



Fair Share: findings from  
the first evaluation report

**fair  
share**

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# Introduction

The Big Lottery Fund's Fair Share initiative aims to address disparities in Lottery funding across the UK. The joint initiative was launched by the then Community Fund and the New Opportunities Fund in 2001.

Since 2003, an independent evaluation has been tracking and assessing the success of two of the programmes making up Fair Share, and this summary outlines findings and progress to date. Given the differing timescales, this report is particularly focused on the Community Fund's programme, but it also considers the development of the New Opportunities Fund's Fair Share Trust programme.

This is our interpretation of the evaluators' report.

Key findings from the evaluation to date include the following:

- ▶ The two funders have tended to emphasise differing methods and priorities, and these have led to differing types and levels of achievement. The Community Fund's programme has succeeded in most areas in meeting financial targets quite quickly, while the Fair Share Trust has promoted in-depth consultation, local involvement and identification of local needs and priorities.
- ▶ At the same time, some see the first approach as focused more on targets than on wider strategic objectives, while the second has inevitably led to some frustration at the time taken to get money out.
- ▶ This variation has led to some confusion at local level about the various parts of Fair Share and how they have been co-ordinated.
- ▶ Nevertheless, the Community Fund's programme did largely fund activities and support for people in particular need. A broad range of benefits is already evident.
- ▶ Applicants particularly valued the Community Fund's individualised advice and support in making applications. Of the various approaches adopted in local offices, longer-term community development models have been most successful.



# Fair Share: the initiative

► The whole initiative has led to as many challenges as successes, but we always expected that it would be difficult to develop capacity and stimulate applications in areas that by definition were less experienced in applying for and receiving Lottery funding.

In 2001, and in response to concerns that some areas were missing out on Lottery funding, the then Community Fund and the New Opportunities Fund launched their joint Fair Share initiative.

In order to make the funding most effective, the two distributors worked closely and with other stakeholders to determine how and where support might be targeted. As a result, they identified 52 local authority areas in England, six in Scotland, five in Wales, and 51 wards in 15 local authority areas in Northern Ireland as Fair Share areas. They did this by considering total Lottery funding and their own support to date, as well as relative levels of deprivation.

Details of Fair Share areas are available on our website. Please note, though, that not all Fair Share areas have been eligible for all parts of the initiative, which has been made up of three programmes:

1. The Community Fund's open grants programmes.
2. The New Opportunities Fund's Fair Share Trust programme.
3. In England, the New Opportunities Fund's Transforming Your Space programme.

Note: The Fair Share evaluation considers the first and second of these. The third is being evaluated as part of the wider Transforming Your Space initiative, and so it is not discussed in this report.

Overall, the two programmes have aimed to ensure that by the end of the initiative, all targeted areas will have received a larger share of funding from the Lottery good causes. In addition, we want to make awards that have a sustainable impact on the lives of disadvantaged people, so we have particularly wanted to support projects that:

- are run by and for disadvantaged people
- develop the capacity of communities to seek, obtain and manage funding for projects that reflect local priorities and needs.

The Community Fund allocated a total budget of £92.08 million to Fair Share, while the New Opportunities Fund allocated £50 million.

## The Community Fund's Fair Share programme

The Community Fund generally made Fair Share awards between 2002 and 2005, with final awards being made in Wales in 2006. It did this by prioritising the Fair Share areas within its large and medium open grants programmes, and in some cases within Awards for All. Fair Share ran as a UK-wide initiative, but was largely managed at country and regional levels.

In general terms, those programmes were open to applicants in the voluntary and community sectors, who would submit applications that fitted the Fund's broad mission statement and that benefited people or organisations in country or regional priority groups.

The Fund wanted to use a variety of means to attract good-quality applications from Fair Share areas. Staff established a Local Delivery Plan that described how the programme was to operate in each area. In addition, the Fund identified a range of ways of

# Fair Share: the initiative

working that could be adapted to local circumstances. So the approaches adopted varied between areas, typically including any number of the following:

- developing relationships with other stakeholders who support the local voluntary sector
- publicity and media campaigns
- consultation with the local voluntary sector
- a range of training and briefing sessions and approaches to one-to-one support
- new approaches to grant-making, such as delegation of decision-making to others.

## The New Opportunities Fund's Fair Share Trust

The New Opportunities Fund developed a rather different approach, focusing on involving local people directly in decision-making, both during consultation on priorities for funding and in deciding what to fund.

The basis of the Fund's approach was to establish an expendable endowment in each Fair Share area, and to make grants from this endowment over 10 years, or five years in Scotland. The level of the endowment has varied between countries.

The Fund appointed Community Foundation Network (CFN) and its partner organisations – Community Foundation Northern Ireland, Scottish Community Foundation and Sefydliad – to manage the programme. In England, CFN in turn appointed local delivery agents for each Fair Share area, while elsewhere the relevant Community Foundation is itself acting as the local delivery agent. Local agents worked with local stakeholders to produce several key decisions and documents:

- ▶ Nomination of a neighbourhood within the relevant local authority area that would benefit from the endowment, typically one or more wards or estates, or in Wales, nomination of a specific issue that would be addressed across the local authority area as a whole.
- ▶ A neighbourhood assessment document, outlining such issues as demographic factors, levels of deprivation, economic and social problems, and the level and nature of relevant networks of stakeholders.
- ▶ A neighbourhood priorities document, setting out priorities for local grant-making.

The local agents are also responsible for recruiting members of award panels, who make decisions on applications for funding in each neighbourhood.

The expendable endowments are to be spent on projects that:

- build capacity and sustainability in local communities, including support for community assets and planning, and involvement in local regeneration
- build social capital, including support for social enterprises, local time-banks, Intermediate Labour Market schemes and training
- improve local environments, enabling communities to make them safer, healthier, greener, cleaner, better designed, more welcoming and accessible to all groups.

# The evaluation



In 2003, we commissioned an evaluation to assess the success of Fair Share in funding projects run by and for disadvantaged people, and in developing capacity in Fair Share areas. We suggested that the evaluation might consider two main areas:

- ▶ The impact of Fair Share on the capacity and sustainability of the voluntary and community sectors in relevant areas, measured at different points in the initiative's lifecycle.
- ▶ How far Fair Share has succeeded in engaging individuals, especially the most disadvantaged, both in running and participating in funded projects, and in contributing to the funding process itself.

The full evaluation specification is available on our website.

We appointed a partnership led by Sally Downs (then of Baker Associates) to undertake the study. The other consultants involved are Alison Millward Associates and InterAct. Please note that in 2005, the lead passed to Sally Downs Consulting. The evaluation is due to take five years.

Because of the differing timetables (see "Changing contexts" on the next page) this summary largely focuses on the Community Fund's open programme, but also reports on progress with the Fair Share Trust to date. We will receive a second report (more focused on the Fair Share Trust) in summer 2006.

## Approach and methodology

From the outset, the evaluation team have emphasised the diversity of areas funded and the type of work carried out. This means that they will adapt their approach in line with the differing timetables and contexts involved.

## Issues to consider

In order to complete the first report, the evaluators worked with our staff and with other stakeholders to identify a set of indicators that would help them to identify and measure change in Fair Share areas over the course of the study.

They are also tracking the flow of money – both from us and from other funders – into Fair Share areas.

While this will tell us something about how successful the initiative has been at attracting more funding, it will not tell us about how individual areas have achieved this, and what works and does not work. To investigate that, the evaluators selected case-study areas for closer investigation across the course of the evaluation. They are:

- Ashfield
- Ballymena
- Basildon
- Bolton
- Coleraine
- Craigavon
- Dudley
- Ellesmere Port & Neston
- Kirklees
- Neath
- Port Talbot
- Rotherham
- South Lanarkshire

As well as covering all four countries of the UK, the selected case studies represent a range of contexts, including urban, rural and mixed environments, as well as areas with differing degrees of development of voluntary and community sector infrastructure.

Full details of the methodology are available on our website.

### Changing contexts

Between the beginning of Fair Share and the first evaluation report in summer 2005, there have been some important changes:

- ▶ The two distributors involved – the Community Fund and the New Opportunities Fund – have merged to become the Big Lottery Fund.
- ▶ In order to target its reduced funding stream more effectively, the Community Fund identified key priority groups of beneficiaries.
- ▶ The two parts of the initiative have developed and run to differing timetables. The Community Fund's programme accepted its last applications in 2005. At that time, only a few of the New Opportunities Fund's Fair Share Trust areas were beginning to make grants.

## Funding in Fair Share areas

Part of the underpinning logic of the Fair Share approach is that if the initiative is successful, more funding will flow into Fair Share areas – both directly through the programmes themselves, and in the longer-term through additional Lottery and other funding.

So far, the evaluators have focused on reviewing how far individual areas have met the financial targets set by the Community Fund. They have also considered whether the wider initiative has led to more funding going to Fair Share areas under the Awards for All programme. At the time of writing, there had been

little project spending in the Fair Share Trust areas.

The table below sets out how many areas achieved or surpassed their targets, as well as the total Fair Share spend in those areas.

Because Fair Share operated within wider Community Fund programmes, it is possible for areas to have received well over the target figure. In fact, by the official end of the initiative on 31 March 2005, 13 areas had received over 25 per cent more than the target, and four more than double.

### Spend through the open grants programme to end March 2005

Country	Number of local authority areas	Number achieving full spend	%
England	26	21	81
Northern Ireland	*	*	100
Scotland	6	1	17
Wales	5	2	40
Total number of areas	38	25	66
Country	Target spend (£'000)	Amount committed (excluding overspend)	%
England	68,253	65,711	96
Northern Ireland	333	333	100
Scotland	16,715	13,263	79
Wales	6,783	5,584	82
Total spend	92,084	84,891	92

\* Northern Ireland Fair Share areas were funded on a ward basis.

# Funding in Fair Share areas

The end date had also been complicated by the wider decision by the Big Lottery Fund (BIG) to stop accepting applications to all Community Fund programmes during 2005. That fact, and the time taken to assess the late rush of applications, suggest that more targets may ultimately have been reached.

But in some areas, we were still some way from reaching the target. Staff who had worked in these areas suggested this tended to result from the inherent challenges of working in Fair Share areas (as discussed in the next section).

On the wider question of increased flow of Lottery money into Fair Share areas, it is hard to be specific. While there are many Lottery Distributors making awards under many programmes, comparatively few have been open to the types of voluntary and community sector groups that Fair Share has set out to assist. For instance, many Lottery projects have involved large capital spending, particularly in London and other large cities. Others have allocated funding to statutory authorities.

The clearest exception to this is Awards for All, a programme that makes grants of between £500 and £5,000, and so is likely to be particularly attractive to groups that are new, small or inexperienced in applying for funding. If Fair Share has helped to build capacity and confidence, we might expect the proportion of Awards for All funding going to Fair Share areas to have increased. Looking at figures for England for the four financial years beginning 2001–02, an initial proportion of nine per cent rose to 12 per cent in the second and third years (the peak of Community Fund work), before falling back to nine per cent.

The figures reported in this section are often complicated and can be interpreted in different ways. This fact reflects a wider underlying question for this evaluation – how important are targets and spending in themselves?

While the whole initiative is based on the idea of a “fair share” of Lottery funding, that idea is hard to define and measure. For instance, focusing on local authority areas does not fit well with projects that have more local or wider benefit. In some cases, Fair Share awards have been made to groups located in one area, but the majority of beneficiaries live outside that area. Similarly, an award made to a neighbouring area may often also benefit people living in a Fair Share area.

Second, while funding figures and targets may seem easy to understand, they may not accord well with successful funding that really does benefit communities. An emphasis on getting money awarded quickly might lead us to fund poorer applications in Fair Share areas at the expense of better ones elsewhere. This is was a particular risk in the Community Fund’s approach, which relied on reaching targets within wider programmes rather than allocating funds to specified areas.

As well as targets, it is important to consider how far the initiative achieves its underlying aims of building capacity in disadvantaged communities, and to learn lessons from the experience in order to apply them to future programmes. That is the focus of the next sections of this report.

# Findings from the Community Fund's open grants programme

## Why had areas not had their Fair Share?

The evaluators discussed this matter with staff who had worked on the programme, as well as with a range of other stakeholders, notably from the local authority, strategic partnerships and voluntary and community sector agencies. Although the situation varied between individual areas, factors that had contributed to low levels of funding included the following:

- limited capacity of potential applicants
- weak voluntary and community sector infrastructure
- poor local partnerships, sometimes coupled with rivalry and mutual mistrust
- a local authority (or other bodies) with a paternalistic approach, often focused on delivery rather than newer partnership approaches
- the availability of other sources of funding
- the limited pool of organisations legally eligible to apply to the Community Fund, sometimes because of strong traditions of self-help.

## Our approaches

The Community Fund encouraged staff working on Fair Share to pilot new approaches to outreach, development and support. Because of differing circumstances and staffing arrangements, there was no single model of how this was done. We can however summarise the range of activities under five general headings:

- publicity and promotion
- outreach work
- individual pre-application advice and support

- networking and partnership working
- links to grant assessment processes.

Each country and regional office adopted its own approach, often recruiting new staff, but sometimes also involving grants officers in wider work. For most areas, staff developed a Local Delivery Plan, which outlined specific conditions and how to engage with communities in order to stimulate good applications.

Again, the involvement of external stakeholders in that process varied, but in order to implement the plan, staff developed links with them, particularly the local authority, members of strategic partnerships, the voluntary and community sector infrastructure, and staff of the then New Opportunities Fund. The success of those relationships varied, often on the basis of individual working relationships or the priorities of those involved. While this process sometimes resulted in more effective and co-ordinated approaches, managing relationships often took a lot of time, effort and sensitivity.

Early stages of the work generally involved a strong emphasis on publicity, promotion and outreach work. The approaches used varied between areas and over time in response to local preferences and sensitivities. But a sense of information overload meant that many staff moved towards offering potential applicants one-to-one advice.

A particularly popular approach was to use the outline proposal form, which allowed groups to summarise their thinking at an early and informal stage, and to initiate discussion and consideration. Groups that benefited from this approach report a gradual process of moving from simply asking for money to thinking through and describing exactly what they wanted to

# Findings from the Community Fund's open grants programme

achieve and how they would get there. This capacity-building approach appears to have been very successful, especially when it focused on working through general project planning, proving need, identifying and differentiating between outputs and outcomes, and budgeting.

## Issues arising

Discussions with staff helped the evaluators to identify a number of key issues that tended to affect how well the wider approaches worked. Most of these reflect the challenges of introducing, supporting and maintaining a community development approach. They included the following:

### Staff skills and experience

Many of the new staff came from a community development background. This enabled them to focus more effectively on working with communities and building their capacity over time. But there was no shared understanding of which approaches should be used, or of their specific fit with Fair Share. While this allowed staff to experiment, it could also mean that successful strategies were not widely replicated elsewhere. If such an initiative were to be repeated, the evaluators emphasise that we should value development skills and experience more highly, and offer staff in those roles continuing training and support.

### Challenges to internal priorities

A common perception among staff was that there were differing priorities within the programme – essentially between committing funds to projects on the one hand and undertaking less tangible support and community development work on the other. Indeed, all formal performance measures focused on

spend, and some reports suggested that applicants were encouraged to change their approach and requests so that decisions could be made more quickly. Applicants commented on what they saw as the continuing bureaucracy of the application process. This suggests that if we cannot simplify the process, we should ensure that we give inexperienced applicants more support to get through it.

### Roles of partners

The evaluators have highlighted the new focus on working with partner bodies as a success of Fair Share. The initiative co-incident with the development of new strategic bodies (such as Local Strategic Partnerships and Community Planning Partnerships), so often benefited from being part of a wider review of local contexts and priority-setting. Staff made varying choices about the nature and extent of local relationships in the light of differing circumstances: it is clear that there is no single effective model. That said, Councils for Voluntary Service and similar infrastructure bodies are always likely to be of crucial importance to the initiative. In many cases, they undertook a great deal of promotional and advice work, but we did not necessarily fund them to do this. This could sometimes put a considerable strain on their resources or lead them to focus on other programmes with simpler application processes.

### Timing and exit strategies

The evaluators report an apparent lack of planning for the end of the Community Fund programme. They note the importance of rumour in local knowledge, and suggest that on occasion this might have discouraged groups from applying to the programme. On the other hand, there was little evidence of co-ordination between the open programme and the New Opportunities Fund's endowment programme. The

# Findings from the Community Fund's open grants programme

delay in the opening of the latter compounded this. Perhaps most seriously, the merger of the two funders and the closure of the open programme coincided closely with the end of the Community Fund's Fair Share programme. In some cases, staff had worked over a long time to help build the capacity of inexperienced groups so that they could make an application, but by the time they were ready to do so, no funding was available. Once again, careful community development work that had built trust and confidence was at risk of being undermined.

## Outputs and outcomes

Of course, we make grants in order to help make real improvements to people's lives. So it is not enough simply to look at how we have made awards or indeed how much we have spent, but rather to look at who has benefited and what improvements have occurred as a result of our funding. In Fair Share, though, we also set explicit aims about involving local people in contributing to and making decisions about what was needed.

In developing the evaluation, the consultants agreed a set of indicators of what sorts of changes we might expect to see if Fair Share is successful.

It is still relatively early to comment in detail about how far the initiative (and many of the projects that it has funded) are making wider differences. But some of the emerging findings are as follows:

- ▶ Overall, focusing attention on Fair Share areas has allowed us to fund many valuable projects that might not otherwise have started.
- ▶ In many case-study areas, we received fewer but better applications as time went on, which suggested that assistance and information had helped more

groups to decide not to apply, or to get through the process successfully if they did apply.

- ▶ Fair Share may be helping groups to find funding elsewhere, although this seems more pronounced with established than with new groups. There are reports that applications to other funders in Fair Share areas have improved.
- ▶ Our funding has helped disadvantaged people, but the nature of Fair Share areas made that easier. Some stakeholders felt that the programme could have been more focused on meeting specific needs.
- ▶ While there are many cases of disadvantaged people getting involved in and running projects, the typical pattern is of projects being run for disadvantaged people.
- ▶ People involved in projects have benefited from a wide range of experiences and improved skills (including undertaking training and gaining qualifications), and in some cases have gone on to find new jobs that make use of these.
- ▶ Many groups feel more established and confident about applying for funding and running projects.
- ▶ Although the situation varies, in some areas the programme seems to have strengthened networks and co-operation between different stakeholders.

## The open programme: some interim conclusions

The discussion in the preceding sections of this summary suggest the following issues and conclusions arising from the experience of the open programme:

- ▶ Some tensions arose as the Community Fund's total budget began to fall, but Fair Share allocations remained fixed. This created a situation where weaker projects were funded in some Fair Share areas at the expense of better projects elsewhere.
- ▶ Geographic targeting is also difficult because it can miss pockets of disadvantage in non-target areas. In addition, projects based in one area often serve people living outside that area.
- ▶ In some cases, Fair Share offered just another source of funding, so its strategic impact was weakened.
- ▶ Some groups simply wanted more secure funding to carry on their activities at the same level, but Fair Share seemed to assume that they would want to expand.
- ▶ Applicants particularly valued our willingness to discuss ideas at an early stage and to offer guidance and assistance with the assessment process – either through one-to-one support or by referring them to other advisers who could help them. Overall, these outreach and support efforts appear to have been the most popular and effective approaches adopted.
- ▶ For many inexperienced groups, three years was just long enough to develop capacity and to prepare to apply. The closure of Fair Share (and of the Community Fund's wider programmes) may have undone this slow but valuable work.
- ▶ The success of the initiative varied markedly between areas. While many factors contributed,



more and better guidance for staff might have helped them to manage those variations more effectively.

## The open programme: some interim conclusions

- ▶ The open nature of the programme meant that a strategic approach to funding (for instance, avoiding duplication and focusing strongly on disadvantage) was rarely possible; the pattern of funding depended primarily on who came forward to apply.
- ▶ Similarly, the nature of the programme often made it harder to integrate the programme with local policy priorities.
- ▶ There were often particular difficulties for voluntary and community sector infrastructure organisations. While the programme often funded one or more such groups in each area, there was no specific funding set aside to support such agencies, although their involvement was often crucial to the wider success of the programme.

### So what makes a difference?

The evaluators have identified the following key variables that seem to have predicted success:

- ▶ Taking account of context – Development workers need to adapt their priorities and approaches to specific local conditions, rather than parachuting in a standard approach.
- ▶ Using community development skills – The programme appears to have worked best where staff have focused on using these approaches to working with groups, communities and other stakeholders undertaking similar local work.
- ▶ Staff skills – Staff should have experience in community development work, and they should be offered further training and support. Community development is much more than an add-on to grants assessment work.
- ▶ The outline proposal form – This was very popular with inexperienced groups, as it offered them a way in to discussions with us. On the other hand, more experienced groups felt that it was simply another layer of bureaucracy.
- ▶ Supporting the voluntary and community sector infrastructure – Infrastructure organisations are essential partners in success, but their role and future support needs to be considered more effectively.
- ▶ Internal success criteria – There seem to have been strong tensions between the desire to make grants and reach targets on the one hand, and the need to undertake longer-term capacity-building on the other.

# Progress on the endowment programme

The evaluation also covers the New Opportunities Fund's Fair Share Trust. As noted earlier, this is a longer and more focused programme based on an expendable endowment.

At the time of the report, very little grant-making had taken place, and the focus of investigation has been on developing the programme at a local level. That said, we are particularly interested in building capacity in the areas covered by the endowment, so the choice of local agents, the process of priority-setting and the establishment of local Panels are all key to this. The evaluation will consider the programme more fully in years to come, and this summary can only highlight progress and some of the issues that have arisen so far.

## Appointing local agents

Outside England, our partner organisations act as the local agent for all Fair Share areas, but in England, the Community Foundation Network (CFN) has established contracts with more local bodies to run the grant-making process. These local agents are mostly members of the Community Foundation Network, but eight are other organisations, such as Councils for Voluntary Service (CVSs).

The process of identifying and formalising contracts for local agents was sometimes protracted and on some occasions led to disagreement. In particular, some local authorities would have preferred to have taken on the role or to have given it to a CVS. While the choice of other agents might have been interpreted in these cases as overriding the preferences of a key local stakeholder, it did at the same time reflect and enshrine an independent grant-making approach. Nevertheless, these tensions may cause some difficulty in years to come.

## Selecting Fair Share Trust neighbourhoods

The first task that local agents had to undertake was to identify the neighbourhood that would benefit from the endowment programme. We had advised agents that it would be "prudent to focus this long-term (but limited) funding on a particularly deprived neighbourhood" in order to maximise impact. The process of identifying the neighbourhood varied between areas, with differing degrees of input by the local agent, the local authority and local stakeholders, and with the New Opportunities Fund approving or rejecting nominations.

Again, the choice of neighbourhoods has often been controversial. Choosing a specific ward, estate or priority will almost inevitably lead to some difficulty, and the evaluators have noted the following issues:

- ▶ There was sometimes conflict between stakeholders about nominated choices, while on other occasions individuals effectively made the choice as there was little wider interest.
- ▶ Establishing boundaries of neighbourhoods was often hard, given pockets and overlap of deprivation and differing boundaries of other sources of funding.
- ▶ Some identified neighbourhoods simply do not see themselves as a single unit. In one case, four separate villages have been identified as a "neighbourhood".
- ▶ In some identified neighbourhoods, there has been a degree of resentment at being singled out as "disadvantaged" or "deprived".

A different situation has applied in Northern Ireland. At the beginning of the wider initiative, the New Opportunities Fund identified 49 wards in 14 local

# Progress on the endowment programme

authority areas as Fair Share Trust areas. This was because patterns of funding had been different, but also because of the often divided nature of communities in Northern Ireland.

## Appointing panels and identifying priorities

The next stage in developing the local programmes has been to appoint local panels, undertake a neighbourhood assessment process, and then to agree priorities for funding.

Again, the situation is different in Northern Ireland, where the lead agent has worked closely with a wide range of local stakeholders to maximise impact through a process termed “consensual grant-making”. As part of this, CFNI identified three groups – lone-parent families, young people and older people – as a priority for funding. There is one panel for all of Northern Ireland, but CFNI are concentrating a great deal of effort on building links with people and organisations in each ward.

Elsewhere, the process of appointing people to panels has proceeded at varying paces and with varying degrees of difficulty. Some areas have explicitly excluded elected members, while in others there have been complaints that panels are filled with “usual suspects”. The process has also sometimes suffered from the problem of neighbourhood identity (or lack of it) mentioned above.

Many people interviewed for the evaluation have suggested that the formation and early work of the panels is a capacity-building exercise in its own right, and that the difficulty of this aspect reflects some of the wider challenges. For instance, while areas may indeed wish to break the mould by excluding “usual suspects”, low community capacity may mean that

alternative representatives do not readily come forward.

In many cases, the local authority has led on the neighbourhood assessment, which sets out a range of local circumstances. This process helps to inform decisions about more specific local priorities for funding. At the time of the first report, only one case-study area (Dudley) had begun to make grants.

# Progress on the endowment programme

## Emerging issues

While progress on the endowment programme may seem limited, the process has been complex and often challenging. Stakeholders and the evaluators have noted the following issues, among others:

- ▶ Processes such as neighbourhood assessment have often had a wider value and are likely to help to ensure that grants have a greater impact.
- ▶ Appointing panels and undertaking assessment and priorities exercises have often helped build the capacity of the panel itself. Indeed, local agents have highlighted the crucial nature of this process and suggested that more financial support should be available for this.
- ▶ Many areas are using community development strategies to ensure better communication and partnership working, and to make more effective grants.
- ▶ Participation also builds the wider capacity of local agents, although this may sometimes lead to friction with other local agencies doing similar work.
- ▶ Again, differing local circumstances and relationships affect successful partnership building and when and how intermediate stages are completed.

Fair Share areas are by definition likely to be more challenging to work in. A particular issue has been how far local arrangements have been imposed from above or have developed locally, and differing interpretations of this. For instance, many panels feel a sense of ownership and responsibility for the endowment and decisions about funding, but the local agent is ultimately accountable for these. These tensions can aggravate those arising from the choice of neighbourhoods and local agents.



Finally, there has been criticism of the time taken to begin making grants under the programme. While that frustration is understandable, the evaluators note that the often arduous process may ultimately help ensure that the programme makes better grants and has a more lasting impact. This possibility will be explored in future years of the evaluation.



The Fair Share initiative as a whole has involved a complex array of interacting programmes and stakeholders. This report considers progress up to the effective end of grant-making under the Community Fund's open programme.

At the end of this stage, the evaluators have noted the following overall themes and issues:

- ▶ In many areas, the initiative has only been part of a wider pattern of funding arrangements and possibilities, so its overall impact may not be

apparent. But the open programme offered many groups opportunities to start new work or to continue existing projects. For many of them, the process of applying and the support available was welcomed, and has helped to support new activities and build the capacity of beneficiary organisations.

- ▶ Sometimes, individuals have had a strong influence in encouraging agencies, groups and local people to work together. Processes have succeeded because they have been embedded in local communities. This helps promote an image of independent rather than disengaged funders.
- ▶ The open programme faced tensions between reaching financial targets and supporting inexperienced groups. While this could cause problems, it seems that the availability of both money and support motivated groups to apply. The endowment programme approaches this issue slightly differently and the evaluation will return to this matter in years to come.
- ▶ The question of future funding is important to the ultimate success and impact of projects. But because the programme made grants in response to demand rather than through a strategic overview, and because there are no dedicated future funding arrangements, the challenges of sustaining many Fair Share projects may be even stronger than is usually the case.
- ▶ While the open programme has given many organisations an opportunity to offer services and to develop their own capacity, focusing limited resources on specific areas may have disadvantaged worthy projects elsewhere. Even in Fair Share areas, the "independence" of the initiative means that

decisions about funding may not have always been in line with wider local priorities and area-based initiatives, leaving many funded projects particularly vulnerable in future.

- ▶ Many people and groups who have benefited from Fair Share have not heard of the initiative and so are not aware of what it is trying to achieve. This is due in part to the limited badging of the initiative within the Community Fund's wider programmes. The Community Fund's efforts were meant to prepare the way for the New Opportunities Fund's Fair Share Trust. But the differences between the two programmes – and perhaps most importantly, the time taken for the Fair Share Trust to begin making awards – have worked against wider understanding.
- ▶ The political imperative to get the programme up and running meant that the funders had little time to consider what might work best and how two approaches might best be co-ordinated. There was, for instance, no clear exit strategy for the open programme, and in particular little attention given to highlighting the links with the endowment programme.
- ▶ That said, the differing timetables, geographic focus and the nature and scale of awards that have been made often work against a more joined-up approach and message. A more considered approach, some have suggested, might have offered an early endowment programme to prepare groups for a wider ring-fenced programme.

The evaluation report gives a full and frank account of progress with the two main strands of the Fair Share initiative.

Overall, the report demonstrates a great deal of progress in Fair Share areas, but it also highlights some of the many challenges that the initiative has faced. From our perspective, it sometimes seems as if the two programmes – and their successes and difficulties – have reflected two differing approaches, producing directly opposing results. Publicly accountable funders like BIG are familiar with having to balance the varying perspectives of different stakeholders, as set out in our recent publication "A discussion paper on risk and good grantmaking".

For instance, the Community Fund's programme has generally succeeded in getting money out to groups very quickly. But our approach has led to some concern that money was not allocated strategically. On the other hand, the New Opportunities Fund's endowment programme has managed to bring various stakeholders together and to identify local priorities, but the effort taken to do so has meant that there has been comparatively little grant-making to date.

These findings do not surprise us, particularly in the context of areas where voluntary sector activity is relatively weak. The endowment programme in particular has specifically set out to focus on building community capacity and partnerships in order to provide a wider legacy than normal grant-making often achieves. We are happy to allow our local agents and panels to determine how the money can best be spent. While we acknowledge that there will nevertheless be differences of opinion about coverage and membership, we are confident that transferring decision-making and skills to local communities will

## How we are responding

allow them to make better use of this funding and to succeed in future applications – either to BIG or to other funders.

We expect comparable effects to arise from the open programme. As the evaluation notes, Fair Share has been able to fund more and a wider range of projects in many areas than had previously been the case. And the very experience of applying for and managing grants will, we hope, give many groups the confidence to do so again in future. At the same time, the focused work in Fair Share areas may well stimulate wider voluntary and community sector activity to help those funded and others to identify needs, priorities and projects.

We are taking account of the findings from the evaluation in developing new programmes throughout the UK. We do so in a stronger position as a single, merged organisation that we believe will let us work more closely with communities to allow them and us to achieve more. We have made a commitment that 60 to 70 per cent of our funding will go to the voluntary and community sector, and as part of this we can open up our funding to a wider range of community organisations than the Community Fund was able to. For instance, BIG can freely fund tenants' and residents' associations and unemployed workers' centres, both of which were often ineligible under the rules that controlled the Community Fund's spending. This is likely to be particularly relevant in many Fair Share areas where there has been a stronger tradition of self-help than of voluntary sector organisation.

Supporting the voluntary and community sector infrastructure is a vital part of building on the achievements of Fair Share to date. In England, the BASIS programme sets out to encourage local

organisations across the country to develop skills in various key areas. In Wales, we will engage an external agency to provide advice and support for voluntary sector applicants. In Scotland and Northern Ireland, we are adopting a longer-term investment approach to support the voluntary and community sectors.

But a lot of work remains to be done, and future reports from the Fair Share evaluators will help us to refine priorities and to identify new ones. We hope that by presenting progress and findings as frankly as possible, we will help to encourage further discussion of how we can respond most effectively to differing priorities.