The Way Ahead
Infrastructure and Support Services for Civil Society Organisations in London

Findings of a scoping study to inform the London Cornerstone Fund

Rocket Science
September 2017
Executive Summary

This study considers the current and changing nature of London’s civil society infrastructure support from three different, but complementary perspectives. The objective has been to inform the design and focus of the Cornerstone Fund:

1. Place-based infrastructure - building on London Councils’ summer 2017 survey of Borough grants officers:
   ➢ Who is funding borough-based infrastructure?
   ➢ What does support for civil society look like beyond the traditional models?

2. Investors in civil society support – assessing London Funders’ members:
   ➢ Who are the main independent funders of infrastructure and support services?
   ➢ What are they funding? - trends and developments in funders’ investment
   ➢ Seven case studies of different funders’ approaches

3. Existing infrastructure organisations – learning from recipients of the Bridge Fund:
   ➢ Observations on the future of infrastructure and support services in London
   ➢ Recommendations for the Cornerstone Fund
(1) Place-based infrastructure - Key Findings

• 28 of London’s 33 local authorities are home to a Council for Voluntary Service (CVS) or its equivalent; 27 also have a volunteer centre or bureau, either as part of the CVS’s offer (16) or operating independently (11) Slide 15

• Infrastructure services in the City and in Hounslow are provided under contract by neighbouring CVSs – Tower Hamlets and Ealing respectively

• Three local authorities have no CVS (Newham, Havering and Hillingdon). The latter two outer London boroughs have little other infrastructure, such as local community anchor organisations and are relative “cold spots” Slide 15

• Local Authorities still provide the mainstay of CVSs/volunteer centres’ funding - over £5m in 2015/16, equivalent to 40% of their combined £12.48m income Slide 16

• The overall trend in funding (based on GLV’s analysis of volunteer centres and our review of pan-London infrastructure bodies) shows a marked decline over the last 3 years: down 14% (GLV) and 50% (Bridge Fund regional infrastructure organisations)

• There is considerable variation in the resourcing and capacity of local infrastructure. The largest CVS in London (Hackney) enjoys a 2016 income x30 larger than the smallest (Lambeth); the equivalent ratio for volunteer centres is 1:11 (Newham : Sutton) Slide 18
(2) London’s Funders - Key Findings

• Independent Funders are an increasingly significant contributor to infrastructure and support
  ➢ 28% of funding for pan London infrastructure organisations in 2013 up to 41% in 2016

• Funding for infrastructure support is, however, increasingly made indirectly – “Funder Plus”
  ➢ eg The BIG Lottery Fund Slide 5 which shows that recent £20m of awards to 105 “infrastructure
    organisations” in London comprises very little core funding of infrastructure support services

• Clearer distinctions are being made between building capacity and supporting capabilities
  ➢ eg Use of diagnostic tools to pinpoint organisational weaknesses and target “funder plus” support

• Funders are looking to collaborate/co-invest where interests (geographical/thematic) overlap
  ➢ eg Walcot Foundation and Battersea Power Station Foundation; Local Giving and Big Lottery Fund

• Funders remain uncoordinated in spite of networks and forums for sharing information
  ➢ eg Lack of communication on who is funding which organisations, or on sharing of approaches/tools to support funder
      plus offers – potential to make better use of data tools like 360 Giving

• New infrastructure models provide opportunity to bring generalist and specialist funders
  (together with business investors) to target specific areas and priority issues
  ➢ eg Young People’s Foundations; Place-based Giving Schemes
Big Lottery Fund - grants to “infrastructure organisations”

Awards to “infrastructure organisations” in London

- **UK Accelerating Ideas, £8,568,604, 42%**
- **Building Better Opportunities, £3,114,333, 15%**
- **Reaching Communities, £4,514,502, 22%**
- **Collaboration, £500,000, 3%**
- **Smaller Funds, £736,476, 4%**
- **Arrangements, £722,190, 4%**
- **iwill fund, £1,500,000, 7%**
- **Awards for All, £530,710, 3%**
- **Arrangements, £722,190, 4%**

**Awards for All received by “infrastructure organisations” by borough 2016/17**

- City of Westminster
- Haringey
- Islington
- Hackney
- Barnet
- Greenwich
- Lewisham
- Enfield
- Barking & Dagenham
- Wandsworth
- Croydon
- Lambeth
- Tower Hamlets
- Merton
- Bexley
- Havering
- Waltham Forest
- City of London
- Hillingdon
- Bromley
- Southwark
- Kensington & Chelsea

“Awards for All” grants of c£10k mean Westminster’s infrastructure organisations received c6 awards; Brent, Greenwich etc 3; Waltham Forest etc 1.
(3) London-wide Infrastructure - Key Findings

- Pan-London infrastructure organisations have seen almost a 50% reduction in their funding over the last 3 years
- As of 2015/16, pan London infrastructure organisations still relied on statutory-sector funders for 50% of their funding, though this is down from 60% in 2013 [Slide 7]
- Since 2015/16, this tier/group has been hit particularly hard by the ending of London Councils’ Priority 4 funding
- The Bridge Fund has been a welcome and essential lifeline for many, but has not been of sufficient size or ambition to effect lasting behavioural/systems change
- Most organisations have had significantly to cut back on core services
- Like CVSs, in the face of funding cutbacks, some organisations have begun to encroach on their service users’ territory by competing for reduced levels of project-related funding
- Opportunity exists for greater collaboration and cross-sector and “inter-sectional” working among this core group of pan-London infrastructure bodies, something Bridge Fund has attempted to stimulate
London-wide Infrastructure Organisations’ Funding

Funders 2012/13
Total: £12,305,448

- Central Government, £5,909,000, 48%
- Independent Funders, £3,452,548, 28%
- London Councils, £1,512,000, 12%
- Big Lottery, £1,150,000, 9%
- Trust for London, £216,000, 2%
- GLA, £65,900, 1%

Funders 2015/16
Total: £6,269,000

- Independent Funders, £2,562,000, 41%
- London Councils, £1,801,000, 29%
- Central Government, £1,311,000, 21%
- Local Authorities, £140,000, 2%
- Big Lottery, £158,000, 3%
- Trust for London, £212,000, 3%
- GLA, £85,000, 1%

Data for 13 of the 15 Bridge Fund recipients sourced from the Charity Commission for the respective financial years.
Conclusions - current infrastructure and support services

The sector and its stakeholders face several conundrums/challenges

• Considerable funding (still) coming into infrastructure and support . . . but increasing reliance on and expectations of non-statutory funders with an associated shift in power dynamics

• London’s local authorities are still the main funder of local infrastructure, but this can also be a brake on cross-borough working and collaboration

• The main impact of cuts has been on pan-London/special-interest infrastructure

• Demands on services are rising as financial resources are falling . . . the graph of doom

• Fragmentation of the sector/infrastructure . . . new models emerging

• Competition . . . manifest in CVS encroachment a) geographically & b) direct service delivery

• Gap between theory and practice eg language/concepts of The Way Ahead “triage & connect”

• Winners and losers . . . proponents of infrastructure have to make the case for investment . . .

Slide 46

• Potential paralysis from incomplete information, the quest for “evidence of impact” and the democratization of funding . . .
Interviewees’ suggestions for the Cornerstone Fund

- The Fund must not be presented or seen as a replacement for London Councils’ Priority 4
- Not a Fund for propping up the current infrastructure . . . yet don’t throw the baby out with the bathwater
- Opportunity to be more than a “band-aid” funder ie not just about plugging gaps or tackling apparent “cold spots”
- Need to have a clear sense of outcome – what funders/the “sector” want support services to look like in 3-5 years time – and how best to build towards realising that vision
- Transition funding/phase will be needed (ie the initial 2 years of the Cornerstone Fund) linked to stages in the longer-term transformation, but at risk of funding not being secured beyond 2020
- Knowing when change has happened - requires a clear outcomes framework / key metrics to help shape and prioritise infrastructure investment ie commensurate with levels of funding and enabling clear and regular feedback to stakeholders
- Subsidiarity – the principle of providing support at the most appropriate spatial level (ie from the Hub down) and on the premise that the lower the level the better
- Collaboration needs to be at heart of the Fund’s approach – geographies; sub-sectors; specialists; large and small; cross-sector . . .
- Longer-term grants to give recipients opportunity to plan, greater certainty and potential to leverage additional resources and attract match funding (if not already matched by the Cornerstone Fund “at source”)
- Is there appetite for a mix of grants, soft loans, outcome-based payments?
- Funders should have much clearer and higher expectations/demand on recipients in terms of their responsibilities to the wide sector
A Scoping Study of Civil Society Infrastructure Support in London

City Bridge Trust’s Cornerstone Fund (2018-) is intended to respond to changes in the nature of civil society infrastructure in London as identified in *The Way Ahead*. The Fund will enable this ongoing transformation by co-investing to improve the support and skills available for civil society organisations in the capital.

Conducted during July and August 2017, this study seeks to answer the following questions in order to inform the design work of the Cornerstone Fund’s Steering Group:

• What infrastructure and support currently exists and where? ie in the form of Councils for Voluntary Service, Volunteer Centres, other place-based infrastructure as well as thematic/specialist support.

• What is being funded and by whom?

• How are support services for civil society organisations being delivered through new (“Funder Plus”) models?

• What can we discern about the quality of provision – its size and capacity; how this varies from borough to borough and at a pan-London level?

• How might this information be used to inform the design and development of the Cornerstone Fund from 2018?
Our approach to mapping infrastructure and support services

The study considers the current and changing nature of London’s civil society infrastructure support from three different, but complementary perspectives:

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   ➢ Observations on the future of infrastructure and support services in London
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Infrastructure and Support Services for Civil Society Organisations in London

The London Boroughs
London’s Boroughs/place-based infrastructure - Key Findings

• 28 of London’s 33 local authorities are home to a Council for Voluntary Service (CVS) or its equivalent*; 27 also have a volunteer centre or bureau, either as part of the CVS’s offer (16) or operating independently (11) Slide 15

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• There is considerable variation in the resourcing and capacity of local infrastructure. The largest CVS in London (Hackney) enjoys a 2016 income x30 larger than the smallest (Lambeth); the equivalent ratio for volunteer centres is 1:11 (Newham : Sutton) Slide 18
The CVS information is for 28 Boroughs. Those not included are: Hounslow (run by Ealing CVS); Havering (no CVS); City of London (contracted to THCVS). There are 2 CVSs which have closed and not been replaced: Hillingdon & Newham.
CVS and Volunteer Centre Funding (2015/16)

- Total funding (CVS and Volunteer centres) **£12,428,200**
- Total CVS funding (inc CVSs with vol centres) **£10,611,000**
- Total Independent Volunteer Centre funding **£1,817,200**

Based on data for 26 CVSs and 10 Independent Volunteer Centres

Data sourced from the Charity Commission for the financial year 2015/16
Breakdown of CVS and volunteer centre funding (2015/16)

Based on data for 26 CVS and 10 Independent Volunteer Centres

Local Authorities

- £4m
  - 23 CVS
  - £1m
  - 9 Volunteer Centres

CCGs

- £983,268
  - 11 CVS
  - £81,000
  - 3 Volunteer Centres

Independent Funders

- £3.1m
  - 20 CVS
  - £601,200
  - 5 Volunteer Centres

Big Lottery Fund

- £1,639,750
  - 5 CVS
  - £30,000
  - 1 Volunteer Centre

Data sourced from the Charity Commission for the financial year 2015/16 (August 2017)
Income and Capacity

**CVS Income 2015/16**
- Mean Average **£728,700**
- Median **£554,300**

- £108,000
  - Lambeth Voluntary Action Council

- £3,300,000
  - Hackney CVS

**CVS Staff**
- Mean **12**
- Median **10**

- Data for 26 CVS

- 5 Lewisham, Harrow

- 28 Hackney CVS

**Independent Volunteer Centres Income 2015/16**
- Mean **£297,440**
- Median **£233,000**

- £54,000
  - Volunteer Network Centre Newham

- £600,000
  - Volunteer Centre Sutton

- Data for 9 Independent Volunteer Centres

**Independent Volunteer Centres Staff**
- Mean **6**
- Median **4.5**

- 1 Lewisham

- 12 Kensington & Chelsea

- Data for 10 Independent Volunteer Centres
Boroughs indicate preference for face-to-face support and understanding of local context that a CVS can provide.

Without funding to support local infrastructure this will be a challenge.

CVS usually tied to geopolitical boundaries as the mainstay of their funding comes from local government. (Peach Consultancy, 2017)

LA grants/contracts can discourage cross-borough working.

Clear signs this set-up is beginning to change, albeit still quite slowly.

- Community Southwark in Waltham Forest & Lambeth
- Harrow Community Action in Hillingdon
- Ealing CVS in Hounslow
London Boroughs – a shifting market in the funding of CVS services

Alternative body commissioned to deliver civil society support

- Wandsworth
  Lifetimes
- Haringey
  Bridge Renewal Trust
- Hounslow
  Ealing CVS
- Waltham Forest
  Community Southwark

Alternative consortia formed to deliver civil society support

- Harrow
  Harrow Community Action/Voluntary Action Harrow

CVS closed, no clear replacement

- Hillingdon
  Closed 2016
- Havering
  Closed 2015
- Newham
  Closed 2009

Information gained from London Councils’ Survey (2017)
Borough Profile: Kensington & Chelsea*

*Diagram of a separate case study*
Borough Profile: Harrow*

- **Harrow Community Action**
  - Consortium of representatives from principal charities in the borough
  - Supporting partnership bids
  - £64k/year from LBH

- **Harrow Voluntary Sector Forum**
  - Brings together local groups to present an effective voice for the sector
  - £5k/year from LBH

- **Voluntary Action Harrow Cooperative**
  - Training
  - Co-ordination
  - Volunteering
  - Organisational Development
  - Group fundraising support
  - £55k/year from LBH

- **Young Harrow Foundation**
  - Support for local young people organisations
  - Income generation
  - Collaboration
  - Service Delivery
  - Set up and funded by John Lyons Charity

- **Capable Communities Ltd.**
  - Social Enterprise
  - Develops networks within the local voluntary sector
  - Lead for CCG social prescribing work
  - West London remit

*Diagram of a separate case study*
London’s Settlements and Community Anchor Organisations

Information drawn from Locality’s membership in London (2017) – 74 organisations

Case Study: Katherine Low Settlement

- A charity serving Battersea and the wider Wandsworth Community since 1924
- Invites other voluntary and community organisations to operate from their premises
- This way they partner an average of 35 organisations per week
- Supports other community groups in writing grant applications
- Hosts ‘meet the funders’ events for community groups and charities to network and increase their fundraising capabilities
London’s Settlements and Community Anchor Organisations

• 57% of Locality’s members* in London identify other third sector organisations as a main client or beneficiary of their services
• The service or activity most commonly offered (by 44%) is volunteer training and placement
• Room hire and capacity building & governance are also offered by over 40% of London members
• Settlements and community anchors also report that they provide:
  - Training (33%)
  - Leadership development (18%)
  - Consultancy (15%)
• Settlements’ income derives from their assets (buildings/land), plus a mixture of earned and grant income
• The levels of earned income of Locality’s members nationwide have increased in line with membership growth
• The income of smaller organisations, however, decreased by 22% in 2015/16. Bigger organisations made up the difference reporting a 5% growth (It seems likely that this trend is reflected within the London membership).

* Information drawn from a 2016 survey of Locality’s c.75 members in London
Infrastructure and Support Services for Civil Society Organisations in London

London’s Funders
London’s Funders - Key Findings

- Independent Funders are an increasingly significant contributor to infrastructure and support
  - 28% of funding for pan London infrastructure organisations in 2013 up to 41% in 2016
- Funding for infrastructure support is, however, increasingly made indirectly
  - eg Trust for London through Charities Evaluation Service; Wates Foundation via Cranfield University; Walcot Foundation via Community Learning and Empowerment Network
- Clearer distinctions are being made between building capacity and supporting capabilities
  - eg Use of diagnostic tools to pinpoint organisational weaknesses and target “funder plus” support
- Funders are looking to collaborate/co-invest where interests (geographical/thematic) overlap
  - eg Walcot Foundation and Battersea Power Station Foundation; Local Giving and Big Lottery Fund
- Funders remain uncoordinated in spite of networks and forums for sharing information
  - eg Lack of communication on who is funding which organisations, or on sharing of approaches/tools to support funder plus offers – potential to make better use of data tools like 360 Giving
- New infrastructure models provide opportunity to bring generalist and specialist funders (together with business investors) to target specific areas and priority issues
  - eg Young People’s Foundations; Place-based Giving Schemes
London’s Funders - who are they and what are they funding?

- **Local investors**
  - Richmond Parish Lands Charity; Cripplegate Foundation; London Community Foundation/Lambeth Council
    - *LCF: partnering Community Southwark to deliver 2 year capacity building programme to help grow nascent organisations*

- **Sub-sector investors**
  - London Sport; London Youth; Heritage Lottery Fund; Commonweal Housing; Peabody
    - *London Sport: ClubWorks programme - £1.35 million from GLA to develop leadership/capacity in community based sports clubs*

- **Co-investors**
  - Comic Relief; Walcot Foundation; John Lyons Charity
    - *Walcot Foundation: 2017 £80,000 grant with BPSF for an organisation to deliver capacity training in Lambeth/Wandsworth*

- **Professional services (for profit and not-for profit)**
  - Buzzacott; Blackbaud; New Philanthropy Capital; CCLA Investment Management; Directory of Social Change; TSIP
    - *Buzzacott: c.£1 m investment across 2016/17 offering training and advice in auditing, accounting, governance & risk-management*

- **Corporate (foundation) funders**
  - Berkeley Foundation; **Lloyds Bank Foundation**; Wates Foundation
    - *Lloyds Bank Foundation: Enable grants for capacity building, £250k+ across 33 organisations in London*

- **Social investment funders**
  - Big Society Capital; Social Investment Business; Social Finance
    - *Social Investment Business Big Potential Fund offers readiness grants of £20k to £150k for capacity building and investor readiness*

- **Intermediary funders**
  - Power to Change; Money Advice Service; Local Trust
    - *Power to Change: currently funding 12 community projects in London with over £2 million funding*
### Independent funders of infrastructure support in London*

<table>
<thead>
<tr>
<th>Impact:</th>
<th>National (1)</th>
<th>London (2)</th>
<th>Local (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUNDERS</td>
<td>Investment/money plus</td>
<td>Capacity building</td>
<td>Leadership/governance</td>
</tr>
<tr>
<td>The Big Lottery Fund - Reaching Communities fund</td>
<td>Up to £15,000 Building Capabilities grant - have to conduct an organisational strength review (per grant). 67 awards in 2016/17 totalling £924k.</td>
<td>Can be used for staff training and development in leadership, specific skills such as financial planning, fund raising and income generation, HR processes, impact measurement, monitoring and evaluation, data management. Also for training staff to use any new support tools bought</td>
<td>Can be used to improve governance - including choosing the right legal structure</td>
</tr>
<tr>
<td>John Lyons Charity</td>
<td>Has set up Young People’s Foundations in 9 boroughs across London - over £10 million in spending in 2016/17*</td>
<td>Advice and support in fundraising to be provided by the young people’s foundations consortium building</td>
<td>Strengthening Management Committees - regularly run seminars to facilitate capacity building in governance and leadership of a charity</td>
</tr>
<tr>
<td>Lloyds Bank Foundation</td>
<td>Enable grants: up to £15,000 for 1 or 2 years. They also offer Enhance which is a grants plus model offering a range of flexible ‘in kind’ support in addition to an Invest or Enable grant: this is a non-financial program. Live Enable grants total over £250k to over 33 organisations in London</td>
<td>Enable grants offer financial grants to fund: business and service developments and plans, development of monitoring systems, investigation of mergers, partnerships, shared services, contract diversification, consultancy support, development of new income streams and enterprise. The Enhance programmes offer help to develop or refresh the charity’s strategy and supporting business plan, development of an outcomes or monitoring framework, reviews of the charity’s governance arrangements, specific guidance on areas such as HR advice or building a digital infrastructure, a mentor or ‘critical friend’ relationship with a senior executive within Lloyds Banking Group.</td>
<td>Offer training and advice on good leadership and governance through their enable grants and enhance programme</td>
</tr>
<tr>
<td>Trust for London</td>
<td>Funder plus model - money goes straight to the second tier organisations after they have awarded a grant to a frontline organisation</td>
<td>Incorporated into their grants is a section for improving the capacity and skills of the civil society they are funding , this money goes to second tier organisations to provide support</td>
<td>Trust for London funds specialist organisation eg organisations that support deaf and disabled people, around leadership development</td>
</tr>
<tr>
<td>Walcot Foundation and Battersea Power Station Foundation</td>
<td>£80,000 grant over three years for purely capacity building in Lambeth/Wandsworth</td>
<td>Consultancy support to meet the specific needs of the organisation i.e. business planning, reviewing monitoring systems etc. Also offer training workshops on topics such as project management or writing funding applications</td>
<td>Walcot Foundation and the Battersea Power Station Foundation are working with Battersea Arts Centre to provide charity sector leaders with creative ways of governing and responding to issues</td>
</tr>
</tbody>
</table>

*Summary of a separate high-level review of c.60 of London Funders’ members – more on these five, and other examples, is provided below*
Case Study (1) What has Big Lottery Fund been funding in London?

- The “good old days”? BASIS funding (2005-12) BLF invested £156m in 'Building and Sustaining Infrastructure Support’- ie over £2m pa in London
- Transforming Local Infrastructure partnership grants and Big Assist vouchers to infrastructure organisations to build sustainability and strategic direction
- Grants to “infrastructure organisations” – c.£20m to 105 organisations in London from a mix of funding schemes eg A4A, Reaching Communities, BBO etc. (Slide below)
- Building Capabilities grants (cf Funder Plus within Reaching Communities) - £924,000 awarded to 67 organisations in London (65% success); 15 awards to “infrastructure organisations” (Slide 23)
- A recent £2m 'Communities Can' pilot with the Young Foundation for capacity building support to very small community groups in 5 areas (incl. LB Barking & Dagenham)
- BLF is looking to develop its 'collaborative offer’ partnering other funders (eg jointly funding Lloyds Foundation awards, Islington Giving).
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Big Lottery Fund - Reaching Communities grants to “infrastructure organisations” in London (2016/17)

<table>
<thead>
<tr>
<th>Programme External Name</th>
<th>Organisation</th>
<th>Infrastructure organisation</th>
<th>Project Title</th>
<th>Organisation type</th>
<th>Amount awarded</th>
<th>Local Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reaching Communities</td>
<td>Octopus</td>
<td>Yes</td>
<td>Urban Wild Places</td>
<td>Charity : Registered Charity</td>
<td>£ 365,088.00</td>
<td>Islington</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>The Stockwell Partnership Limited</td>
<td>Yes</td>
<td>Stockwell Portuguese Community Project</td>
<td>Charity : Registered Charity</td>
<td>£ 286,087.00</td>
<td>Lambeth</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>Community Empowerment and Support Initiatives - UK</td>
<td>Yes</td>
<td>Greenwich Nepalese/Gurkha Integration Project</td>
<td>Charity : Registered Charity</td>
<td>£ 250,681.00</td>
<td>Greenwich</td>
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<tr>
<td>Reaching Communities</td>
<td>Cripplegate Foundation</td>
<td>Yes</td>
<td>Islington Giving</td>
<td>Charity : Registered Charity</td>
<td>£ 450,000.00</td>
<td>Islington</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>The King’s Fund</td>
<td>Yes</td>
<td>Cascading Leadership</td>
<td>Charity : Charity (Royal Charter or Act of Parliament)</td>
<td>£ 176,709.00</td>
<td>City of Westminster</td>
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<tr>
<td>Reaching Communities</td>
<td>NXG Trust</td>
<td>Yes</td>
<td>ESOL and Employment Support</td>
<td>Charity : Registered Charity</td>
<td>£ 381,058.00</td>
<td>Lewisham</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>Manor House Development Trust</td>
<td>Yes</td>
<td>Woodberry Down For Everyone</td>
<td>Charity : Registered Charity</td>
<td>£ 365,013.00</td>
<td>Hackney</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>Body &amp; Soul</td>
<td>Yes</td>
<td>Project Forward</td>
<td>Charity : Registered Charity</td>
<td>£ 317,595.00</td>
<td>Islington</td>
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<tr>
<td>Reaching Communities</td>
<td>Community Links Trust Limited</td>
<td>Yes</td>
<td>Creating Better Opportunities for Disadvantaged Children in Silvertown</td>
<td>Charity : Registered Charity</td>
<td>£ 347,756.00</td>
<td>Newham</td>
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<tr>
<td>Reaching Communities</td>
<td>Race On The Agenda</td>
<td>Yes</td>
<td>Active Lives, Healthy Minds</td>
<td>Charity : Registered Charity</td>
<td>£ 335,000.00</td>
<td>Ealing</td>
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<tr>
<td>Reaching Communities</td>
<td>Blackfriars Settlement</td>
<td>Yes</td>
<td>Well Connected</td>
<td>Charity : Registered Charity</td>
<td>£ 239,981.00</td>
<td>Southwark</td>
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<tr>
<td>Reaching Communities</td>
<td>Community Involvement Unit</td>
<td>Yes</td>
<td>Youth4Youth</td>
<td>Charity : Registered Charity</td>
<td>£ 326,722.00</td>
<td>Newham</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>Ealing Community and Voluntary Service</td>
<td>Yes</td>
<td>“Help Your Health”</td>
<td>Charity : Registered Charity</td>
<td>£ 303,062.00</td>
<td>Ealing</td>
</tr>
<tr>
<td>Reaching Communities</td>
<td>Harrow Community Action</td>
<td>Yes</td>
<td>Volunteering for Change (V4Change)</td>
<td>CIC - Limited by Guarantee</td>
<td>£ 369,750.00</td>
<td>Harrow</td>
</tr>
</tbody>
</table>

Of the £4.5m of Reaching Communities grants to “infrastructure organisations” in London:

1. Most grants are for delivering front-line projects/services, rather than infrastructure support.
2. The awards listed are the total amount awarded over what is often a 3-5 year period i.e. they won’t match up with Charity Commission accounts for Lottery grants received in a particular year.
3. Of the 14 awards in London last year to “infrastructure organisations” 9 (black text) included grants of up to £15k for building capabilities, including Organisational Strengths Reviews.

£ 4,514,502.00
Case Study (2) Lloyds Bank Foundation

• Enable grants – LBF’s main capacity building grant
  • Solely fund the frontline organisations, not infrastructure organisations
  • Offer up to £15,000 per grantee to support leadership and governance, improved systems and demonstrating outcomes
  • Total spend across England and Wales is £2.2 million, with London taking almost 20% of this at just under £440,000
  • Currently support 33 charities in London across a range of (sub)sectors/specialisms

• Enhance grants – specific one-off for grantees to buy in consultancy support; software, advice or training
  • Currently support 74 charities through this

• Leadership development – partnering with SSE; Bank of Scotland and Big Lottery Fund to develop leadership skills of social entrepreneurs
  • Learning programme
  • Networking opportunities
  • Grant of up to £10,000

• National domestic abuse programme – key strategic priority for LBF; Transform grants of up to £100k for c10 charities to provide more voice, enhance infrastructure and sector capacity
Case Study (3) Trust for London

• The Trust has a long history of investing in infrastructure support in London and was involved in setting up infrastructure organisations eg Charity Evaluation Service and NCVO.

• Since the 2000s when the Trust published Building Blocks it has been more selective in how it funds infrastructure support.

• Over the last eight years, the funding of infrastructure support organisations has become more specialist eg TfL funds Inclusion London to offer capacity building to deaf organisations which need support with campaigning.

• The Trust spends about 19% (£1.3m in 2016) of its funding on infrastructure support. Of this, only about £150k-200k is invested in the more traditional infrastructure organisations (ie CVSs)

• TfL funds infrastructure support organisations if they align with the Trust’s priority areas: employment; advice; social justice; violence; and small groups.

• The Trust also purchases infrastructure services on behalf of its grantees eg a £25k contract with Charities Evaluation Service gives its grantees access to evaluation training and learning. TfL still funds CVSs to provide more specialist support to organisations eg to improve specific skills to enable them to respond to particular needs. The Trust has had to adapt its approach in boroughs where there is no CVS, particularly outer London boroughs where poverty is on the rise.

• Over the next few years, infrastructure organisations are likely to operate sub-regionally on a larger geographical scale, but at the same time provide more specialist support which is responsive to local needs.
Case Study (4) John Lyon’s Charity

• John Lyon’s Charity’s beneficiaries are children and young people up to the age of 25 who live in nine boroughs in northwest London: Barnet, Brent, Camden, Ealing, Hammersmith & Fulham, Harrow, Kensington & Chelsea, Westminster and the City of London.

• The Charity invests £11-12m a year in these boroughs. Of this total, £550k is currently being invested in the core costs of Young People’s Foundations (YPFs) which is the main way that the Charity invests in infrastructure support for organisations.

• YPFs are borough-based membership organisations that were established in response to Local Authority cuts to children’s and young people’s services – the Local Authority is a member, but each Foundation is independent and not council led.

• Overall the Charity has so far committed £1.65m to establish YPFs – City Bridge Trust has co-invested £300k so far, along with initial funding commitments from LB Camden (£150k), Westminster City Council (£100k) LB Hammersmith & Fulham (£75k) for 2017/18.
Case Study (4 cont.) John Lyon’s Charity

• There are now seven YPFs in London, all of which have aims around capacity building, networking, training and information sharing.

• The YPFs have three core functions:
  1. Fundraising – the YPF works as a Prime Contractor to secure funding from other Trusts and Foundations, to attract corporate and individual funding and to secure as many relevant commissions and tenders from the LA, CCG etc.
  2. Capacity Building and Networking – the YPF coordinates sector networking opportunities, organises sector-specific capacity building eg training events and advice sessions, and has devolved small grant pots (£50k for pilot boroughs and £25k for supplementary schools)
  3. Venue Bank – the YPFs create an online platform and app that encourages organisations (eg businesses, churches and mosques) to share venue spaces so that they are used most effectively.

• YPFs’ success as a new form of infrastructure support is based on highly targeted investments in particular boroughs and for particular groups of people – there are currently discussions to replicate the model in other boroughs and to involve a greater number and range of funders.
Case Study (5) Battersea Power Station Foundation

- Battersea Power Station Foundation (BPSF) was established in June 2016 and works across the two boroughs of Lambeth and Wandsworth.
- Prior to launching, the Foundation carried out a mapping assessment, looking at needs and gaps in funding across the two boroughs.
- Although the boroughs are very different, they are similar in one key aspect: neither has a traditional CVS and the lack of available infrastructure support emerged as an acute need.
- The Foundation invests £2m a year, at least 30% of which is spent on infrastructure support and funder-plus initiatives.
- For example, BPSF is currently working with the Walcot Foundation to fund a peer-to-peer network. Whilst the Walcot Foundation has very specific criteria for its grantees, BPSF are a generalist funder and do not fund specific groups. BPFS has invested £240k over three years.
- BPSF invests in leadership programmes eg the Foundation funds Battersea Arts Centre to connect artists with local charity leaders to encourage the latter to look at their problems from a different perspective.
- BPSF also provides infrastructure support itself – bringing organisations together and encouraging collaboration. This is just as important as funding capacity building.
- BPSF is taking a long-term approach to capacity building – rather than expecting annual outcomes the Foundation is aiming for returns on investment over the lifetime of the Foundation (ie whilst the Power Station is being re-developed).
Case Study (6) Wates Foundation

• The Wates Foundation is an independent grant-making Family Trust that has been supporting the charitable and voluntary sector for almost 50 years.

• Wates family members seek out charities to support, the majority of which are located in Greater London and the Home Counties.

• The Foundation is a generalist funder but there are six key themes, one of which is ‘Strengthening the Charitable and Voluntary sector’.

• The amount invested in this theme varies from year to year, depending on what family members perceive to be most important cause. However, the Foundation has seen an increase in demand for infrastructure-related funding.

• The most common purposes of the ‘Strengthening the Charitable & Voluntary sector’ funding stream are: systems and IT, leadership and governance, and fundraising.

• As well as funding individual charitable organisations, the Foundation funds organisations to provide capacity building. For example, the Foundation funds Cranfield Trust to provide pro bono support to the voluntary sector. This amounts to £10k over 2-3 years.

• The Foundation also provides funder plus initiatives, as family members work closely with organisations to help them identify needs and produce an application form which is then assessed by the grants committee.
The Walcot Foundation was established in 1667 and seeks to improve the lives of low income Lambeth residents. The Foundation has a grants budget of £2m a year which is awarded to individuals, schools and local voluntary organisations.

Capacity building and infrastructure support is not the Foundation’s main focus, as the primary mission is to change individual circumstances.

Nonetheless, for the past 7 years the Walcot Foundation has funded ADP Consultancy to provide capacity building to grantees. This grant will end in October 2017.

ADP Consultancy received £50-60k a year to provide three services:
1. Bespoke individual consultancy eg organisational assessments and ongoing support
2. Training eg fundraising, monitoring and business plans
3. Peer support networks

From November 2017 The Walcot Foundation and BPSF are running a joint grants programme to help strengthen the voluntary and community sector in Lambeth and Wandsworth. This new programme emerged largely in response to the perceived lack of collaboration between the boroughs.

Community, Learning and Empowerment Network (CLEN) (newly constituted) has been awarded a grant of £80k a year (£40k from the Walcot Foundation and £40k from BPSF) over three years to provide capacity building support to grantees or potential grantees to improve the organisations’ skills, efficiency and sustainability.

CLEN will not provide a CVS function in the boroughs as capacity building support is only available for grantees and potential grantees to enable them to be as effective as possible.
Infrastructure and Support Services for Civil Society Organisations in London

London-wide Infrastructure
(3) London-wide Infrastructure - Key Findings

• Pan-London infrastructure organisations have seen almost a 50% reduction in their funding over the last 3 years
• As of 2015/16, pan London infrastructure organisations still relied on statutory-sector funders for 50% of their funding, though this is down from 60% in 2013
• Since 2015/16, this tier/group has been hit particularly hard by the ending of London Councils’ Priority 4 funding
• The Bridge Fund has been a welcome and essential lifeline for many, but has not been of sufficient size or ambition to effect lasting behavioural/systems change
• Most organisations have had significantly to cut back on core services
• Like CVSs, in the face of funding cutbacks, some organisations have begun to encroach on their service users’ territory by competing for reduced levels of project-related funding
• Opportunity exists for greater collaboration and cross-sector and “inter-sectional” working among this core group of pan-London infrastructure bodies, something Bridge Fund has attempted to stimulate
London-wide Infrastructure Organisations’ Funding

Funders 2012/13
Total: £12,305,448
- Central Government, £5,909,000, 48%
- Independent Funders, £3,452,548, 28%
- London Councils, £1,512,000, 12%
- Big Lottery, £1,150,000, 9%
- Trust for London, £216,000, 2%
- GLA, £65,900, 1%

Funders 2015/16
Total: £6,269,000
- London Councils, £1,801,000, 29%
- Independent Funders, £2,562,000, 41%
- Central Government, £1,311,000, 21%
- Big Lottery, £158,000, 3%
- Trust for London, £212,000, 3%
- GLA, £85,000, 1%
- Local Authorities, £140,000, 2%

Data for 13 of the Bridge Fund grantees sourced from the Charity Commission for the respective financial years.
<table>
<thead>
<tr>
<th>Organisation</th>
<th>Income 2012/13</th>
<th>Income 2015/16</th>
<th>Income Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclusion London</td>
<td>£353,000</td>
<td>£696,528</td>
<td>+£343,528</td>
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<tr>
<td>Women's Resource Centre</td>
<td>£683,000</td>
<td>£779,395</td>
<td>+£96,395</td>
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<td>Partnership for Young London</td>
<td>£74,400</td>
<td>£127,000</td>
<td>+£52,600</td>
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<tr>
<td>Race Equality Foundation</td>
<td>£820,000</td>
<td>764,000</td>
<td>-£56,000</td>
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<td>London Voluntary Service Council</td>
<td>£895,000</td>
<td>£827,000</td>
<td>-£68,000</td>
</tr>
<tr>
<td>Law Centres Federation</td>
<td>£850,000</td>
<td>£739,600</td>
<td>-£110,400</td>
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<tr>
<td>Race On The Agenda</td>
<td>£359,900</td>
<td>£185,000</td>
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<tr>
<td>LASA</td>
<td>£790,000</td>
<td>£581,000</td>
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<tr>
<td>Greater London Volunteering</td>
<td>£356,600</td>
<td>£65,700</td>
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<tr>
<td>Age UK London</td>
<td>£1,930,000</td>
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<td>-£530,000</td>
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<tr>
<td>Advice UK</td>
<td>£2,750,000</td>
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<tr>
<td>Children England</td>
<td>£1,840,000</td>
<td>£536,600</td>
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<tr>
<td>British Refugee Council</td>
<td>£8,300,000</td>
<td>£6,300,000</td>
<td>-£2,000,000</td>
</tr>
</tbody>
</table>

This slide shows the extent of the reduction in the income levels of pan-London infrastructure organisations over a three year period, 2013-2016.
London Infrastructure Organisations’ income and staffing levels, 2013 - 16

This slide shows the impact of the reduction in the income levels of pan-London infrastructure organisations on staffing levels and capacity over the three year period, 2013-2016.
Infrastructure and Support Services for Civil Society Organisations in London

Conclusions
The state of current infrastructure and support services

The sector and its stakeholders face several conundrums/challenges

• Demands on services are rising as financial resources are falling . . . the graph of doom
• Fragmentation of the sector/infrastructure . . . new models emerging
• Competition . . . manifest in CVS encroachment a) geographically & b) into direct service delivery
• Noticeable gap between theory and practice eg some of the language of The Way Ahead and concepts like “triage and connect”
• Acceptance that the “status quo is not an option” yet there remain strong vested interests in current arrangements and suspicion of TWA proposals (eg the London Hub)
• 33 local authorities are both a help and a hindrance . . . still the main funder of local infrastructure, but this can also act as a brake on cross-borough working and collaboration
• Considerable amounts of funding (still) coming into sector infrastructure and support . . . but there is increasing reliance on and expectations of non-statutory funders with an associated shift in power dynamics
• There is potential paralysis from incomplete information, the quest for “evidence of impact” and the democratization of funding . . .
• There will be winners and losers . . . proponents of infrastructure have to make the case for investment . . .
Re-stating the case for civil society infrastructure support

• Responding to Grenfell . . . takes a crisis to appreciate what infrastructure brings
  ➢ eg London’s funders working with local infrastructure; community networks

• Adding (and capturing the) value to the work of statutory-sector agencies
  ➢ eg Co-producing Mayoral strategies; Building the capacity and capability of service-delivery organisations (eg for MOPAC)

• Spotting and developing opportunities for cross-sector collaboration and leveraging additional investment
  ➢ eg Age UK London engaging corporate sector partners (Amazon, Spotify etc) where there are clear “win wins” from narrowing the digital divide

• Challenging and supporting both front-line organisations and funders as a critical friend
  ➢ eg ROTA training grant makers in equalities duties and effective monitoring

• Quantifying the cost of not investing in support for the sector (the false economies)
  ➢ eg Investing in trustee and leadership training and support potentially to avoid another Kids Company
Interviewees’ suggestions for the Cornerstone Fund

• The Fund must not be presented or seen as a replacement for London Councils Priority 4
• Not a Fund for propping up the current infrastructure . . . yet don’t throw the baby out with the bathwater
• Need to have a clear sense of outcome – what funders/the “sector” want support services to look like in 3-5 years time – and how best to build towards realising that vision
• Transition funding/phase will be needed (ie the initial 2 years of the Cornerstone Fund) linked to stages in the longer-term transformation, but at risk of funding not being secured beyond 2020
• Knowing when change has happened - requires a clear outcomes framework / key metrics to help shape and prioritise infrastructure investment ie commensurate with levels of funding and enabling clear and regular feedback to stakeholders
• Subsidiarity – the principle of providing support at the most appropriate spatial level (ie from the Hub down) and on the premise that the lower the level the better
• Collaboration needs to be at heart of the Fund’s approach – geographies; sub-sectors; specialists; large and small; cross-sector . . .
• Longer-term grants to give recipients opportunity to plan, greater certainty and potential to leverage additional resources and attract match funding (if not already matched by the Cornerstone Fund “at source”)
• Is there appetite for a mix of grants, soft loans, outcome-based payments?
• Funders should have much clearer and higher expectations/demand on recipients in terms of their responsibilities to the wide sector