

Better Together Policy Forum

Valuing and supporting a thriving VCSE: What does good grant making look like?

Introduction

This event at the Durham Leadership Centre at Spennymoor was held on Tuesday, 17th June 2025. It offered an opportunity for partners to look beyond the means for measuring and evidencing impacts and outcomes and explored how to model and apply investment and funding into the sector, so that it can work most effectively and efficiently in terms of costs and resources for both commissioners and for VCSE organisations providing services in communities.

It was attended by 63 people representing 44 different organisations and was opened by Kate Burrows, Executive Director Durham Community Action, and Chair of Better Together VCS Forum.

Background

In October 2023, the <u>County Durham Together Partnership</u> (CDT) established cross sector subgroup: **Voluntary and Community Sector Leadership Group.** The primary aim of this group is to deliver on the ambition of supporting a thriving voluntary and community sector in County Durham which is well resourced by maximizing the alignment of VCSE funding

The purpose of the Policy Conference was to explore how the VCSE Leadership Group is developing on their aims, and to reflect on the lessons we have all learned to date about effective and sustainable funding for the sector. The meeting presented an opportunity to look at some of the post Covid research and consultation which is helping shape the approaches of Community Foundations and the VCSE through their grant giving systems.

The Conference also gave an opportunity for the VCSE and commissioners to talk about the best and the worst of current funding systems, to further explore the experience and the context of the funding landscape.

Two presentations were given to provide the framework of the discussions. A copy of the presentations can be found <u>here</u>.

Presentation I – Kirsty Wilkinson, Public Health Strategic Manager & CDT VCSE Leadership Group Vice Chair

Kirsty introduced her presentation with the CDT vision and <u>accompanying video</u>, speaking about the importance of supporting the voluntary sector and looking at the key challenges. She highlighted the obstacles for the Public Sector and the VCSE and in particular how silo working is presenting particular challenges. Kirsty explained that the aim for the CDT is to ensure that we work better together to support a more sustainable VCS in County Durham in the future and this was broken

down into list of intentions including the development of a VCS accord, similar to the <u>Manchester</u> model.

Presentation 2 – Michelle Cooper, CEO Point North (formerly County Durham Foundation)

Michelle explained the operation of Point North who work with donors to help them to understand how their money can best make a difference. She spoke about the difficulties of the misalignment of needs and funders and how Point North are using the 8 principles of the IVAR model that they are now working to which encourages funders to adopt more open and trusting practices that make life easier for those they fund.

Michelle explained what they do as a funder and how challenging it can be to be 'everything to everyone' as a grant making organisation and that quite often, they need to step in to cash flow projects. Point North are bringing in new due diligence processes from July and are using AI to improve efficiency and speed and are using research to shape their funding. Reflecting on their lessons learned since the pandemic period, Point North are continuing to research, evaluate and consult and are always available to advise organisations who are seeking funding support.

Round Table Discussions

Kate Burrows (supported by Jo Laverick, DCA Associate) introduced the round table discussions and spoke about the Accord, which the County Durham Together Partnership are looking to develop sometime in Autumn 2025. The Accord will shape the common parameters, behaviours and relationship between the public sector and voluntary sector, to support continued improvement of the outcomes for County Durham and its communities.

Questions to draw out thoughts and experiences around the following were presented:

- I. What climate is needed to foster good funding/investment practices and the understanding of what learning is derived
- 2. The insight into the resources required and challenges faced, understanding of what learning is derived
- 3. The opportunities to improve current cross sector working do funders need additional networking to align priorities & reach and how can DCA & System Partners broker relationships between the sector & funders.
- 4. What do funders need from the sector and what does the sector need from funders
- 5. What examples can be given as best and the worst experience of funding

Feedback

A short plenary session was held to capture some of the key thoughts on the questions from the table for which the following themes are paraphrased.

What climate engenders good funding practices

- Emphasise trust, collaboration, and learning (even from failure)
- Use flexible, user-friendly reporting methods (e.g. Lottery's model of asking the funder how they want to report)
- Accept that long-term impact and innovation are complex (and innovation is not always best sometimes what works is best)

Resources & Challenges

Prevention and long-term impact are hard to measure

- Don't penalise charities for holding reserves
- Cross-county funding access is sometimes a hurdle and what about funding out-with of County Durham
- Forecasting outcomes has many unknowns

Improving Cross-Sector Working

- Helping funders understand the landscape of who's doing what, and where in the voluntary sector
- DCA and Sector partners can broker info-sharing and sector mapping
- Events like "meet the funded" would help funders understand the landscape
- Centralised funding platforms would improve access

What Funders & the Sector Need From Each Other

- Sector needs funders to trust their expertise
- Funders need to do their homework and should use the intelligence they already have on a potential funded organisation
- Streamlined applications (like passport models) would help
- Both sides benefit from genuine relationships and open dialogue

Best & Worst Funding Experiences

Best: Known relationships, flexible reporting, shared learning

Worst: Repetitive paperwork, unread reports, unrealistic expectations

Summary

A full transcription of the feedback from round table discussions is <u>available here</u>; the discussions raised areas of mutual interest for funders and for VCSE providers, all which can contribute to the shape and development of an Accord with the VCSE and funding partners. Discussions established that there are strong foundations in County Durham on which to build and the summary points centred around the nuances of partnership working and where collaboration can be strengthened, managed better or made less of a burden on already very tight resources.

Common themes were:

Prevention vs Crisis: Priorities, nature of funding and how effective monitoring (impacts, learning and new opportunities) should be structured. Time scales for preventive community support were also discussed in terms of resources, time and monitoring challenges.

Local Vs regional/national: Programme funding for delivery on policy imperatives (regional and national) should be developed with more time for county wide conversations and contribution to the design and shape of the funding packages and application processes.

Intelligence gathering and applications/impact & reporting: Too much repetition is asked for in the application processes and in monitoring for grant funding. A lot of data is already widely available but across too many sources. Colleagues often wonder what happened to the insight they produce for funders. Complexity of multiple measures of impact flowed through discussion; the Social Value TOMs framework is not so relevant for a large part of the sector in County Durham, however the application of social value measurement tools was discussed as a means to evidence impacts. Relevant and/or current social value report cards could be useful additions to VCSE organisations' CVs.

Collaboration/Partnerships: Partnership working in the County has governance and accountability arrangements in place which enables inclusive participation as much as possible. Opportunities to meet in person and to network with colleagues from all sectors are highly valued and shape the currency and impetus for effective partnership working.

Innovation and risk: Partnership working involving risk and innovation should enable better mutual understanding of potential. The experience of manging resources through the pandemic has provided insights and learning which helps to enable a more flexible climate for investing in community action and to set models for longer term investment.

Key areas of interest to highlight:

A VCSE Accord should reflect alignments, collaborations and links.

Streamlining:

Application processes and reporting: Ideas came forward for introducing a user "Durham Passport" model for VCSE applicants, containing organisational information and relevant supporting data: to avoid repetition and save time in the application process.

Further proposals were made for establishing a 'Single Route' for organisations making applications (with organisational data and information, track records etc), accessible for all funding bodies and accepted as part of their application processes.

This was enlarged to consideration of one model of monitoring return to be posted online and added to as outcomes accrue, providing a timeline for longer term outcomes. Several suggestions were raised that Public Sector grant funding could be channelled through such a 'single point of contact' system supported by an organisation such as Point North.

VCSE Infrastructure Support: Infrastructure support is critical to enabling and supporting a thriving VCSE. Brokerage that encourages cross-sector partnerships and offers specialist support for governance, training, organisational development, and best practices helps drive effective collaborative action.

The Accord should set out clearly the VCS brokerage role which VCSE infrastructure support provides and reinforce opportunities for:

- Brokering relationships between funders and VCSE providers
- A neutral role in supporting due diligence through application processes
- Advisory and advocacy roles in ensuring a VCSE presence and voice in County wide partnerships
- Fostering and supporting best practice forums and networks
- Training and support to cover examples of application questions and how to articulate a case for funding.

Contradictory expectations for funders: An exploration of who determines priorities and where and what should be funded was touched upon.

Feedback showed Funders are asked two contradictory behaviours:

- a) to collaborate more closely with VCSE as partners and determine geography and delivery arrangements for shared and agreed goals, and
- b) to step back with a more hands off approach to allow the VCSE to determine their own approach and then to invest from a position of trust.

Both approaches have merits and there was a general consensus that there should always be flexibility and nuance in the ways grant giving is structured.

Next Steps

- Continue open discussions it's clear that there is a continued desire to work better together and build on opportunities to learn from one another.
- The County Durham Together VCSE Leadership Group will take forward the learning from the session to help shape and develop an Accord. Working together to build a culture that fosters 'good grant making' will support the effective and efficient allocation of resources to a valued and thriving VCSE sector.
- Together, take opportunities to build on existing and emerging funding relationships and shape suitable opportunities to take forward and build on the issues raised through the Better Together VCS Forum in order to continue to influence and inform future policy and service developments for our communities.

About the Forum

The Better Together Forum brings together senior representatives of larger or specialist VCS organisations with a countywide remit to share best practice and look for new opportunities to collaborate.

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For further information click here or see www.durhamcommunityaction.org.uk