

Infrastructure organisations are expected to deliver a range of outcomes for the local 3rd sector frontline organisations they support which focus on the three broad aims of sustainability, quality and value for money.

Through the 3rd Sector Investment Fund, we aim to ensure that these frontline organisations have access to comprehensive, consistent, sustainable, high quality support that will help them be more effective in delivering services and providing positive outcomes for local organisations and people. The type of support provided will include training, advice and information, representing 3rd sector interests, supporting networks and partnerships and sharing good practice.

We will therefore focus our investment on activities and services which deliver the following outcomes;

Sustainability	Planning and governance	3 rd Sector organisations are more sustainable having developed good governance and fundraising skills, adopted realistic and comprehensive business plans and fundraising strategies and raised increasing levels of funding from a range of sources including through social enterprise activities, rather than over dependence on investment support from the Council.
	Organisational skills	3 rd Sector organisations are stronger, more robust and effective with a highly effective staff, volunteer and management team who have increased knowledge and skills on key organisational tasks, including setting aims and objectives, planning and managing work, monitoring and evaluation, governance and legal responsibilities.
	Financial management	3 rd Sector organisations have improved financial systems and procedures, more fully understand fiduciary responsibilities and there is a reduced risk of fraud and financial mismanagement through the introduction of financial controls.
Quality Assurance	Quality	3 rd Sector organisations are more able to provide quality services to H&F residents and improved ability to assess, monitor and evaluate their work including having relevant Quality Assurance systems and monitoring, evaluation and review systems in place.
	Equalities	Improved ability of the 3 rd Sector to eliminate unlawful discrimination, to reflect and promote diversity and equality of opportunity and good relations between those of different communities, and to make a significant contribution to well functioning and cohesive communities
Value for Money	Resources	3 rd Sector organisations use resources more efficiently and are more cost-effective overall, including adopting ways of sharing resources. 3 rd Sector organisations have adopted environmental policies and practices which ensure that their organisations and the community facilities/premises they use have improved financial viability, use less energy, pollute less, create less waste and have a reduced contribution to climate change.
	Strategic working within the sector	There is more effective strategic networking and effective partnership throughout the sector, including better communication and collaboration, increased co-operation between organisations, sharing of knowledge and best practice.
	Strategic working with the statutory sector	A stronger and more sustainable 3 rd Sector, enabled to influence decision-making, engage and work in partnership with the council and its partners on a wide range of activities including service planning and consultations which benefit local residents.
	Volunteering	Increased volunteering activity with more 3 rd sector organisations able to recruit, support, develop and retain volunteers.

3c. Outcomes: Strengthening communities

We are aware that many communities are fragmented and that we need to build stronger neighbourhoods. We aim to support community resources such as community hubs, community centres, forums and networks which support local people and projects.

This could include both area based and communities of interest provision which address the needs of particular communities.

Inclusion	Increased community involvement, better community relationships and networks of socially excluded communities including those which are recently established. Bringing together area based communities and communities of interest from different races and faiths, generations and abilities, supporting and enabling more user led and self help groups to provide services and generally promoting a shared sense of belonging, connection and inclusion.
Improved Life Chances	More sustainable communities and increased opportunities for the most excluded, isolated and disadvantaged individuals and communities to improve their well-being and increase their life chances through increased access to services, access to volunteering opportunities and a wide range of learning leading on to accreditation, further training and employment.
Strengthened democracy and increased social capital	Strengthened democracy, with more active citizens from diverse backgrounds enabled to have a strong voice, to be able to contribute to the life of their communities and participate in civic activities including decision-making processes that affect the community.
Community Resources – centres and hubs	Increasing access and availability of good quality appropriate community resources for local people and local organisations, including access to multi use facilities incorporating meeting and activity spaces, desk space, office resources such as ICT and photocopier etc.
Community Resources – networks and fora	Increased opportunities available for local communities to become more strategic, have a voice, become stronger and to mobilise around issues of interest as well as more opportunities for joint working and engagement.

4. Types of activities that we may consider funding

Rather than use the 3rd Sector Investment Fund Infrastructure specification to focus on providing funding to organisations to fund their direct service delivery, we are particularly interested in funding the core costs, including overheads of infrastructure organisations which are able to show how they can lever in funding for a range of projects which will then provide the outcomes listed above. However it is up to organisations to determine in their application what they consider their core costs to be.

We may also consider funding some innovative direct service delivery projects, particularly where they are delivered in partnership with other organisations.

Apart from having comprehensive business plans and fundraising strategies which identify other match funding, the Council must be assured that the organisations funded

have the right systems in place for managing staff, budgets and performance and will therefore fund the following types of core costs:

- costs of co-ordinator
- costs of key staff
- administrative costs including running the management board
- audit costs
- fundraising and finance function
- quality assurance implementation
- health and safety
- ICT systems
- accommodation
- other core costs as determined by the organisation

The level of contribution by the council to “core costs” will vary, depending on the ability of individual organisations in being able to deliver the agreed outcomes. There will also be an expectation that a contribution towards core costs or overheads will be raised from other funders and that full cost recovery is adhered to when applying to other funders.