

# **NCIA Inquiry into the Future of Voluntary Services**

**Working Paper 17**

***“Struggling to Survive - Independently”***  
**Stories from the Frontline of Voluntary  
Services**

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## **Working paper No 17**

### ***“Struggling to Survive - Independently”***

## **Stories from the Frontline of Voluntary Services**

### **Foreword**

This paper has been produced as part of the NCIA Inquiry into the Future of Voluntary Services. The Inquiry is specifically concerned with those voluntary and community organisations that deliver *services* in local communities, especially those that accept state money for these activities. These are the groups that have been particularly affected by successive New Labour and Coalition Government policies regarding the relationship between the voluntary and statutory sectors, and attitudes and intentions towards the future of public services. In this and other papers we refer to these as Voluntary Services Groups or VSGs.

It has long been NCIA’s contention that the co-optive nature of these relationships has been damaging to the principles and practise of independent voluntary action. The nature and scale of the Coalition Government’s political project – ideologically driven - to degrade rights, entitlements and social protections, and to privatise public services that cannot be abolished is now laid bare. This has created new imperatives for VSGs to remind themselves of their commitment to social justice and to position themselves so that they can once again be seen as champions of positive social, economic and environmental development.

Our Inquiry is a wide ranging attempt to document the failure of VSGs, and the so-called ‘leadership’ organisations that purport to represent them, to resist these shackles on their freedom of thought and action. But it is also an attempt to seek out the green shoots of a renaissance that will allow voluntary agencies to assert their independence and reconnect with the struggle for equality, social justice, enfranchisement and sustainability.

This paper is one of a number that has been produced through the Inquiry and presents some case studies of locally-based VSGs struggling to survive in this new environment. The paper was researched and written by Bernard Davies to whom we offer grateful thanks.

For more information on the NCIA Inquiry please visit our website – [www.independentaction.net](http://www.independentaction.net).

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## Struggling to Survive – Independently

This paper presents five case studies of locally-based VSGs struggling to survive in the environment of cuts to funding and moves to the use of contracting approaches by public bodies. They illustrate the difficulties and dilemmas experienced, and some of the responses being adopted, by groups operating within this environment.

The case studies are of:

**Wheels for Wellbeing:** A member-led organisation based in south London which aims to extend cycling opportunities for disabled people. Turnover: c.£290K

**The Water Adventure Centre:** A youth work project based in Great Manchester which works through a range of water-based activities. Projected income: £200K

**Rivers Edge Community Project:** A locally based community development project offering programmes and activities across the age range. Turnover: £200K

**Leeds GATE:** A member-led project aiming to improve the quality of life of Gypsies and Travellers in Leeds and West Yorkshire. Turnover: £250K

**Children Matter:** A rural-based project aiming to support children and parents by extending community networks and reducing poverty and isolation. Turnover: £140K

### Some emerging common themes

#### Funding

- Finding funding is *getting harder and harder* as grants are replaced by commissioning carried out via complex and frustrating bidding processes which offer less money for shorter funding periods; so that statutory funding becomes *closed off* and projects at best *limp along*; *survive hand to mouth*; and at worst face possible closure.
- Increasing reliance on time-limited charitable funding – particularly the Lottery – though with falling ‘bid’ success rates.
- There were examples of:
  - dilemmas over consortium working and sub-contracting especially when imposed by funders;
  - being undercut by other local organisations; and
  - losing contracts for work (which projects had been doing for many years) to national organisations with no local track record.
- The demand for a more strategic approach to fund-raising – though this requires increased commitment of staff time, resulting in staff being diverted from projects’ core goals and activities.

## Surviving independently

- Being *brave and creative*, resisting pressures to go beyond projects' core brief but continuing to prioritise:
  - projects' own self-defined values of *self-development, power and voice; going on "being what we want to be"*;
  - the use of volunteers, usually alongside paid staff;
  - the value of well-established local community bases and as user-led organisations; *as part of the everyday fabric of people's lives; through the day-to-day, one-to-one interventions with local people; by piggy-backing on ten-years of (local) relationships.*
- Operating 'politically' (including staying alert to being manipulated), especially in relations with local authorities; though with considerable awareness that getting too overtly big 'P' political could put funding at risk.
- Using film, website and social media to raise a project's profile, especially locally.
- As far as possible resisting or finding ways round local and national *number crunching* monitoring and reporting procedures.
- Where contract criteria for local or national statutory funding are seen as limiting, negotiating changes or refusing to bid at all – for example for *the poisoned chalice* of Troubled Families funding.
- In one case positively planning to develop an income generating 'social enterprise' arm of the project; and in another to employ a fund-raiser.

# Wheels for Wellbeing

## The organisation

Wheels for Wellbeing (WfW), established in 2007, is a disabled-led organisation aiming to ensure that disabled people can cycle where they want, when they want. It is based in Southwark, Lewisham and Croydon and mainly serves south London, though its provision is open to all in the capital and offers a cross-London network for coordination and campaigning.

The organisation's services include:

- Providing information about inclusive cycling via phone, email and a website.
- Providing inclusive cycling opportunities in south London for disabled people through owning and making available a large fleet of standard and non-standard cycles.
- Running four drop-in open access cycling sessions a week plus bespoke sessions for specific groups.
- Taking its bikes to interested groups to promote inclusive cycling to people who might not be able get to its sessions.
- Developing policy and campaigning activities to broaden understanding that disabled people can and do cycle.

WfW is a registered charity and company limited by guarantee. It is run by a management committee, has a director and six other office staff (mostly part-time), employs nine cycling instructors and has some fifteen volunteers.

## Past and current funding

The organisation's projected turnover for the present financial year is about £290,000.

The main current sources of funding are:

- The Big Lottery Reaching Communities Fund. (Ends April 2014)
- Sport England Inclusive Sport Fund. (To March 2016)
- Lloyds Foundation for a stakeholder involvement post to help better demonstrate the project's impact and to ensure it better understands and serves users' needs. (One year remaining of a two- year grant).
- Awards For All (a one off grant for a specific project, now ended).
- A number of small charitable grants and donations.

The project also generates approximately 10% of its income by charging participants £3 per person for drop-in sessions and for additional bespoke sessions for specific groups.

Only one public sector body currently funds the organisation - Lambeth Council through its Short Breaks funding contract. Originally agreed as a three-year contract, this now operates on one year renewable basis with re-tendering pending.

In 2012 WfW, encouraged by the relevant specialist council team, also considered bidding for funding from a second London Borough (where they had had a small contract for some years). However, it eventually decided not to bid because the contract criteria were set too narrowly. Furthermore, procurement rules and practices did not allow for its suggestion that the Council might facilitate partnership building between potential bidders. (WfW would have considered acting as a sub-contractor to other bidders but was not aware of who might be bidding).

## Future prospects and planning

- The Mayor of London's £900M fund for cycling may be a source of future funding. WfW have had discussions with the Mayor's team who have expressed interest in supporting their work, though as at March 2014 this was by no means guaranteed and there was no clarity as to what process might lead to funding.
- At that stage, too, the outcome of a new bid to Lottery Fund was seen as critical for the organisation's future.

As fund-raising had become increasingly demanding for the Director and other staff, the organisation was planning to employ a specialist fund-raiser, funding this out of reserves in the first instance.

## Surviving independently

To date, WfW has felt secure in its independence. It is viewed as providing a non-controversial service which is to some extent underpinned by the Equalities Act, provides a range of health and other benefits – and is seen by policy-makers as supportive to many of their aims. However, this '*reasonably benign environment*' could change as it moves beyond offering its basic services focused on enabling disabled people to enjoy the occasional safe cycle ride, to taking on educational and campaigning roles with and on their behalf. Increasingly it could find itself adopting positions which challenge dominant perceptions of disabled people and narrow assumptions about what they can and should be offered. Moreover, this could happen not just in relation to cycling per se but also on key broader issues for disabled people such as transport, leisure, care and other support services they might need to access cycling opportunities to the full.

These more outgoing positions are for example likely to include:

- Working to make links between the needs of disabled people and other groups of cyclists - parents with children, or traders looking for a greener form of transport, for example – who are also demanding safer conditions, fewer barriers, easier access and increased spending.
- Seeking to influence statutory policy-makers and funders such as the Mayor of London's Office and Transport For London, the Department for Transport, local authorities, etc. so they give greater priority to disabled cyclists within their general cycling policies and initiatives.
- Urging the main national cycling bodies such as British Cycling and the Cycling Touring Club to give disabled cyclists greater dedicated attention.
- Challenging the attitudes of motorists' – and indeed of other 'macho' cyclists - when perhaps slower disabled cyclists begin to appear regularly on the roads and in cycle lanes.
- Advocating for more research on the needs of disabled cyclists and how these can be met.

As these activities take WfW more proactively and deeply into policy-making territory – both statutory and charitable – the organisation is aware that it will need to be alert to the risks of being manipulated by more powerful actors and interests while seeking and taking advantage of the opportunities which wider alliances might open up for disabled cyclists.

# Water Adventure Centre

## The organisation

Water Adventure Centre (WAC) is a vibrant youth project located next to the Ashton Canal in Tameside. It works within the Tameside and Manchester local authorities and organises canoeing groups, festivals and events over the wider Greater Manchester area. Though its sessions are available for booking by groups of all ages, its main focus is play work and youth work (including detached youth work) with 8-19 year olds based on the use of canoes and other water activities. By building voluntary relationships often over many years, it aims to offer young people broad social, educational and recreational opportunities for developing confidence and self-esteem, awareness of self, others and the environment, and communication and collaborative working. To make its provision accessible to those most affected by disability, discrimination and disadvantage, grants are sought to make this free or very low cost.

WAC's twelve-person management committee (its Executive) includes funder representatives, local authority officers, former WAC workers, group workers, councillors and allied workers. It also has a Young Volunteers/Young Advisers group of youth club members. It employs a full-time Director; 2 full-time youth/play workers; 9 part-time youth/play workers plus two who are seconded from New Charter Housing Trust Group and Tameside Youth Service; and a full-time administrator/buildings co-ordinator. A freelance maintenance/repair worker also works part-time for the project. In addition to a group of eight regular volunteers, up to 100 others may help run its special events.

## Past and current funding

WAC's funding history over the past 3-4 years is described by the Director as '*...hand to mouth. (A) mix of remnants of Local Authority funding, grants and a little bit of paid work*'. Out of a total projected income for 2014-15 of just over £200,000, some £127,000 will, it is expected, come from public bodies – nearly 40% as grants from two local authorities. This represents 63% of the total planned income with the only other significant amount of 'secured' income being a Children in Need grant of nearly £30,000. In this financial year (2013 -14), the organisation has drawn on reserves of £22,000 to make up the shortfall. A deliberate plan to manage the bidding work has been drawn up for this year – which, counter-intuitively, may have the advantage of making it more attractive to trusts which can turn down bids because reserves are seen as too high.

With the Director estimating that its 'bid' success rate in recent years has fallen from nine out ten to six out of ten, some recent experiences illustrate why she sees the organisation's financial situation as '*getting harder and harder*' – and why it is trying to reduce its dependence on local authority funding.

- In 2011, Tameside Council put out to tender the funding originally from central government for additional work with young people on Friday and Saturday evenings. Even as local groups, with some support from the local Council of Voluntary Organisations (CVO), were pressing the local authority to change the contract to be more realistic, a national organisation, with no previous track record with young people in the borough, bid for and was awarded the contract. Much later, with the work judged unsatisfactory, the local authority (without public consultation or information) reassigned the contract to the local 'independent' leisure services trust. However a new funding initiative from the

Tameside Council and the local CVO has demonstrated both bravery and learning. This, combining a desire to do the best for young people and the need to save money, has produced a new consortium-based approach which, the WAC Director is hoping, will work equitably and creatively - and address need.

- At the very end of the 2012-13 financial year, with two funding bids rejected, WAC was at serious risk of having to close - until, at the very last moment, it heard that two other bids had been successful.
- With current tendering processes often carrying the risk being undercut by other local organisations, in 2013 WAC decided to price 5 bids to Manchester City Council for less than the work would cost and then make up the shortfall from other sources. This was a successful - if stressful - strategy.

### **Surviving independently**

For WAC, 'surviving independently' has above all meant continuing to deliver its direct work with young people according to the values which have shaped it since it started 37 years ago. Some expressions of this are very operational – for example, with young people '*still (being) allowed to give us a hug!*' Others however have more complex strategic implications.

- A '*big fight*' with one local authority was conducted over a number of years to resist demands that WAC accredit the young people's activities. From WAC's point of view this carried some serious risks: of changing its relationship with the young people; producing winners and losers; turning the work into just another version of school. It would also have meant adopting forms of reporting and accountability which it saw as, for it, both inappropriate and unworkable.
- While complying with the endless number-crunching, WAC has had to engage in a similar struggle over monitoring and reporting its work more generally, resisting pressures to adopt pseudo-scientific forms of 'measurement' and continuing to use case studies and to focus on 'distance travelled' and 'most significant change' as defined by young people themselves. The project is more than happy to be transparent and accountable but would prefer the systems to be meaningful and hence intelligently inform future work.
- Given the nature of its core activities, it has also had to adopt a more flexible approach to assessing risk in its work, recognising that the line between this and, for example, being adventurous – an integral feature of its programmes - is at best ambiguous.

On all these and other issues WAC has seen the stances it has taken up as vital to preserving its integrity as an organisation.

It also regards this independence as vital to its ability to offer 'outcomes' which go well beyond the paper ones sought by funders – and beyond ones that can be achieved by organisations which 'parachute in'. Having now operated in the same areas for over three decades, it is community-based in the sense that, in the words of the Director, '*it is part of the everyday fabric of people's lives*' – an organisation to which they can and do come, not just to canoe, but for a much wider range of personal support and advice.

# Rivers Edge Community Project<sup>1</sup>

## The organisation

Rivers Edge Community Project (RECP) defines its overall mission as *'To promote a vibrant, self-sustaining community in the Rivers Edge estate and surrounding area'* and its core values as:

- *Working 'with' members of the community and not 'for' them.*
- *Developing activities and resources that are locally owned and run'.*
- *Helping those involved in the project to acquire new skills, knowledge and confidence.*
- *Working in partnership with other organisations.*

Seeing itself as a community development organisation, RECP offers programmes of activities which include under 5's play sessions, a community café, after school clubs, youth clubs and other provision for young people, adult education courses, a job club and a seniors programme. It also works with other agencies to support local people by offering welfare advice sessions, exercise classes for adults and seniors and mental health support.

Its board of trustees currently has nine members with two vacancies in the process of being filled. Four of the trustees live on the estate and the remainder in the wider council area. One is a local councillor.

It employs twelve part-time staff including the manager and has thirty volunteers.

## Past and current funding

With an annual turnover of £250, 000, year on year RECP has had small deficits or broken even. Its core funding is covered (to 2016) by a £40,000 5 year BIG Lottery Reaching Communities grant, and a further £40,000 a year for the next three years from a local charity.

RECP has £50,000 a year contract with the local council to provide youth services on the Rivers Edge estate. Other statutory funding provides between 5% and 10% of its income – a reduction of around 45% since 2012. In 2013 the local council also contributed to major refurbishment of its building.

Other sources of income include local donations and fundraising and trusts and foundations.

## Future prospect and planning

- Consolidation - ensuring that the financial strategy the Project has implemented can continue to sustain its current level of work.
- Planning for the negotiation and re-commissioning of the youth contract in 2015.
- Planning for the end of the Reaching Communities funding in 2016.
- Developing several new areas of work to meet the needs of local people including provision for children and young people with additional needs and disabilities and learning support for ethnic minority residents.

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<sup>1</sup> Because of the organisation's concerns that going public on some of the issues raised in this case study might damage its relationship with its local council, its name has been changed and some other material anonymised.

## Surviving independently

Having expected and planned ahead for the local council's shift to commissioning, in one key area RECP has experienced this as an opportunity rather than a threat. Long dissatisfied with the council-run youth club meeting in the RECP building, the project was able to use the council's decision to contract out its services to take the estate youth provision in-house, including employing its own youth work manager and part-time youth workers. With follow-up reporting procedures being only loosely applied – and despite some pressure to meet accreditation targets, for example – RECP has had considerable freedom to carry out the work in its own way. However, as a small voluntary organisation it found the original commissioning and procurement process cumbersome – the result in part, it concluded, of the council initiating these before the necessary policies and structures were in place. With the council itself undergoing major internal restructuring, it was also left unclear about the council's future intentions for much of the final (third) year of the contract – though this has now been extended to March 2015.

RECP's experience of a second council commissioning process, however, was far less positive. For many years it had received £25,000 a year for its community development work – a major contribution to the project manager's salary. However, following a change of political control, the council's focus shifted to what it called 'community involvement' aimed at building local communities' capacity largely through the use of volunteers. In addition, with a much reduced overall budget (£75,000 a year for two years), the council required a single-consortium bid to provide a borough-wide service. As RECP found its way through the often sensitive negotiations this demanded, not just with the council but also with its consortium partner, it had to resist considerable pressure to go beyond what was clearly its core brief – serving the Rivers Edge Estate. This experience also revealed how, rather than supporting local partnerships and co-operation, consortium-working could add significant tensions to those relationships.

As a voluntary organisation RECP continues to pay a price for its independence from the statutory structures and procedures – exemplified, for it most worryingly, in the blocks to it getting a seat at the appropriate table when it identifies a young person or one its older users as in (perhaps urgent) need of specialised help. However, in holding to its role as a local community facility, RECP is steered by its awareness that ultimately its value and credibility come from those local roots and relationships – from, as the Centre Manager describes it:

*'... the day-to-day, one-to-one interventions with local people who come into the centre: the parents who use the under-5s provision; the young people coming to the youth club; the isolated old people who call in, some every day... Our independence gives us choices.'*

# Leeds GATE

## The organisation

Leeds GATE was set up ten years ago to improve the quality of life for Gypsies and Travellers in Leeds, and West Yorkshire. To achieve this it has set objectives focused on homes, health, education, employment, citizenship and social inclusion. The organisation is structured as a charitable company limited by guarantee with the governing documents ensuring that the Executive Board and membership are a majority of Gypsies and Travellers. The membership includes over 670 people, of whom about 20% are from outside Leeds, and who live on private and local authority sites, in housing and 'on the roadside'.

These communities have a tradition of extended family support, work ethic and an independent approach to interaction with the state and the majority community. As a small minority they are vulnerable to misunderstanding and racist exclusion – described by the organisation as '*... akin to a square peg being dismissed for refusing to be pushed through a round hole or suffering the consequences of being pushed through a hole not designed for it*'. Public services are often not set up to meet their needs and aspirations, or are inaccessible due to literacy or cultural issues.

The challenges facing Leeds GATE include '*low levels of literacy; toxic or shaming experiences of education; poor overall education achievement and hence low employability; very poor health including co-morbidities and low life expectancy*'. The communities experience significant bereavement and difficulties in maintaining mental wellbeing while their varying accommodation situations can result in isolation and loss of identity; stress and lack of basic amenities; unhelpful 'protective strategies' and peer pressure; and adversarial and exclusive planning systems.

Leeds GATE is a small organisation employing 8 full and part time staff, supported by volunteers and student placements. The bedrock of the Leeds GATE offer is one-to-one advocacy (drop in and outreach) for on average of 35 people a month, involving over 100+ contacts. The staff team work to link advocacy with development opportunities such as participation in the organisation and its governance, group activities such as a sewing group, work club, computer club and Community Health Educators. Participation beyond the organisation includes the Migrant Access Programme delivered by Leeds City Council which is aimed at breaking down barriers between communities and a range of opportunities to co-design and deliver workshops on cultural awareness, health and accommodation. Each year community members are involved in delivering 12-15 cultural awareness sessions and other awareness raising activity.

In line with the objective of increasing social inclusion, Leeds GATE seeks to influence policy locally, regionally and nationally. Work done in 2005 resulted in The Leeds Baseline Census of Gypsies and Travellers<sup>2</sup> and uncovered shocking evidence of an average life expectancy of 50 years in these communities. This led to a Service Level Agreement between Leeds GATE and local Public Health. A film about the Baseline Census has been viewed over 49,000 times. Leeds GATE use social media, a website, Twitter profile and Facebook page to raise awareness, communicate and promote their work. In 2013 the website had over 5000 unique visitors and a return rate of 32%. Leeds GATE has published several reports including the toolkit 'How to

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<sup>2</sup> The Leeds Baseline Census of Gypsies and Travellers; 2005; Baker M; Leeds Race Equality Council

work with Gypsies and Travellers as part of your work', which is endorsed by the Inclusion Health Board.

### **Past and current funding**

Leeds GATE has sustained steady growth since its small beginnings in 2003, reflecting the need for the work. In the last 3-4 years turnover has remained steady around £250,000 per year. This funding is generated via a mix of grants, contracts and a small amount of earned income from training and publication. Contracts with local authorities have, unsurprisingly, remained static for several years including a Children's Services contract worth £25,000 and another with Public Health, now within the local authority, worth £40,000 annually. Grants from the Embassy of Ireland (Emigrant support programme) and Joseph Rowntree Charitable Trust have contributed significantly to the survival of the organisation, alongside the Department of Health (IESD) and several small funds. Roughly 5% of income is earned from training delivery, consultancy and sales.

### **Future prospects**

Recent years have seen an estimated drop in funding application successes from 75% to 30% and the organisation anticipates a growing struggle to make ends meet. A £20,000 funding 'drop off' will occur in late 2014, rising potentially to £200,000 by April 2015 if regular funding or contracts are not renewed or reduce in value. The organisation perceives the drive towards public sector commissioning as a threat, not only to its own sustainability, but towards the wellbeing of its membership. The capacity of the organisation to compete against larger organisations represents a significant challenge. This was seen recently where a small commission to carry out specific health awareness raising was awarded to a large organisation from outside the region, despite the commissioning organisations' awareness of Leeds GATE's ability to *'piggy back on its ten-years of relationships in the local Gypsy and Traveller community and carry the work on into the future'*.

National policy, such as the Localism Act, is also seen to be having potentially devastating impact on Gypsies and Travellers, as well as other perceived unpopular groups including asylum seekers and sex workers. Whilst ostensibly aimed at giving local communities more decision-making power, the Act can be seen to play to stereotypes and prejudices. However perhaps the most damaging effect of the Act is to remove the national government obligation to gather and collate data so that failures to provide local Gypsy and Traveller sites, for example, cannot be reported on.

### **Surviving independently**

Leeds GATE describes itself as a value based organisation<sup>3</sup>, including its value of being *'brave and creative'*. Bravery, and the ability to take risks, is seen as a key characteristic necessary to ensure independence. One example of this is its work to challenge Leeds local authority on the seriously disruptive and demonising effects on Gypsy and Traveller communities of its policies for dealing with unauthorised encampments. However, following work by Leeds GATE the authority has successfully piloted 'negotiated stopping', a policy of dialogue rather than instant removal which has both greatly improved Gypsy and Travellers' community life and saved the Council up to £100,000 a year.

Despite the reputation of the organisation, established over years, as a well governed,

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<sup>3</sup> [www.leedsgate.co.uk](http://www.leedsgate.co.uk)

pragmatic and collaborative local expert, the organisation still finds itself facing a considerable power imbalance when dealing with large authorities and institutions. The organisation cites several examples where disproportionate time and capacity has had to be invested in defending itself or its members against groundless complaints or failures to act appropriately. More broadly the organisation sees statutory bodies' constant demand to bid for contracts as diverting it and small organisations like it from their radical goals of *'self-development, power and voice'* – a process which, long-term 'drip-drip', will, it fears, undermine its independence by *'putting the lid on us'; 'making us the democratic scapegoats'*.

# The Children Matter project<sup>4</sup>

## The organisation

“Children Matter”, set up 14 years ago, aims to support children by increasing community activity, building networks, improving lifestyles and reducing isolation and poverty. Using a model designed for a rural area, it undertakes outreach work with vulnerable families, providing support in their own homes and communities. Since setting up it has also offered a range of group activities which provide a safe space in which parents and their children can get support and signposting and develop relationships and networks. Visits are made to families both before and after group activities with a view to increasing their emotional and financial resilience, strengthening networks and promoting independence.

Covering one large city and a 500-square-mile rural county, the scheme has a voluntary Management Committee of six trustees and nine advisors. With an annual turnover of £140,000 it employs a full-time manager responsible for funding, management and strategic planning, two co-ordinators to support some 80 volunteers and families, an office manager and admin assistant.

## Past and current funding

The service had a 3 year service level agreement with one of its local authorities which ended some three years ago when, from a short list of large charities, the authority decided to award the relevant funding to a single national provider. “Children Matter” has also submitted an occasional tender to the city council. However with no current statutory funding, it has relied almost exclusively in recent years on Lottery bids.

In an environment of limited funding opportunities (especially for a wealthy rural area where poverty is usually hidden) and of increasing competition for the funds that are available, the project is currently *‘limping along’* financially. After a failed Lottery bid at the end of 2013, it is now dependent on some small grants, local fundraising and donations and its reserves.

## Future prospects and planning

With the *“statutory route closed off”*, the project is awaiting a decision on a further Lottery bid which, assuming this gets through stage 1, is not expected until the summer of 2014. If this is unsuccessful, the project will almost certainly be wound up as those involved – almost all volunteers – would be unlikely to want to commit to the hand-to-mouth existence which would then be its only alternative.

If the bid is successful, the service has a well advanced and costed plan, based on year-long research led by the Manager and a core group of Management Committee members, to develop as a social enterprise. With the Lottery grant taking the pressure off the need for core funding, the committee would have time to create a substantial retail arm, with a central base collecting a wide range of goods and then distributing them to a number of shops, each with its own specialist focus, located in the communities served by the project. An e-commerce arm would also be developed. The initiative would link into the project’s core activities by supporting cottage industries and self-employment, locating training courses in the central

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<sup>4</sup> Note: To ensure anonymity, the name of the organisation and other potentially identifying details have been changed.

base, offering crèches, interview rooms and other relevant facilities in the shops, and providing opportunities for some of the parents using the scheme to gain new skills. The initial aim would be to realise an annual surplus of £20,000 per 'retail/training hub' to be supplemented by grants, legacies and donations.

### **Surviving independently**

Two years ago the project took an explicit decision not to bid for Troubled Families' funding despite feeling pressure to apply. It saw the programme as potentially "*a poisoned chalice*", offering too little money to get the results expected, with the problems to be tackled not solvable in the required timeframes, particularly in rural areas. *'There was a strong feeling we should go on being what we want to be'*.

More generally its view is that:

*'We've been lucky we didn't get statutory funding and have been able to get funds in other ways. The Lottery funding has meant we could stay completely flexible and stick to what we were set up to do and to respond proactively to the needs of our local families and communities.'*

The plans to become a social enterprise are seen as the best – indeed the only - route to surviving as an independent organisation, though whether that can be achieved depends almost entirely on whether the latest Lottery bid is successful.

### **Postscript – January 2015....**

The Project did not get its lottery bid and was due to close in November 2014. However at the last minute an anonymous donation enabled it to continue until the outcome of a couple of other applications was known. Nonetheless, it has had to reduce staff hours and therefore the number of beneficiaries by a third. In December 2014 it got news of a successful funding bid which will allow it to carry on for another year. Its long term survival, however, still depends on it securing another lottery grant and pursuing an enterprise plan.

*'It has been tough and there is still a chance we will close. However, on the positive side it has made us look at what we offer, who we can partner with and how we can have a more diverse funding model. We are lucky as we have a strong and committed trustee and staff team. Without that we would have given up six months ago.'* (Manager)