

## Voice4Change England briefing paper

### Community First Grants Programme

January 2012

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#### 1. What is the Community First Grants programme?

The Community First programme is an £80 million government-funded Big Society initiative. It aims to get people to give time, money, goods, services, and facilities, to improve the quality of life of local communities.

The initiative follows the last Government's Grassroots Grants programme which aimed to provide small grants for local community groups<sup>1</sup>. However rather than just awarding small grants to community projects, it requires government funding to be matched with community contributions.

The programme aims to: encourage community self reliance; increase participation of all parts of the community; strengthen communities by identifying local priorities; and provide a source of grants in the future.

It is made up of two strands: The Neighbourhood Match Fund programme; and the Endowment Match Challenge. Simply put, the first will give out money to communities and the second will collect money for communities for the future.

The programme started in June 2011 to run for four years until March 2015.

#### 2. What are the two strands?

- i. £30m Neighbourhood Match Fund Programme:** This programme gives communities the opportunity to address their own priorities through grants for community led projects. New local panels will be set up to agree priorities and award funding. To receive funding local projects will have to match the amount awarded with in-kind donations (see section 3 below).

**What areas will receive the programme?** 598 eligible areas for the Neighbourhood Match Fund have already been selected. These areas were chosen based on the levels of deprivation and social capital<sup>2</sup> and significant increases in Jobseeker Allowance claimants in 2009/10<sup>3</sup>.

**How much will be available to community projects?** Each panel will have between £17,000 and £200,000 to give away over a four-year period. The amount allocated to each panel depends on the levels of deprivation and social capital in the area. Grants ranging from £250 to £2500 will be made available to those delivering projects for the benefit of the community.

**What organisations are eligible to apply?** Grants will be available for new and existing community projects, including non-constituted groups.

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<sup>1</sup>[http://webarchive.nationalarchives.gov.uk/+http://www.cabinetoffice.gov.uk/third\\_sector/community\\_action/grassroots\\_grants.aspx](http://webarchive.nationalarchives.gov.uk/+http://www.cabinetoffice.gov.uk/third_sector/community_action/grassroots_grants.aspx)

<sup>2</sup> Social capital is the value of social networks, including bonds made with similar people and relations built across diverse people.

<sup>3</sup> Rise in claimants from Jobseeker Allowance data was used as a measure of communities at risk of increased social stress.

**How will local panels be formed?** Panels will be made up of 4-8 people and should reflect the make up of the local community including representatives from the public and private sectors, the voluntary and community sector (VCS) and members of the public. All panels are expected to be set up by January 2012. Panels will agree a Terms of Reference to govern the relationships between the panel members.

**How will local panels agree priorities?** Local panels will develop a Community First Plan to set out priorities for improving the local area. To develop the plan panels should directly involve members of the local community. The plans are expected to be developed by 2013. Until the Community First Plans are established panels will set some broad priorities and will work with the local community to find local community projects which complement them.

**Who will check Panels are working well?** A Panel Partner will be selected to sit on the panel. The Panel Partner should be a local VCS organisation, preferably based in the same area as the panel. Panel Partners will support the panel to be transparent and accountable, and check it follows the rules for recommending projects for funding. They will also hold small pots of money to cover reasonable expenses for panel members.

**How many panels can there be?** There can only be one Community First Panel in each area. Where more than one panel on an area submits a proposal, these groups will be informed and encouraged to work together to set up a single panel.

- ii. **£50m Endowment Match Challenge:** This element of the programme will raise and invest money to provide a source of grants for community groups after 2015. Unlike the more targeted Neighbourhood Match Fund programme, the Endowment Match Challenge is England wide. It will aim to raise £100m of local endowments<sup>4</sup> through individual and corporate donations. Donations received will be matched with £50m by Government. So for every £1 raised from individuals and companies, the Government will contribute 50p. **The aim is for the endowments to create a sustainable source of grants for neighbourhood projects from 2015.**

Community foundations will set up the endowed funds and will be working with the Community First Panels to raise the money. The panels will be required to promote the Endowment Match Challenge to local people, businesses, local councillors and organisations to encourage donations.

### 3. What is match funding?

Under the Neighbourhood Match Fund every pound awarded for a project must be matched by in-kind donations. In-kind match funding is where an organisation or individual provides a donation to a project. This may include donations of cash, services, free products or volunteer time. An example would be if an organisation sends out a member of staff to volunteer to work with a community project; or if an individual donated a computer to a group delivering a community project.

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<sup>4</sup> Endowment funds are where donations given to a fund are held as assets and the interest gained from investing them used to provide a source of income. The core of the fund itself is not spent but used to generate further income. See <http://www.communityfoundation.org.uk/give/funds-and-fees-explained> for more details.

#### 4. Who is administering the fund?

Community Development Foundation (CDF)<sup>5</sup> was chosen to administer the grants in June 2011. CDF will work with partner organisations to deliver the project:

- **ASDA**, the supermarket chain. ASDA will provide fundraising and support for local projects (for example providing a meeting space for the panels), and will use its staff to identify local priorities. ASDA has committed to bringing £10m to the programme by 2014.
- **Community Foundation Network (CFN)**, the umbrella body for community foundations. CFN will be responsible for raising the money and endowments as part of the Endowment Match Challenge by providing access to community foundations.
- **CCLA**, an investment house which manages investments for VCS organisations. CCLA will manage the investment of the endowment funds.  
**Social Investment Business (SIB)**, a social investor for VCS organisations. SIB will help develop a long term endowment strategy to inspire how the funds will be used after 2015 when the endowment funds are released under the Endowment Match Challenge.

#### 5. How does it link to other Big Society programmes?

Where appropriate the programme will link with the Community Organiser programme<sup>6</sup> which will train 5,000 community organisers as catalysts for community action. Community organisers could support Community First Panels to identify local priorities and develop the Community First Plan, as well as identify community projects and involve communities. Community organisers can also play an important role in scrutinising the Community First Panels and ensuring accountability, for example by supporting panels to be more representative.

#### 6. What does the programme offer to equality VCOs?

Equality VCOs have the potential to ensure diverse marginalised communities benefit from the Community First programme. The focus of the Neighbourhood Match Fund programme on areas of deprivation means that this will be crucial to its success. Equality VCOs can reach communities others consider hard to reach, build social capital and carry out a broad range of projects. They can get involved by:

- **Representation on Community First Panels:** Put themselves forward to sit on the Community First Panels in eligible areas or to be a Panel Partner, responsible for supporting the panel in ensuring it is transparent and accountable.
- **Supporting Community First Panels:** Given the size of grants, accountability under the programme is light touch. There are no equality requirements but there is an expectation that panels will involve and benefit all local community members. Equality VCOs could work with the panels to support them in

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<sup>5</sup> <http://www.cdf.org.uk/>

<sup>6</sup> Voice4change England has produced a briefing on the Community Organisers programme which is downloadable at <http://www.voice4change-england.co.uk/content/how-can-all-communities-benefit-big-society>

engaging and working with diverse communities, and to help them recognise and address the barriers faced by different communities.

- **Apply for funding:** Equality VCOs many of which are small and unregistered should apply to the panels for grants where they are delivering projects for the benefit of the community.
- **Advocate for diverse communities:** Provide a case for the need to resource and benefits of resourcing community projects working with specific groups.
- **Awareness raising:** Ensure diverse communities are aware of the programme and how to be actively engaged in the opportunities it presents.
- **Building partnerships:** With the impact of the financial deficit and changing funding patterns (for example reduction in local authority grants) the programme offers an opportunity to explore how organisations including those supporting diverse communities can use mechanisms such as corporate sponsorship, public donations and endowments funds. Equality VCOs can take the opportunity to nurture relationships with local businesses, local councillors and individuals to encourage the giving aspect of the Community First programme for the benefit of the communities with which you work.
- **Evidence base:** Provide evidence which demonstrates the benefits of working with diverse communities. This may include contributing anecdotal evidence to panel websites which showcase successful community projects delivered to diverse communities.

## 7. Further information

To find out more about the Community First programme visit:

<http://www.cdf.org.uk/web/guest/community-first>

To see whether your area is eligible for the Neighbourhood Match Fund Programme and for further details on how to set up a panel visit:

<http://www.cdf.org.uk/web/guest/neighbourhood-matched-fund>

To find out more about the Endowment Match Challenge and to see how you can make a donation in your local area visit:

<http://www.cdf.org.uk/web/guest/endowment-match-challenge>

To download our briefing on the Community Organisers programme visit:

<http://www.voice4change-england.co.uk/content/how-can-all-communities-benefit-big-society>

If you would like to learn more about other Big Society policies and programmes relevant to you visit:

<http://www.voice4change-england.co.uk/content/voice4change-england-guide-big-society-policies-and-programmes>

*This briefing is part of Voice4Change England's programme of work with the Women's Resource Centre, commissioned by the Office for Civil Society, to provide advice to Government on the challenges that inequalities present to the Big Society agenda and how to address them; and the opportunities for tackling inequalities that the Big Society agenda offers.*