

Suffolk Passport

A New Approach to Quality

A Report into the Feasibility of a 'Suffolk Passport' Scheme for
Voluntary and Community Organisations in Suffolk

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Contents

4	Background & Aims of the Report
5	Preliminary Research Consultation Process
6	Literature review
7	The Funding Process
8	Communication with funders
9	Support from funders Improving the funding application process
10	Risk
11	Performance improvement
13	Capacity building
14	Quality standards
15	Black and Minority Ethnic Groups
16	Implementation of a Suffolk Passport
18	Interviews
19	National/Regional Funders
20	Stakeholders (Drawn from Infrastructure Organisations)
28	Organisations
36	Funding Advisors
46	Funders
54	Summary of key issues from the participants' interviews
58	Summary in full of participants' comments on implementation of a Suffolk Passport
66	Comparison of 'investment readiness' guidelines, quality standards and interview grid
70	Discussion and Recommendations
76	References
78	Appendices

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Background & Aims of the Report

Suffolk's infrastructure providers and local funders have much experience of how Suffolk's Voluntary and Community Sector (VCS) groups operate. Capacity building work has identified a need to offer more extensive provision of initiatives to support and develop good practice in all areas of a group's organisational performance. Local infrastructure providers are also aware that funders are identifying gaps in performance standards which leave groups ineligible to have their funding applications considered.

Creating a Voluntary and Community Sector 'Suffolk Passport' would provide groups with a simple way of demonstrating core competencies, policies and processes. Essentially a quality mark, the 'Suffolk Passport' is a term designated to represent a satisfactory assessment of a VCS group that demonstrates that it is robust in terms of its policies and procedures across a range of areas. VCS groups would be able to offer externally assessed evidence of having reached performance standards which are sufficient to satisfy the requirements of local funders. If successful at a local level the passport could provide groups with evidence of their achievement of good practice which could also be included in applications to national funders in further support of their application.

It is anticipated that development of a Suffolk Passport scheme would have a two-fold effect for VCS groups of improving organisational performance and the simplification of the grant application process

- The passport would enable funders to concentrate on the selection and consideration of appropriate projects, knowing that the organisation has reached a level of performance, externally verified, sufficient to satisfy them that the project funding will be well utilized.
- The work undertaken by groups towards achievement of the passport would also ensure that all stakeholders can be assured of involvement with an organisation working towards implementing best practice models.

This report cannot provide a definitive answer to the question of whether a Suffolk Passport should be introduced but rather it is intended to gather an overview from members of the sector and its' stakeholders in order to allow a debate to take place about whether to take the project forward. This also provides an opportunity to review issues and ideas identified by the participants which could be used to improve the experience of fund seeking by the VCS in Suffolk.

Preliminary Research

Extensive desk research was carried out. Firstly, to search the literature and identify themes and issues for the study. Secondly, to identify whether an initiative such as the Suffolk Passport was being used in other parts of the country with the intention of learning from the experience of others. An internet search was completed and any potential leads from this were explored. National third sector umbrella organisations were contacted to find out if they were aware of such an initiative. A request was circulated on the NAVCA Chief Officers Information Network. Two consultants who had written a research paper on local commissioning accreditation schemes (Donahue & Dacombe 2007) were also approached and generously contributed details of their experiences. One of the consultants provided contact details for an organisation in London who had undergone the process of performance improvement with the consultant in order to become an approved provider with the local council. Prior to commencing the interviews a telephone discussion took place with a trustee of this organisation which yielded some informative comment on the experience of that process for the organisation who, by their own admission, had been struggling with their governance prior to this.

However, no scheme was identified that reflected the exact intentions of the Suffolk Passport scheme. Where a similar approach was in use it tended to be accreditation for approved provider lists for local councils or primary care trusts in which specific requirements were identified for assessment, or the completion of some form of quality system was required. These appeared to be based mainly on PQASSO and other mainstream quality assessments. Some areas of the country have produced their own quality standard and in others compliance with the Compact was seen as an indicator of good practice for VCS organisations. For organisations seeking self help guidance to prepare for funding applications there are many advice sheets, guidelines and toolkits of varying degrees of complexity on the internet which provide information on how to become 'investment ready'.

Consultation Process

A structured interview was prepared with set questions to allow for comparison between respondents responses. (See appendices 5, 6, 7, 8). A grid was developed listing all possible areas of information or documentation that funders might require as part of their assessment for provision of funding (see appendix 4). The nature of the data collected was predominantly qualitative with some quantitative questions as a summary for each section. There was scope within the interview process for respondents to expand upon the themes discussed thus providing a more in-depth response, with many of the interviews becoming more discursive and generating further questions and responses. All the interviews were conducted face-to-face with the exception of one organisation who responded in writing.

Interviews were conducted between November 2009 and May 2010 with twenty-seven individuals, representing eight funding organisations, eight VCS organisations, seven funding advice organisations, and three stakeholders/umbrella organisations. Three national and regional funders were also contacted to gain their perspective, although the initiative is intended to be specific to Suffolk funders. All contributions are completely anonymous

LITERATURE REVIEW

Prior to carrying out the interviews a literature search was undertaken which identified some of the key issues around the funding relationship for the VCS which were reflected in the questions contained in the study. Some of the main findings from the literature are set out in this section.

The Funding Process

The starting point for the study was to capture the experience of organisations applying for funding and to try and identify, by use of a grid of potential information funders may request, to establish a baseline of required documentation/information that should be assessed by a Passport scheme. Such a scheme would need to engage funders in order to be viable.

Statutory bodies are accountable for public funds and have to assure themselves that an organisation has the capacity to handle those funds. They have to assure themselves that the correct governance procedures are in place before they can assess the project proposal. They need to reassure themselves that the organisation has sound governance in place thus enabling them to concentrate on delivery of their objectives (Big Lottery Fund Good Governance Guide undated). Organisational performance is important within the funding relationship as funders will seek to judge how successful an organisation has been or is likely to be in the future. Some of the main problems that occur within funding relationships are, on the part of the funded organisation, not being clear about what the funding is to be used for, poorly defined outcomes, or not meeting funders' criteria. (Hobday & Burton 2008).

Due to the need to diversify in seeking funding, funded organizations are finding themselves having to report to an increasingly wide range of funders, the Charity Commission and often a regulator specific to their field of operation. By increasing their activities they find themselves having to meet the reporting requirements of an ever increasing range of stakeholders (Unwin 2004). *If there was a means of streamlining application and monitoring processes, albeit at a local Suffolk level, it could minimize some of the burden this places on organisations.*

Initiatives that could improve the funding process are highlighted regularly in the literature and findings from international literature indicate the same issues as those identified in the U.K.

Introducing standardised applications and reporting, making these processes easier to use, staged applications, sufficient feedback where an application is unsuccessful, assisting with capacity building, and greater collaborative working between funders and fund seeking organisations. Although accountability is important to protect all parties in the funding process it was suggested that accountability requirements should be proportionate to the size of the grant. Costs can represent 10% - 15% of small grants. Templates for financial accounting were seen as a way of satisfying the funders need for accurate information whilst reducing costs to VCS organisations (Carroll 2008).

Communication with funders

Communication between funders and organisations was another area of questioning intended to establish whether funding organisations recognised the difficulties inherent in the system for many organisations and whether they were open to constructive criticism or a 'critical friend' approach in looking at their procedures.

Some funders ask the advice of VCS infrastructure organisations. This can create some difficulties for the infrastructure organisations as they have to balance 'dispassionate assessment with advocacy for a field of effort' and this needs to be recognised. However, this also brings in their knowledge and understanding of the thinking within the sector (Unwin 2004).

A survey of nearly 17,000 non-profit organisations in the USA which asked organisations what they valued from the foundations they received funding from, identified the key requirements of good communications as being consistency in communication resources, high quality interaction with Foundation staff and funding guidelines which are as specific as possible. This greater clarity can support a Foundation to achieve its aims and goals. Also, consistency between website information and that given out by staff. The second most suggested improvement is 'constructive' feedback on project proposals (Huang 2006).

For a funded organisation applying for and managing funding, provision of essentially similar information multiple times for different funders can seem inefficient and even wasteful. Kennedy suggests that with the impending cuts in public funding this may encourage funders to consider only asking for the information that is essential. He recommends that we have a debate amongst ourselves and with our funders about what information is really necessary and what the cost of providing unnecessary information may be (Kennedy 2009).

Funded organisations need to be able to see how monitoring requirements contribute to the funding goals and funders need to justify these requirements. Where an organisation knows why certain monitoring information is required it will be more motivated to supply this information or may be able to suggest other information which better meets this requirement. Monitoring should always be proportionate to the level of risk and the size of the project (National Audit Office 2009).

Support from funders

Support from funders was to be assessed in terms of funding for capacity building and the non-monetary or 'hidden' support that they offered. Much of the literature contains reference to both these areas.

Those who support the voluntary and community sector recognise that funded organisations need to be organisationally sound. It is widely acknowledged that to achieve this there is a need to fund core costs to enable an organisation to operate effectively. Organisations cannot deliver results effectively if they do not have the core capacity to manage finances, train, motivate and support staff and manage all aspects of their projects. In addition, good guidance from funders can help an organisation to develop viability and sustainability (Hutton & Sexton 2007).

Abdy and Mayall (2006) state that funders should provide sufficient resources whether financial, advice, and/or signposting to other sources of funding or expert organisations in the same types of services. Funding the core costs and those of monitoring and evaluation are identified. By encouraging funders to provide for the costs of performance improvement it can encourage BME groups to undertake vital performance improvement work (Afridi 2007). For those funders working to Compact principles, best practice is to encourage the VCS to include the costs of monitoring and evaluation within their project costs and to ensure that their monitoring requirements are relevant and proportionate. It is incumbent upon the funded organisations to have in place the means to provide such monitoring as is agreed (The Compact in Suffolk 2006).

It is very important that small organisations receive development support in the funding process as they usually need more than just the money to facilitate their activities and build their confidence to seek further funding (Thomson & Caulier-Grice 2007). The most successful funding programmes look beyond due diligence checklists (usually paper based) and develop open communication with the funded organisation. Although using more resources it can greatly improve results (Hutton & Sexton 2007).

Based on research carried out by the Center for Effective Philanthropy it appears that in order for assistance beyond the grant giving to be effective it has to consist of in depth support across a range of needs with selected organisations. A more generalised and less focussed approach has not shown significant improvement for organisations (Buteau et al 2009).

Improving the funding application process

Opinions would be sought about how the funding application system could be improved. To facilitate this funders were to be asked whether they would consider putting their requirements in line with other funders.

A report by HM Treasury made recommendations for reducing the burden of bureaucracy, including having clear, and where possible, simple application procedures; monitoring which is proportionate to the level of funding and risk; and standardisation of terminology. It is suggested that where possible, funders should standardise the components of the funding chain to minimise the burdens placed upon multi-funded organisations as this leads to overburdening of the VCS in terms of monies and human resources. This can impact upon their ability to provide more frontline services (Gregory et al 2006).

In addition VCS organisations need more timely information from public bodies and a clearer means to understanding the criteria for funding streams and how their organisation might fit with this (Finance Hub 2008a).

Risk

It was anticipated that risk in the use of public monies would be an issue for funders that would influence their application and monitoring procedures.

The National Audit Office says that risk cannot be eliminated completely but needs to be managed. The risks may be poor financial control, that performance objectives are not achieved, that the reputation of the funder may be damaged or that opportunities might not be taken due to undue risk aversion. Where monitoring includes up to date information on risk this can reduce the overall amount of monitoring (National Audit Office 2009).

A clear objective for a Passport scheme will be the ability to satisfy funders that reasonable issues of risk, pertinent to the management of the organisation, are addressed. The challenge lies in achieving this to the satisfaction of stakeholders.

Risk cannot be eliminated in the grant making system if we are to allow experimentation and innovation. It is fairly common for funders to use standards set by other organisations to assess the trustworthiness of a VCS organisation. Charity registration is often used. However, registration with the Charity Commission is a test of charitable purposes and cannot indicate the general qualities of an organisation. There are many other ways of testing out trustworthiness such as quality standards, other funders making a grant to the organisation, reputation, evidence of good governance, previous funding given etc. However, these methods may not necessarily tell you what you assume they are telling you, for example, other funders may not have tested out their evidence in ways that would satisfy your organisation. Past performance is not entirely reliable in looking towards future achievement (Leat 2005). Also, as Unwin (2004) states 'Many experienced funders believe in instinct'.

Performance improvement

The Suffolk Passport was envisaged as having a two-fold effect of improving the processes involved in accessing funding and as a tool for performance improvement. As part of the study various questions were to be asked about performance improvement initiatives and the skills and capacity available within the local sector.

'Investment Readiness' is defined as 'the degree to which an organisation has in place the systems, processes, management capacity and relevant financial expertise and control to be considered investment ready.' (Finance Hub 2008b).

The Quality Standards Task Group (QSTG) sets out the following principles on quality and performance improvement. That an organisation:

- 'Strives for continuous improvement in all it does'
 - 'Uses recognised standards as a means to continuous improvement and not as an end'
 - 'Agrees requirement with stakeholders and endeavours to meet or exceed these first time and every time'
 - 'Promotes equality of opportunity through its internal and external conduct'
 - 'Is accountable to stakeholders'
 - 'Adds value to its end users and beneficiaries'
- (NCVO 2004)

By adopting performance management systems VCS organisations can have a greater understanding of the difference they make and how to improve this further, better evidence their performance, use resources more effectively, make improved decisions and have better evidence with which to promote the organisation (Copeman 2009). Smaller VCS groups may be more likely to take up capacity building support at times of crisis. Support should be tailored to the real-life development needs of the sector. The third sector should invest time in demonstrating the benefits of funding and support for capacity building in improving service delivery (Finance Hub 2008a).

The Quality Standards Task Group (QSTG) conducted extensive research on performance improvement. They found that VCS organisations have gradually increased their commitment to performance improvement, partly due to external factors such as increased competition for funds, greater media scrutiny, higher expectations from service users and the public, and the statutory funders' requirements in relation to spending of public monies. Many VCS organisations seek to improve not just the quantity of delivery but the quality of the services they provide and recognise that the management of their organisation, measurement of outcomes and reporting structures can help them to achieve this. VCS organisations identified that they would benefit from external assistance to identify and prioritise areas requiring performance improvement initiatives. (The Quality Standards Task Group 2004).

The Passport would represent an initiative from within the sector, working in partnership with funders, in addressing performance improvement.

Organisations have concerns that funders may impose performance improvement requirements on them or expect that these will mean higher output from a usually overstretched service, rather than an increase in quality.

Local infrastructure organisations have an important role in representing their local VCS organisations' needs to funders and to try and help improve local funding relationships. They also encourage and support local groups to improve their own performance, tailoring this work to identified needs. In order for mutually beneficial changes to the funding relationship to work most effectively it requires the support of both local groups and funders. The benefit to funders of implementing changes to current systems is the improved outcomes for local communities and better value for their money. Improved approaches to monitoring can save time for grant officers and allow the VCS organisations to spend more time on service delivery. A greater focus on outcomes provides a better link to area priorities identified by the LAA targets (Hobday & Burton 2008).

A study of BME third sector organisations examined whether existing performance improvement approaches were relevant to them. Five BME organisations were given grants to undertake work on performance improvement. The results showed that where organisations were able to carry out specific initiatives that were relevant to their real life circumstances they were able to demonstrate clear improvement in the services they provided and in their relationship with funders. There also needs to be clearer guidance on what BME organisations can expect and how and when they might benefit from the infrastructure services. They also need to promote the benefits of performance improvement to BME organisations showing how they are relevant to the sector (Afridi 2007).

Specific support needs for groups identified by QSTG were strategic planning and marketing, measuring outcomes, information about quality standards, information and support to share resources, and reporting on performance to stakeholders. Outcome measurement can also present challenges to organisations used to focussing on outputs. (The Quality Standards Task Group 2004). In addition the Finance Hub found that the requirements that are most difficult for funded organisations include measuring and assessing outcomes, monitoring, business plan development, collaborative working, staff qualifications and apportioning costs against multiple funding streams (Finance Hub 2008a).

Capacity building

Capacity building will enable the VCS to reach its' full potential (HM Treasury 2002).

Those who support the voluntary and community sector recognise that funded organisations need to be organisationally sound. It is widely acknowledged that to achieve this there is a need to fund core costs to enable an organisation to operate effectively. Organisations cannot deliver results effectively if they do not have the core capacity to manage finances, train, motivate and support staff and manage all aspects of their projects. In addition, good guidance from funders can help an organisation to develop viability and sustainability (Hutton & Sexton 2007).

There is necessarily a power imbalance between funders and funded organisations. This may inhibit organisations from discussing organisational capacity honestly. It is important therefore for the funder to encourage this discussion in a way that does not provoke a defensive reaction (Hutton & Sexton 2007).

Quality standards

The study seeks to identify current use of quality standards and the value placed upon them.

Some of the barriers to taking up quality systems are lack of capacity, funders having different measures to adhere to, not enough support for complicated systems and the culture within the organisation (Copeman 2009). In the study by Afridi BME organisations taking part felt there was a mismatch between the work they were doing (often lobbying and campaigning) and current quality assurance and outcomes measures (Afridi 2007).

Some funders feel that they don't know whether a quality standard indicates organisational capacity and would appreciate guidance on what these may mean in practice (Hutton & Sexton 2007).

Although the VCS are aware of quality standards it can be difficult to identify what areas of performance improvement they may best address and there is a need for simplification of information regarding these. Some VCOs are concerned that quality standards can be merely a tick box exercise which could undermine performance improvement. Also, the implementation of a quality standard may take time to show benefits in better services for users. However, it was acknowledged that at some point in the future there would be greater pressure to undertake some form of quality standard but that this should never be compulsory (The Quality Standards Task Group 2004). QSTG's strategy for performance improvement for the VCS made the following recommendations: VCS organisations need more information about different quality standards with advice and support, greater skills development, and that funders should fund these initiatives and support them (NCVO 2004).

The work by Cairns et al further emphasises the need for the VCS to be proactive in looking at performance improvement.

As a result of increasing concern by funders, particularly statutory bodies requiring evidence that organisations are meeting acceptable standards of quality, there has been greater pressure on funded organisations to meet this demand through undertaking quality systems. Where this pressure has not been explicit organisations anticipate a time when there will be such requirements in place and wish to be proactive in implementing systems. There is also internally, a desire by organisations to improve their practice. Where quality systems have been implemented, organisations feel that they have benefited through organisational self reflection, learning and development. They also felt that it had given them greater credibility in the external sector. Generally it was felt that the benefits to service users were less obvious and slower to filter down from the work undertaken. Some organisations felt that better information and support to decide on an appropriate system and implement it would be helpful. One problem was finding a system that is truly relevant and reflects the nature of an organisation's work. Staff and volunteers need to see the connection between their work and the quality system adopted and that it is an integral part of what they do not just an extra burden to satisfy stakeholders (Cairns et al 2005).

Black and Minority Ethnic Groups

A supplementary question was inserted for relevant organisations, e.g. funders and funding advisors about support for BME groups. It was important to try and capture their perceptions of BME groups accessing support services and applying for funding and whether a Passport would risk creating any further barriers to those which might already exist.

Research carried out in Tameside identified some of the hidden barriers that may exist for LIOs in providing support for BME groups. The research identified various barriers including a lack of understanding/application of rules and regulations (charity law, employment law, etc.) and a desire to achieve outcomes without following the requirements of funders or regulatory bodies which are alien to their preferred ways of working. Some of the implications for local infrastructure organisations resulting from this research are that there is a need for greater support with the funding process, writing applications, and development of business plans as required by funders. Cultural issues identified were finding meeting times that are accessible for all, greater sensitivity to the cultural context and that building a personal relationship with a dedicated individual worker can help develop the relationship over time (Cunningham undated).

Afridi's report raises further pertinent comment which should be carefully considered by all who are working in funding support.

Black and minority ethnic groups (the BME sector), have issues which may differ from other mainstream VCS organisations. They may be much younger organisations with a small income. They may be disproportionately affected by language and cultural issues, less well networked, work across administrative boundaries and have a strong value of community self-help.

One of the barriers to performance improvement for BME groups is that they may see it as an imposition by funders which takes away from carrying out their core activities, or may not see how it can give them the skills they need to adapt to a changing marketplace, as many groups who used to operate within a remit specifically related to their cultural affiliations are now increasingly trying to locate themselves in the mainstream. Thus support needs to assist these groups to understand how to reposition themselves in this changing environment. The report recommends specific actions that infrastructure organisations can take in respect of BME organisations and that they should ensure they have a good knowledge of deprivation and race equality in the wider VCS community rather than just 'cultural awareness' (Afridi 2007).

Implementation of a Suffolk Passport

The VCS need to position themselves to meet the need for quality initiatives that reflect their own views and resources and a Passport could potentially achieve this. Whilst enquiring about the participants' views on the Suffolk Passport concept the study may also identify alternatives to a Passport which meet the needs of groups for more streamlined access to funding and performance improvement.

In order to improve services and create sustainability for the organisation the VCS need to embrace performance improvement and find ways to make it work flexibly to address their needs. Monitoring and evaluation should not be seen as a burden placed on organisations by the funder but can be a useful learning tool to identify if current programmes are working well and if not, to guide future changes. VCS organisations need to find the performance improvement approach that works best for them. This could be a quality standard, strategy development, an evaluation process or benchmarking with others (Abdy & Mayall 2006).

The study carried out by QSTG found that VCS organisations recognise that funders will expect organisations they fund to be measuring and ensuring quality. Also, that stakeholders increasingly require evidence of accountability. Organisations also wish to improve their operating systems in order to improve the quality of their services. VCS organisations are aware that funders may seek in the future to impose a quality system upon them and are therefore keen to develop or adopt a system that meets their needs. The choice of system is influenced by the availability of resources and support (NCVO 2004).

The Compact encourages funders to accept nationally or locally agreed quality assurance as a benchmark (The Compact in Suffolk 2006).

There were various references in the literature to other models of performance improvement which are captured below.

There is a need for material that is easily understood which relates performance improvement to good basic management practice (The Quality Standards Task Group 2004).

Process benchmarking and peer review and mentoring are seen as beneficial, providing expertise and experience from those who understand the organisation's area of work (The Quality Standards Task Group 2004).

The Treasury review recommended that the government should implement "passporting" of financial information between their departments and develop a "lead funder" concept (HM treasury 2002). Gregory et al (2006) also support this approach, suggesting having a lead funder to streamline and minimise application procedures and monitoring particularly for small amounts of funding. This would include the lead funder 'passporting' information to other funders. This would have the benefit of minimising administration costs for both funders and organisations and minimising administration demands upon funded organisations.

Some funders have a common database of funding applicants and having a lead funder can streamline processes (Carroll 2008).

UK funders approach to investment readiness tends to focus more on risk. In Denmark they are testing out the use of independent peer review, described as a "critical friends group" who assess each other's investment readiness and decide whether to adapt investment readiness criteria to the capacity of an organisation, where it could deliver greater innovation (Finance Hub 2008a).

The type of support organisations would like to receive included peer support models with a mix of organisations to enable learning and skills exchange. There does not appear to be good self-assessment tools available to help VCS organisations assess what they need to do to become investment ready (Finance Hub 2008a).

Peer review is one method whereby third sector organisations can receive 'critical friend' feedback from other organisations possibly ones they may know, and will need to have trust in, who have the right skills and experience to assist them in progressing towards investment readiness (Finance Hub 2008b).

INTERVIEWS

All comments in this section are taken directly from the interviews conducted, and solely reflect the views of the participants.

(NB The terms group and organisation have been used interchangeably within this report and are not used to differentiate between their formation.)

National/Regional Funders

Although not included as part of the formal interviews, three national/regional funders were asked for their views on the Suffolk Passport concept.

The main responses from this are shown below.

Assessment processes for the provision of funding

It was felt that if the Suffolk Passport could demonstrate that it is a rigorous system it could contribute to the assessment process as part of the evidence that an organisation is capable of delivering a successful project. However, this funder made it clear that projects are judged on their own merit and having a quality mark does not necessarily mean that all projects are 'up to scratch'.

Performance improvement

They said that there is a huge benefit in a charity undertaking performance improvement and that undertaking a quality mark could show that an organisation has given consideration to performance improvement.

Two areas of performance improvement identified by the funders as a need are the tracking of outcomes and charities being able to show the difference they are making. They also consider that charities should be helped to work more collaboratively.

Provision of capacity building for organisations

One funder felt that there were sufficient capacity building initiatives available but did not feel that they were advertised well enough.

Implementation of the Suffolk Passport

In order to add to confidence in its use it must not be a 'tick box' exercise. Quality assurance is vital and the Passport needs to have credibility by being accredited itself. It needs to pass all the checks and be audit trailed, with buy-in from a sufficient range of people to validate it. A credible accountable body or person will need to be established and those accrediting the Passport will need the facility to 'buy-in' expertise where specialist knowledge is required.

Although perceiving a need for performance improvement one funder questioned whether many small charities have enough personnel to carry out the work needed for the Passport. It needs to be flexible as not all groups will have all the necessary requirements in place. Also, as small charities often put a lot of reliance on one person this could affect the sustainability of standards for the Passport.

General Recommendations

- The development of a standardized accounts form for organisations to present to funders.
- A 'project friend' from the funder to provide support during the life of a project.
- Where an organisation is looking at tendering for contracts they should also be looking at undertaking a quality standard.

Stakeholders (Drawn from Infrastructure Organisations)

Assessment processes for the provision of funding

Key issues

The positives

Grant providers have made the forms much more succinct now and Suffolk Foundation have made things easier by putting applications through to alternative funds where the criteria is not met for the one first applied for.

Specific difficulties in accessing funding

It was felt that application for funding can be overcomplicated, especially at the lower end of grant funding. Greater proportionality is required in relation to smaller grant funding and to make sure that there is not excessive costs to groups who are being assessed for funding.

The background information is seen as very onerous, for example, funders may ask for copies of accounts but do they always examine them properly?

Funder's criteria can sometimes be restrictive or open to question, an example was cited of how 'disadvantage' is defined, as groups have had their projects rejected on this basis. Greater clarity around criteria would be welcomed.

Suggested improvements

Some processes could be made easier, depending on the will of individual funders, and if so would also have the benefit of making decision making quicker. If a quality mark was the way to do this it could be of benefit.

A staged approach for all applications would save considerable time and effort for both funders and applicants, as would a standardised 'front sheet' with all the basic information on.

The question was raised that if the Charity Commission is satisfied with an organisation's constitution does a funder need to see it?

For organizations to receive information about funding opportunities, it was felt that between infrastructure and the statutory bodies the information is out there but that it may be a lot for groups to look through. There is time pressure on groups and could the information be made more streamlined?

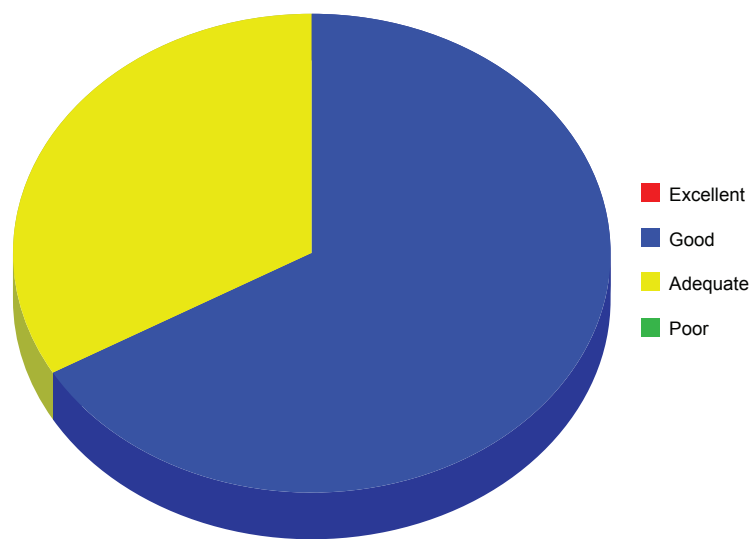
Actions taken regarding changes to the funding system

Approaches to national, local and statutory funders about ways to improve their assessment processes have generally been favourable with benefits to organisations such as grants being turned around more quickly, monies being paid out in a more timely manner and reporting procedures improved.

Consultation with funders is not always as widespread as groups and funding advisors would like but Big Lottery were singled out as a funder who does listen and take notice of suggestions to improve the application process.

Summary

Would you describe the current systems for assessing suitability for funding as:



Views on performance improvement

What areas do groups need most support with?

Key areas identified

- To gain a better appreciation of sustainability and exit strategies from the very start of development of their projects
- Grant applications
- Monitoring and outcomes
- Evidencing need in support of funding applications and how best to present this
- Business planning
- Employment and volunteer recruitment
- Trustee support

Is there sufficient availability of performance improvement initiatives?

One respondent felt that more capacity is needed to do this as there is inequality of provision across the county. However, another felt that there appear to be enough performance improvement initiatives but these events are not always fully booked. There could be better publicity and coordination of these events. For example, Social Enterprise East of England is trying to coordinate training opportunities from all organisations. It was felt that funders need to be fully aware of the support available locally.

“ The carrot for organisations in undertaking performance improvement is that they will be able to make better applications and achieve better outcomes with less risk. ”

Who should fund performance improvement?

It was felt that this should be a recognised cost for funders but that it was not always met. Funders could put on their own events to help with performance improvement, e.g. how to complete applications.

“ In order to move the sector forward more investment (in performance improvement) is needed, it must become fundamental. ”

Quality Standards

Encouraging groups to undertake a quality standard is not universal and is not usually raised by groups themselves. One infrastructure organisation which promotes a quality standard feels that it provides a continuous relationship with organisations which aids the development process. They feel that quality standards will become more central in the future and that we must find ways to evidence quality in order to give funders greater confidence. It is not thought that funders have knowledge of quality standards but rather set their own criteria for funding assessment.

“

There is variable knowledge amongst funders and we need to promote knowledge of quality standards to all stakeholders.

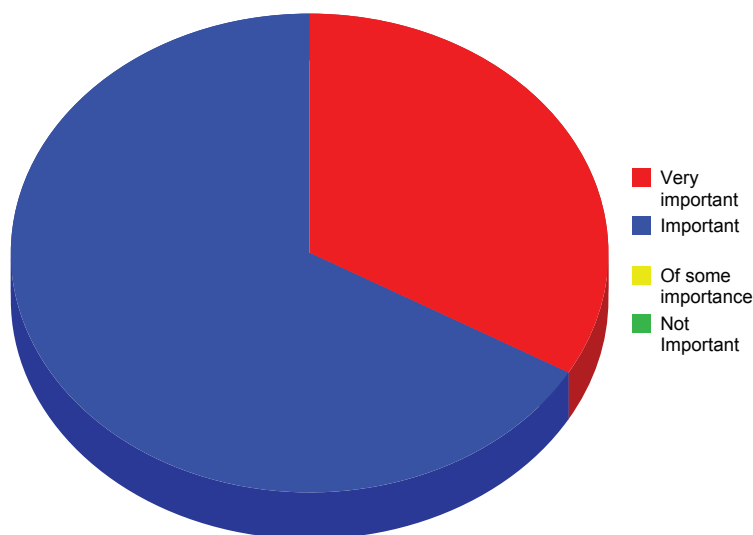
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Another organisation promotes a national quality standard but acknowledges that it must depend on the readiness of the group to take this up. The method by which the Young Suffolk Quality Mark is implemented is seen as particularly good for a group's development.

It was felt there was a need for more practical application of quality initiatives and to create an 'encouraging environment' and an ongoing dialogue about quality standards as a development tool.

Summary

How do you view the need for performance improvement for groups?



Training and support for funding advisors

There are patches of excellent provision but gaps do exist. Training and support could be better coordinated and existing resources could be used better. Although there is currently no qualification or minimum entry level that is mandatory for funding advisors there are generally monies available for advisors to undergo training.

Training and support initiatives are not always available locally. Local support and networking needs to be developed. Mentoring and on-the-job training may not always be practical due to costs and pressures on the system. A website might be the way to address this. A well established funding network could help with the provision of performance initiatives for advisors.

Do we have the right mechanisms in place to support BME groups?

Not many BME groups come forward and we have to question whether we have the publicity right or whether we present ourselves as approachable. We need to offer a consistent and coherent service from all infrastructure, perhaps using specialist support for different cultural backgrounds within this.

It is also based on the perception of BME groups of whether things are relevant to them, and they will come forward if they want something.

They may not need infrastructure support but we need to show them what the benefits are. They may be suspicious about the type of questions asked in a quality assessment, e.g. questions about safeguarding.

Implementation of the Suffolk Passport

Key issues

Impact for groups

Groups will need to feel that they are gaining benefit from the Passport in order to want to do it and it also depends on how onerous it is. A simple model is needed. Groups will also be looking to show benefit to their service users in undertaking it. Most importantly, this interviewee would support it if there are clear tangible benefits for groups. It should not create another hoop for groups to jump through.

There will be a need to monitor the use of public money even more closely in future and voluntary groups have to face up to this.

The positives

“

The concept of a Passport has huge merit.

”

It could streamline funding applications and save time. It could also be a good foundation for improving the funding process and for a group's development.

One respondent would support the scheme if there was wide ownership from funders and perhaps also with Service Level Agreements from local government.

Another said that the Passport could be enhanced by building in some optional extras such as trading and diversifying income.

Is it workable?

With regard to assessment for the Passport, the assessors would need to be suitably knowledgeable, for example, in order to be able to assess a group's finances. To provide funders with evidence of a group's investment readiness depends on the skills and understanding of the assessor. Quality standards cannot be a 'tick box' exercise.

Questions about its development were raised. How is a benchmark to be achieved for each section of the Passport? Where would we pitch the basic level of the Passport? Would there be one Passport or graded levels?

One respondent thought that it would probably have to be funded as there may not be the capacity already in the VCS to provide the support and development needed for the Passport.

It was felt that having several different people working with one group could be confusing; it really needs one point of contact. But how would we cope with the demand for assessment from groups if it was successful?

The Passport could need ongoing work as volunteers, staff and committees change and expertise is lost. It was described as 'only as good as the situation on the day it is done.'

Credibility could be lost if it is not kept up to date.

Alternative suggestions

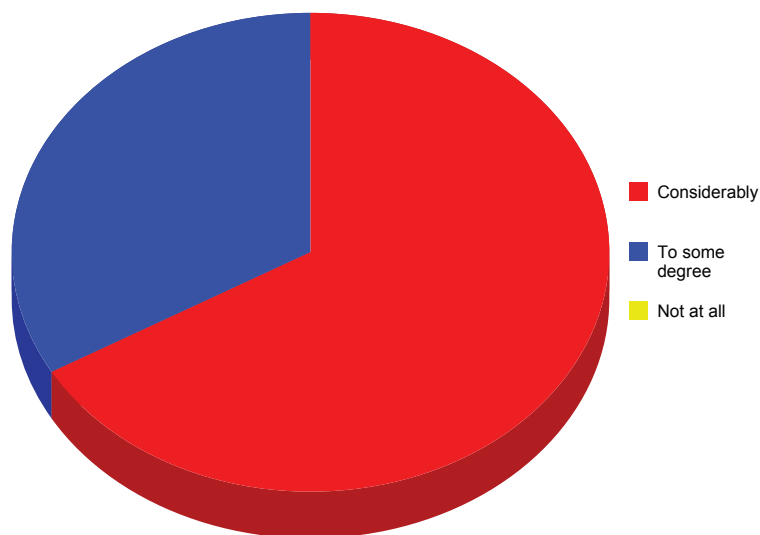
It was suggested that there should be a more integrated process rather than a stand alone development such as the Passport. It was questioned whether the same result could be achieved by means of a Lead Funder system where a funder would assess the group and this assessment is then passed on to subsequent funders with the key assessment points being agreed by all funders.

Instead of a Passport it was suggested that infrastructure bodies could create something similar by setting criteria for groups to become members of their organisations. One respondent would prefer to explore this type of model and make a group a bonafide organisation.

Another approach is through Basis 2 funding which has a target for identifying and providing funding mentors who would support other groups.

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?



Organisations

Current experiences of the funding system

Key issues

The positives

One of the large organisations interviewed said that unsuccessful bids are not wasted and should be seen as good preparation for other bids by holding onto the information gathered. A much smaller organization also felt that it helped in practice to have to provide all the information that funders requested.

Things do appear to have improved with several groups saying that funders are usually very helpful. The Suffolk Foundation was singled out in particular as having greatly improved, with the introduction of one application form. The Big Lottery was also identified as a national organisation that has proved good to work with.

The demands placed on an organisation

For most smaller organisations, meeting the many requirements of funding applications takes a great deal of time and is often voluntary time outside of the normal working day. Often it tends to rely on the goodwill of the fundraiser, donating not just time but often paper, ink and telephone costs.

The requirements of funders can have a serious impact on capacity and resources. Finance becomes complicated with increased paperwork and administration. This can necessitate the employment of a part time staff member to manage this work which then means an organisation has to apply for more core funding to meet the cost of applying for funding. One organisation felt that trusts and foundations tended to have better application processes than the statutory bodies.

One respondent said that evidence requested by funders, for example policies and procedures, do not in themselves prove anything about an organisation.

“

We should not mistake evidence for proof.

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One social enterprise said they already have to go through more ‘hoops and controls’ than other organisations.

Specific difficulties in accessing funding

A recurring theme is that understanding and thus meeting the funder's criteria is not always easy. One of the more difficult requirements cited was that of providing a business plan as this can represent a large amount of work and research. Completing policies and procedures satisfactorily and keeping up with legislation are also a challenge for the smaller group.

It was suggested that statutory funding streams are easier to provide monitoring for as newer funding streams often do not know what monitoring requirements to ask for at the beginning and thus may impose new requirements after the project has started. It can be difficult and costly if funders proscribe how they want data collected.

When contacting funders, clarity around criteria is still not satisfactory in many cases, with a lack of consistency between the information that is provided by those answering telephone enquiries and the assessors.

Statutory funders with their responsibility of accounting for public monies appropriately appear to be too risk adverse in many cases.

The fact that there are still many lengthy application forms out there was mentioned by some of the groups. These tended to be the national funders. Monitoring for E.U. funds and Learning and Skills Council was identified as very complicated and time consuming.

How could the current system be improved?

Key suggestions

- There are similar problems for both small and large organisations but for the larger organisations undertaking sizeable contracts for statutory bodies they feel that initiatives such as staging information requirements would improve the process.
- There is still a lack of understanding of charities which persists within some funding organisations. Funders need to understand that many charities are extremely business-like. The assumption still persists that charity employees are 'do gooders'. Where personal contact is established, good partnership working and trust can be developed.
- The time involved and the requirements for monitoring need to be relevant and proportionate so that staff and volunteers delivering the service can understand why they need to gather this information.
- Funder's criteria need to be made more explicit, including providing examples of how the funding could be used in order to clarify the criteria.
- Funders must recognise that equality and diversity targets can be affected by the geographical area and cultural differences which can mean that certain services are less likely to be accessed.
- Statutory funders should abide by the Compact.
- Funders should provide more guidance in how to complete their application forms.
- Avoid jargon. It is especially frustrating when the same jargon from different funders has a different meaning.
- In depth case histories from funders, including the bid and outcomes, would enable organisations to better understand the criteria and expectations of the funds they are applying for.
- Standardised forms would make things easier but the participant acknowledged this could be difficult due to there being differing priorities, areas and amounts. Suffolk Foundation was identified as a funder who has done a lot of work to simplify application processes and ask only for the information that is really needed.

Key suggestions (continued)

- Statutory funders should visit charities more often and see how they work.
- A central database of all organisations' information and accounts with an annual review date would avoid the more repetitious aspects of funding application and the repeated cutting and pasting, (although it is not always possible to transfer information easily between different application forms).
- Funders should be less patriarchal in their attitude but 'organisations do not fight back enough' to challenge a funder's decisions.
- Funders do not always give coherent feedback. Organisations need more specific detail on why an application has failed.
- Trusts and foundations could improve their processes by letting organisations know if they have been successful and making it clearer when assessment panel meetings will take place.
- Funders should pilot their application forms and remunerate organisations for their input into this.
- Face to face interviews are good. Visual evidence can then also be provided alongside experience of the scheme in operation.
- Staged applications are less time consuming for an organisation and can result in a quicker turnaround in decisions.
- Funders could do more to develop collaboration between organisations by holding compulsory briefing sessions around specific project areas to identify weaknesses or duplication and areas for collaboration.

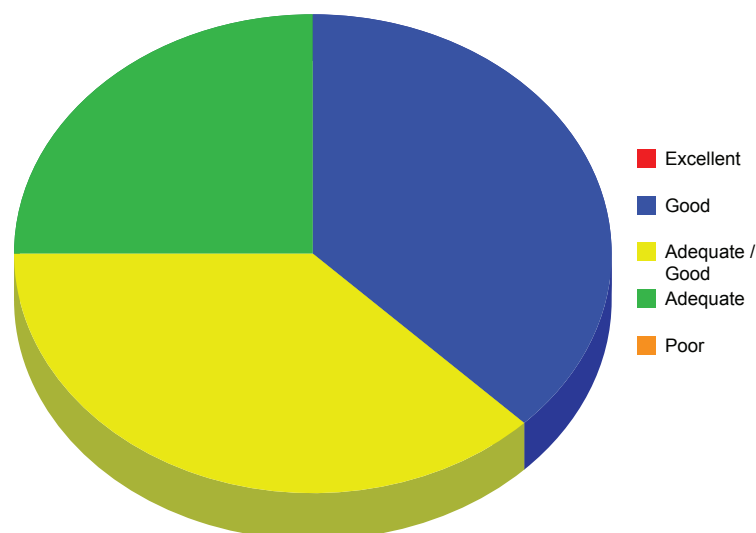
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The third sector should be properly funded for the amazing work they do.

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Summary

Would you describe the current systems funders use for assessing suitability for funding as:



Capacity Building - Quality Standards

Some organizations have undertaken quality marks in the past. One of these has looked at PQASSO, the main quality standard for the sector, but do not feel they have the time to do it at present. This was echoed by another group who feel that a quality standard is too much work with part time staff and volunteers and feel they are not big enough to undertake one.

One of the large organisations interviewed had done various quality marks in the past but felt that for funders it is just a tick box as they do not ask for any details of the standards or any proof of what they indicate about an organisation.

A small group who are undertaking the Young Suffolk Quality Mark recognise that a quality standard helps an organisation look at how it is operating and to be prepared for the unexpected. They said that although the quality standard has helped to minimise duplication of work, initially it is very time consuming. However, the benefits for the organisation are that it has provided a better overview for all staff and trustees of how different parts of the organisation work. It is a process with review built into it which stops the organisation from getting stagnant. They see the quality standard as a 'valuable working tool' which is used for every funding application, either identifying that they have it or as a more in depth supplement to their funding application information.

One organisation commented on the fact that there is no competition for PQASSO nationally.

Capacity Building Support

Key issues

Access to infrastructure support

As access to groups for this report was through infrastructure organisations the groups interviewed already knew where to access support and do so. Some groups feel that although they now know how to access the support they need that it was a struggle and confusing in the earlier days. Another group said that all applications are daunting when you first start out regardless of size or complexity. This is particularly the case where groups lack access to electronic systems. When applying for funding for a start up group, issues such as identifying referees and writing the constitution are a significant need which lessens as groups become established.

How support is provided is a personal preference with some preferring one to one support. However, group events were mainly preferred to allow networking and dialogue between organisations.

Support from funders

One organisation pointed out that it is in a funder's interest to receive good quality applications so they should invest in making their requirements more explicit as the Big Lottery have done. Also, funders are very individual in how they assess their bids so bid writing training provided by infrastructure can only be mainly generic. However, for some organisations the generic training was preferable to provide an overview and is linked to the time constraints on organisations.

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The statutory bodies could do themselves a favour by doing this' (bid writing training)

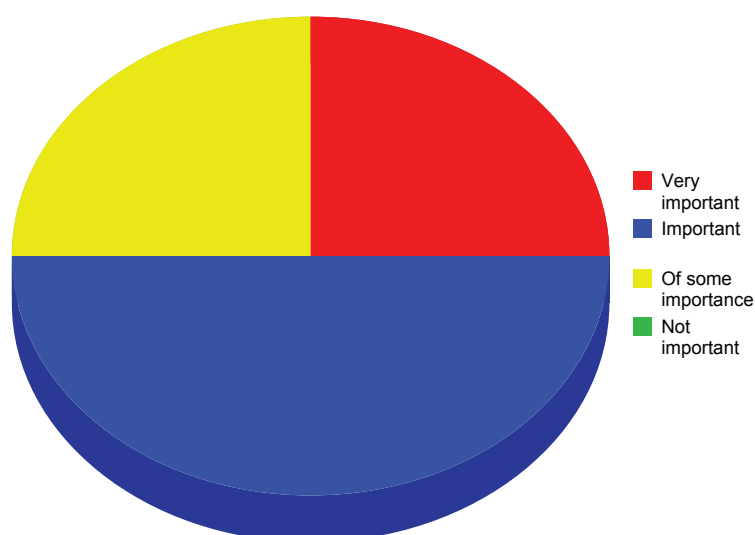
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Suggestions for improvement

- The sector seems to be too reliant on web based information.
- ‘How is a group to hear about all the initiatives that might benefit them if they do not have easy access to the internet?’
- Social enterprises may need greater access to support to develop the business expertise necessary. However, one participant felt that for social enterprises there is too much duplication in the capacity building support available.
- Groups need to learn how to ‘take the emotion out of their bids’. Funders want to see how a project will benefit them, not just the emotion generated by the person who feels passionate about their cause.
- How to write business plans and business planning.
- More ‘bite sized’ training would be useful.
- On-line training is useful, particularly where volunteers are working, as much of the training takes place during the day.
- Would be helpful to do training outside of the 9-5 slot and to be aware of school hours for those who have family commitments. Perhaps the same courses could be offered at different times.
- Modular training allowing participants to dip in and out would also be helpful.
- Training needs to be light hearted and with a light touch and lots of discussion.
- When seeking to contract for services more advice from statutory bodies, or training, would be helpful.
- Most groups feel that the support they access is sufficient, but would like, possibly from funders, more examples of completed applications, and more training in writing funding applications. Funding application workshops were described as being useful.
- An organisation which already has skills and experience in obtaining funding would find it helpful to obtain funding advice directly from other organisations who have successfully applied for particular funds and who are able to suggest how to make applications more successful.
- Funders should be supporting more Community Interest Companies due to the need for more sustainable organisations to develop.

Summary

How do you view the need for performance improvement for groups?



Implementation of a Suffolk Passport

Key issues

Impact for groups

It may not be helpful as national organisations would not accept it. A Suffolk Passport would not necessarily cover what funders need.

The positives

It could be used to add weight to national funder applications if they recognised it as a valid quality mark.

Some organisations can see that doing the work would increase the credibility of the organisation and that the Passport could be a way to achieve this.

“

Establishes you as a more professional organisation.

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The Passport could help remove some of the repetitive work of applications if there was a central database for documents or perhaps a link with the Charity Commission. By having this information on line it would save costs of paper and postage. It could cut the time required for a bid application.

Is it workable?

One large organisation said they are always interested in working in partnership but would not be able to invest the time in a Passport if they could not see the value. They would only feel it was valid if the external assessor is someone the organisation could value. It needs to be academically sound, high level, stringent and external to the current structures the VCS have in place. It has to be 'above reproach' and to matter to everyone involved.

Training for assessors should be accredited, for example by national funders. If funders want better applications they should consider funding such a course to train the assessors.

Groups would need reassurance that funders would be signed up to the Passport, that there would be sustainable support available, and that this would be free.

One Passport cannot cover all sizes of organisations and grants. It would therefore need a matrix of funding value bands with organisations only meeting the requirements of the band relevant to the value of the funds they are applying for. Funding bands could be Under 5K, 5K – 15K, 15K – 30K.

Would the Passport be of interest to groups who want larger grants and need to apply outside of the county? Would they want to go through the whole process just to be able to access small county grants?

How should it be delivered?

It was felt that the Passport should be delivered by the VCS.

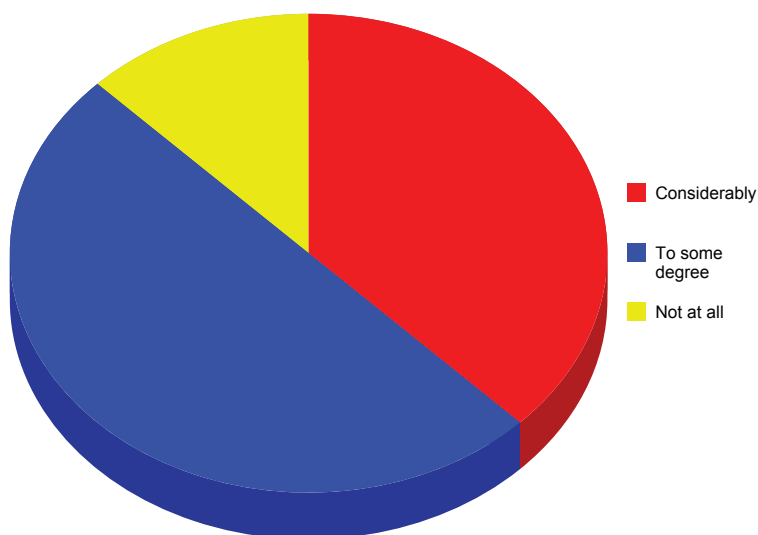
It needs to be relevant to an organization undertaking it. If implemented, small groups should be enabled to meet and reflect upon their development and this would facilitate benchmarking.

One respondent suggested that the purpose of the Passport should be made more explicit by putting 'quality' into the title of the scheme, e.g. 'Suffolk Passport to Quality' so that people better understand what it is about.

By use of a central database which could supply it's users with a unique ID, organisations could amend their entry as appropriate.

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?



Funding Advisors

Experience of the funding system for groups you support

The positives

Several funding advisors say that their funding surgeries provide huge value. However, they think the system generally could be made better but that some funders are very good at providing support through the whole process, and where this is not the case the infrastructure networks can support groups.

Where pre-application discussion with funders has been implemented it has greatly improved the process.

Suffolk Foundation was broadly thought to have a reasonable process in place. Their system whereby applications can be re-directed internally to suitable funds is seen as very good. However, one problem is that it can leave groups not knowing what timescales their application is working to.

Specific difficulties in accessing funding

All funders have different steps to follow so it is not possible to 'cut and paste' information from one application form to another. During the period of funding, when recording outcomes it can be difficult to fit the same information into different boxes for different funders.

It was suggested that not all assessment panels may be fully trained or have a good understanding of the sector.

Some requirements such as having the accounts in electronic format can cause groups to withdraw from the process.

Suffolk Single Gateway application is quite lengthy and 'not very user friendly'.

We do not have a wide spread of funders, with more grants, so the process can sometimes be quite subjective.

In order to achieve best use of their monies funders should make the process work better.

“

There is still more work that could be done to improve processes, with greater investment by the VCS itself.

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Suggestions for improvement

- The support process for small groups needs improvement as they can get very disheartened if turned down for funding and good projects may be lost.
- For some small groups, seeking very small amounts of funding in particular (£10,000 and under), proportionality is required. They need to be able to produce a much simpler constitution and simple receipting processes.
- Equality and diversity monitoring is an intrusive process for service users, and funders should consider other ways of asking for evidence.
- More consistency is needed in the system with re-funding where success is evidenced. Groups have to constantly re-invent projects.
- Funding information could be made more accessible, with funders and the VCS working better together.
- Although groups may be supported and prepared for funding applications in terms of their governance etc., more work is needed on getting the message across to groups about how to read and complete application forms, guidance notes and criteria.
- Need to enable groups to have a better understanding of jargon, with more consistency on application forms and in terminology needed.
- Information is available but needs access to the internet, library, networks etc. Groups need to be 'in the loop' to gain information. There needs to be more accessible and more manageable delivery of information.
- Infrastructure needs clear information also, in order to pass this on to organisations.
- Local funders need to communicate better with funding advisors so that they can offer more support when groups have been turned down for funding. District councils are seen as poor at providing this type of feedback to advisors.
- Staged applications and clearer decision times would improve the process.
- Make applications available in all formats, including paper, as not all organisations have access to IT facilities.
- By simplifying the application process it would encourage more groups to apply and we would see more innovative proposals.
- Groups need better feedback from funders where applications are declined.
- Funders do not like or expect to be challenged and a change of attitude is therefore required. There are very few appeal processes and either these, or better feedback mechanisms, are needed.
- Having a named person to talk to is important and whether this happens is variable. It is more likely to be the case with local funders but often not with other trusts and foundations.

Actions taken with regard to issues with funders

Consultations with the Big Lottery fund have produced positive outcomes. They are open to discussion about changes to application processes. Funding advisors have the opportunity to raise issues and discuss Grass Roots funding at bi-monthly meetings with Suffolk Foundation.

It is more difficult to effect changes with larger funding pots.

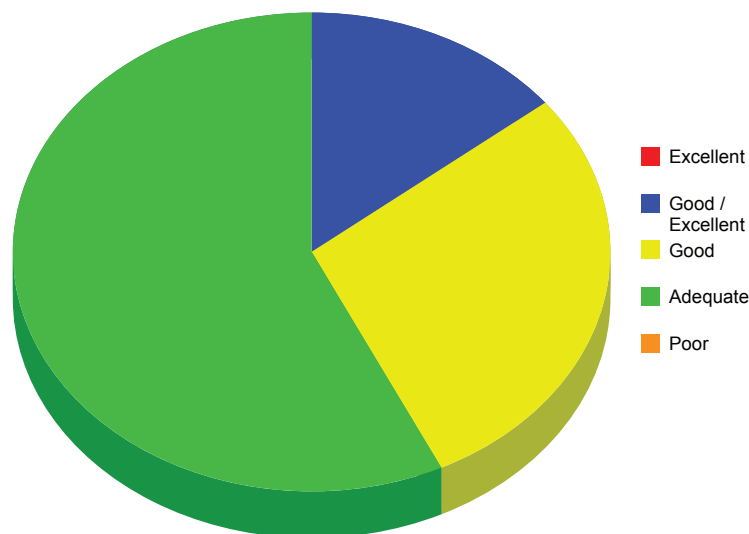
One advisor has written to funders about equality and diversity questionnaires for service users as they can be intrusive but the funders see no problem with this if the information is kept confidential, and being a government initiative say they cannot change this.

One of the main areas that advisors are likely to raise with funders is interpretation of criteria. Generally funders are found to be very helpful and advisors have been able to build up relationships with specific funders and sort out any problems.

The greater the gap between provider and funder the more room there is for the demands of the application and monitoring process to become complex. Where this is the case there has been less success in negotiating with the funder on changes to processes, citing the provider's requirements as a barrier to change.

Summary

Would you describe the current systems for assessing suitability for funding as:



Performance improvement

What are the areas groups need most support with?

Key areas identified

- Many groups are good on financial management but need help on budgeting.
- Full cost recovery.
- General governance issues such as developing their constitution and policies. Groups do not know why they need policies, what to put in them, and how to implement them.
- Succession planning and exit strategies. Changes in personnel can lead to a gap in performance while a new person learns about the project, especially in the area of monitoring and what has been done with the previous funding.
- Funding applications and specialised understanding of which funds to apply for. Many groups are investment ready but are presenting applications that are not well written.
- Interpretation of what funders want and explanation of jargon.
- Monitoring and evaluation.
- Need for more accredited trustee training.
- Project planning where a group is setting up from scratch.
- Evidencing need.
- Outcomes including SMART outcomes and soft outcomes. It is felt that groups do not understand outcome measurement.
- Implementation of equality and diversity.
- What strategy or targets they need to hit.

Some final general observations were that groups do not recognise or talk about their achievements sufficiently. Also, that where funders request specific information or outcomes measurement structures to be in place they should fund this.

Is there a need for greater availability of performance improvement initiatives?

Infrastructure support

Funding advisors said that the feedback on services they were providing across Suffolk was generally good. However, some also feel that they may not be reaching all those who need it and that not all are able to take it up. One advisor said that if they had greater capacity available they would provide more one to one funding advice.

Support from funders

One advisor said that with increasing competition for decreasing funds standards need to rise to meet funders' requirements. Some identified a need to work more with funders and that the funders would like to work more with infrastructure and groups and that this should be at a strategic level. Funding for capacity building was seen to be to the benefit of funders as they

“ Sustainability is very important to funders so they want to see groups working better and more efficiently. ”

would receive better applications and project management.

Some advisors feel there is a need for more affordable, good quality, performance improvement initiatives and that we need to have the debate with funders about how this should be met, but they felt unable to say whether this should be funded by them or by infrastructure.

The Big Lottery put on workshops and it was felt that other funders should be doing this also. Suffolk County Council and the District Councils should provide further initiatives around tendering and meeting Local Area Agreement targets.

However, one advisor was clear that if funders support performance improvement it will take too much out of the grant pots.

Suggested improvements

More workshops are needed on simplified basic performance improvement. This information could also be put on a website or made available as fact sheets.

Quality Standards

There was little active promotion of quality standards by funding advisors. Only one said that they always mention quality standards to groups, particularly where they are employing people, and that youth groups are directed to Young Suffolk's quality mark.

Although some advisors have knowledge of the main quality standards and use the quality standards booklet produced by SAVO and Local Infrastructure Partners (<http://j.mp/savoqs>) they 'create awareness' and mention PQASSO, leaving the group to make their own decision rather than encouraging groups to do a quality standard. The reasons for this are the amount of work involved, feeling that most groups were too small to be able to take this on.

Some advisors felt that they did not have the knowledge of quality standards to be able to advise groups. Another advisor said that they did not promote quality standards but try and encourage groups to think more professionally and improve their credibility. Another reason for not promoting quality standards was not being convinced of their value as they can be a 'tick box' exercise. It was also said that 'one size does not fit all' and there is little choice available. It was also stated that funders do not ask for them.

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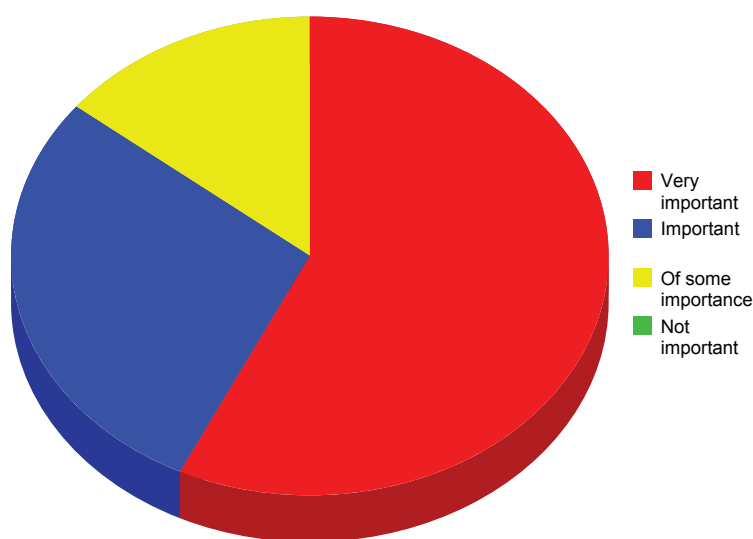
There would be wide recognition needed for quality standards to have power.

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One advisor was not aware of the Quality Standards booklet and feels that a funding network disseminating information could avoid this lack of awareness.

Summary

How do you view the need for performance improvement for groups?



Training and support of funding advisors

There is no formalised local training and development for funding advisors and it was suggested that it probably needs investment to help raise skill levels. Several advisors feel that there is insufficient funding available for their support and development apart from the general training budgets of the organisations they work for. Nationally provided training is too expensive and there are travel costs on top of this. One advisor said that support for this might come from smaller local funders as they see the benefit from it. There has been general discussion with funders but this could be developed further through the Funding Network.

However, one advisor felt that the training available does not prepare an advisor for the grass roots work. She said courses are too strategic (policy and governance based), and felt that mentorship and on the job training, coupled with having good communication skills are of more use.

Some advisors thought that mentoring could be helpful and informally have been able to find the support and information they needed. To support this it was generally felt that there was a need to develop the funding network with a web based forum for advisors which is confidential and has restricted access.

Big Lottery workshops at Cambridge were cited as having been very helpful but that there is a need for more networking and local knowledge to keep on top of current trends, future developments and what local funders are doing.

Do we have the right mechanisms in place to support Black and Minority Ethnic (BME) groups?

One advisor said that there are many issues to be considered when working with BME groups such as gender involvement, ways of communicating, and cultural issues around evidence recording and reporting processes and procedures. She felt that there is a risk that things that go wrong are labelled as racist rather than due to other reasons. This very experienced advisor said that things may take more time to achieve and much consideration should be given to careful explanation of why governance and other requirements are necessary.

Other advisors felt that BME groups have support needs which can be met by the current system through good communication and joint working, although some BME groups might not wish to become involved as they may have different ways of doing things. However, there is evidence of need for support and advice particularly in managing funding. Another said that application forms need to be simplified as this can be a barrier but that one to one support was available to overcome this.

Impact for groups

“

*I'm in favour of it.
A good idea.
Would feel more confident in a group that had a Passport.*

”

Advisors generally felt that there could be benefits to the Passport such as helping groups feel that someone was taking an interest, and that it could be good for groups if all partners are on board. However, groups must be clear that it would not open doors to funding but could increase their credibility with funders.

“

*There is a need but it has to be more than just
a tick box exercise.
It is vital to make groups fit for funding.*

”

It was seen as good if it cut down the amount of information that had to be provided with each application or if it meant an organisation only had to submit things once. As part of the process, references from previous funders would be very useful as it is important to convey good practice where it exists.

Is it workable?

As long as it is not too complicated. There is no wish to make it difficult for smaller groups. Groups must be given the support to achieve it and not just left after being told, no, you are not ready.

In order for this to work it needs engagement from funding advisors in the design of it and funders must engage and groups must see the value in it. The Passport needs to be specifically around funding applications and needs to become established and recognised.

Concerns were expressed about what checks would be in place and how often they would be carried out. Another advisor was concerned that funders need to make sure that it does not become compulsory.

One funding advisor questioned whether funders trust the VCS to manage such a process.

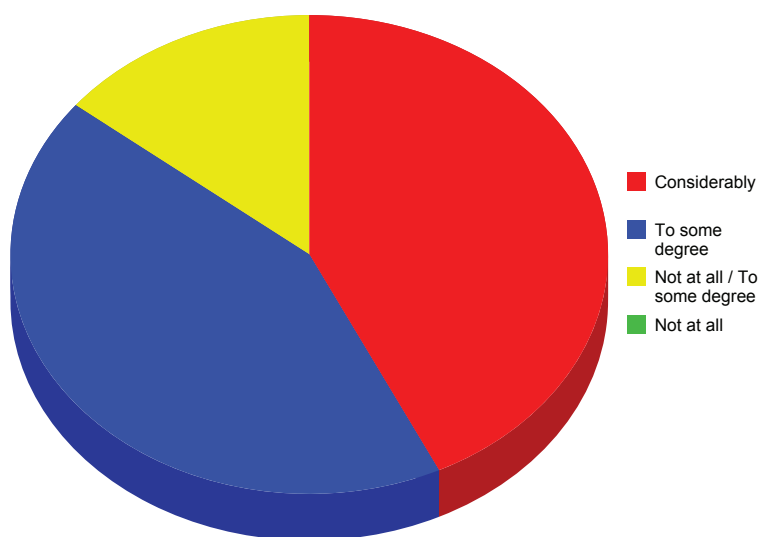
How should it be delivered?

Some advisors feel that there is sufficient capacity within the VCS to administer the Passport and that local groups could get as much support as they needed. It would therefore be cheaper and easier to utilise the wide range of skills that already exist within the VCS. Advisors said that it could be taken on as part of their role in which they are already developing the organisations and that they could also do the assessment for awarding a Passport. However, others felt that it was too big a piece of work to be funded from within existing resources and there was probably not enough capacity currently in the sector to provide the support and development needed.

One participant suggested that the advisors could 'sign off' the Passport and a condition of a grant could be that the group accepts continued support. She felt that it was part of her and other advisors role to give up-to-date and relevant information to funders about an organisation.

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?



Funders

Assessment processes for the provision of funding

What are funders looking for that goes beyond the documentary evidence?

Apart from the documentary requirements identified, funders are also seeking to identify good ideas that are innovative rather than relying on a group's track record. In assessing a new group who do not have a track record it is their drive and the ideas that are important and to have basic governance in place is sufficient. One funder said that development can happen over time and a group may not have everything in place initially and they did not want to stifle enthusiasm and opportunity by insisting everything is in place at the start.

Funders used various phrases to describe what they look for beyond the documentation: 'enthusiasm', 'a sense of wanting to achieve' and 'the passion of the group' as indicators that they have the desire to make the project work. Sometimes a professional approach alone does not necessarily predict a good outcome.

What else do funders use to assess a group?

'Gut feeling', 'use of business sense', (especially for social enterprises), and 'building a picture' are other phrases used to describe that which goes beyond the documentation. Funders may ask groups to talk through the project with the assessing panel. They may also visit, telephone, meet groups on site, and ask searching questions, e.g. about the accounts. They may also ask others for their experience of a groups' activities. This 'soft intelligence' might come from local councillors, service users, infrastructure and other funders. Other than this they might wish to check that reserves held are not excessive, that there is a good range of funding sought, evidence of need, the type of skills the group possesses and who else are they working with. They also look for a clear project plan that is methodical and shows the group has thought through the whole process.

References were not really valued by most but may need to be taken up for new groups for the steering/management group. A track record was thought by some to have value.

Children and Young People's services are necessarily very stringent in the checking of documents. Start up organisations will be expected to seek to fill any gaps in their applications. A start up organisation might be encouraged to link up with a parish council or village hall to submit the application.

On the topic of risk, some funders will allow an element of risk with new groups 'otherwise how would new projects get developed?' In the case of small grants there will be a certain element of risk allowed but more rigour for larger grants.

“ *To create and achieve outside of the ordinary we have to accept some risk, it can bring massive returns.* ”

One advisor questioned whether some local funds such as parish council funding for a village hall is rigorous enough in assessing how the project is being run.

How could assessment processes be improved?

It was felt that there was room for improvement and one of the areas is the idea of training for assessor panels. Assessment could be made more proportionate to the size of the group (e.g. just a copy of the bank statement for a new organisation). Some funders would be prepared to consider a simplified application process for smaller organisations/small grants but still need a certain level of information in order to judge one project from another. In order not to make funders more risk averse there needs to be a balance. But some funders will take some of the information on trust, e.g. that an organisation has policies in place. A more established organisation with a track record may not need to provide as much information as a new organisation. Checking against Compact is seen as good practice.

“ *Certainly grants under £1000 should require less detail simply because it can be onerous for small groups to provide everything.* ”

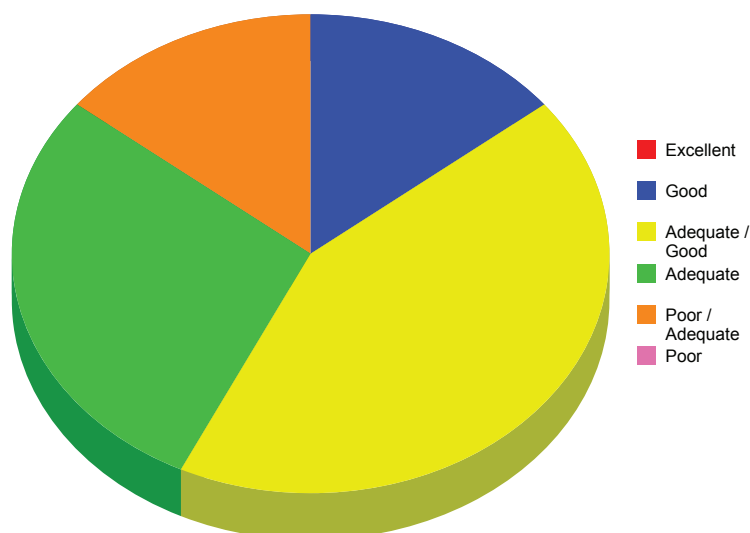
If a central database was established with organisations’ information, although making things easier for organisations, it would not lessen the work for funders.

One funder felt that local infrastructure needs to search out groups and advertise funding opportunities more and another said that groups need increasingly to look for initiatives that meet strategies and needs in their area of work.

Another funder made the point that due to more limited funding now being available the grants provided by a local council are smaller. Organisations will therefore have to apply to more grant funders to achieve the same amount of funding. Thus the amount of paperwork will inevitably increase for groups in the future.

Summary

Would you describe the current systems for assessing suitability for funding as:



Performance improvement

The need for performance improvement

Funders feel that there is a need for performance improvement, and as one funder said, the sector itself identifies a need for performance improvement. However, there are two main concerns. One is that there is a danger that groups may become overburdened by too much emphasis on this. The other is that despite these initiatives being available groups do not always take up the opportunities offered.

Areas of need identified

- bid writing – no improvement has been seen here yet
- research skills/assessment of need
- monitoring and evaluation
- exit strategy – there is no planning in place at the outset
- sustainability - difficult for small groups to think long term
- not enough support for more complex procedures such as local planning
- groups may not understand or embrace diversity as it relates to all equality strands
- trustee training
- could develop simple business plan guidelines for small groups with just bullet points to complete

Funding capacity building

One funder said that central and local government are looking to the VCS for delivery so want to fund performance improvement. Most funders stated that they would expect to cover capacity building for projects and core costs.

Hidden support (i.e. non-monetary)

Funders identified a raft of measures which support groups beyond the financial input. They work face to face with groups on their initial ideas, aid project development, discuss and negotiate measurement of outcomes, and some have liaison officers to help with management issues during the course of the project. Another funder said they offer as much support as groups want – business planning, volunteer management and also signpost people on to other sources of assistance.

Most funders feel that their feedback is very comprehensive. One said that they provide this in the way groups want. Practical help is also provided, such as help with applications and match funding, including signposting to other funders. Other help offered has included training in performance management, independent business support and creating collaboration opportunities.

Views on current provision of capacity building for organisations

Funders generally felt that there is sufficient capacity building support available but that it is not always within the capacity of an organisation to access the help. The support is not just face to face but on the web, in books etc. Another commented that availability of provision has improved but many groups are still confused until after they have embarked on the application process and start to understand things better. One commented that many groups are not aware of what is available and often it is word of mouth that alerts them to the resources available. Another funder described the availability of support in their area as excellent, including funding surgeries and training.

A suggestion was made of developing a programme for groups which offers the capacity building initiatives which would constitute a Passport but not necessarily as part of a Suffolk Passport scheme.

Some funders feel that although start up help is available from infrastructure most do not provide support for more complex growth and development needs such as business development.

Quality Standards

Half of the funders interviewed said they were familiar with some of the quality standards used, e.g. PQASSO and Young Suffolk Quality Mark and what this indicates about a group's development, feeling that these standards satisfy their requirements for evidence of quality. The others were not familiar with quality standards within the VCS and did not know what they indicate about an organisation. They would seek guidance from the sector regarding this or would research what a quality mark means if presented. Where quality marks are appropriate to the work of the group they may have some influence in indicating a group's commitment to performance improvement.

One funder felt that quality marks could be very useful if well developed and could give reassurance. Others felt that even with a robust quality mark they would still wish to do their own assessments. Children and Young Peoples services have an expectation that groups will be undertaking quality standards.

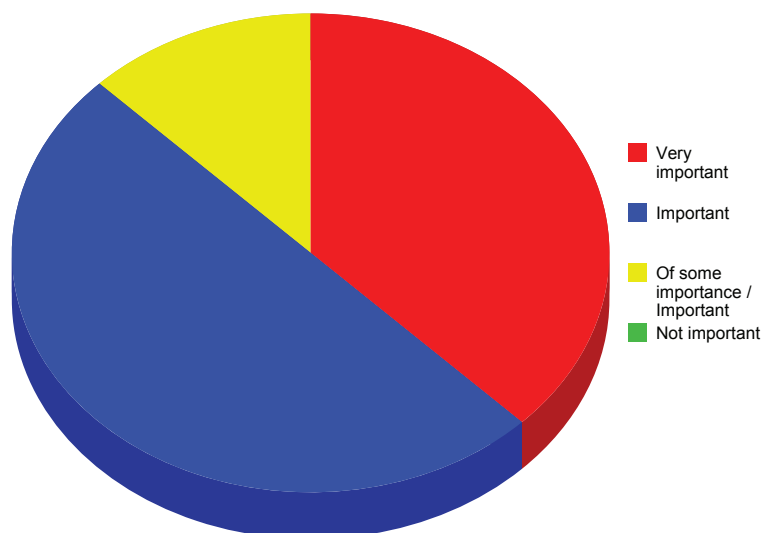
Funders also felt that groups must have the support to enable them to work through a quality standard.

Do we have the right mechanisms in place to support BME groups to access funding?

Funders felt that it is difficult to assess whether the groups are out there and not coming forward. They said minority groups do find it hard to access funding and can feel excluded or intimidated and may be hidden and slip through the net. However, although more could be done we cannot avoid the essential bureaucracy and it is the same for all funding requirements. Funding advisors need to find ways to bridge that gap. One issue is that it is not always easy to convey the requirements for funding e.g. having a constitution, and there may be some barriers in working with BME groups, but we need to overcome these with relationship building and gaining confidence in working together. We also need to find out how to link to BME groups. One suggestion was that the Passport could be linked into key people from the BME sector. There will be a need to educate people to understand the benefits of the Passport to access funds. One funder was confident that the impact assessment process will indicate if there are any barriers.

Summary

How do you view the need for performance improvement for groups?



Suffolk Passport

The benefits

Funders could see that it would save time and costs in the longer term for organisations, allowing them to concentrate on their core work. Standardisation would also help groups focus and not spend excessive time on administration. It would save time at the 'sifting process' for Suffolk County Council and other funders felt it could simplify the process. Another benefit was seen as it being quite useful to know that all the background checks have been done which would give added confidence.

Is it workable?

Some funders would not want to rely too much on a Passport as they would still wish to do their own assessments. This was particularly cited by one council with their responsibility for the allocation of public monies.

A Passport would also need to be accessible enough for small community groups and it is vital for groups to see the value of it.

One funder suggested that the necessary intelligence could be obtained from a well established funding network but that there are data protection issues to be considered.

Specific further concerns were expressed:

“

Groups will open themselves up for judgement without any guarantee of benefit.

One size fits all is problematic.

If the Passport is not universal why would a funder utilise it?

I would prefer a lighter touch.

”

How should it be delivered?

Following on from the comments above, the Passport would need to be flexible enough to meet the needs of all sizes of groups and to recognise the work done as part of other quality systems.

In relation to funding the scheme, one interviewee suggested that funding might be obtainable for the Passport development if it saves time and money.

Suggestions were offered as to how the Passport could operate. For example, the Passport could be stamped each time a group runs a project so it would act like a reference from each funder. The design of the Passport could be 'two tier' to take account of the size of a group, with a summary of essential information and a summary of secondary information.

For the Children and Young Peoples (CYP) services it could be a framework to measure an application but it can only cover generic materials not those specific to CYP for example.

What safeguards would you be looking for?

Key issues

Quality assurance

Monitoring the Passport is a major consideration. Keeping it up to date, the length of time between assessments and the changes to an organisation that could occur in this time.

It could streamline the process of applying for funding but it hinges on the quality of the Passport itself. If a funder was giving up any control due to a Passport system they would want rigorous quality assurance. One funder would want a lot of people to be using it as an internal assessment of its efficacy, but there could be too much pressure on resources if many groups wanted to go through the process.

The assessment process

“

Who had signed it off?

”

There was discussion about whether assessment could be provided by existing funding advisors and one interviewee felt that assessment would be best done by funders and advisors and an independent panel used for the final assessment. It was suggested that there would need to be a very thorough approach to assessment if it was carried out by advisors to avoid personal bias. Also, relationships with different funders vary so that could also lead to an inappropriate bias. Several funders would prefer to see dedicated external assessors, rather than it being part of the advisors role, in order to provide quality assurance. The scheme would need to ensure assessors were well trained and have a good understanding of the VCS. It would need to be led by one single organisation to ensure consistency.

Other concerns expressed

The Passport would need to be well promoted so all groups are aware of it. They would also need to be fully aware that it does not guarantee access to funding; it is not a right to funding. We must also ensure that funders do not try to convert this into an approved provider list.

Confidence in what the VCS can offer

There was unanimous confidence in what the VCS can offer in establishing a Passport, with one funder adding 'if set up at county level'.

Would you be prepared to put your requirements in line with other funders?

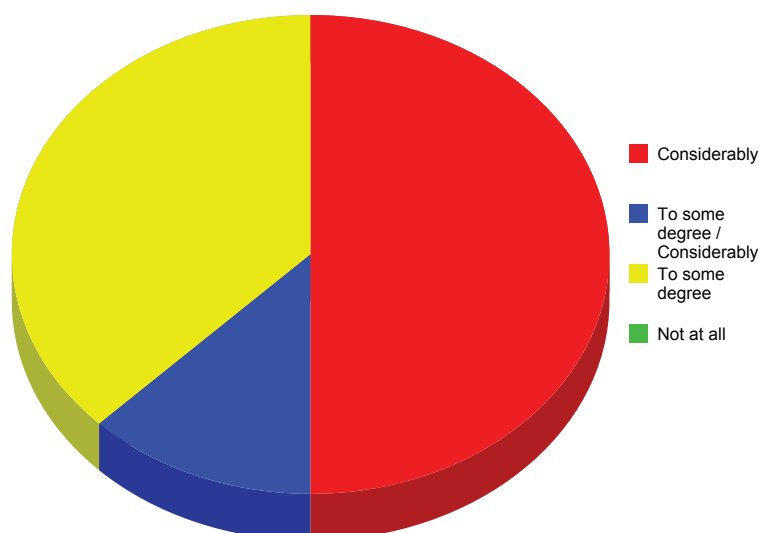
Half of the funders questioned showed a desire to streamline and simplify processes. It could be quite useful as funders ask for the same things but in different ways. It would also enable better benchmarking between organisations. Another funder commented 'I do not see a problem with this; councils may be merging services and structures anyway'. Others felt that they could consider it but it would need much negotiation between funders. It may not fit in with statutory bodies who have their own targets and needs assessments. Another said 'as an aspiration' as long as the district can still demonstrate its outcomes locally.

Taking the Passport forward

The funders felt that they could work in partnership and share resources, for example, as part of the steering group. They saw their involvement throughout as important. Through being involved at an early stage they could contribute their views or pull out of the process. It needs to be established what funders would need to do and what they would gain from the Passport, as is fuller consultation with organisations

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?



Summary of key issues
from the participants'
interviews

Assessment processes for the provision of funding

There was universal agreement that funding application systems can be too complicated for small grant funding. A more proportionate system with less information requested by the funder would be desirable. This would help avoid the serious impact on capacity and resources. Not all the evidence that funders request is seen as appropriate and it was questioned whether it is utilized. There is little consistency between funders requirements which increases workload for groups. Most statutory funders expressed a willingness to consider putting their application and monitoring processes in line with other Suffolk funders. Better explanation and clarity of funding criteria is needed, and a staged approach for all applications and pre-application discussions would be seen as very beneficial.

Streamlining of funding information sources, perhaps through the funding network, was suggested. A more measured approach to risk was advocated although some funders feel that they already do this. Although national funders' requirements were found to be more challenging to meet there was much more positive comment about local Suffolk funders and the approaches they have made towards simplifying the application process. It appears that more funders are listening to the issues raised about their assessment processes and are making changes, but the greater the distance between the applicant and fund provider the more complex the procedure.

The recommendations for improving the funding application system cited by participants in the study are listed in Appendix 3.

Performance improvement/Capacity building

The main feeling was that there were sufficient performance improvement initiatives but often poor take-up amongst organisations.

Better publicity and co-ordination is needed for events. Although this provision was seen as adequate for new or smaller groups several participants felt that there was insufficient help available to groups wishing to grow and develop. It was suggested that statutory bodies should provide more initiatives around tendering and meeting local targets.

Funders stand to benefit from performance improvement and it was felt that they should therefore meet some of these costs or provide further support to help groups to understand and access funding. The county and district councils should also provide more initiatives around their requirements. Funders should ensure they are fully aware of the support available locally in order to signpost groups to this. There was a clear need identified for further work with funders around the issues identified.

Key areas of development need for groups cited by participants in the study are listed in Appendix 2.

Quality Standards

Apart from the larger organisations there is very little take up of quality standards, or promotion and understanding of them by funders and advisors. The main reasons given are the amount of work required and the effect this would have on resources. It appears that there is little conviction of the value or recognition of quality standards by funders with them often being seen as a 'tick box' exercise. The exception is young people's services which have a dedicated quality mark and a support structure for the implementation of it. There is an expectation that they will be working towards the quality mark to access certain funding sources. Groups who have undertaken a quality mark do recognise the value in doing so. One of the main keys to the success of promoting quality standards is the support available to an organisation to achieve it.

Training and support for funding advisors

There is no requirement for funding advisors to have a recognised qualification although they may choose to access training for one of the national qualifications. Most advisors either have relevant experience or are able to access the support and information they need locally or through the web. However, most felt that local support and networking needs to be developed, possibly through further development of the Suffolk funding network and its' website.

Support for BME groups

Most participants providing funding advice felt that they offered a high level of support to BME groups. There was acknowledgment that they do not know if all groups who would benefit are coming forward and whether we have adequately explained the benefits that infrastructure can offer. There are undoubtedly cultural issues which can create barriers, such as disclosure of information. There is a need to build better relationships and encourage more BME groups to come forward through better promotion and understanding of the benefits.

Suffolk Passport

For national funders the Suffolk Passport might have value as an indicator of a group's willingness to improve their performance.

It is more likely to have a resonance with local funders subject to robust quality assurance. There was varying comment on quality assurance with some interviewees feeling the Passport could be managed internally by the sector and others feeling that this would not be a robust enough approach. There are clear issues around funding and maintaining the integrity of the Passport.

All groups will need to see clear benefits in order to undertake the work necessary and a county wide take up and support of the scheme by funders is vital. Funders all expressed confidence in what the VCS has to offer in developing the scheme.

Some of the main benefits of the Passport were its potential to increase an organisation's credibility and to streamline the funding application system. However, there are many complex issues to consider in the development and implementation of the Passport which are presented in full in the following section. Not least of these are developing something that is flexible enough to suit all groups and which does not impose excessive demands on what are limited resources.

Summary in full of participants' comments on implementation of a Suffolk Passport

The concept of a Suffolk Passport scheme was fairly well received by most participants in the study. However, a robust assessment of its feasibility was discussed by the interviewees and these views are presented in this section.

Scope

The introduction of a Suffolk Passport would only have impact at a county level. National funders said that if the Passport could demonstrate that it is a rigorous system it could contribute to the assessment process as part of the evidence that an organisation is capable of delivering a successful project. However, projects are judged on their own merit and having a quality mark does not influence the project assessment. Thus it could only be used to add weight to national funder applications if they recognised it as a valid quality mark. For organisations who seek most of their funding from outside the county it may not therefore be seen as adding value unless it is part of a drive to performance improvement and the benefits that can bring to an organisation.

Larger organisations may not see the value in undertaking a Passport. They are more likely to have undertaken quality standards which already cover the requirement of a Passport and to be seeking funding from out of county. They may not wish to go through the whole process just to be able to access small county grants.

For the Children and Young Peoples (CYP) services in Suffolk it would not meet all specific requirements. However, the funder still saw it as a potentially beneficial framework to measure an application although it can only cover generic requirements, not those specific to CYP.

Quality assurance

Quality assurance is seen as vital. Although a Passport could streamline the process of applying for funding, this hinges on the quality of it. If a funder was giving up any control due to a Passport system they would want rigorous quality assurance.

It was suggested that the Passport needs to be professionally accredited in order to have credibility. It needs to be academically sound, high level and stringent. In order to add to confidence in its use it must not be a 'tick box' exercise and should be able to clearly evidence this.

Monitoring the Passport is a major consideration. Concerns were expressed about what checks would be in place and how often they would be carried out as the Passport would need to be kept up to date or it could lose its credibility. Between assessments there may be changes to an organisation which could impact upon its functioning.

Several funders would prefer to see dedicated external assessors, rather than it being part of the funding advisors role, in order to provide quality assurance. One funder would want a lot of people to be using it as an internal assessment of its efficacy.

Buy-in

In order for a Passport scheme to work it needs engagement from funding advisors in the design of it, funders must engage and groups must see the value in it. The Passport needs to be specifically around funding applications and needs to become established and recognised.

There would need to be buy-in from a sufficient range of people to validate it. It has to be 'above reproach' and to matter to everyone involved. Wide ownership by funders and perhaps also its use in service level agreements from local government are necessary for the support required. If the Passport was not universal a funder would not want to utilise it. Some funders would not want to rely too much on a Passport as they would still wish to do their own assessments. Groups would need reassurance that funders would be signed up to the Passport.

The Passport would need to be well promoted so all groups are aware of it and there must be equity of access to it. Groups must be given the support to achieve it and this support must be sustainable and free. Groups may not wish to open themselves up to judgement of their functioning unless they can see a clear benefit in doing so. Groups would need to be fully aware that it does not guarantee access to funding but that it is undertaken to improve the application process and that it would also be of benefit in performance improvement initiatives.

Implementation

It was felt that the Passport should be delivered by the VCS and would need to be led by one single organisation to ensure consistency, and a credible accountable body would need to be established. Some respondents thought that it would probably require external funding as there may not be the capacity already available in the VCS to provide the support and development needed. They felt it was too big a piece of work to be funded from within existing resources. One interviewee suggested that funding might be obtainable from local funders for the Passport development if it saves time and money.

However, some of the funding advisors feel that there is sufficient capacity within the VCS to administer the Passport and local groups could get as much support as they need. It would be cheaper and easier to utilise the wide range of skills that already exist within the VCS. But, several participants commented that there could be too much pressure on resources if many groups wanted to go through the process at an early stage.

Benefit to organisations

One participant commented that in view of the need to monitor the use of public money even more closely in future voluntary groups have to face up to the need for performance improvement and that it is vital to make groups fit for funding.

A robust Passport, universally accepted and 'user-friendly' could help groups to prepare effectively for funding applications. It could streamline applications and save time by removing some of the repetitive work involved. It was seen as good if it cut down the amount of information that has to be provided with each application or if it meant an organisation only had to submit things once. If a central database was used for documents, having the essential information on line would save time and the cost of paper and postage. It could also cut the time required for a bid application.

Groups will need to feel that they are gaining benefit from the Passport in order to want to do it and it also depends on how onerous it is. It should not create another hoop for groups to jump through. Groups will also be looking to show benefit to their service users in using resources to undertake it.

Groups must be clear that it would not open doors to funding but could increase their credibility with funders. Some organisations can see that doing the work would increase the credibility of the organisation and that the Passport could be a way to achieve this by establishing them as a more professional organisation. Advisors generally felt that there could be other benefits to the Passport such as helping groups feel that someone was taking an interest in them.

Funders could see that it would save time and costs in the longer term for organisations, allowing them to concentrate on their core work. Standardisation would also help groups focus and not spend excessive time on administration. It would save time at the 'sifting process' for Suffolk County Council, and other funders felt it could simplify the process. Another benefit was in knowing that all the background checks have been done which would give added confidence.

In addition to being a good foundation for improving the funding process it would have other benefits for a group's development.

Once the basic requirements are in place the Passport could be enhanced by building in some optional extras such as trading and diversifying income.

Although perceiving a need for performance improvement one funder questioned whether many small charities have enough personnel to carry out the work needed for the Passport. There was also concern expressed that funders need to make sure that it does not become compulsory or do not try to convert it into an approved provider list.

Assessment

To provide funders with evidence of a group's investment readiness would depend on the skills and understanding of the Passport assessors. The assessors would need to be suitably knowledgeable in order to be able to assess such things as a group's finances. The scheme would need to ensure assessors were well trained and have a good understanding of the VCS. Those accrediting the Passport will also need the facility to 'buy-in' expertise where specialist knowledge is required. An external assessor needs to be someone who is valued by all stakeholders. It was suggested that training for assessors should be accredited, and that if funders want better applications they should consider funding such a course to train the assessors.

Funding advisors said that it could be taken on as part of their role as they are already developing the organisations and could do the assessment for awarding a Passport as part of this. One funding advisor said it could perhaps be a condition of a grant that the group accepts continued support. She felt that it was part of her and other advisors roles to give up-to-date and relevant information to funders about an organisation. It was suggested that there would need to be a very thorough approach to assessment if it was carried out by advisors to avoid personal bias. Also, relationships with different funders vary so that could also lead to an inappropriate bias.

One interviewee suggested that assessment would be best done by funders and advisors and an independent panel used for the final assessment. It was felt that there should not be too many different people working with one group which could be confusing and it really needs one point of contact.

Structure of the Passport

All were agreed that a simple model is needed as there is no wish to make it difficult for smaller groups. It needs to be relevant to the organisation undertaking it, which requires a very flexible approach. One Passport cannot cover all sizes of organisations and grants. The Passport would need to be flexible enough to meet the needs of all sizes of groups and to recognise the work done as part of other quality systems.

It must be decided at what level to pitch the basic Passport, whether there should be graded levels above this, and if so, how a benchmark is to be achieved for each section of the Passport. Various suggestions were made such as a two tier design to take account of the size of a group, with a summary of essential information and a summary of secondary information. Another suggestion was that a matrix of different value funding bands could be established with organisations only meeting the requirements of the band relevant to the value of the funds they are applying for.

A further suggestion as to how the Passport could operate in practice was that it could be stamped each time a group runs a project so it would act like a reference from each funder as it is important to convey good practice where it exists.

Alternatives to the Passport

During the interviews conducted for the study and within the literature reviewed there were various alternatives to the Suffolk Passport and these are summarised below.

Lead Funder/Passporting

It was questioned whether the same result as the Passport could be achieved by means of a Lead Funder system where a funder would assess the group and this assessment is then passed on to subsequent funders with the key assessment points being agreed by all funders. The groups could thus be 'passporting' through the funding system based on their current project delivery. This was recommended by the Treasury in their 2002 review (HM treasury 2002). It could minimise application procedures and monitoring particularly for small amounts of funding. It would also have the benefit of minimising administration costs for funders (Gregory et al 2006).

Membership of Infrastructure organisations

Instead of a Passport it was suggested that infrastructure bodies could create something similar by setting criteria for groups to become members of their organisations. One respondent would prefer to explore this type of model and make a group a bonafide organisation.

Funding mentors

Another approach mentioned is through Basis 2 funding which has a target for identifying and providing funding mentors who would support other groups.

Quality Standard/Quality Standard Lite

A group who are undertaking the Young Suffolk Quality Mark recognise the benefits of undertaking a quality system. They see the quality standard as a 'valuable working tool' which is used for every funding application, either identifying that they have it, or as a more in-depth supplement to their funding application information. Children and Young Peoples services have an expectation that groups will be undertaking quality standards. Young Suffolk has been piloting the use of a 'lite' quality standard for very small Children and Young Peoples groups and there has been discussion about a generic version of this for other areas of practice.

One interviewee feels we should be having an ongoing dialogue about quality standards as a development tool.

Improvements to the current funding system

The report identified much positive comment about the current systems for funding with participants acknowledging the improvements that have been made in recent years and highlighting some good practice. There were many suggestions for improving things still further and some of these are already in preparation. For details see appendix 3.

Central database

A central database for documents could have the benefit of saving time and the costs of paper and postage.

Benchmarking/Peer review

One respondent said that if the Passport was implemented, small groups should be enabled to meet and reflect upon their development and this would facilitate benchmarking. Benchmarking could be introduced without the Passport scheme and a proposal for this was produced by SAVO in 2005.

Performance Improvement initiatives

Some advisors feel there is a need for more affordable, good quality, performance improvement initiatives and that we need to have the debate with funders about how this should be met but felt unable to say whether this should be funded by them or by infrastructure. It was felt there was a need for more practical application of quality initiatives and to create an 'encouraging environment' for groups to participate.

More workshops are needed on simplified basic performance improvement. This information could also be put on a website or made available as fact sheets.

Linking quality to grant funding

One participant suggested that funding advisors could 'sign off' the Passport and a condition of a grant could be that the group accepts continued support. This type of support could also be implemented without the use of a Passport.

Compact

One participant said that checking against Compact is seen as good practice. One area in the country, contacted as part of the research process, use a Compact compliance self assessment process for groups to show their investment readiness. This is taken on trust.

Portfolio

A suggestion was made of developing a programme for groups which offers the capacity building initiatives which would constitute a Passport but without developing this fully as a Suffolk Passport scheme.

Funding network

One funder suggested that the necessary intelligence could be obtained from a well established funding network but that there are data protection issues to be considered. A funding advisor felt that it was part of her and other advisors role to give up-to-date and relevant information to funders about an organisation.

Self assessment tools

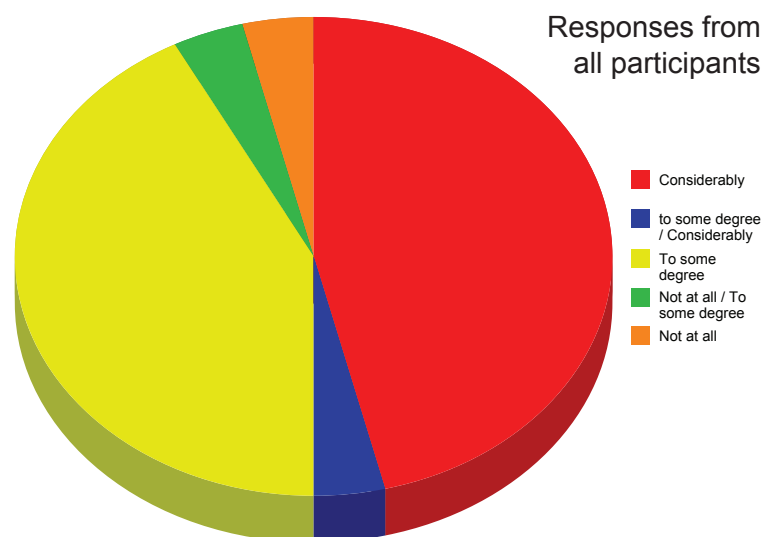
The self assessment tools for investment readiness that were reviewed during the literature search varied from simplistic to highly complex incorporating analysis of a groups functioning. There may be a need to produce something that better meets the needs of the majority of groups to assess their own readiness and for this to be available in different formats.

Peer review

Although peer review was not cited by any of the participants the Finance Hub research showed that the type of support organisations would like to receive included peer support models with a mix of organisations to enable learning and skills exchange (Finance Hub 2008a). Peer review is one method whereby third sector organisations can receive 'critical friend' feedback from other organisations, possibly ones they may know, and will need to have trust in, who have the right skills and experience to assist them in progressing towards investment readiness (Finance Hub 2008b). Process benchmarking and peer review and mentoring are seen as beneficial, providing expertise and experience from those who understand the organisation's area of work (The Quality Standards Task Group 2004).

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?



Comparison of 'investment readiness' guidelines, quality standards and interview grid

Interview Grid

The following information was taken from the grids completed by participants in which they were asked to indicate what they consider should be assessed as part of the Suffolk Passport. They have been ranked in this section.

As a starting point participants were asked to base their decisions on smaller levels of grant funding. (The value of this varied considerably between participants with most suggesting up to £10,000 but some considering a small grant could be up to £30,000).

The raw data is contained in Appendix 1. (The indicators on the grid for Project Management, although highly rated, have not been included as they are not directly relevant to 'investment readiness' in the context of the Passport but are useful for the broader context.)

The key areas for 'investment readiness' to be assessed by the Suffolk Passport and ranked in order of importance to participants in the study:

Constitution
Policies and Procedures
(including safeguarding)
Accounts
Mission Statement
Annual report
Staff and Volunteer Policies and Procedures
Quality Assurance processes
(e.g. consultation)
Evidence base
(outputs, outcomes, impact)
Track record/credibility
Business plan
Fundraising strategy
Promotional literature
Governance procedures
Employment procedures
Knowledge of competition/other local services

(The lowest scoring items have not been included in the ranking)

Investment Readiness Guidelines

Various examples of 'investment readiness' documents were reviewed (e.g. ncompass, fit 4 funding). These provide guidelines for 'investment readiness' requirements of funders.

The key documents and information indicated as necessary for general 'investment readiness' in order of frequency:

Financial overview

(financial systems, fundraising plans, accounts)

Safeguarding

(where applicable - policies, procedures, CRB checks)

Equal opportunities

(employment policies and procedures)

Constitution

Trustees and Governance arrangements

Mission

(aims and objectives)

Volunteer involvement

(policy, support, agreements)

User impact

(customer charter, consultation)

Business plan

Other requirements were cited in the literature but where they occurred less frequently they were not included in the list above.

<http://www.n-compass.org/documents/PerfMngmtNcompVersion.ppt>

<http://www.fit4funding.org.uk/help-and-advice/preparation/checklist---worksheet/>

Quality Standards

Three mainstream quality standards were examined to compare with the general investment readiness guidelines and the documentation identified by the interviewees as being essential to show an organisations' investment readiness for the Suffolk Passport.

PQASSO

PQASSO (Practical Quality Assurance System for Small Organisations) is the most widely used quality assurance system within the VCS. It is a self assessment process which incorporates all aspects of an organisations functioning. Organisations can progress to external assessment by CES which, if successful, will lead to the organization receiving the PQASSO Quality Mark which is endorsed by the Charity Commission. It is valid for three years.

PQASSO has 12 quality areas: planning, governance, leadership & management, user centred, managing people, learning & development, managing money, managing resources, communication and promotion, working with others, monitoring & evaluation, and results.
<http://www.ces-vol.org.uk/index.cfm?pg=42>

Young Suffolk Quality Mark

Young Suffolk Quality Mark is a respected quality mark used in Suffolk. It looks at whether an organization is a safe and well run provider of services for children and young people. It is valid for three years.

The Young Suffolk Quality Mark has four main categories. These cover child protection, health and safety, staff support and development and organisational management.
<http://www.onesuffolk.co.uk/youngsuffolk/qualitystandards>

acquA Kite Mark

The acquA Kite Mark, developed by The Alliance, Herefordshire tests an organisations 'fitness for purpose and capacity for public service delivery'. Successful completion of the assessment process leads to inclusion on the register of approved providers. Re-assessment takes place every three years.

The acquA kite mark has 7 key areas which incorporate the areas covered in PQASSO. These are activities & services, benchmarking (reputation), management, finances & resources, governance (trustees), leadership & planning and learning & changing.
http://www.allianceherefordshire.org.uk/pages/register_how.asp

It is clear from comparing this information that the leading areas identified by the participants in the study are universally held to be essential in the 'investment readiness' literature. The quality standards reviewed incorporate all the main elements of investment readiness guidelines but their requirements go far beyond that which the interviewees consider appropriate for a Suffolk Passport. It would be extremely daunting for a small or medium size group to undertake any of these quality standards without adequate support and most of the smaller groups would struggle to find the resources to manage the process. This is borne out by the lack of promotion or uptake of quality standards in most parts of the county. The support provided to groups undertaking the Young Suffolk Quality Mark appears to be a key factor in enabling groups to participate. The Passport could not therefore seek to replicate these specific quality measures if it is to be inclusive for all.

Discussion and Recommendations

It was positive to note how many people in the study described the funding application processes as adequate or good and reflects the amount of work that funders, particularly local funders, have put into improving these processes and making them more accessible. There was however, agreement that there is room for improvement and the ideas suggested can be found in appendix 3. The main considerations were reducing the amount of documentation that needs to be produced for each application and much more simplified applications for very small groups or funding values.

Although there was generally positive comment about the development of a Suffolk Passport, as currently envisaged it would predominantly benefit small to medium size groups. With the right scheme in place it could reduce the time involved in funding applications for groups and funders. Although it would be a county level scheme the work involved would still be beneficial for groups accessing out of county funding in terms of improved organisational management and evidence of commitment to quality. Those organisations which have already completed a quality standard would be able to map this against the Passport.

Realistically the Passport would need to have a very low baseline if it were to be accessible to all. We have to consider whether it is advisable to develop a scheme that would require such a low baseline. Even with graded levels it could become so flexible that it loses its credibility. We could instead consider utilising the Passport only for a certain level of turnover and find ways to make the system simpler for very small groups, outside of the Passport system, by using some of the suggestions made by the interviewees.

The resources that would be needed to implement the Passport are not equitable across the county. We need to consider the potential interest there could be in the Passport if it is seen to make the funding process easier. Also, in order to make it viable it needs a high take up. The demand for support and development, and following on from this, the assessment, could therefore potentially be quite substantial. We may not have the resources within the VCS currently and if not, is it wise to ask local funders to support the costs of developing a Passport which is unproven and which would take away from funding pots at this difficult time, even though there could be established benefits in the longer term.

Quality assurance for the Passport would probably be best achieved by external development of an accredited scheme, especially if it is to be credible outside of Suffolk as an indicator of good organisational management. We need to consider whether this is a significant consideration or is it sufficient that we have a system that just works for Suffolk. If it is to be solely a county initiative, only to be used with local funders, it will still need to be open and transparent enough to fully satisfy all stakeholders. An externally developed scheme would be more credible.

With the establishment of an externally funded, developed and piloted scheme we would then need to find a means of incorporating the work into existing resources. Funding advisors have indicated that they feel this could be part of their role. There would therefore have to be a training module incorporated into the scheme for assessors. We cannot assume that all funding advisors will have the same level of training or knowledge to pick this up when they come into post and would therefore also need to consider future training needs in relation to Passport assessment. We risk leaving ourselves open to criticism of a lack of quality assurance, an insular system and bias if we do not have the means to monitor on-going quality. We would also need to assess for provision across the county and whether with current resources we were able to offer an equitable service.

It has been questioned whether a Passport could be relied upon to be up-to-date. The usual period before re-accreditation is required for most quality standards is generally three years. This is not a problem where the quality standard is not being used as an assessment for suitability for funding on a day-to-day basis, but if a Passport is expected to function as an instant recommendation it cannot be monitored to this degree. However, the on-going support given to groups undertaking the Young Suffolk Quality Mark appears to satisfy funders.

One suggestion from the interviews was that there should be a more integrated process rather than a stand alone development such as the Passport. Abdy & Mayall (2006) say that VCS organisations need to find the performance improvement approach that works best for them. This could be a quality standard, strategy development, an evaluation process or benchmarking with others. This suggests that perhaps we need to allow groups greater choice than the Passport but remaining linked into the funding system for maximum benefit and to encourage further development. The section of the study on performance improvement suggests that all those interviewed valued working towards improvements in quality to some extent. We might need to consider other ways in which we can match the value placed on quality improvement to an improved approach to funding processes without placing an undue burden on organisations.

Despite the support for performance improvement there appears to be a low take up of performance improvement training initiatives and also very little uptake of quality standards outside of Children and Young Peoples services and within CYP it is linked to the funding process and its stringent requirements. This link to funding may not be seen as desirable in the generic areas of the VCS.

Quality standards can enhance a group's credibility with funders where the funder understands what the quality standard is telling them about the group, but this does not appear to be happening at present apart from the Young Suffolk Quality Mark. There is generally a lack of interest or awareness amongst most participants which would suggest that the quality standard approach on its own is unlikely to find favour. Organisations have to come to the decision themselves and recognise the benefits or the quality initiatives are either not going to be taken up or not used effectively. If the desire for change is not there it renders the process meaningless as quality improvements need to be part of the whole organisations approach to their operation. Groups may not be interested unless the benefits to funding are clear and currently we do not have a quality standard which is appropriate for our needs in this respect.

Abdy & Mayall (2006) say that we need to create a learning culture amongst organisations and we know that where groups have embarked on quality initiatives they have recognised the value of them. Should we be tying any training into grant funding, for example, outcomes monitoring? There may also be a need for closer working between funders and advisors in order to catch groups early in their development.

We need to question whether we are promoting performance improvement sufficiently and getting the message across adequately about the increased need for greater professionalisation of the sector. Are we demonstrating its benefits and why funders will be seeking this more in the future? We do not want to stifle creativity or damage the ethos and freedom of the sector, however, there is greater competition for money and groups do need to position themselves as strongly as they can to access funds.

An alternative to the external assessment process of a Passport could be the implementation of a lead funder system. A form could be developed which each funder completes at the conclusion of a project, with a checklist of vital information such as constitution checked, monitoring and outcomes, appropriate use of funds, reports received on time etc. as a form of reference. This could be collated on a central database with other documentation such as the constitution and accounts. If a full lead funder scheme were to be put in place this would need trust between funders and needs to reflect the responsibility trusts and foundations have towards their providers. We are however, only talking about the management aspects of an organisation and projects would still continue to be judged according to the criteria of the funder and the quality of the project, as would be the case with the Passport. Organisations and funding advisors would also need to be assured of the impartiality and credibility of such a system with negotiated and agreed benchmarks for the system.

Quality and development can also be achieved through self assessment methods but would be harder to link in to funding processes. For example, are we creating enough of the right networking opportunities? Although there are networking events held already they tend to 'advertise' or advise on the funding opportunities available and allow for informal networking. Perhaps there is scope to structure these around useful funding topics utilising more of the 'how to' from funders and structuring the networking around topics to provide self directed learning among attendees. This could enable groups to benchmark themselves against other organisations, learn from funders and each other and receive new information. They could also be helped to see how they fit into the whole Suffolk picture, the targets for the county and their area, the difference that their projects are making and the value they are adding to their communities.

Perhaps we should have a 'support menu' for groups to select what works best for them. Instead of undertaking one quality measure we could perhaps introduce a 'points' system allowing groups to build a portfolio of training attended, or use on-line worksheets and find ways to evidence the learning from these. We still need the searching questions about implementation and tick box self assessment is not satisfactory if this is still to contribute to investment readiness evidence.

In the current climate it may be the wrong time to be considering developing a Passport, but in view of the reduction in funds available we need to be looking more closely now at quality and value for money. With the development of the funding network we have an opportunity collectively to look afresh at how we work with organisations and could develop a flexible new model which provides a 'menu' of options for groups to choose from. Perhaps we could pilot some elements of this and see if scope for a Passport develops from there.

The study began with an emphasis on creating a more streamlined approach to accessing funding with the dual benefit of capacity building. However, reviewing the information it seems that the outcome cannot just be decided on the funding issue alone but will depend ultimately on the importance placed by all stakeholders on the drive to quality. If there is no recognition of the importance or benefit to the organisation of quality issues there is a risk that the Passport could become something that is done with minimum consideration to meet the target for accreditation. It is possible that the other initiatives may be more appropriate, a Lead Funder system would be a pragmatic approach and benchmarking or a portfolio system more user led.

Recommendations

Recommendations are made below but can only be tentative as any decision can only be made by the stakeholders.

- A presentation/workshop with key stakeholders drawn from funders, groups and funding advisors to consider the merits of the different proposals, focussing specifically on those initiatives which can be linked into the funding system:
 - Suffolk Passport
 - Lead Funder
 - Benchmarking
 - Portfolio development
- If a Suffolk Passport is to be developed we should:
 - Seek external funding to develop and pilot the Passport in consultation with funders and other key stakeholders
 - The Passport to be externally developed and accredited
 - The scheme to be piloted with organisations and funding advisors
 - Implement accredited training for assessors
 - Consider a baseline of turnover/value of funding for the Passport
 - Implement a simplified funding application process for very small groups who fall below the Passport threshold
- If an alternative system is to be implemented to look at this internally within the sector in Suffolk.
- Implement the suggested improvements to the funding process where viable and appropriate.
- Further develop the funding network as a forum to implement these initiatives and generate further good practice.
- Further develop the funding website to address issues identified such as funding advisors forum, training opportunities, funding opportunities, simplification of funding criteria, jargon buster etc.

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Appendices

Appendix 1

The grid below shows the areas which the participants in the study consider should be assessed by the Suffolk Passport

	Funders 9 Interviews	Organisations 8 Interviews	Funding Advisors 7 Interviews	Stakeholders 3 Interviews	Total 27
Governance					
Business/Strategic Plan available	5	4	4		13
Board: Numbers How often they meet, skills and diversity	2	5	3		10
Mission statement that links to activities	3	4	6	1	14
Annual Report	4	4	6		14
Constitution	7	7	7	2	23
Governance procedures: Strategic direction, Legal compliance, Conduct & records of meetings e.g. minutes, decision making, Financial, policies, procedures etc.	3	4	5		12
Policies (and how they are monitored/implemented) Equality & Diversity, Equal Opportunities, Vulnerable Child/Adult Health & Safety inc. risk management Other	7	6	7	2	22
Strategic analysis			1		1
Insurance to cover legal responsibilities	2	2	5	1	10
Finances					
Accounts audit or external review, Budget, Financial statements to Board, Cash flow forecast	8	7	5	1	21
Sound financial management systems that control expenditure inc. reserves, policies, procedures, risk management	3	1	4	1	9
Fundraising strategy, Funding mix, Match Funding	5	3	5		13

	Funders 9 Interviews	Organisations 8 Interviews	Funding Advisors 7 Interviews	Stakeholders 3 Interviews	Total 27
Staff & Volunteer policies, procedures and development					
Employment procedures, legislation, policies	3	3	5	1	12
Job/Role descriptions	5	4	4	1	14
Quality Assurance					
Quality assurance processes: Evaluations & use of the information	6	5	3		14
Engagement in QS	1	2	2	1	6
Evidence base on outputs / outcomes / impact	4	4	6		14
Knowledge of competition & similar local services	3	2	6	1	12
Promotional literature, Newsletters, Other marketing media	4	3	5	1	13
Miscellaneous					
Credibility / track record on service delivery	3	4	6	1	14
References	1	5	3	2	11
Partnership working	3	3	4	1	11
Organisational chart / Overview of organisational structure	1	2	2	1	6
Project Management					
Value for money: better costs or outputs	6	5	5	1	17
Impact on areas of deprivation	4	4	4	1	13
Addressing areas of identified need	6	7	7	1	21
Addresses LSP / LAA targets	2	2	3	1	8
Sustainability of project	6	6	5	2	19
Exit strategy	5	6	5	2	18
Environmental concerns addressed	3	2	3	2	10

Appendix 2

Development needs for groups identified during the study

Suggestions for development needs came from all participants in the study. They are not ranked in any particular order.

- To gain a better appreciation of succession planning, sustainability and exit strategies from the very start of development of their projects
- Demonstrating the difference they are making through monitoring and outcomes including SMART outcomes and soft outcomes
- Help to work more collaboratively
- Evidencing need in support of funding applications, research skills and how best to present this
- Employee and volunteer recruitment
- Employment issues
- Trustee training and support
- Business expertise for social enterprises
- How to write business plans and business planning
- When seeking to contract for services more advice from statutory bodies, or training, would be helpful
- Examples of completed applications, and more training in writing funding applications including funding application workshops
- A means to network and obtain funding advice directly from other organisations who have successfully applied for particular funds and who are able to suggest how to make applications more successful
- Budgeting
- Full cost recovery
- General governance issues such as developing a constitution and developing and implementing policies
- Interpretation of funders' criteria and explanation of jargon
- Project planning for start-up groups
- Implementation of equality and diversity as it relates to all equality strands
- What strategy or targets applications need to hit
- Bid writing
- Support for more complex procedures such as local planning
- Guidelines on how to develop a simple business plan for small groups with just bullet points to complete

Suggested delivery mechanisms for support

- More 'bite size' training would be useful
- On-line training is useful, particularly where volunteers are in work, as much of the training takes place during the day
- Would be helpful to do training outside of the 9-5 slot and to be aware of school hours for those who have family commitments
- Offering the same courses at different times
- Modular training allowing participants to dip in and out would also be helpful
- Training needs to be light hearted and with a light touch and lots of discussion
- Less reliance on web based information

Appendix 3

Interviewees Recommendations for Improving the Funding Application System

Many suggestions were put forward to improve the current system of applying for funding. These have been extrapolated from the study and are grouped together in themes and according to whether the initiatives should come from organisations, funders, infrastructure, or through joint working.

Infrastructure initiatives

Training and development for organisations

- The development of a standardized accounts form for organisations to present to funders.
- Training/advice in how to read and complete application forms, guidance notes and criteria.
- In working with BME groups consideration should be given to careful explanation of why governance and other requirements are necessary.

Communications

- Information about funding opportunities to be made more streamlined.
- Local infrastructure needs to search out groups for funding and increase advertising of funding opportunities.
- We need to find out how to link to BME groups with relationship building and gaining confidence in working together.

Support for funding advisors

- More mentoring provided for funding advisors.

Funder and Infrastructure joint initiatives

Communications

- There needs to be more accessible and more manageable delivery of information.
- Make applications available in all formats, including paper, as not all organisations have access to IT facilities.
- Enable groups to have a better understanding of jargon, where it is unavoidable, with more consistency in terminology on application forms needed.
- Infrastructure needs clear information from funders in order to pass this on to organisations.
- Funders and infrastructure to work more closely at a strategic level.
- To develop the funding network and include a web based forum for advisors which is confidential and has restricted access.
- More networking and local knowledge to keep on top of current trends, future developments and what local funders are doing.

Equity and fairness

- Training for assessor panels.

Support for organisations

- The support process for small groups needs improvement as they can get very disheartened if turned down for funding and good projects may be lost.
- Establishment of a central database with organisations information.

Funder initiatives

Support

- A 'project friend' from the funder to provide support during the life of a project.
- Funders could do more to develop collaboration between organisations by holding compulsory briefing sessions around specific project areas to identify weaknesses or duplication and areas for collaboration.
- Statutory funders should provide bid writing training.
- More consistency is needed in the system with re-funding where success is evidenced. Groups have to constantly re-invent projects.
- Funding for capacity building to enable better applications and project management.

Communication

- Local funders need to communicate better with funding advisors so that they can offer more support when groups have been turned down for funding.
- Funders need to be consistent with the information that is provided by those answering telephone enquiries and the assessors.
- Trusts and foundations could improve their processes by letting organisations know if they have been successful and making it clearer when assessment panel meetings will take place

Application processes

- Greater proportionality is required in relation to smaller grant funding, for example, a much simpler constitution and simple receipting processes.
- Funders to only ask for the background information they really need.
- A staged approach for all applications would save considerable time and effort for both funders and applicants.
- Introduction of a standardised 'front sheet' with all the basic information on.
- Funders criteria needs to be made more explicit. In-depth case histories from funders, including the bid and outcomes, would enable organisations to better understand the criteria and expectations of the funds they are applying for.
- Funders should provide more guidance in how to complete their application forms.
- Groups need better, more coherent feedback where applications are declined.
- Funders should pilot their applications forms and remunerate organisations for their input into this.
- Face to face interviews on site are good. Visual evidence can then also be provided alongside experience of the scheme in operation.
- Eliminate requirements such as having the accounts in electronic format which can cause groups to withdraw from the process.
- Improve the Suffolk Single Gateway application as it is quite lengthy and 'not very user friendly'.
- More appeal processes available or better feedback.

Project management

- Monitoring needs to be relevant and proportionate so that staff and volunteers delivering the service can understand why they need to gather this information.
- Funders must recognise that equality and diversity targets can be affected by the geographical area and cultural differences which can mean that certain services are less likely to be accessed.
- Statutory funders should abide by the Compact.
- Statutory funders should visit charities more often and see how they work.
- Funders should be less patriarchal in their attitude.
- Standardisation of monitoring requirements between funders.
- Equality and diversity monitoring forms are an intrusive process for service users, and funders should consider other ways of asking for evidence.

Organisation initiatives

- Where an organisation is looking at tendering for contracts they should also be looking at undertaking a quality standard.
- Organisations should challenge funders' decisions.
- Groups need increasingly to look for initiatives that meet strategies and needs in their area of work.
- Checking against Compact is good practice.

Appendix 4

Suffolk Passport Scheme Feasibility Study - Grid

Assessment needs of funders

Which of the following should be taken into account when assessing investment readiness?

Governance

- Business/Strategic Plan available
- Board: Numbers How often they meet, skills and diversity
- Mission statement that links to activities
- Annual Report
- Constitution
- Governance procedures:
- Strategic direction, Legal compliance. Conduct & records of meetings e.g. minutes, decision making, Financial, policies, procedures etc.
- Policies (and how they are monitored/implemented)
- Equality & Diversity, Equal Opportunities, Vulnerable Child/Adult, Health & Safety inc. risk management
- Other
- Strategic analysis
- Insurance to cover legal responsibilities

Finances

- Accounts audit or external review, Budget, Financial statements to Board, Cash flow forecast
- Sound financial management systems that control expenditure, inc. reserves, policies, procedures, risk management
- Fundraising strategy, Funding mix, Match Funding

Staff and Volunteers

- Employment procedures, legislation, policies
- Staff & Volunteer policies, procedures and development, Job/Role descriptions

Quality Assurance

- Quality assurance processes: Evaluations & use of the information
- Engagement in QS
- Evidence base on outputs/outcomes/impact
- Knowledge of competition & similar local services
- Promotional literature, Newsletters, Other marketing media

Miscellaneous

- Credibility/ track record on service delivery
- References
- Partnership working
- Organisational chart/Overview of organisational structure

Project Management

- Value for money: better costs or outputs
- Impact on areas of deprivation
- Addressing areas of identified need
- Addresses LSP/LAA targets
- Sustainability of project
- Exit strategy
- Environmental concerns addressed

Other

Appendix 5

Suffolk Passport Scheme - Questionnaire for Funders

Assessment processes for the provision of funding

- What do you look for in assessing a group's investment readiness (due diligence)?
(See assessment grid)
- What else do you look for that goes beyond the documentation, which satisfies your concerns about a group's investment readiness?
- Do you take up references? Would you value references?
- How do you check that the requirements you seek are sound and appropriate?
- How does this differ with a start up organisation that does not have a track record?

Summary

Would you describe the current systems for assessing a groups' suitability for funding as:
Poor / Adequate / Good / Excellent

Your views on performance improvement

- Do you perceive a general need for performance improvement amongst the groups you either fund or receive funding requests from?
- Do you fund capacity building/performance improvement as part of project funding? If yes, in what way?
- Does this include 'hidden' support such as good feedback on proposals, consultation opportunities?
- As an organisation do you offer any other support and guidance to groups to help them with investment readiness?

Your views on current provision of capacity building for organisations

- Do current external capacity building initiatives appear to be appropriate or sufficient?
- Are you familiar with any of the quality standards used within the VCS?
- Do you feel you have enough understanding of QS and what they are telling you about a group's policies and procedures?
- Are there any quality standards which you feel satisfy your requirements for evidence?

Summary

How do you view the need for performance improvement for groups?
Not important / Of some importance / Important / Very important

Implementation of the Suffolk Passport

- Do you feel/or in what way do you feel, that the Suffolk Passport scheme would benefit you in making decisions about an organisation, (subject to agreement on the content and process)?
- If there was external assessment of investment readiness what safeguards would you be looking for?
- What would be your concerns, e.g. process, qualification of the assessor etc.?
- Are you confident in what the VCS can offer through this process?
- If there was support generally amongst funders, would you be prepared to put your requirements and reporting of outcomes in line with other funders?
- In light of what we have discussed how do you feel we could take this forward for the mutual benefit of both funders and the further development of the VCS?

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?

Not at all / To some degree / Considerably

Appendix 6

Suffolk Passport - Questionnaire for Funding Advisors

Your experience of the funding system for the groups your support

- Do you feel that funding opportunities could be made more accessible to third sector organisations?
- What are the problems? E.g. process too complicated, too demanding
- What requirements do you feel would be appropriate?
- What areas do you consider necessary to provide funders with evidence of a group's investment readiness? (See assessment grid)
- Any actions you have taken with regard to this?
- Do you express these views with funding bodies with whom you come into contact?
- If so, who, and what has been the outcome?
- If no, what would enable you to do so? E.g. consultation, compliance with Compact

Summary

Would you describe the current systems for assessing a groups' suitability for funding as:
Poor / Adequate / Good / Excellent

Your views on the need for performance improvement

- What, in your opinion, are the areas that groups most need support with? This could be where funding is declined or in their general development needs relevant to investment readiness.
- Do you perceive a need for greater availability of performance improvement initiatives?
- Do you have a view on whether some of this should be funded by/provided by the funders themselves?
- Do you encourage groups to consider a QS?
- If yes, which ones? If no, why is that?
- Do you feel that you have sufficient knowledge of the different QS to discuss them with groups you are involved with?
- Do you use the Suffolk Quality Standards booklet or other information about QS with groups?

Summary

How do you view the need for performance improvement for groups?
Not important / Of some importance / Important / Very important

Your views on the training and support of funding advisors

- Do you think that there is sufficient funding available in the sector to provide development support to new funding advisors and skills development for existing funding advisors?
- Are there sufficient training and development opportunities for funding advisors available locally? (Most of these appear to be through national organisations.)
- Your initial thoughts on the Suffolk Passport
- What is your perception of the need or desirability for such a scheme as the Suffolk Passport?
- Do you feel that there is currently sufficient capacity available in the VCS to provide the support and development needed?
- Would you feel that you could support a scheme such as the Suffolk Passport, subject to receiving a fuller outline of the scheme and through involvement in its development?
- If no, why would this be the case? If yes, how could we take this forward?

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?
Not at all / To some degree / Considerably

Appendix 7

Suffolk Passport - Questionnaire for Organisations

Current experiences of the funding system

- What kind of requirements have you needed to meet to prove you are ready to receive funding from different funding bodies?
- What requirements do you feel would be appropriate?
(See assessment grid for both the above)
- Are some of these requirements harder to meet than others?
- Are there certain local funding streams you do not approach because of the demands of their investment readiness/monitoring?
- What effect does this have on your capacity and resources?

How could the current system of funding be improved?

- In general, how do you think that funders could improve their approach to funding provision?

Summary

Would you describe the current systems for assessing suitability for funding as:
Poor / Adequate / Good / Excellent

Your views and experiences of capacity building

- Are you currently undertaking a QS?
 - If yes
Do you feel that there have been benefits to your organisation of undertaking the QS that go beyond meeting the investment readiness criteria for funders? (For example, Are you currently able to assess the impact of what you do in front line delivery? And, Do you do this with regard to public service targets e.g. LAA? Have there been clear benefits to your service users or do you see how those benefits will emerge over time?)
 - If no
What are the reasons for this, e.g. not big enough, no capacity, don't understand what they are about?
- Do you currently access any form of capacity building support?
- Do you know where to access capacity building support?
- Do you feel that the amount of capacity building support available in your area, e.g. funding and development surgeries, websites, 1:1 support, training, information sheets etc. is sufficient?
- If not, what other support would you like to see available that would help you with your development and investment readiness?
- What is your preferred style of receiving this support e.g. group training, 1:1?
- Would you like to see this available from the funders or from local VCS infrastructure providers?

Summary

How do you view the need for performance improvement for groups?
Not important / Of some importance / Important / Very important

Suffolk Passport

- Do you consider that the investing of time and resources to create potential improvements in the funding relationship and to bring the benefits of performance improvement to your organisation will have a long term positive outcome?
- If so, would you consider a scheme such as the Suffolk Passport could help you in this?
- And, if so, how could we take this forward?

Summary

Do you feel that a Suffolk Passport scheme could add value to the assessment process for funding?
Not at all / To some degree / Considerably

Appendix 8

Suffolk Passport Feasibility Study - Supplementary Questions

- Could a simplified assessment/application form be considered for small groups seeking very small amounts of funding per annum?
- Do we have the right mechanisms in place to support BME groups to access funding?

