



Business Plan

For the establishment and development of the
Funding Advice National Network

DRAFT

April 2008 – March 2011



December 2007

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Glossary:	
FAN	funding adviser network, regional or sub-regional
FANN	Funding Advisers National Network
FS 2007	Feasibility Study into a Funding Advice National Network 2007(see Reference Sources for full details)
Infrastructure organisations	Infrastructure organisations offer business to business services, covering a range of technical support to voluntary and community groups on matters such as fundraising, volunteering, trustee and committee issues, equal opportunities etc
NFAP	National Funding Advice Partnership (see Appendix 5 for details)

SH

Sheffield Hallam report 2007 (see Reference Sources for full details)

1. Executive Summary

Over the last ten years, government has been reviewing the capacity of the voluntary sector with a series of infrastructure reviews looking at the sector's support needs. This culminated in 2004 with the introduction of the ChangeUp programme of funding for infrastructure organisations, which encouraged the idea of setting up 'hubs' to offer specialist expertise on particular topics, including funding and finance and led to the development of the Finance Hub. (Responsibility for this work has now been taken over by Capacitybuilders, an independent organisation set up by government to take the ChangeUp work forward). The Hub was tasked with improving the access of frontline groups to good quality funding and finance advice services.

The need for these services had been demonstrated in various local community and economic strategies, local area agreements and similar regional strategies and plans, as well as in sector specific research.

Part of the development to improve the quality and availability of funding advice was to look at developing a national network for funding advisers (FANN), which would bring advisers together to learn and to develop their skills. Research funded by the ChangeUp programme showed that advisers would welcome such a network.

As part of a Finance Hub contract, the National Funding Advice Partnership (NFAP) was asked to develop this business plan as the latest step in developing a FANN. In pulling this plan together, the NFAP has built on the commissioned research work carried out by Sheffield Hallam University in early 2007 (SH) and the subsequent feasibility consultation/study carried out by NFAP in summer 2007 (FS 2007). The NFAP has taken great care to address the concerns and reservations expressed in that work and the main body of the Plan includes references to both those pieces of work within the text.

The overall vision for the FANN is to develop a sustainable, inclusive yet diverse national network, for people who give advice to others on funding issues. Its ultimate aim is to develop, through the services of the FANN and its members, a sustainable third sector. It will achieve this by providing a range of services for funding advisers, either directly or through its membership, which will encompass mutual support, the development of new funding adviser networks (FANs), a national programme of specialist training, a competency framework & a quality standard, campaigning and advocacy on behalf of funding advice, development of funding advice provision where there are gaps, co-ordinating the provision of national funding intelligence and regional information bulletins and representing the views of funding advisers in appropriate arenas. An inclusive, democratic structure, membership and governance will be developed.

The FANN will be resourced by various methods of financing. For the first three years, funding will be predominantly sought from traditional grant aid sources whilst a viable income generating strategy is developed.

The outcome of the work will be a professional association for funding advisers from all sectors. Funders, including local authorities, and ultimately frontline groups will receive the benefit of better coordinated, informed and trained funding advisers. The FANN will aid the longer term sustainability of existing funding advice services through improved co-ordination and more sharing of resources, and ultimately will help sustain the longer term sustainability of front-line organisations.

2. Background

In the mid 1990s, government become interested in the potential of the voluntary sector and set about reviewing its capacity with a series of infrastructure reviews as follows:

- The 1996 Commission on the Future of the Voluntary Sector contained proposals for strengthening the voluntary and community sector.
- December 2000 Defra's (Department for the Environment, Food and Rural Affairs) 'Community Capacity Building and Voluntary Sector Infrastructure in Rural England' document was produced in and was a companion to The Home Office publication 'Community Capacity Building'.
- September 2002 The Government's Cross-Cutting Review of the VCS in Service Delivery recognised that the sector has grown rapidly and its current form represented past and not future needs.
- September 2003 Voluntary & Community Sector Infrastructure – A Consultation Document, ACU asked the sector what it wanted from its infrastructure
- June 2004 ChangeUp - Capacity Building and Infrastructure Framework for Voluntary and Community Sector proposed how the September 2003 consultation findings might be taken forward .

ChangeUp was a government programme of funding for infrastructure organisations, opened in 2004, which encouraged the idea of setting up 'hubs' to offer specialist expertise on particular topics, including funding and finance, (the Finance Hub). Local work was carried out through the consortia, made up of existing local infrastructure organisations.

In 2006, Capacitybuilders was set up as a separate organisation to build on the ChangeUp programme and in 2007, the support from Capacitybuilders to infrastructure throughout England came through the hubs and through sub-regional/district consortia. In 2008, the hubs are to be replaced with National Support Services (NSS), of which funding and finance will be one (Income Generation NSS).

3. Local, regional and national context for funding advice - evidence of need

Access to funding is vital if voluntary and community organisations are to sustain their activities and services and it is no surprise that it features as one of the top priorities for groups throughout the country.

a) Local Community Strategies and Local Area Agreements

At local level, strategic partnerships are aiming for a better quality of life for everyone by:

- building and supporting good communities that will last
- improving the environment and using resources as efficiently as possible
- increasing economic prosperity, and
- planning and delivering services to meet priority needs, particularly for those people who are most disadvantaged, excluded or vulnerable.

Community strategies feed in to Local Area Agreement priorities at district level and will inform the ways in which voluntary and community organisations within districts can access local funds.

b) Economic Strategy and VCS contribution to the local economy

At the same time, the local economic strategies acknowledge that districts have strong (but varying) community and social enterprise sectors, which deliver local services, recycling and reinvesting money in the local economy. Economic strategies link to solutions in local area agreements to promote enterprise by working with third sector organisations to increase their capacity to operate as social enterprises and to take advantage of the changing nature of public service delivery.

c) Regional Economic Strategies

Regional Economic Strategies (RES) recognise the role of a sustainable communities approach to the economy and acknowledge district and third sector roles as seedbeds for enterprise and opportunity.

d) The need for funding advice

Good quality funding information, advice and support will be crucial in helping voluntary and community organisations to deal with changes in local funding methods and priorities and to develop their fundraising planning and marketing skills in order to successfully meet local needs and sustain their activities.

Whilst district based quality funding advice services have been developing, there has been a growing regional and national interest in this area of work.

In 2006 the Finance Hub commissioned research from Sheffield Hallam University to look at the provision of funding advice networks nationally (SH references in this text). In 2007 they followed this up with commissioning of a feasibility study (FS 2007 references in this text) for the development of a national funding advice workers network (FANN). The key elements of a funding advice service have been agreed (nationally) as being information, skills, support and quality/competency systems.

Both the Sheffield Hallam report and the FANN feasibility study concluded that a FANN should be established to coordinate existing regional and local networks, to provide the missing professional support for funding advisers and to help close gaps in funding advice provision. Earlier reports, including those mentioned in the Background section above, and other regional and local reports all demonstrated the need for funding advice itself and for improvement in the coverage and quality of that advice.

For extended information on the external environment against which this plan will be operating, please see Appendix 1 'The external environment: Local, regional and national context for funding advice'.

4. Guiding principles

This plan, and the FANN, will take great care to address the concerns and reservations expressed in both the Sheffield Hallam report and the subsequent Feasibility Study (SH p49) and in so doing will follow the principles set out below (FS 2007 Q37 p55):

- 1) Existing FANS will be involved in the process of establishing a FANN at the earliest possible stage (FS 2007 Q37 p55)
- 2) Members will have a clear voice in the affairs of the FANN (FS 2007 Q37 p55)
- 3) The model developed will have the maximum potential for sustainability (FS 2007 Q37 p55)
- 4) The model will be inclusive of all advisers providing support to the third sector (FS 2007 Q37 p55)
- 5) The model should work with the support of existing services, not compete with them (FS 2007 Q37 p55)
- 6) Decisions made on the short term plans will focus on where best to channel energy and resources available (SH p50) but it will also be established to deliver long term sustainability (FS 2007 p1)
- 7) The FANN will adopt a strategic approach, avoiding duplication and providing added value, by having as a high priority, close working with existing funding advice agencies that are operating at all geographic levels. It will ensure that it complements and collaborates with those services rather than competing with them (FS 2007 p1 & p5 Recommendation 4) and will avoid doing what FANS are better placed and able to do at local and regional levels. (SH p50)
- 8) Service delivery will be spread fairly and nationally ie not mainly London (FS 2007 p14)

5. The proposal

a) Vision for the FANN:

To develop a sustainable, inclusive yet diverse national network, for people who give advice to others on funding issues, that:

- provides an excellent service through advocacy, training, mentoring and networking (FS2007 p53)
- values and shares the expertise of its members (FS2007 p54)
- links cohesively and cooperatively with its regional and local members and
- demonstrates added value in the services it provides. (FS 2007 p1 &4)

b) Aims

To develop, through the services of the FANN and its members, a sustainable third sector in which voluntary and community groups have:

- better knowledge of a wide range of funding opportunities
- an improved knowledge and understanding of how to develop appropriate and effective funding proposals and strategies
- access to a better quality of funding advice
- an increased capacity to submit effective, quality application/bids
- their needs better understood by funders

c) Objectives

- To offer mutual support by sharing information, expertise, experience and good practice through networking (SH p50 & FS 2007 p3 & 18)
- To support the development of FANS where none exist
- To develop a national programme of specialist training
- To implement a competency framework & a quality standard for funding advisers and funding advice services (SH p51 & FS 2007 p3)

- To campaign and advocate on behalf of funding advice
- To support the development of funding advice provision where there are gaps (SH p51 & FS 2007 p4)
- To co-ordinate the provision of national funding intelligence and regional information bulletins (FS 2007 p3)
- To represent the views of funding advisers (FS 2007 p3)

FS 2007 (p3) also recognized that some functions are best carried out at regional/local level.

d) FANN Structure, Membership, Governance and Management:

(i) *Structure:* It is proposed that the FANN should be established as a project within an existing 3rd sector organisation (FS 2007 p1) and that it should have a representative governing body. (FS 2007 p4). This proposal supports the preference of the majority of people responding to the Feasibility Study.

(ii) *Membership:* Membership of the FANN will be open to all sectors ie voluntary, statutory and private sectors and membership of the Steering Group will be proportionate to the types of members. A ratio of 70% VCS, 15% statutory 5% private, 10% others would reflect the proportional split of those responding to the feasibility study. (FS 2007 p7)

Membership will reflect local and regional networks, and individual agencies and organisations providing funding advice. Individuals will also be eligible for membership. (FS 2007 p10) The priority for membership will be those who have “funding advice” as a key part of their role, and consideration will need to be given to all publicly funded sectors (FS 2007 p1 & 11). Membership will be diverse and inclusive (FS 2007 p16) and representation from appropriate networks or organisations covering various diversity issues will be sought.

(iii) *Governance:* A FANN Steering Group will be democratically and representatively set up within the first three years. In this way, the way forward for the FANN can be developed carefully in the right way as FANN members wish, ensuring that equality, diversity and rural issues are addressed very early on. The Steering Group will include representatives from across the regions and specialist advice areas and the FANN Co-ordinator (see Management below) will also sit on the Steering Group. The group will feed into an Executive Committee, which will initially be formed from the National Funding Advice Partnership, and which will be responsible for overseeing the day-to-day work of the FANN. The Steering Group will provide a two way flow of information between the general membership and the Executive Committee and will feed in the needs and issues of funding advisers for the Executive Committee to look at developments to address those needs.

Membership of the Steering Group will reflect the membership ratios, with a majority of governing body members from the third sector, whose personal or organisation’s main function is funding advice (FS 2007 p4). The Steering Group will have 10-15 members (FS 2007 p39), with a place for each regional FAN (or a sub-regional FAN on behalf of a region without a regional FAN until such time as that region has its own network). In addition, there will be capacity for up to 2 other voluntary sector representatives, 2 statutory sector representatives, 1 private sector representative and 1 ‘other’ representative, again reflecting the proportions of the respondents to the Feasibility Study. Apart from the regional FAN representatives, consideration will be given to electing the other members by ballot.

The Steering Group will meet quarterly at a mutually agreed central location, which may be rotated (FS 2007 p4)

- (iv) *Management:* The FANN will be hosted by one of the NFAP partners, providing project management and line management to the postholder(s). The Executive Committee will have overall responsibility for seeing that the management of the project by the host organisation is carried out effectively.

Finite elements of the work will be undertaken by different Executive Committee partners according to their strengths, preferences or capacity. Additional partners will be invited to join the NFAP as needs arise. Appointment of additional partners will be done via a fair and open process. Day-to-day management of the project will be by a FANN Co-ordinator, with administration support, as demanded by the needs of the post, being provided by the host organisation and charged to the project.

e) Services:

- (i) *Sharing good practice and peer support:* The directory of FANs developed in 2007-08 will be augmented and promoted. (SH p9/61). Links between FANs will be encouraged and developed via the FANN (SH p7 & p9/62). Information on what other funding advisers are doing will be disseminated via bulletins, networks and a website,
- (ii) *Development of new networks:* New FANs will be encouraged and developed in areas where they don't exist (both regionally or locally) by working in partnership with, or with support from, existing networks. (SH p9/62) The FANN will be very keen to use existing expertise and knowledge and not to duplicate what others have done before; to build on the excellent work already done in the regions and some sub-regions (FS 2007 p4). The FANN will recognise that there is a cost to this work, in terms of time and finance. To this end, it will seek funding to resource the development of new FANs and will encourage a bartering system for existing networks, who give of their expertise and materials in return for free/reduced membership or other materials. In the future the fund may be carried on to provide continuing support for emerging networks to establish themselves or for existing networks to maintain themselves (FS 2007 p16)
- (iii) *Professional development:* Continuing personal development for funding advisers will be encouraged through the launching of a competency framework, a quality award and a coordinated national training programme, which will use existing training providers. A web-accessible resource bank of quality policies, procedures and documents will be developed which will improve the quality and efficiency of funding advice (FS p15). Work will also be carried out to enable and support others at grassroots level to become funding advisers (FS p15).
- (iv) *Development of funding information resources:* Regional and local funding information bulletins will be coordinated to form a national information service to which people can subscribe (FS 2007 p3)
- (v) *Identification of gaps in provision:* As well as gaps in network coverage, gaps in resources, training and other services will be identified and work undertaken to fill them (FS p14).
- (vi) *Virtual network:* In FS 2007, (FS p22/23) , respondents suggested that the FANN could be a virtual network. Many of the services and resources proposed in the plan will be publicised/available via electronic means

(vii) *Campaign and advocacy*: The FANN will work to raise the profile of funding advice work with funders and policy makers and will represent the views of funding advisers on funding and other policies at all appropriate opportunities

(viii) *Development of funding advice work*: The FANN will provide set-up support for new funding advice services and mentoring support for existing services, using the expertise of existing networks when possible.

Before implementing a new FANN service, the FANN will establish what regional and local expertise already exists, and will engage with existing regional or local networks to take account of their views and to utilise their knowledge and expertise in setting up or providing the service. (FS p15 Q9)

Workplan

The draft workplan is set out below. It includes priorities from FS 2007 (p4) and will be refined with input from FANs as the FANN develops (SH p9/62)

What (Objective)	How (Output)	Why (Outcome) Voluntary and community groups will have:	Results (Output indicator)	When by	Partner skills required
Develop initial steering group and FANN membership	Skills gap analysis of steering group Hold Steering group and FANN meetings Via email	Access to a better quality of funding advice	Steering group strengthened 11 FANN members enrolled	September 2008	Administrative Marketing
Expand content and access to FANs directory	Via email Via website	Access to a better quality of funding advice	250 people have access to directory	Initially by September 2008. Later ongoing	IT Marketing
Encourage links between FANs	Directly through Co-ordinator support Via meetings/email/newsletter/website	Access to a better quality of funding advice	10 links developed	Ongoing	Negotiation IT Marketing
Disseminate information on what other funding advisers are doing	Via email/website/networks/ e-newsletter/partners	<ul style="list-style-type: none"> Access to a better quality of funding advice Their needs better understood by funders 	Intelligence gathered	Ongoing	Information management/dissemination Copy writing IT Marketing
Promote new FANs in partnership/ with support from other existing	Directly through advice & support from Co-ordinator and existing networks. Finance through small	Access to a better quality of funding advice	5 new networks set up	March 2009 Ongoing	Negotiation Grant administration Marketing

networks	grant from FANN				
Promote and refine competency framework	Via Co-ordinator Via event/ website/networks Feedback from funding advisers and framework managers	<ul style="list-style-type: none"> • Better knowledge of a wide range of funding opportunities • An improved knowledge and understanding of how to develop appropriate and effective funding proposals and strategies • Access to a better quality of funding advice • An increased capacity to submit effective, quality application/bids 	Framework completed for use by advisers	Autumn 2008	Quality assurance Funding advice IT Marketing
Promote and refine quality award	Via Co-ordinator Via event/ website/networks Feedback from funding advisers and award managers	<ul style="list-style-type: none"> • Better knowledge of a wide range of funding opportunities • An improved knowledge and understanding of how to develop appropriate and effective funding proposals and strategies 	Quality award completed for use by advisers and organisations	Spring 2009	Quality assurance Funding advice IT Marketing

		<ul style="list-style-type: none"> • Access to a better quality of funding advice • An increased capacity to submit effective, quality application/bids 			
Promote and develop further national training programme using existing training providers	Via Co-ordinator Via event/ website/networks Feedback from learners on training courses Feedback from funding advisers	<ul style="list-style-type: none"> • Better knowledge of a wide range of funding opportunities • An improved knowledge and understanding of how to develop appropriate and effective funding proposals and strategies • Access to a better quality of funding advice • An increased capacity to submit effective, quality application/bids • Their needs better understood by funders 	Wider range of training courses available, including Level 4 course for advisers	Ongoing	Training Funding advice IT Marketing
Development of web-accessible	Through Co-ordinator/ Networks/partners/	<ul style="list-style-type: none"> • An improved knowledge and 	Range of additional	Ongoing	Quality assurance

resource bank of quality policies, procedures and documents	website (existing Finance Hub website?)	<p>understanding of how to develop appropriate and effective funding proposals and strategies</p> <ul style="list-style-type: none"> • Access to a better quality of funding advice 	materials available		<p>Policy/publication development Funding advice IT Marketing</p>
Enabling and supporting others at grassroots level to become funding advisers	Training programme/ CPD opportunities developed by partners	<ul style="list-style-type: none"> • Better knowledge of a wide range of funding opportunities • An improved knowledge and understanding of how to develop appropriate and effective funding proposals and strategies • Access to a better quality of funding advice • An increased capacity to submit effective, quality application/bids • Their needs better understood by funders 	Training programme compiled. 10 grassroots advisers trained	Ongoing	<p>Training Funding advice IT Marketing</p>
Coordinate	Distribute via	<ul style="list-style-type: none"> • Better 	National bulletin	By winter	Information

funding information bulletins to form a national information service to which people could subscribe	email/website with information/management by Co-ordinator & existing providers	<p>knowledge of a wide range of funding opportunities</p> <ul style="list-style-type: none"> An increased capacity to submit effective, quality application/bids 	available and 50 people signed up as subscribers in first year	2008/9 and then ongoing	management/dissemination IT Marketing
Identify gaps in provision and circulate market research	Identified by networks and collated by Co-ordinator. Research results and materials developed promoted and/or distributed via networks/ website/e-newsletter	<ul style="list-style-type: none"> Better knowledge of a wide range of funding opportunities An improved knowledge and understanding of how to develop appropriate and effective funding proposals and strategies Access to a better quality of funding advice An increased capacity to submit effective, quality application/bids Their needs better understood by funders 	Gaps identified. Materials/ services developed.	Seek views during 2008, identify/deliver services in 2008-10	Research Information management/dissemination
Campaign and advocate on behalf of funding	Through networks & Co-ordinator	<ul style="list-style-type: none"> Access to a better quality of funding advice 	Importance of funding advice acknowledged by	Ongoing	Funding advice Negotiation Campaigning

advice work		<ul style="list-style-type: none"> • Their needs better understood by funders 	funders and policy makers. 2 new funders supporting funding advice		Advocacy
Represent the views of funding advisers	Through networks & Co-ordinator Via e-newsletter/ website	<ul style="list-style-type: none"> • Access to a better quality of funding advice • Their needs better understood by funders 	10 new funders/ networks/partnerships/agencies sought views of funding advisers	Ongoing	Funding advice Negotiation Campaigning Advocacy
Development of funding advice work	Set-up support provided for new services Mentoring support for existing services. Provided by Co-ordinator, partners, networks.	<ul style="list-style-type: none"> • Access to a better quality of funding advice • Their needs better understood by funders 	2 new local services set up 10 existing services mentored	Ongoing	Funding advice Project management Mentoring
Market FANN & its services	Marketing & communications plan developed and executed by Co-ordinator and Steering group/ governing body, with support from networks, to include website, either new or dedicated part of an existing site	<ul style="list-style-type: none"> • Access to a better quality of funding advice 	FANN membership well established 100 FANN members enrolled	Ongoing	Marketing & communications
Monitoring and reviewing	Membership survey/focus groups/network meetings. Reports	<ul style="list-style-type: none"> • Access to a better quality of funding advice 	FANN plans and services revised accordingly	Ongoing	Monitoring and evaluation

	collated by Co-ordinator and reviewed by steering group/ governing body				
Develop funding for next three years	Fundraising strategy created and executed by Co-ordinator and Steering group/ governing body. Link to regional and district forward strategies	<ul style="list-style-type: none"> Access to a better quality of funding advice 	Funding secured for 2011-2014	Ongoing	Fundraising Income generation

Monitoring and reviewing: All work carried out by the FANN will be regularly monitored and reviewed through a variety of mechanisms which will involve the FANN membership. These will include regular membership surveys and focus groups and opportunities will be taken at network meetings and events to gain feedback both informally and formally. Representatives to the Steering Group will also be encouraged to give regular feedback. Feedback will be collated by the FANN Co-ordinator and reviewed by the Steering Group and the Executive Committee and then applied to future FANN plans, policies, fees and services.

6. Benefits

The beneficiaries of the FANN will be funding advisers from all sectors, funders including local authorities and ultimately frontline groups, who will receive the benefit of better coordinated, informed and trained funding advisers. It will aid the longer term sustainability of existing funding advice services through improved co-ordination and more sharing of resources, and will ultimately help the longer term sustainability of front-line organisations.

FS 2007 (FS 2007 p4) emphasised the need for the FANN to provide added value to what already exists. The FANN will ensure that it develops all its proposed activities against this requirement and will work closely with regional and local networks to make sure this happens. All services proposed in this business plan reflect that principle.

Funding advisers and funders will receive services that are either not available or practical at local or regional level. The FANN will play a coordinating and promotional role for services which are better delivered at local or regional level, even if they are developed at national level.

This business plan is working towards a similar outcome to that identified by Capacitybuilders as being the key outcome of the national support programme that in 2011, sector support services are more skilled and effective in delivering support relevant to the current and future needs of and demands on diverse frontline third sector organisations

In the context of the specific roles that Capacitybuilders sees for the National Support Services, the work of the FANN will encourage the sharing and developing best practice, including resource development; will provide specialist delivery to specific subsectors; will build collaboration and alliances across tiers of services through its cascading structure.

The FANN's work will be relevant to many of the National Support Services being developed by Capacitybuilders. These include Campaigning and Advocacy (through funding adviser networks talking to funders) Collaboration (the FANN will encourage sharing of expertise and resources) Equalities & Diversity (by Income Generation (eg by encouraging advisers to develop expertise and skills in non-traditional methods of funding)), Performance Management (through its training of funding advisers and development of the mentoring, quality award and competencies framework).

7. Marketing

A comprehensive marketing and communications plan will be developed to ensure that funding advisers are reached wherever they are and informed of the existence, benefits and services of the FANN (FS 2007 p19 ii). The expertise of Executive Committee partners or relevant others will be maximised to develop an effective plan, which will use traditional and electronic methods for promotion. Mechanisms will include emails and regular news bulletins, presentations at events, and articles in other voluntary sector press. The plan will be developed and executed by the FANN Co-ordinator and Executive Committee and Steering Group members, with support from and cascading to, and by, regional and local FANS and other networks. A web presence will be sought, either by setting up a new site or by dedicating part of an existing appropriate website.

8. Risk assessment

Risk	Main Possible Consequences	Mitigation
Long term sustainability	FANN could fold	Potential explored for sharing of functions/skills between appropriate organisations at less cost
Lack of new services	Membership interest declines Income falls	Develop enough resources to provide new services and update existing ones
Lack of support from members due to other calls on their time	Membership declines Income falls	Keep services, communications and events succinct and relevant
Mismanagement by host organisation	FANN could fold Membership could become disillusioned	Effective management by the steering group/governing body
Unbalanced representation	Membership dissatisfied	Effective mechanisms to measure balance of membership. Regular checks to see balance achieved
Potential competition for some services	Income falls	Effective marketing plan to establish good reputation and ensure provision of excellent quality of services

9. Sustainability strategy

The FANN will be resourced by various methods of financing. For the first three years, funding will be sought from traditional grant aid sources whilst a viable income generating strategy is developed. The FANN will investigate further the reality of being able to generate membership fees of any substance, considering a scale of charges relative to sector (FS 2007 p12) and possibly to size of organisation. (A large number of respondents to the Feasibility Study were not in favour of large membership fees). Income from services, perhaps with discounted rates for members, will also be investigated. This income might include fees levied for accreditation to the competency framework and the quality award. Other options to explore include having available two levels of service for members for different fees. Consideration might also be given to discounted fees for advisers who have become accredited to the quality award.

10. Reference Sources:

- FS 2007 Feasibility Study - a Funding Advice National Network 2007. Prepared by the National Funding Advice Partnership for the Finance Hub November 2007
- SH Mapping of Funding Advisers Networks In England and Implications for a Funding Advice National Network April 2007 Sheffield Hallam University Centre for Voluntary Sector Research (known colloquially as 'the Sheffield Hallam report')

Appendix 1 Budget

EXPENDITURE	<u>4 qtrs</u>	<u>4 qtrs</u>	<u>4 qtrs</u>	<u>Total</u>
**Done on principle of needs of project *Done on principle of total host org cost divided by total host org staff hours multiplied by no of hours for project	<u>Apr 08 - Mar 09</u>	<u>Apr 09 - Mar 10</u>	<u>Apr 10 - Mar 11</u>	<u>cost over three years</u>
Salary post holder **	29781	31568	33462	94811
Salary admin **	8746	9271	9827	27844
Salary host project manager* *	11316	11995	12715	36026
Salary accounts*	4886	5180	5490	15557
Salary info officer*	3112	3299	3497	9908
Salary Regional Support Officers	48261	51157	54226	153644
Total salaries costs	<u>124211</u>	<u>131663</u>	<u>139563</u>	<u>395437</u>
Recruitment**	3000	3090	3183	9273
Staff Travel**	3000	3090	3183	9273
Staff Training and Conferences**	500	515	530	1545
Office Equipment**	450	464	477	1391
Computer Equipment**	1500	1545	1591	4636
Training to others**	3000	3090	3183	9273
Meeting expenses**	3000	3090	3183	9273
Insurance*	912	939	967	2818
Rent*	3516	3621	3730	10866
Office Expenses (tel, postage, stationery)*	2353	2424	2496	7273
Subscriptions and Publications*	113	116	120	349
Computer Services*	627	646	666	1939
Volunteer Expenses*	63	65	67	194
AGM and Annual Report*	157	162	166	485
Payroll Services*	140	144	149	433
PR*	63	65	67	194
Newsletter and publication production*	722	743	766	2230
Miscellaneous*	31	32	33	97
TOTAL	<u>154655</u>	<u>163021</u>	<u>171861</u>	<u>489537</u>
INCOME				
Grants	150000	150000	150000	450,000
Fees for services	3,250	11,250	20,000	34,500
Interest received	505	871	861	2237
TOTAL	<u>154655</u>	<u>163021</u>	<u>171861</u>	<u>489537</u>
BALANCE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

1.1 Appendix 2 The external environment: Local, regional and national context for funding advice

Access to funding is vital if voluntary and community organisations are to sustain their activities and services and it is no surprise that it features as one of the top priorities for groups throughout the country.

Local Community Strategies and Local Area Agreements

At local level strategic partnerships are aiming for a better quality of life for everyone by:

- building and supporting good communities that will last
- improving the environment and using resources as efficiently as possible
- increasing economic prosperity, and
- planning and delivering services to meet priority needs, particularly for those people who are most disadvantaged, excluded or vulnerable.

Community Strategies feed in to Local Area Agreement priorities at district level and will inform the ways in which voluntary and community organisations within districts can access local funds.

Economic Strategy and VCS contribution to the local economy

At the same time, the local Economic Strategies acknowledge that district have a strong (but varying) community and social enterprise sectors, which deliver local services, recycling and reinvesting money in the local economy. Economic strategies link to solutions in local area agreements to promote enterprise by working with third sector organisations to increase their capacity to operate as social enterprises and to take advantage of the changing nature of public service delivery.

Regional Economic Strategies

Regional Economic Strategies (RES) recognise the role of a sustainable communities approach to the economy and acknowledge district and Third Sector roles as seedbeds for enterprise and opportunity.

Good quality funding information, advice and support will be crucial in helping voluntary and community organisations deal with changes in local funding methods and priorities and develop their fundraising planning and marketing skills in order to successfully meet local needs and sustain their activities.

Whilst district based quality funding advice services have been developing there has been a growing regional and national interest in this area of work.

PEST analysis

Political factors

In 2006 the Finance Hub (one of the specialist national support services funded through Capacitybuilders) commissioned research from Sheffield Hallam University to look at the provision of funding advice networks nationally. In 2007 they followed this up with commissioning a feasibility study for the development of a national funding advice workers network (FANN). The key elements of a funding advice service have been agreed (nationally) as being information, skills, support and quality/competency systems.

The 2007 Comprehensive Spending Review will take a long-term look at the future of public services, identifying what investments and reforms are needed to equip the UK to meet the challenges and opportunities of the decade ahead. As part of this the Government is

assessing five key long-term trends that will have far-reaching implications for government, society and Britain's role in the world.

At the same time a third sector review, undertaken by the Office of the Third Sector, has reported and set out its strategy for the third sector for the next ten years.

The pattern of funding for the Third Sector (and as a consequence the development of the sector) has changed over the past decade. Whilst traditional sources of funding such as charitable trusts have continued at much the same levels as their pre1990's levels, other funding has altered. Commercial support for the third sector has become more prominent, both through supporting specific causes, and through the development of a range of company giving, with some very prominent funders in this area. Community Foundations have become much stronger, and central government initiatives affecting the local level are now very much part of the funding landscape.

At the same time, however, whilst the number of registered charities has remained more or less constant over the past decade, their spending had increase well beyond the rate of inflation – in other words we have seen considerable growth in the sector. There are many signs that this growth has reached a plateau, and that the funding which financed this growth is no longer there to support the sector at the same level. As a consequence, funding has become much more competitive, which in turn makes co-operation between agencies, and strategic planning by the sector, more difficult to achieve (but even more necessary).

Government emphasis on an increasing role for the third sector in delivering public services opens up both opportunities and challenges. This results in more local services being commissioned, which has far reaching implications for the future sustainability of voluntary and community organisations.

In the government report '[The future role of the third sector in social and economic regeneration](#)', the Prime Minister said: "I believe that a successful modern democracy needs at its heart a thriving and diverse third sector. Government cannot and must not stifle or control the thousands of organisations and millions of people that make up this sector.....
..... At the heart of our approach is our desire to support those thousands of small community organisations who play such a vital role (in) our society. We want them to be free to access the funding or advice they need in a way that suits them. We are investing in small grants schemes and endowing communities to allow local people to make decisions locally about how their groups can build communities and change lives."

1. National Government policy on third sector – becoming stronger e.g. emphasis on voluntary sector involvement in social and economic regeneration (Third Sector Review).
2. National Government policy on third sector funding – new funding announced since April 2007 e.g. £80 million Small Grants Fund, £50 million to build Community Foundations' endowments, £30 million Community Assets Fund – emphasis on sustainability and building capacity. Compact principles emerging in practice e.g. new statutory guidance for a standard of 3-year grant funding unless it does not represent best value in individual cases. 12-week consultation times an increasingly standard feature.
3. An election is possible over next two years, therefore there is some uncertainty over long-term plans/ policies.
4. Local Government – greater representation of third sector groups on local strategic partnerships and in developing local area agreements.

Economic factors

In the national context, the support from Capacitybuilders to infrastructure throughout England has come through the National Support Services, (eg the Finance Hub as described above) and through sub-regional/district consortia. Central government funding has been shaped by triennial treasury reviews – the latest of which has set Capacitybuilders support for the next three years. The Budget saw the announcement of a new £80m fund for small grants, although the important Local Network Fund comes to an end in March 2008.

The government's third sector review final report set out a strategy to work with third sector organisations over the next ten years to promote social and economic regeneration. It followed the government's largest ever consultation with the third sector and built on previous investments in third sector organisations.

Those parts of the review concerning funding state that the Office of the Third Sector will invest more than £515 million in third sector programmes over the next three years, combining existing funding and new announcements.

The main aims outlined in the review are to help to give third sector organisations a greater voice and to work with the sector to strengthen communities, transform public services, encourage social enterprise and support the conditions for the sector to thrive.

The government will invest £50 million in endowments for Community Foundations to make sure they can provide grants in the future for community groups, and at least £10 million of new investment will be made in community anchor organisations and community asset and enterprise development. In addition, the government will provide £117 million of new resources for youth volunteering.

The government will improve funding arrangements for the third sector, and make three-year funding the norm, rather than the exception; create a new national research centre as part of a programme to build the third sector evidence base; and implement a new third sector skills strategy.

It will also invest over £85 million of new resources in developing third sector infrastructure through [Capacitybuilders](#), and continue to focus on the [Compact](#) as a means to build the relationship between the third sector and all levels of government.

1. Long-term prospects for the economy (interest rates, inflation) – currently volatile and uncertain.
2. Local economy – reduced amounts of grants available, the need to trade, increased financial pressure on small groups being left out of commissioning arrangements/opportunities for contracted services and with a socio-economic customer base unable to subsidise the service.
3. Market for infrastructure services now national, not local. Wider set of competitors on the open market. Voluntary and community groups can pick and choose who they go to for advice. National, regional and local services available. More competition, but lack of corresponding strategic overview.
4. Funding increasingly linked to private sector investment – may bring with it new requirements/considerations/opportunities for partnership working. Increased expectation from funders that part of the costs of a service will be recouped through fees. Difficulties (inc. ethical issues) of this for an advice service. Unattractive cause for general public donations.
5. Move away from open grant programmes towards more “commissioning” – harder for advisers to find appropriate funding for groups to apply to and therefore meet the group's expectations. “Strategic” grant programmes or large amounts of funding

being given to intermediaries e.g. local government or strategic health authority mean need to develop personal contacts with commissioners.

6. Development of city regions with more emphasis on economic development in strategic planning and less involvement with economic inclusion, which is seen as being a "local" issue (twin track economies) rather than a strategic concern.

Socio-cultural factors

1. Increasing gap between rich and poor nationally, therefore difficulty of affecting change in locally deprived areas when social mobility is increasingly difficult.
2. Regional key issues where there are persistent and problematic trends may affect future funding opportunities:
 - a. Violent crime
 - b. Transport
 - c. Housing affordability
 - d. Widening gaps in income and inequalities
 - e. Obesity
 - f. Climate change/energy
 - g. The need for higher level skills and innovation.
3. Equality agenda and new legal duties on groups, increased emphasis on policies and procedures in general, proposed CRB changes – all could marginalise small groups and affect their chances of applying for funding.
4. Community Cohesion e.g. single issue group funding in question and increasing requirement for organisations to understand and positively influence better relations between groups of people in their community.
5. Environmental issues – an increasing focus of civil society. Charities and voluntary groups expected to respond quickly to new demands for environmentally sound services.
6. Capacity building/ ongoing work to improve the strength of smaller organisations and their ability to help in their local community difficult to fund, but essential.

Technological factors

1. Website service have become an essential part of funding advice delivery. Local information is under our control, however national and regional information is controlled through a series of intermediaries. Out of date information impacts on local services.
2. Technology already utilised well in delivering service – email/ telephone/ web query facility.
3. Technology may offer a way of developing information service to groups e.g. through database/ email facility to manage mailouts of information directly to relevant groups – currently done through advisers/ admin staff. there may be potential to automate part of this.
4. 24-hour web services/ instant responses e.g. "ask a librarian" services may eventually influence delivery of advice services.
Mobile technology – is website technology accessible on a mobile phone? Could people text us enquiries?
5. POD casts – could we make use of this and other technological advances in an appropriate way? For example recording of basic top tips for applying for funding or an in-depth look at EU funds.
6. Increasing use being made of on-line technologies to deliver services, making them more accessible eg training.

SWOT (Opportunities and Threats)

Opportunities

- Wider partnership opportunities inc. Business Link – increasing focus of national government on social enterprise as a viable option for delivering local services e.g. Department of Health, new £10 million social enterprise risk capital investment fund.
- Diverse funding environment – grants, contracts, loans, venture capital, given out through direct applications, procurement, commissioning, capacity building process (e.g. Futurebuilders). Earned income increasingly a necessary route. Groups often employ a mixture of funding to meet their aims and objectives. Funders use different methods of purchasing or funding priority outcomes. The need for funding advice, information and guidance is increasingly necessary and unlikely to diminish.
- Services for funders e.g. accredited training. Funders’ network and information services for funders seem to be a gap in the market in terms of funding support and would benefit the groups that funding advisers work with by improving funding structures.
- Linking funders and groups in a peer setting to discuss issues and develop solutions would help influence a Performance Hub goal of achieving “a more mature relationship between funded and funder, with funders respecting the independence of those they fund, and with funded organisations better understanding the context of those who fund them.” (<http://www.performancehub.org.uk/page.asp?id=210>)

Threats

- Regional and national competitors in diversified funding environment. Potential for customers to go elsewhere if there is a gap in services being provided.
- Medium to long-term sustainability of service.
- Increased focus of funding on outcomes – difficulty of defining and attributing outcomes to advice services.
- ISO 9000 – gap between reaching standard and standard being required.

Appendix 3 List of potential stakeholders

Funding Advisers

Funders

Funding Advisers Networks

Fundraisers

Those whose work encompasses funding advice:

Community Development Workers

Community Planners

Consultants

Grants Officers

Social Enterprise Advisers

Those whose work links with funding advice provision:

Specialist and BME support agencies

Capacitybuilders National Support Services

National funding support projects

Regional voluntary sector equality & diversity networks/national network

Appendix 4 FANN feasibility study process

The Feasibility Study for a Funding Advice National Network (FANN) was carried out by the National Funding Advice Partnership for the Finance Hub in November 2007 as part of a Capacitybuilders contract. A comprehensive national survey was conducted between the end of August and end of October 2007 which received broad and detailed responses from over 260 individuals and networks across England. It sought the views of funding advisers and others on whether a FANN was required and if so, on the details of its structure, membership and services etc. It was carried out extensively via email. In some regions, members of the National Funding Advice Partnership were able to attend meetings and events to give presentations on the study, encouraging a wider response and gaining valuable verbal feedback.

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Appendix 5 Business Plan Consultation process

The Business Plan will be sent via email to all those who responded to the 2007 feasibility study and will again seek the views of individuals and networks. Opportunities to present the plan at network meetings and events will be taken up where possible, although restrictions on timescale and the budget for this is limited by the Capacitybuilders contract and therefore these opportunities will, of necessity, have to coincide with existing commitments of National Funding Advice Partnership members.

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Appendix 6 Business plan development group details

National Funding Advice Partnership members:

Andrea Allez, Performance Improvement Manager, National Association for Voluntary and Community Action (NAVCA)

Caroline Morgan, Projects Monitoring Officer, fit4funding

Chris Hollins, Director, fit4funding

Linda Whitfield, Project Manager, Funding Information North East (FINE)

Megan Pacey, Director of Policy and Campaigns, Institute of Fundraising

Richard Hindley, Director, South Yorkshire Funding Advice Bureau (SYFAB)

Rosemary Hopgood, Chief Executive, Charities Information Bureau South & West

Sally Deith, Funding advisor/Trainer, fit4funding

Plan drafted by Rosemary Hopgood with input from Chris Hollins and Linda Whitfield.
Overseen by all National Funding Advice Partnership members