

Commissioned by the
Regional Infrastructure Consortium (RIC)
facilitated by **VONNE**

Funded by
One NorthEast (ONE)

**FUNDING INFORMATION
NORTH EAST (FINE)**

Independent External Evaluation

By

Gill Davidson and Sara Lilley
Sustainable Cities Research Institute

Michelle Carrahar
bassac

October 2008

Contents

| | Page |
|---|-------------|
| Summary | 3 |
| 1) Background | 5 |
| 2) Evaluation aim and objectives | 6 |
| 3) Evaluation methods | 7 |
| 4) Evaluation findings | 8 |
| 5) Review meeting | 19 |
| 6) Recommendations | 22 |
| 7) Conclusion | 25 |

Summary

1. Funding Information North East (FINE) aims to provide good quality and up to date funding information to support the voluntary sector in the North East. This involves: providing sources of funding and funding opportunities via bulletins, publications and databases; providing mentoring, support and training to Funding Advisors; developing and maintaining links with funders and regional agencies and making national links with similar projects.
2. This independent evaluation of FINE was commissioned by the Regional Infrastructure Consortium (RIC) and funded by One NorthEast (ONE).
3. The evaluation objectives included: reviewing the quality of FINE's present services; identifying service gaps and income generation opportunities; considering how best to support funding advisors; assessing what future developments are needed to help Third sector meet funding challenges in the region; evaluating advantages/disadvantages of different structures and governance arrangements for FINE; assessing FINE's added value through the relationship between FINE's services and the amount of money levered into the region by the Third sector; and providing a list of options to assist FINE in developing its capacity and becoming more sustainable.
4. The evaluation methods included: desk-based review; questionnaire survey; telephone interviews; consultations and a review meeting. The total response rate for the evaluation was 25%.
5. 95% of respondents thought information provided by FINE was very good or good; more than 90% agreed that other FINE services were very good or good.
6. 92% of the funding advisors who completed the survey strongly agreed that FINE's services had benefited them; benefits mentioned included networking opportunities; information and advice; training; funder presentations; support; influence; and benefits to Local Authority Funding Officers. Overall they were satisfied with FINE's services.
7. Funding advisors expressed concern that if FINE's services weren't available to them, it would be harder and more expensive to find services such as training elsewhere.
8. 97% of respondents stated that FINE's services had benefited their organisation, benefits mentioned include saved time and effort; accurate, up to date information; access to funding opportunities; income generation; working together; networking; advocacy; training; and a collective voice.
9. 59% of third sector organisation respondents felt that FINE had helped to lever funding into the region.
10. The future of FINE: a number of suggestions were made including maintaining its position; a role in reviewing the impact of changes in local authorities in relation to funding opportunities for the third sector; operating the Funders Forum as an advisory body; funded through the consortia to continue as it is; developing training on income generation for the third sector; and providing more training on legal structures.
11. Income generation suggestions included: running seminars; holding master classes; more training (self-financing); offering consultancy days to groups on funding issues; charge local authorities etc. for training; providing services to local authority funding

officers and other agencies; increasing charges for the core services; extending the training programme; extending the geographical area of FINE's services beyond the region; and providing advice to the corporate sector in working with charities.

12. Subscriptions: funding advisors were receptive to the idea of introducing subscriptions but were concerned about meeting the cost. Infrastructure organisations supported the need for subscriptions to secure FINE's future, but again there was concern about finding the money for this.
13. Structure and governance of FINE: respondents identified the following options: FINE's governance structure remaining as it is now; the same structure but with an expanded Development Group; FINE becoming part of VONNE; and FINE becoming an independent organisation.
14. Local Authority Funding Officers were positive about setting up a network for them (similar to FAWN); however, doubts were expressed as to whether Local Authorities would be willing and able to contribute financially.
15. Review meeting: all respondents were fairly positive that there were income generation options for FINE. The most appropriate options the group agreed were recharging and developing the existing services, while maintaining a strong regional and specialist focus.
16. Recommendations were made in relation to:
 - Needs of funding advisors: funding advisors emphasised the importance of FINE and recommend FINE continues to provide the services to enable them to carry out their role;
 - Regional gaps and challenges in the third sector: respondents were concerned introducing new services for FINE could impact on time/resources for the core services, however a number of suggestions have been made in the findings that can be explored;
 - Income generation: services should be priced appropriately to contribute to core costs;
 - Subscriptions: respondents were receptive to the idea and recommend this is explored further;
 - The structure and governance of FINE: the FINE management and Development Group should meet to discuss expanding the group and a way forward;
 - Working with Local Authority (LA) Funding Officers; FINE should explore the levels of commitment of all LA Funding Officers to being part of a network.
 - The future of FINE: FINE should continue to provide the same core services as a priority.
 - Funding FINE: no ideas of funding streams were identified in the evaluation. However, suggestions were made for FINE to increase marketing and promotional activity, speak the language of potential funders, and diversify into other areas.

1) Background

Funding Information North East (FINE) is a project of seven North East Local Development Agencies (LDAs): Community Council of Northumberland; Durham Rural Community Council; Gateshead Voluntary Organisations Council; Newcastle Council for Voluntary Service; North Tyneside Voluntary Organisations Development Agency; South Tyneside Council for Voluntary Service; and Sunderland Council for Voluntary Service. FINE operates across the whole of the North East region.

FINE provides good quality and up to date funding information services on behalf of Councils for Voluntary Service (CVS) and Rural Community Councils (RCC) to support the voluntary sector in the North East of England by:

- Researching potential sources of funding and keeping organisations informed of funding opportunities via publications and information bulletins (*North East Guide to Grants Directories, Grants Bulletin, and News You Can Use*), an online funding database, North East Third Sector Funding Opportunities Database (NETSFOD), and the FINE website.
- Supporting Funding Advisers working in LDAs throughout the North East, through Funding Advice Quality Standards programme, mentoring, support and training (including the level 3 Giving Funding Advice Training course – one of only two in the country and held up as a national benchmark), and facilitating the Funding Advice Workers Network (FAWN).
- Developing and maintaining links with funders and regional agencies, and carrying out liaison and advocacy work. FINE provides secretariat support to the North East Funders Forum.
- FINE also operates at a national level, and is a member of the National Funding Advice Agencies Partnership along with Fit4Funding West Yorkshire, Charities Information Bureau South and West, South Yorkshire Funding Advice Bureau, and NAVCA.

FINE employs three full-time staff (the Project Manager is Linda Whitfield). It is managed by Gateshead Voluntary Organisations Council (GVOC) and has a Development Group comprising the Directors of the seven LDAs listed above, which meets quarterly. It is based at John Haswell House, 8/9 Gladstone Terrace, Gateshead.

FINE receives funding from a variety of different sources. Over the past year (2007-2008) funders have included: The Hadrian Trust; The Joicey Trust; The Sir James Knott Trust; RW Mann Trust; Northern Rock Foundation; The Rothley Trust; The 1989 Willan Charitable Trust; One NorthEast; ChangeUp/Capacitybuilders; and The National Finance Hub.

This independent evaluation of FINE was commissioned by the Regional Infrastructure Consortium (RIC), and funded by the regional Development Agency, One NorthEast (ONE). Following a recent piece of work carried out by SCRI and bassac to evaluate FINE's training for funding advisors, the same research team were appointed to carry out this evaluation, which took place between July and October 2008.

2) Evaluation aim and objectives

The aim of the research was to carry out an independent, external evaluation of FINE to inform a 5 year business plan and future funding applications.

The objectives were:

- To review the quality of FINE's present services to find out whether they fully meet the needs of the Third Sector in the North East;
- To identify service gaps and income generation opportunities in the region;
- To consider how best to support funding advisors;
- To assess what future developments are needed to help the Third Sector meet the funding challenges it faces in the region;
- To evaluate the advantages and disadvantages of different structures and governance arrangements for FINE;
- To assess FINE's added value through the relationship between FINE's services and the amount of money levered in to the region by the Third Sector;
- To provide a list of options to assist FINE in developing its capacity and becoming more sustainable.

3) Evaluation methods

The following research methods were used:

1. Desk-based review

An in-depth desk-based review of appropriate documents and reports was undertaken to build up a picture of FINE in the context of its history and its work to date. These included FINE annual reports and previous FINE research and information.

2. Questionnaire survey

A series of five questionnaires were designed for consulting with the stakeholder groups (one each for funders, funding advisors, infrastructure organisations, other third sector organisations, and local authority funding officers). The questionnaires each had a similar format and were based on the same set of key questions, but were tailored so that they were appropriate for the particular stakeholder groups they addressed. Copies of the questionnaires can be found in the appendices.

Questionnaires were administered via email to organisations on FINE's lists of contacts. To be fully inclusive, all FINE stakeholders were contacted and given the opportunity to contribute to the evaluation.

3. Interviews

15 semi-structured telephone interviews were held with key FINE stakeholders identified by FINE. As well as members of the groups mentioned above, interviews were held with people representing FINE's strategic partners (e.g. Government Office North East, One NorthEast, VONNE, BECON, NAVCA, and comparator projects in other regions). The questionnaires were used as a basis for discussion, but the interviews were conducted in a flexible way to allow other emerging issues and ideas to be fully explored.

4. Consultation at FAWN meeting

One of the researchers attended a FAWN (Funding Advice Workers' Network) meeting on 30th September 2008 to consult with Funding Advisors. This involved a general discussion, and they were asked to respond to questions about FINE which were posted on flip charts (*'what is the added value of FINE?'* and *'what possible future developments are there for FINE?'*) by writing their responses on post-it notes.

5. Review meeting

The findings from the questionnaires, interviews and FAWN meeting were collated and presented in several short reports for a review session involving key stakeholders in FINE. This took place on 13th October 2008 and was facilitated by one of the researchers. The session was based on the Change Check method. The participants used the evaluation findings to inform future action planning for FINE. The outputs of the review session fed into the evaluation recommendations.

4) Evaluation findings

This section summarises the main evaluation findings. The findings are reported in full in the appendices.

Satisfaction with FINE services

Survey respondents were asked what they thought of the services provided by FINE. Their answers are shown below (with percentages in italics). It shows that 95% of people thought the information FINE provides is either good or very good. Of those who made a definite response about the other FINE services (i.e. not including those who responded 'don't know' or who gave no response), more than 90% thought that they were either good or very good.

| Please tell us what you think of the services FINE provides | Very good | Good | Average | Poor | Very poor | Don't know | No response |
|--|------------------|------------------|----------------|----------------|----------------|------------------|------------------|
| Information (<i>North East Guides to Grants Directory, Grants Bulletin, News You Can Use, online searchable funding database</i>) | 99 <i>79%</i> | 20 <i>16%</i> | - <i>0%</i> | - <i>0%</i> | - <i>0%</i> | 5 <i>4%</i> | 2 <i>1%</i> |
| Support to funding advisors (<i>facilitation of FAWN, Funding Advice Quality Standards programme, mentoring, support and training</i>) | 33 <i>33%</i> | 10 <i>10%</i> | 2 <i>2%</i> | - <i>0%</i> | 1 <i>1%</i> | 46 <i>46%</i> | 9 <i>9%</i> |
| First Steps for a New Funding Advisor induction pack | 24 <i>24%</i> | 7 <i>7%</i> | - <i>0%</i> | - <i>0%</i> | 1 <i>1%</i> | 62 <i>62%</i> | 11 <i>11%</i> |
| Liaison and advocacy work | 22 <i>22%</i> | 17 <i>17%</i> | - <i>0%</i> | - <i>0%</i> | 1 <i>1%</i> | 48 <i>48%</i> | 18 <i>18%</i> |

In a typical comment, an interview respondent said *'everyone has always been very happy with the services FINE provides and there seems to be ongoing demand for it.'*

Referring to the Grant Guide FINE produces, an interview respondent commented that *'they save so much time looking for information, and the information produced is good quality. Other regions...do not have access to such information and they are green with envy.'*

'The core services, i.e. the directory, bulletin are useful to me individually, for someone who has worked twenty years or so, and get contacted regularly for information. The core services are essential things and the priority. It is good information, that is marketed well and keeps up to date on developments in funding, and this is essential.'

Benefits to Funding Advisors (FAs)

Funding Advisors were asked: 'Would you say that the FINE services have benefited you as a funding advisor?' Of the 12 FAs who responded, 11 (92%) strongly agreed, and one (8%) agreed with this statement. Funding Advisors who completed the survey or took part in the FAWN meeting consultation session described a number of ways in which FINE services had benefited them, as summarised below with examples:

| Benefit to FAs | Comments |
|--|--|
| Networking opportunities | <p><i>'Opportunities to network and exchange information'</i></p> <p><i>'General camaraderie of being able to associate with fellow advisors'</i></p> <p><i>'I am new to the role and it is good to come and learn from others at the FAWN meetings'</i></p> |
| Information and advice | <i>'Keeping me updated on issues relating to the funding environment'</i> |
| Training | <p><i>'The training I have accessed has really helped me in my job role. I did the funding advisors course which gave me lots more knowledge and understanding around funding'</i></p> <p><i>'If the training isn't there we will have to go to other parts of the country and this will cost much more. When we have training in the region, it is relevant to the North East; there is a risk that the training may not be relevant to us out of the region'</i></p> |
| Presentations by funders | <p><i>'Direct contact with funders – information from funders'</i></p> <p><i>'We are in a position to see what is going on at grassroots level, and can inform the funders i.e. Lloyds TSB come and ask us our opinion when drafting funding criteria'</i></p> |
| Support | <p><i>'Personal and professional development/support'</i></p> <p><i>'If you have a question you can email it around (via FAWN email network) and it will be answered, this would be missed if it wasn't there'</i></p> |
| Influence | <p><i>'Ability to get points across as a cohesive group and therefore affect future policy'</i></p> <p><i>'Any issues are often carried forward by FINE for further investigation'</i></p> |
| Benefits to Local Authority Funding Officers | <i>'We are able to use the News You Can Use briefings to adapt for our own use and circulate to community groups in order to bring about a greater awareness of current funding opportunities'</i> |

One respondent said that FINE's training programme has been developed over a period of years in direct response to the needs of Funding Advisors in the region, so it is appropriate and targeted to need. There was concern that if FINE were no longer to exist, it would be much harder and more expensive for Funding Advisors to access training, and the training available may not be as relevant as that which FINE currently provides.

One interview respondent mirrored some of the comments made by the funding advisors, adding that *'FINE keep the funding advisors up to date with new events and information and gives them one-one contact with funders and contact with other funding advisors.'*

Benefits to organisations

Respondents were asked: *'Have FINE's services benefited your organisation?'* Of 77 respondents, 74 (97%) answered yes, two (2%) answered no, and one (1%) was not sure. Survey respondents were also asked: *'Have FINE's services benefited the organisations you work with?'* All of those who were asked this question responded 'yes' (n=21). The type of benefits to organisations that were mentioned by respondents included:

| Benefit to organisations | Comments |
|----------------------------------|---|
| Saved time and effort | <i>'Saved a lot of our time, by providing the information'</i> <i>'More time to work with groups'</i> |
| Accurate, up-to-date information | <i>'Accurate and up to date funding information enables our organisation to provide good quality support to local groups'</i> |
| Access to funding opportunities | <i>'Many groups have been successful in securing funding'</i> <i>'The information, advice and guidance was invaluable to me, without it I do not believe that the groups I work with would have been as successful as they have been with securing funds for their projects'</i> |
| Income generation | <i>'Increased access to funding information means groups get to access sources outside the region and bring new money into the region'</i> |
| Working together | <i>'Opportunities for partnership working'</i> <i>'Opportunity for problem sharing and to get advice'</i> |
| Networking | <i>'Opportunities for networking with other advisors and directly with funders'</i> |
| Advocacy | <i>'FINE has lobbied funders on behalf of our and other VCS interests'</i> <i>'Regional network important to raise awareness of VCS issues to funders'</i> |
| Training | <i>'The training and support that FINE provides is consistent and of high standard'</i> <i>'Confidence building via training provided'</i> <i>'Training has helped me serve groups better'</i> |
| Collective voice | <i>'Strategic influence on funders'</i> <i>'Able to influence policy'</i> |

One CVS representative had calculated that it would take their funding officers half to one day per week to pick up what FINE currently does for them, if FINE were not in existence.

The NAVCA Directory of infrastructure organisations lists 18 members and 3 affiliates in the North East region. If FINE saves each of these organisations up to a day per week, then the implication is that the ‘cost’ of FINE not existing would be significant for the region (up to 21 person days per week, or over a thousand per year), and there would be considerable duplication as individual organisations tried to do the same work in isolation.

Added value and leverage

Third sector organisations were asked if they thought FINE had helped them to lever funding into the region. Nearly two thirds of respondents agreed that it had (nobody disagreed). Responses are shown below.

| FINE has played a role in helping Third Sector organisations to lever funding to the region | Yes | No | Not sure |
|--|------------|-----------|-----------------|
| | 37 (59%) | 0 | 26 (41%) |

Some examples of the ways FINE has helped organisations are shown below:

- *‘We got £20,000 over two years from Lloyds TSB as a direct result of information in the FINE book’.*
- *‘We have received grants of over £100k from external sources in three years’.*
- *‘I would say that access to the FINE database has generated at least £25,000 p.a. for at least two organisations I know of’.*
- *‘Every funding advice officer in the region benefits from the up to date information on funding sources that FINE communicates. This is then passed to the officers’ clients who raise funds against this advice. It is difficult to assess how much is attributable to FINE but some funding advice officers are aware of over £1 million being raised each year by groups they advise’.*
- *‘FINE has helped by allowing us to concentrate our efforts on areas other than researching funding. Therefore we provide a more value for money service to our funders and commissioners’.*
- *‘Up to date information on local trusts which has enabled us to make applications which have kept us afloat through a crisis’.*

A recent FINE survey revealed that between April 2007 and April 2008, organisations had secured at least £20,783,050 as a result of purchasing or subscribing to FINE’s information services. This figure includes both individual organisations’ fundraising and figures provided from funding advisers about the amount of funding levered in by 3rd sector organisations which they have supported, assisted by FINE’s services.

Funders were asked ‘do you think FINE’s services have impacted on the funding applications you receive?’ Two respondents thought that this was the case, although six said ‘no’ and a further three were not sure. Comments from funders are shown below:

‘We receive fewer irrelevant applications from our main beneficial area than we did 15 years ago’

'There is no way of quantifying this but I know many groups who apply to us for funding have used the FINE directories'

An interview respondent commented that:

'The FINE Funding Advisor pack and training are now a quality standard. This has resulted in better applications (to funders) from organisations accessing Funding Advisors.'

Gaps, needs and challenges in the third sector

Funding advisors were asked if they could think of any other types of support that would help them in their work. Several respondents said that they were satisfied with FINE's current services. One said *'FINE has constantly developed and adapted to the needs of funding advisors'*. Some of the suggestions made are shown below:

- Training and information on specialist areas, e.g. on changes to the 3rd sector, social enterprise, legal structures of organisations such as CICs and Charitable Incorporated Organisations;
- Support for groups registering with the Charity Commission;
- Specialist advisors in areas such as business planning.

Respondents were asked *'are there any regional funding challenges that FINE could help the Third Sector to address?'* A number of potential areas of work were identified, as listed below:

- Provide information and training around procurement and commissioning;
- Encourage and enable collaborative working and the submission of joint funding bids by organisations doing similar or related work;
- Focus extra help on Northumberland and County Durham as they become Unitary Authority areas, as there is a risk that local funding might disappear with the District Authorities;
- Highlight funders that are willing to contribute to core costs and fund on the basis of full cost recovery;
- Campaigning and representation around the need for strong funding policy regionally and nationally;
- Awareness raising with regard to key 3rd sector funding challenges;

Asked if there were any current gaps in services in the region that FINE could help to fill, respondents identified the following:

- Providing more information about public sector funding sources;
- Co-ordination of procurement information, and referring organisations to appropriate contracting opportunities;
- Providing more practical support to funding advisors around bid writing;
- Highlighting imbalances within the region (e.g. between Newcastle and the South of the region) with regard to accessible funds;
- Bringing together like-minded organisations across the region;

- More funding conferences, seminars and training days;
- Strategic work around hard-to-fund causes;

The future for FINE

Respondents were asked '*what future role(s) do you think FINE should have?*' Some of the most common responses are shown below:

- FINE should maintain its position as the prime source of funding information for the voluntary sector in the north east;
- FINE could have a role in reviewing the impact of changes in local authorities in Durham and Northumberland, with regard to funding opportunities for the 3rd sector;
- Consider operating the Funder's Forum as an advisory body, making supportive suggestions and helping to develop proposals;
- FINE should be central to consortia developments and be funded through the consortia to continue what it already does;
- Develop training on income generation for the 3rd sector;
- Providing more training on legal structures of organisations, e.g. registered charity status, company status etc. Getting the right legal structure is essential to securing the right funding and being fit for funding, and this is often the responsibility of funding advisors.

Possible new areas of work suggested by interview respondents included:

- Developing a regional Local Authority Funding Officer network;
- Assisting with volunteering targets for Local Area Agreements;
- Providing contract services;
- A more regional strategic overview in procurement and commissioning in the third sector, and developing training in this area as well.

Interview respondents highlighted the importance of the need for FINE to work in partnership with other organisations in the VCS sector, including VONNE, to develop work. Other organisations suggested included Business Link, the Community Foundation, Local Strategic Partnerships, Local Authorities, and Capacity Builders.

Income generation

Respondents were asked for any ideas they had for new ways that FINE could generate income, for instance by providing services. Most comments centred around extending FINE's services to clients who were willing and able to pay enough to cover FINE's costs. Suggestions included:

- Running seminars on funding issues;
- Holding master classes with professional funding advisors;
- Making training self-financing;

- Offering half day or one day consultancy to individual groups on funding issues;
- Asking Councils for Voluntary Service and local authorities to pay FINE for providing training;
- Providing services to Local Authority Funding Officers, and other agencies that provide funding advice;
- Increasing charges for the services such as email funding bulletins;
- Extending training services to include subjects such as helping organisations to become more sustainable, VAT, IT, and policy development;
- Extending the geographical area of FINE's services beyond the region, and charging a higher price for work outside the region.
- Providing advice to the corporate sector on working with charities, spending CSR budgets, and using placements in VCS organisations for employee training/development.

However, observations were made that it is easy to overestimate the amount of money that could be raised - which is unlikely to cover all of FINE's costs - and that there is an underlying need to convince recipients of FINE's services and other regional bodies that it is a project worth paying for.

'There is no easy answer here. (Income generation) will divert FINE from what it is good at and potentially compromise existing services and purpose. Some services should just be funded properly for their own sake.'

An interview respondent suggested that:

'FINE should try to access a variety of funding streams in order to take a pragmatic view to what it does to ensure long term survival.'

There were mixed views from the interview respondents on charging for the services that FINE provides. There was a doubt that those who have accessed services would want to pay for these services that they have had previously for free. Again, interview respondents felt that it would be difficult to cover the costs of FINE by charging for services.

Subscriptions

To help fund its work with infrastructure organisations, FINE is considering introducing a subscription package for infrastructure organisations. The two main options under consideration are shown in the box on the next page. Respondents were asked what they thought of the idea of subscriptions and whether they would be willing to sign up to one of the options.

Funding Advisors were generally receptive to the idea of introducing subscriptions, although some expressed concern as to how they - and other smaller organisations - would manage to meet the cost. One said they would need to apply for grant aid to be able to afford it. With regard to the subscription packages suggested, two people expressed concern about the following issue:

'The additional cost of £50 for each individual attending FAWN meetings seems unnecessary – these meetings have always been inclusive and not only for those who

can afford to come. It is the participation of those attending which makes these network meetings valuable and the organisations involved have already allowed their staff time to attend and also paid their travelling expenses’.

It was suggested that more funding advisors should be allowed to attend meetings as part of each package. One respondent suggested that a ‘middle’ membership option should also be developed to give organisations more flexibility as to the type of package they bought.

Infrastructure organisations representatives recognised and supported the need for such a measure to help secure FINE’s future, although it was pointed out by one respondent that *‘this would go nowhere near to solving FINE’s funding problems’*. Again, some respondents highlighted that it would be difficult for them to find the money to pay for subscription, and one said *‘I doubt that we would begin to subscribe to FINE, under these circumstances’* (they are currently facing financial uncertainty and possible redundancies).

An interview respondent commented that the *‘subscription package for infrastructure organisations could be dangerous as it could compromise the spirit of partnership between FINE and these organisations.’*

Suggested subscription packages for FINE

Full membership: £600 per annum

Includes:

- *1 copy each of: The North East Guide to Grants for Voluntary Organisations; The North East Guide to Grants for Individuals (additional copies of each available at cost price); the weekly email funding bulletin, News You Can Use; and the six-weekly funding alerts newsletter, Grants Bulletin.*
- *1 username and password to the North East Third Sector Funding Opportunities Database and the online searchable database version of The North East Guide to Grants for Individuals.*
- *Access by all funding advisers to FINE’s central resource of national and international funding directories and funding library. Access to FINE’s telephone advice to funding advisers.*
- *Membership to the North East Funding Advice Workers Network with the opportunity to share information, learning and best practice with peers as well as meet with funders.*
- *Up to 2 workers can attend FAWN meetings and access FINE’s funding adviser support other than direct training. Thereafter there will be a charge of £50 for each additional member of staff wishing to attend FAWN and access support.*
- *Allows the circulation of NYCUCU and access to online database to all funding advisers within the organisation.*

Funding Advice Worker Support: £350 per annum

Includes:

- *Membership to the North East Funding Advice Workers Network with the opportunity to share information, learning and best practice with peers as well as meet with funders.*

Up to 2 workers can attend FAWN meetings and access FINE’s funding adviser support other than direct training. Thereafter there will be a charge of £50 for each additional member of staff wishing to attend FAWN and access support.

Structure and governance of FINE

FINE is run by a consortium of Councils for Voluntary Service (CVS), and has been since it first began. Respondents were asked if they thought that this governance structure was still appropriate and beneficial for FINE, and were asked to identify any alternative governance structures that FINE could possibly adopt.

Opinions were divided with regard to this issue, but the main viewpoints expressed were as follows, along with some of the 'pros' and 'cons' of each where appropriate:

| Viewpoint | Pros | Cons |
|---|---|--|
| FINE's governance structure should remain as it is now | No additional cost or effort required. Proven track record in running FINE effectively this way. | Potential to miss out on new funding opportunities (for FINE) or new areas of work. |
| The governance structure should remain the same, but with more organisations represented on the Development Group | More inclusive. Allows other parts of the region to be represented. Possibility of new people bringing fresh ideas. | Danger of becoming less effective through running FINE 'by committee'. |
| FINE should become part of VONNE | FINE would be closer to other regional infrastructure developments. | Cost and time implications of moving. Need for a strategy to determine exactly how FINE would become part of VONNE. |
| FINE should become an independent organisation | More attractive to funders. | Cost implications. Additional bureaucracy. Removing FINE's management 'safety net.' |
| It does not matter as long as FINE continues to exist | n/a | n/a |

Below is a selection of the comments made by survey and interview respondents about FINE's governance arrangements:

'FINE may want to explore whether the current management arrangements are restrictive in any way and look at alternative, possibly more inclusive, arrangements e.g. a wider consortium'

'Does this (current) consortium approach compromise vision and action through decision 'by committee'?'

'I think consortium runs very well but other structures could be considered to enable FINE to continue providing the service'

'Whilst FINE was initially and still is primarily about supporting local infrastructure, it has developed its service base; via directory and email subscription so many more groups have a 'stake' in the future of FINE. A more modern appropriate structure would be beneficial, possibly becoming independent'.

'FINE could possibly fit better within VONNE now – this would help it be more of a part of regional infrastructure developments. This would be more appropriate, although FINE should keep the same staff team, activities etc.'

'Going independent would not be efficient at this time – it would require an increase in core costs, but funding is already hard to come by.'

'The Development Group needs to include a mixture of people from different backgrounds, skills and experience, parts of the region and different ethnic and cultural backgrounds. Doing this could lead FINE to lots of really good areas of work.'

'It is a strong project, and is ready to become a registered charity in its own right and a company limited by guarantee (rather than a project attached to another organisation, which complicates its access to some funding streams). If FINE was to set up on its own, some funders could find it more attractive as a result'.

Local Authority Funding Officers Network

Local Authority Funding officers were asked if they would be interested in being part of a network that is similar to FAWN, but targets and supports Local Authority Funding Officers. They were also asked if their Local Authority be willing and able to give financial support to FINE to run such a network. While all those who responded expressed willingness for such a network to be set up and said that they would like to take part in it, there was some doubt about whether councils would be willing or able to fund it. One respondent suggested that Local Authorities could host the group so as to reduce costs, and that it could be run on a subscription basis so as to make it self-financing.

Additional comments

Respondents were asked for any other comments about FINE. A selection of these is shown below:

'Needs to take care that future direction continues to be relevant to those advising organisations who are charitable as well as those interested in service delivery – not all charities are about service delivery and we should take care to remember that'

'FINE's services are one of the success stories of co-operation between the VCS and funders across the region'

'FINE provides an essential and very valued service'

'If FINE goes, there will be an impact on all the Funding Advice services in the region'

If FINE was to end as a project: *'The situation would be that it would be more expensive, CVS and infrastructure organisations wouldn't have the benefit of the FINE service and they would have to do more work. This would impact on the Region; there would be parts that were doing good, parts doing badly. There is no other way that the service could be provided. The cost of producing the up to date information at the same quality and cost wouldn't work. The accessibility of the information and benefit of the service to the members would all be affected. It is difficult enough for CVS applying for funding and this would add to the burden.'*

Evaluation response rates

Response rates for the evaluation are shown in the table below. The overall response rate was 25%, with the survey response rates ranging from 15% to 45%. This rate of response is considered to be quite reasonable (an average response rate for email surveys is around 10%), which possibly reflects the degree of interest in and regard for FINE among the 3rd sector in the region.

| Method of consultation | Total number invited to take part | Total number taking part (%) |
|---|-----------------------------------|------------------------------|
| Funding advisors questionnaire survey | 35 | 12 (34%) |
| Funders questionnaire survey | <56 | 10 (>18%) |
| Infrastructure organisations questionnaire survey | 20 | 9 (45%) |
| Other third sector organisations questionnaire survey | 331 | 68 (21%) |
| Local authority funding officers questionnaire survey | 34 | 5 (15%) |
| Interviews | 20 | 12 (60%) |
| FAWN meeting (Funding Advisors) | 8 | 8 (100%) |
| Totals | 504 | 124 (25%) |

5) Review meeting

Introduction

The purpose of the review meeting was to give a range of stakeholders the opportunity to collectively review the data gathered for the evaluation, and to consider and discuss appropriate recommendations and action planning for FINE.

The review meeting involved FINE staff, funding advisers, and representatives from the FINE Development Group and 3rd sector infrastructure organisations. The meeting lasted about two hours, and was facilitated by one of the researchers.

The evaluation objectives included: the appraisal of current FINE services; identification of gaps, future challenges and income generation opportunities for the 3rd sector in the region; a review of the governance, management and structure of FINE; and identification of the added value of FINE's work, including additional funding it had helped to lever into the region. As the time available to review the evaluation findings was limited, the review meeting mainly focused on just two of these areas, which were selected by FINE as being of the most practical interest: income generation, and added value and leverage. Responses from funders, infrastructure organisations, funding advisers, and other 3rd sector organisations were evaluated separately.

The rest of this section gives details of the discussions at the review meeting under the two headings of income generation and added value/leverage.

Income generation

Evaluation respondents had identified a range of different options for FINE to generate income. The review group assessed these options, determining whether the overall responses from the different stakeholder groups meant yes, no, or maybe to the options. The options are presented below along with a summary of the discussion around each option:

Subscriptions

This was an option quite strongly supported by infrastructure organisations and other 3rd sector organisations, although funding advisers were more mixed in their levels of support. There was little response from funders to this. Issues raised included the difficulty of setting a subscription level that was both affordable and was enough to cover costs. There are a number of different ways in which subscriptions can be set up, and it was pointed out that these would all have to be properly explored.

Increasing charges for training

The idea that training could be at least partly funded by an increase in charges was very positively supported across the board. Funding advisers were slightly less positive about this than the other groups (perhaps because they thought their organisations would struggle to pay), while funders were slightly more positive.

A broader range of training

All groups gave a positive response to the idea of extending the training provided by FINE to include a broader range of courses.

Extend training to areas outside the North East

There was a mixed response to this. Around a third of respondents thought it was not a good idea, while the rest said 'maybe'.

Increase the range of 'paid for' support services

Most respondents thought this idea was a 'maybe'. Funders were slightly more positive about it, while funding advisers were slightly more negative.

Consultancy and/or contracting

Responses to this idea were mostly in the 'maybe' category, with funders slightly more positive and advisers slightly more negative about it. This links to aspirations within the 3rd sector regarding procurement and commissioning, where there are concerns about their capacity to meet the requirements of contracting.

Writing funding applications for organisations

Most of the groups did not support this idea, but infrastructure organisations were in the 'maybe' category. The review group felt quite strongly that this was not a practical option, particularly because of potential conflict of interest, i.e. the same person could be working on applications for the same funding stream for multiple organisations. Other negative points included the fact that this service would be very resource-intensive, and that it does not fit within FINE's aims and objectives.

Extending training to other groups

This included the idea of running targeted training sessions and masterclasses. This was supported by funders and 3rd sector infrastructure organisations, who thought this was a realistic potential income generation stream.

Summary

All stakeholder groups were fairly positive that there were income generation options for FINE. The income generation opportunities considered most appropriate involved recharging and developing the existing services, while maintaining a strong regional and specialist focus.

Added value and leverage

Evaluation respondents had given a range of responses to questions about whether FINE had brought added value and helped lever additional funding into the region. As before, the review group assessed these options, determining whether the overall responses from the different stakeholder groups meant yes, no, or maybe to the options. The range of responses is presented below along with a summary of the discussion around each:

Added value

All respondents believed that FINE had indeed brought added value to the 3rd sector in the region – a universal and positive yes.

Increasing 3rd sector fundraising skills and capacity

All groups responded very positively to this. FINE is considered to have enabled 3rd sector organisations to develop the skills required for fundraising.

Equipping infrastructure organisations to support frontline organisations

Again, all respondents were very positive on this issue. FINE is considered to have an enabling role in this area.

Supporting strategic work

There was general support for the idea that FINE had supported strategic work in the 3rd sector, although 3rd sector organisations were slightly less positive than other stakeholder groups (possibly because they are not necessarily involved in strategic work themselves, so are not able to comment on FINE's work in this area).

Increasing income generation in the 3rd sector

All groups thought that FINE has had a supporting role with regard to the income levered into the region by 3rd sector organisations.

Saving time for 3rd sector organisations

All groups thought that the work and services performed by FINE did indeed save individual organisations significant amounts of time.

Summary

The stakeholder groups were very positive that FINE had added value and leverage across a broad range of outcomes, particularly regarding increasing the fundraising capacity of the 3rd sector across the region.

6) Recommendations

Analysis of the evaluation findings, plus the conclusions drawn by the review group, has led to the following recommendations being framed:

1) Needs of Funding Advisors

92% of Funding Advisor respondents strongly agreed that FINE has benefited them as a Funding Advisor. They specified that if these services were not available, this would result in them spending increased time and money. Many benefits were mentioned (refer to page 9), including the FINE training programme, which has been developed by FINE so that is responsive to Funding Advisors' needs. Funding Advisors identified areas for FINE to develop the training programme further, including training and information on changes to the third sector, social enterprise, and the structures of specific organisations.

Funding Advisors emphasised the importance of FINE's services to them and their role in the region, and it is strongly recommended that FINE's services continue, to enable them to carry out their role to its full potential.

2) Regional gaps and challenges in the 3rd sector

One of the objectives of the evaluation was to consider whether there were any gaps in current service provision, or particular challenges facing the 3rd sector in the region, that FINE could help to address by developing new areas of work. Once again, respondents were on the whole happy with the services already provided by FINE. Some expressed concern that by introducing new services there would be less time and resources to devote to current activities.

However, FINE is responsive to the needs of its users, and there may be some areas of work identified by evaluation participants (see pages 12-13) that it is able to pursue. These include providing information on various subjects, highlighting particular issues regionally and nationally, encouraging and enabling partnership working, providing events, and giving practical support. Some of these areas of work may have the potential to generate income (this is discussed further below).

3) Income generation

Evaluation participants identified a number of potential ways for FINE to generate additional income. Most of these centred around extending FINE's training work and other paid services, for instance by increasing training charges, providing a broader range of training, extending the services to a bigger client range, and doing consultancy and contract work. The other main income generation idea was introducing subscription charges; this is discussed in more detail below.

The review session focused on this issue and concluded that *'the income generation opportunities considered most appropriate involved recharging and developing the existing services'*. However, it was not considered appropriate for FINE to extend its services outside the region, or develop work in areas that are not within its current remit.

It is important to price income generating services appropriately, so that they pay for themselves, and possibly also contribute to the project's core costs, but are not prohibitively expensive for the clients they target. Care must also be taken to gauge demand for services carefully so that they are not under- or over-supplied.

4) Subscriptions

Evaluation respondents were receptive to the idea of introducing subscriptions for infrastructure organisations, and it is recommended that this goes ahead.

A key issue regarding subscriptions is ensuring that they are affordable for 3rd sector organisations, while at the same time setting them high enough to yield sufficient income to cover costs. It may be worth considering introducing subscriptions over an extended time period with a gradually increasing charge, to enable infrastructure organisations more time to plan ways to finance this.

It may also be helpful to demonstrate clearly to organisations how much time FINE saves them (see pages 10-11), to help them to understand how valuable the service is to them.

It may be useful to revisit the suggested subscription package to address issues highlighted in the research. Several respondents were concerned about FAWN meetings being less inclusive if only two individuals were able to attend them under each package, and FINE may wish to change this. There was also the suggestion that an intermediate subscription level be introduced, falling between the two suggested levels.

5) The structure and governance of FINE

The evaluation highlighted four main options for FINE's future governance structure:

- That it remains the same;
- That it remains the same, but with a widened Development Group;
- That it becomes part of VONNE;
- That it becomes independent.

Each of these options has potential benefits and disadvantages (see page 16). With the funding difficulties now facing FINE, it is unlikely that making any major changes to the governance structure is a current priority, although it may be an option in the longer term. With this in mind, it is recommended that FINE's management and Development Group meets to consider the possibility of expanding the Development Group in due course, but defers the matter of FINE's governance structure to a later date.

6) Working with Local Authority (LA) Funding Officers

LA Funding Officer respondents were receptive to the idea of setting up and taking part in a network to support them (similar to FAWN). This reinforces a past interest by LA Funding Officers in attending FAWN meetings. LA Funding Officer respondents did express doubt as to whether Local Authorities could contribute financially to this. However, a recommendation was made for Local Authorities to host the network and run it on a subscription basis to reduce costs.

This idea could be taken up and explored further by FINE. As only five out of 34 LA Funding Officers responded to the evaluation survey, it is recommended that FINE

approaches those that did not respond with the aim of exploring levels of commitment to being part of such a network and contributing resources to help run it (including a possible subscription package).

8) The future for FINE

A number of respondents outlined their ideas about how FINE could operate or develop in the future, including potential new work areas or roles it could take on. The view that FINE should maintain its position as the prime source of funding information for the voluntary sector was expressed by many respondents.

Aside from continuing its current work, those ideas that have not already been discussed in this section are shown below. Please note that these are not strict recommendations for FINE to follow up, but are suggestions from those working in the 3rd sector:

- FINE could consider operating the Funder's Forum as an advisory body;
- FINE should continue to develop partnerships with other 3rd sector organisations, and should be central to consortia developments.
- FINE could highlight the need for, and work towards a more regional strategic overview in procurement and commissioning in the 3rd sector, and could develop training provision alongside this.

9) Funding FINE

FINE is currently facing uncertainty with regard to its future funding. There are no easy answers to this problem. FINE staff, management, and Development Group members are highly knowledgeable, skilled and experienced at accessing funding for 3rd sector infrastructure organisations, and the evaluation has revealed little in the way of new ideas or funding streams to be tried. However, several suggestions have been made in the course of the evaluation, which may be worth some consideration:

- Increased marketing and promotional activity could help regional players, potential funders, and service users and to see the value of FINE. This would be particularly useful alongside the development of additional income generating services;
- It was suggested that FINE needs to 'speak the language' of potential funders such as One NorthEast, for instance by selling itself as a project helping to fulfil the aims of the Regional Economic Strategy through business advice and social enterprise;
- Other similar projects have accessed additional funding by diversifying into other areas within their broad remit, such as providing advice and training on loans to 3rd sector organisations.

FINE has close links with the Regional Infrastructure Consortium (RIC) which has been funding FINE and has prioritised continuing funding in its regional strategy.

7) Conclusion

This evaluation has revealed a very positive response from 3rd sector stakeholders regarding the work that FINE currently does. As well as fulfilling its remit by providing high quality information, services, training and representation, respondents also described various ways in which FINE has brought added value, and played a role in levering funding into the region. Many respondents expressed concern that without FINE, the task of accessing funding in the 3rd sector would be a great deal more time-consuming and difficult.

Sustainability is a key issue for FINE right now, as future funding for the project is in doubt. A number of ideas for ways to address this problem have been raised and discussed over the course of the evaluation, including more income-generating activities and the introduction of subscriptions for infrastructure organisations. However, the need for core funding to sustain the project was outlined by a number of respondents.

The evaluation identified a number of gaps, needs and challenges within the 3rd sector. Some of these are issues that could be addressed by FINE - as discussed in the previous section - but others would need to be taken up at a strategic, regional or national level. Firstly, lobbying may be appropriate at a national level to highlight the worsening situation regarding funding for the 3rd sector in general and 3rd sector infrastructure organisations in particular. More specifically to FINE, a number of respondents stressed the need for funders like Capacity Builders to recognise that ongoing funding for successful projects is just as important as financing innovative new work. Finally, a respondent based in another region suggested that co-operative and partnership working within the sector is not as well developed in the North East as in some other regions, and that this could be improved upon through a strategic regional approach. FINE may be able to exercise some influence through its close links with the Regional Infrastructure Consortium (RIC), emphasising the importance of maximising links between the RIC sub-regional infrastructure consortia, and the Infrastructure Development Group.

APPENDICES

Contents

- 1) Copies of questionnaires
- 2) Funders survey analysis
- 3) Funding Advisors survey and FAWN meeting analysis
- 4) Infrastructure organisations funding analysis
- 5) Local Authority Funding Officers survey analysis
- 6) 3rd sector organisations survey analysis
- 7) Notes from interviews with key stakeholders

The appendices can be found in a separate document.