

## Voice4Change England

### Response to the consultation on the Community Asset Fund – Office of the Third Sector June 2007

#### 1.0 INTRODUCTION

Voice4Change England welcomes the opportunity to respond to the Government's proposal for an asset fund which will expand opportunities for the third sector to manage or own physical assets. Voice4Change England (V4CE) formerly known as the BME Standing Conference Partnership (BSCP) is a coalition of 20 national and regional organisations which aims to provide a co-ordinated voice for the BME third sector.

The Governments' intention and investment to facilitate the transfer of management or ownership of assets from local authorities in England to the third sector is welcomed by the partners of the coalition. We hope that responses from the sector are incorporated into shaping how the Community Asset Fund (CAFund) will be used to provide maximum impact for the BME communities.

We believe that the transfer and management of community assets is an important initiative and that it has the potential to give third sector organisations the opportunity to develop financial and organisational sustainability. However, we have major reservations to the extent with which BME-led organisations are going to benefit from the CAFund given the following concerns:

- The requirement for strong partnerships between third sector organisations and public bodies as a requirement for funding;
- The anticipated timetable constraints squeezes out scope for new initiatives and partnerships;
- The investment readiness requirements of third sector organisations will exclude the small frontline organisations from accessing the fund without an injection of funds for capacity building.

#### 2.0 METHODOLOGY

Initial responses to the consultation were provided by BTEG who attended a DCLG workshop on the transfer of assets in 2006 and subsequently by V4CE to the Community Assets consultation event held on the 2 May at the BIG Lottery Fund offices for Third Sector 'voice' strategic partners.

Our comments on the consultation questions are set out below:

#### 3.0 V4CE RESPONSE

##### QUESTION 1

**The average grant size is currently expected to be within a range of £250 000 to £500 000, perhaps with more for some projects, in order to achieve a strategic impact is this the right approach?**

Given the size of the programme V4CE recognises that only a small number of projects are likely to be funded and therefore it is important to gather evidence from the projects funded to learn if the management and transfer of assets is achieving the desired results expected for all stakeholders. It is also crucial to ensure that in allocating funding the project achieves improvements to service delivery for local

communities [as the transfer of assets is a means to an end] and that equal access and environmental issues are integral to the projects supported under the CAFund.

## **QUESTION 2**

### **To what extent should this fund focus on funding large scale beacon projects?**

V4CE believe that given the timescale to allocate the funding that it will be the larger and more able projects that likely to access the CAFund in comparison to the small groups, frontline organisations (likely to be run by volunteers) as mentioned in paragraph 16. Whilst this may be the right approach and is likely to strengthen projects which may already have a strong foundation in local communities, we believe that for the BME Third Sector the CAFund may not create the strategic impact we would like. This is due to the BME sector's weak asset base and high dependency on government sources of income for survival. The funding of large scale project will unwittingly exclude the BME sector.

Multi purpose organisations which house small BME projects are more likely to benefit from the CAFund [compared to BME –led organisations] in their own right and therefore we suggest that such projects should as a requirement of receiving the fund state how it will benefit the BME groups in a way which creates sustainability for its community. If the CAFund was able to address ways in which small organisations will benefit from large scale projects then we believe this would help give all local people a bigger stake in the future of their area and encourage cohesion amongst communities.

Large scale beacon projects will be important in demonstrating an inclusive approach which benefits all communities. The CAFund should look to address these types of projects as flagships for good practice.

Key recommendations:

- The CAFund should include provision for potential small scale projects that will create diverse partnerships, community benefit and sustainability.
- Large scale projects should state as a requirement how the BME sector and communities will benefit in a way which supports their sustainability

## **QUESTION 3**

### **Should the fund take the proposed flexible approach to determining whether an asset is eligible?**

V4CE believe that that CAFund should take a flexible approach in determining whether an asset is eligible. Within the third sector, organisations are finding new and enterprising ways of working in order to make a difference within their communities and therefore the CAFund must be able to assess whether an asset will be recognized as providing public benefit and this may not always take the form of the traditional view of an asset.

Key recommendations:

- New approaches should be considered, for example waste recycling in various forms which could be considered as an asset
- Provision for legal costs and other transaction costs should be made within the CAFund.

#### **QUESTION 4**

**Should the fund focus on areas where relationships are already strong and working partnerships are already formed, rather than bringing new partnerships together?**

V4CE recognises the inherent dilemma presented here, in that it takes time to form, develop, build and establish new partnerships and these cannot realistically be accommodated within the tight timescales for managing the spend under this programme. Therefore it is inevitable that the CAFund will be accessed by established partnerships.

Through our partner BTEG's research we recognise that strong relationships with local authorities are less likely with the BME sector. Evidence has shown that there is a far from satisfactory percentage of BME representation on Local Strategic Partnerships and other local policy structures which are key to building relationships with local authorities. The BME sector are less likely to work in cross sector partnerships and are not as well networked as their mainstream counterparts and it is for this reason we emphasize the importance of assessing the composition of partnerships when looking at the distribution of the CAFund. How monies are distributed should be determined by how well local authorities engage with communities and how they can demonstrate good practice with reference to the local Compact and other indicators such as the CPA assessment for community engagement.

Key recommendation:

- If the portfolio of partnerships does not represent equalities than the CAFund should ask the Partnership to go back until it is inclusive as failure on this will lead to the polarisation between communities.

The CAFund is an important vehicle to ensure local people have a bigger stake in their areas and this should bring communities together. The formation and composition of partnerships is a vital ingredient in this process.

**QUESTION 5 Should we focus on supporting programmes of transfer in a small number of local authority areas or fund projects distributed across many authorities? And QUESTION 6 Is there scope for regional allocation of funding under this programme?**

Regional allocation of funding could be provided for projects which can demonstrate community benefit at a regional level. Key partners within the BME sector may want to set up a regional training centre for BME voluntary sector workers or an accredited centre for learning for the community.

Key recommendations:

- Distribution of funds should focus on those local authorities which demonstrate good working relationships with the voluntary sector through its compact.
- The Compact should be used as a vehicle for assessment and eligibility

#### **QUESTION 7**

**Should the fund aim to support innovative projects that are piloting a range of different approaches to asset transfer?**

As a demonstration programme the CAFund should aim to support and learn from a range of projects to include rural, urban, multi purpose and BME-led asset

transfer/managed projects. Assessment criteria for each of these project types should be developed and weighted to ensure a balanced portfolio is funded to maximise the potential for learning from this programme and share good practice. The programme should actively seek to encourage BME-led exemplar projects.

We support the proposal in the Quirk Review to build skills and capacity in the third sector to strengthen community based organisations ability and competences to manage/own physical assets. The need for investment in community management and ownership is immense not least within the BME sector. In strengthening the capacity of key third sector organisations it is important to recognise the support and role BME regional networks can give to local organisations working in partnership with specialist national bodies.

#### **QUESTION 8**

**Should the fund have a preference for a particular type of asset transfer such as transfer of ownership rather than a long term lease or management arrangement?**

V4CE believe the CAFund should take a flexible approach, whilst for many potential projects transfer of ownership will be invaluable, there will be other projects that due to particular constraints may not be given the opportunity to receive the CAFund if restricted to ownership. Some projects will benefit from long-term lease or management providing a secure base for which to plan for the future.

Key recommendation:

- A flexible approach should be adopted when looking at how asset transfer should take place and this should be in relation to the type of projects which will benefit from transfer who might find it difficult in meeting the requirements of ownership.

#### **QUESTION 9**

**What opportunities are there to coordinate with other funding streams and programmes?**

V4CE echoes the position set out on funding in the Quirk review that neither Government nor any other single source can meet the capital and related revenue funding for community assets, and that a plurality of sources is essential e.g. Adventure Capital Fund, Charity Bank, Venturesome, Futurebuilders England, CapacityBuilders, Local Investment Fund, Unclaimed Assets and the governments forthcoming 2007 Comprehensive Spending review for dedicated support to community management and ownership of assets.

#### **QUESTION 10**

**How can the fund be managed to influence policy and practice?**

The CAFund should be top sliced to support an overarching research project to evaluate the programme and assess how it has contributed to the underlying principles for which it was developed to inform good practice for successive programme development. We also suggest the evaluation to be undertaken by experts within the field of asset development and that the framework of the research should integrate the proposals and recommendations outlined in the Quirk Review.

**We are happy to expand on any of the points outlined if required and V4CE would be delighted to work with the Office of the Third Sector, other Government Departments and Fund holder to design the programme to ensure equitable outcomes for BME communities.**