



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Evaluation of the Communities First Trust Fund

Research Summary

Background

In April 2007, Wavehill Consulting was commissioned by the Welsh Assembly Government (WAG) to undertake an evaluation of the Communities First Trust Fund. This report is a summary of the main evaluation report produced as part of this research.

Communities First was launched by the WAG in 2001 in 142 areas across Wales, including: 100 wards; 32 sub-pockets of deprivation; and 10 Communities of Interest or Imaginative Proposals. The programme is founded on the principle that poverty and disadvantage are created by a complex number of factors and that in order to address these disadvantages the causes must be understood. Communities First was therefore set up to provide opportunities for people living in deprived areas, and the agencies that deliver services in those communities, to examine the realities of poverty in their own area, and to work together to address it.

The Communities First Trust Fund was established by WAG in 2001 and, from the start, was conceived as a fund to develop social capital in Communities First areas rather than as a strategic fund. In practice, the Communities First Trust Fund distributes small amounts of funding for activities and projects to community groups quickly and easily. The Trust Fund was designed to be red-tape busting by reducing the application and evaluation paperwork associated with it. By doing this, the Trust Fund aimed to quickly and easily distribute funds to Communities First areas, thereby developing the feel good factor in areas that had suffered from long-term deprivation.

The Communities First Trust Fund is managed on behalf of the Welsh Assembly Government by the Communities First Support Network (CFSN) and administered centrally by Wales Council for Voluntary Action (WCVA) via a team of six staff members. The team manages an annual budget of £3 million, set to increase to £3.23 million in 2007/08 to accommodate the additional 46 Lower Super Output Areas (LSOAs) that became eligible to join the Communities First Programme.

Each of the existing Communities First areas has an annual allocation of funds for which community groups working within that area can apply. The 100 ward-based partnership areas are allocated £20,000 per year, as are the 10 communities of interest or imaginative proposals. The 32 areas that are classed as sub-pockets of deprivation are allocated £10,000 annually. The maximum size for an application is £5,000.

Decisions on applications made to the scheme are decided centrally by the Trust Fund Grants Advisory Panel, which consists of representatives from the 9 organisations that make up the CFSN, namely: Black Voluntary Sector Network (Wales); Community Action Network; Community Development Cymru; Development Trusts Association; Groundwork Wales; Menter a Busnes; Wales Co-operative Centre; Wales Association of Voluntary Councils; and Wales Council for Voluntary Action.

Purpose of the evaluation

The key element of the evaluation was to consider the following four research questions:

- How efficient and effective is the current administration of the Communities First Trust Fund? Is the administration of the fund conducted well providing good value for money?
- Are the Trust Fund's grants being used effectively to meet the objectives of Communities First?

- To what extent is the current role of Communities First partnerships in the Trust Fund appropriate in terms of the relationship between Trust Fund projects with the work being conducted in Communities First areas?
- Are the principles used to govern the allocation of funding between types of project and types of Communities First areas (e.g. communities of interest, ward based areas, LSOA areas and pockets of deprivation) appropriate, particularly in light of the new Welsh Index of Multiple Deprivation?

In addition to answering the above questions, the research also identified examples of good practice to be included in the evaluation report.

Fieldwork

The research involved five elements of field work as follows:

- Stakeholder Interviews with 19 stakeholders from a range of organisations including WAG, CFSN and WCVA.
- Three Communities First Partnership Focus Groups covering South East, South West and North Wales. In addition, Partnerships were given the option of taking part in the research through a self completion questionnaire or completion of a questionnaire with assistance from trained consultation staff.
- Project Interviews with a sample of 361 projects representing the 5958 projects that had received funding through the Communities First Trust Fund.
- Interviews with 15 unsuccessful Applicants
- Project Visits to 14 projects to develop a clearer understanding of the types of activities that groups were able to deliver as a result of their Trust Fund grants.

Findings

Findings of the research include:

- From project and stakeholder sides the Trust Fund is seen to run efficiently and effectively.
- The administration and application process for the Trust Fund works well.
- The current set up for management and administration of the Trust Fund provides good value for money.
- Although the Trust Fund was not set up as a strategic fund and as such was not intended to deliver activities against the aims of Communities First, it has, as a by-product of distributing grants, supported some of the aims of Communities First, in particular:
 - To build confidence and raise the self-esteem of people living in the community
 - To improve health and well-being
 - To encourage active citizenship
- Trust Fund applicants were never forced to make contact with or take up a role within their local Communities First Partnership. Some partnerships are not happy about this, but not enough to advocate changing the set up of the programme as it stands.
- Spend is currently reasonably equitable across the three different types of Communities First areas: wards; sub-wards; and communities of interest or imaginative proposals, but communities of interest lag behind slightly.

Recommendations

Recommendations made from the findings of the research include the following:

- Year on year applications to the Trust Fund should continue to be permitted to support the sustainability of groups.

- As applications are approved, the CFSN should identify those groups for whom sustainability advice may be appropriate, and contact them to offer that support. .
- There is a need for more marketing of the Trust Fund to target the eligible communities who do not apply to the fund.
- WAG and CFSN should consider the idea of a 'Formation Grant' to provide start up funding to new groups who might not have the necessary requirements to apply to the Trust Fund, e.g. constitution and bank account. This could provide a useful tool to support the development of new groups in Communities First areas.
- There needs to be better sharing of information collected by the CFSN on good practice. Suggestions include the development of a Learning Toolkit to share with partnerships and projects, and regionally based networking events to share information.
- Communities First Partnerships should not be given control of the Trust Fund in their areas. The approval process for applications should remain at arms length from the partnership.
- WAG should proceed with the existing system of allocation of funds to the 142 original Communities First areas but to create a 'momentum' in new LSOA areas it may be beneficial to 'super fund' these communities for the first two years to encourage as many community groups to come forward and participate as possible. An allocation of up to £20,000 per community for the first two years is recommended if funding allows.
- If small grant schemes are to directly benefit small grassroots community and voluntary groups, then a maximum figure for organisational turnover for applicant groups should be set to ensure that this is the case.
- The grant holding body should supply template forms to help groups clearly measure outcomes, including capacity built, partnerships established, increased sustainability etc. Evaluation of good practice and lessons learned from the perspective of the grant recipient project as a whole is essential across grant programmes.

Good practice

The research highlighted the following examples of good practice in the Communities First Trust Fund administration, application process and projects:

- One-to-one and outreach officer support is available to applicant groups
- Central support, to deal with financial returns and other administrative procedures relating to the grant giving body, is available to applicant groups.
- The application form for the Trust Fund is simple and easy to understand, with the majority of projects experiencing no problems in completing the application form.
- The turn around time for the assessment of Trust Fund grants is acceptable. Speedy decisions are of great importance, especially for smaller groups.
- The assessment panel for the Trust Fund is clear about the eligibility criteria for grants and is a suitable mechanism for assessing applications.
- WCVA has established good record keeping systems for the Trust Fund, and can provide breakdowns of various elements quickly and simply.
- The Trust Fund creates a strong 'feel good factor' in Communities First areas through giving the impression that WAG is giving local groups money directly.
- There is flexibility within the scheme so that funding that is underspent in one area is put back into a central 'pot' and re-allocated to areas that have spent their full entitlement.