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Introduction and Background

The Newcastle Fund is the Council’s primary vehicle for grants to the voluntary and community sector (the VCS).

In September 2016, the Council launched its Call for Evidence - Shaping the future of the Newcastle Fund to gather views and ideas on how the Newcastle Fund should look in the future. You can read a summary of the feedback received from the engagement phase here.

Findings from the engagement phase, along with the Council’s broader commitments to cooperative working, were then used to inform a change proposal for consultation - the Newcastle Fund Consultation Proposal - which was published on 9 March 2017. Consultation on the change proposal closed on 6 April 2017, and a summary of the feedback from respondents can be found on the Newcastle Fund website.

Purpose of this document

This document is our Newcastle Fund Position Statement which concludes the final stage of our consultation with stakeholders. It is designed to help stakeholders understand what our future direction of travel is for the Newcastle Fund, including:

• **Existing and potential Newcastle Fund grant recipients** in Newcastle who will be able to use the information presented to understand the future direction of travel for the Fund, what this may mean for them, and to help them participate in an ongoing dialogue about how the Newcastle Fund should evolve.

• **Voluntary and community organisations and community and faith groups** who make a key contribution to building and maintaining community and individual resilience and improving wellbeing and health. We hope these partners, who may or may not receive grant funding, will be able to use the Position Statement to understand the
future direction of travel for the Fund, and its position within the broader funding opportunities across the city.

- **Community stakeholders and residents** who can be empowered to realise and use their abilities, skills and talents to build and transform their communities and be active in improving their own, and others wellbeing and health, rather than passive recipients of others’ actions

Our Position Statement is in two parts:

- **Part 1** is about the Fund’s purpose and direction of travel.

  It covers:
  - The Statement of Core Purpose for the Fund
  - The umbrella outcomes the Fund is seeking to achieve
  - Asset based ways of working to help us to deliver our outcomes
  - Priority setting

  It also sets out the timescales for implementation.

- **Part 2** is about the way that applications are made to the Fund, our decision making and monitoring processes, and our timescales for implementing changes.
Grant funding - as distinct from contracting - continues to be a vital source of funding for the VCS in Newcastle, and should be invested in ways that generates the best possible impact for our communities.

This section describes the purpose and direction of travel for the Newcastle Fund, and has been produced in the context of the following:

• We cannot ‘fix’ disadvantage with the amount of money available in the Fund or indeed in the public purse as a whole, so we should focus on capacity building.

• We are most likely to have lasting impact on wellbeing and resilience by prioritising building skills, confidence, networks and optimism.

• We should make our commitments to ‘asset based working’ more real in our grant aiding so that it enables the development and use of asset based practice and impact at both a collective and an individual level and also builds social value.

1.1 Purpose of the Fund

Statement of Core Purpose

The core purpose of the Fund is as follows:

“The Newcastle Fund exists to support the voluntary and community sector to harness the energy and assets that exist in our communities and unlock (often untapped) potential to improve wellbeing and reduce inequalities.”

By assets we mean “any factor or resource which enhances the ability of individuals, communities and populations to maintain and sustain health
and wellbeing. These assets can operate at the level of the individual, family or community as protective and promoting factors to buffer against life’s stresses.” (Morgan, 2009 cited in I&DeA, 2010).

This core purpose is in line with the commitment set out in the Wellbeing for Life Strategy to ‘Review our ways of commissioning, procuring and grant aiding so that they enable the development and use of asset based practice and impact at both a collective and an individual level and also build social value’ (Wellbeing for Life Strategy, Page 29)

⇒ We will adopt this Statement of Core Purpose for Round 8 of the Fund for grants commencing 1 April 2018.

Umbrella Outcomes

Through the core purpose, we want VCS organisations to use the skills, local knowledge and expertise of individuals and communities to make positive and lasting changes which result in the following outcomes:

• improved community resilience
• improved individual resilience
• improved wellbeing and health

⇒ We will maintain these umbrella outcomes for Round 8, whilst we carry out further consultation on the outcomes for the Fund, and suitable outcome measures or indicators, for Round 9. This is in consideration of the feedback received during the consultation period which can be found at [INSERT LINK].

Asset based ways of working

In supporting asset based ways of working, the Fund will have a greater focus on projects which:

• Redress the balance between meeting needs and nurturing the strengths and resources of people and communities.
• Enhance the protective factors that support wellbeing and health and the coping abilities of individuals and communities even when faced with adverse life circumstances.

• Bring together people and communities to achieve positive change using their own knowledge, skills and lived experience

• Share, link and liberate resources and assets – connecting people and organisations within and across communities.

• Create the conditions for communities and individuals to do things for themselves, in ways which mean people can get help when they need it.

We recognise that asset based approaches are not a prescriptive set of actions which can be ‘rolled out’ but rather they are forms of relationship building that enable strengths and capacities to be identified and developed, and which mobilise what individuals and communities have to offer in order to achieve positive outcomes.

⇒ We will engage with VCS organisations throughout 2017 and beyond in order to share learning and help build the understanding and experience of asset based practice, to unlock the potential of communities and individuals to take control, identify their own opportunities and interests and take action to improve outcomes.

⇒ We will review the Fund’s application and evaluation processes for Round 8 bids in consideration of our commitments to growing asset based practice.

1.2 Priority setting

The priorities for the Fund will have a closer relationship to community intelligence through the Newcastle Future Needs Assessment, and particularly the locally focused data included within the Know Your Community element.
• We will continue to maintain a citywide focus for the Fund for Round 8 and beyond. This means that bids may continue to be delivered across one or more of the City’s wards.

• We will create a Prospectus for the Newcastle Fund which will set out a number of co-produced Key Challenges which the Newcastle Fund should seek to address for Round 9, for grant commencing April 2019. This will help the VCS to focus their bids on the key challenges that respond to local needs and enable resources to be focused on what matters most to local communities. This will also consider whether the Fund should be structured into a number of smaller grant pots, for which eligibility will depend on the size of organisation (for example, funding specifically for micro to small organisations, and funding specifically for medium to large organisations).

• We will use a range of local intelligence to inform the Prospectus, including but not limited to:

  o Information from Know Newcastle which is key element of the Newcastle Future Needs Assessment policy approach. This will specifically include the locally focused data included within the Know Your Community element, which presents information by both geographical area, and community of identity or experience

  o The newly introduced annual Ward Committee meetings to conduct a debate with local residents and locally focused VCS groups about what local priorities should be.

  o Citywide engagement activity for stakeholders, including VCS organisations, and community stakeholders.

• We will agree outcome measures in the context of the Key Challenges and priority areas, and in the context of the Fund’s core purpose, to demonstrate the value of Newcastle Fund investment.
• We will work with partners to develop a greater understanding of the full range of funding opportunities available across the city, which would allow for more strategic targeting of Fund resources, and would enable organisations to be more effective and targeted about which funding streams are most appropriate.

⇒ We will carry out further consultation throughout 2017 to agree priorities for the Newcastle Fund Prospectus for Round 9 of the Fund, for grants commencing April 2019.

⇒ We will work with partners throughout 2017 to map the full range of funding opportunities available across the city.
2.1 Future funding rounds

Decision making for the Newcastle Fund takes place ahead of the Council’s normal budget setting processes, so that both successful and unsuccessful bidders have time to make plans before the start of each financial year in April. For reference, the timing associated with upcoming rounds is:

<table>
<thead>
<tr>
<th>Round</th>
<th>For grants paid in financial year (Apr-Mar)</th>
<th>Fund open for applications</th>
<th>Decisions made on awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Round 7</td>
<td>2017/18</td>
<td>June - Sept 16</td>
<td>December 16</td>
</tr>
<tr>
<td>Round 8</td>
<td>2018/19</td>
<td>June - Sept 17</td>
<td>December 17</td>
</tr>
<tr>
<td>Round 9</td>
<td>2019/20</td>
<td>June - Sept 18</td>
<td>December 18</td>
</tr>
</tbody>
</table>

2.2 Grant bidding and monitoring processes

We must continue to ensure that money awarded through Newcastle Fund grants is properly agreed and spent.

We will simplify the application process for Round 8 by ‘leaning’ our application form so it more proportionate to the level of grants awarded through the Fund. In ‘leaning’ the application form, we want to make it easier for organisations to apply, and particularly smaller and grass roots VCS organisations.

We have consulted with the Voluntary Sector Liaison Group to raise the thresholds in the Addendum to the New Newcastle Compact which determines the frequency that grant recipients must submit performance information. In raising the thresholds as set out below, we have sought to adopt a more proportionate approach to performance monitoring.
which better balances risk management and reporting burdens on grant recipients, and particularly smaller and medium sized VCS groups. In raising the thresholds, we are also seeking to generate capacity for richer conversations with VCS organisations on their delivery and outcomes.

Table 1: Performance Monitoring

<table>
<thead>
<tr>
<th></th>
<th>Threshold for 2016/17</th>
<th>New threshold for 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual report</strong></td>
<td>Grants up to £4,999</td>
<td>Grants up to £9,999</td>
</tr>
<tr>
<td><strong>Six-monthly reports</strong></td>
<td>Grants between £5,000 and £9,999</td>
<td>Grants between £10,000 and £29,999</td>
</tr>
<tr>
<td><strong>Quarterly reports</strong></td>
<td>Grants of £10,000 and over</td>
<td>Grants of £30,000 and over</td>
</tr>
</tbody>
</table>

⇒ We will adopt the new performance monitoring thresholds set out in Table 1 from April 2017. This means that projects awarded grant funding for the financial year 2017-18 will be subject to the new requirements.

⇒ We will implement changes to the application form for bids to Round 8 of the Newcastle Fund. We will engage VCS organisations in ‘usability’ testing prior to inviting Round 8 applications in June 2017.

⇒ We will review the impact of these changes after Round 8 and consider whether any further adjustments are required to support micro and smaller VCS organisations in accessing the Fund.

2.3 Assessment and decision making

Transparency in how decisions on Newcastle Fund awards are made, including the role of the Newcastle Fund Panel and Newcastle Fund
assessment processes, is fundamental to ensure confidence in our delivery of grant awards to the sector.

We will:

⇒ Maintain a single Panel for decision making comprising Council officers and independents.

⇒ Investigate options for an Independent Panel chair to provide independent scrutiny and challenge of bid evaluations and award recommendations to Cabinet.

⇒ Publish Panel membership to improve transparency of evaluation processes.

⇒ Publish the detail of the evaluation criteria (and any weightings) against which the merits of individual bids are considered as part of our evaluation process. In doing this, we hope to provide greater transparency of our processes, and help bidders to understand how their bids will be evaluated so that the information provided gives bidders the best opportunity of success.

⇒ **We will implement these changes for the Round 8 Panel for the recommendation of grants from April 2018.**
In adopting a staggered approach to implementing our Position Statement, we are seeking to phase changes over two years, which will allow us to:

- Introduce more proportionate, lean, and transparent processes in 2017, specifically relating to monitoring process for Round 7 grants onwards; and the application form, evaluation criteria, and Panel arrangements for Round 8 onwards.

- Maintain a citywide focus for Round 8 adopting the core purpose, outcomes and ways of working proposed in Part 1.

- Create a Newcastle Fund Prospectus to provide a set of co-produced Key Challenges for Round 9 bids, which will be subject to further consultation.

- Engage VCS organisations, and their staff and volunteers, in relation to asset based practice and new ways of working and evaluating change which empowers residents and communities to do things differently.

Our immediate timescales associated with implementing the Position Statement are:

- 24 April 2017: The Council's Cabinet approve arrangements for Round 8 of the Newcastle Fund for grants from April 2018

- April 2017 – June 2017: Consultation and user testing of new application form for Round 8 bidding

- June 2017: Launch of the Newcastle Fund Round 8 bidding window

- 2017-18:
  - New thresholds for performance monitoring implemented
Further consultation on developing a Newcastle Fund Prospectus and relevant outcome measures, which will be used to inform Round 9 grants from April 2019.

Engagement with VCS organisations in order to share learning and help build the understanding and experience of asset based practice and consult with stakeholders on how VCS infrastructure support may support VCS organisations to adopt asset based ways of working. This will be a process of continuous improvement, the pace of change developed jointly with the VCS so that we can jointly understand and respond to any training and development needs, as well as recognising and building upon the existing best practice that is happening across the city.