



Document: **Response to the *Rationalisation of grant funding from the Children, Young People and Families Directorate to Voluntary Organisations* consultation**

Date: **September 2005**

Background

The Pre-school Learning Alliance has a network of over 15,000 community-based early years settings, that provide funded nursery education and childcare for half a million children. The Alliance is the single largest contributor to the National Childcare Strategy, the Neighbourhood Nurseries Initiative and will play a major role in the development of Children's Centres. Through our expansion project we have created in excess of 20,000 new childcare places. For more than four decades the charity has provided vocational training for staff working in pre-schools and adult and community learning and family development programmes for parents. The Alliance supports the government's vision 'to ensure that every child gets the best start in life and to give parents more choice about how to balance work and family life'.

The charity has a long-standing relationship with DfES and the Treasury and works closely with officials to ensure that pre-schools can continue to play a pivotal role in the delivery of the government's ten-year strategy for childcare. The Pre-school Learning Alliance not only contributes to the achievement of the Every Child Matters five outcomes for children; being healthy; staying safe; enjoying and achieving; making a positive contribution; and economic well-being, but also works to widen participation in further education, combat social exclusion, facilitate the move from welfare to work and support the eradication of child poverty. At the heart of all of our policies is our work with parents, and for parents, who we recognise as the main educators of their children.

Question 1

Do you agree with our proposal to integrate, from April 2006, the existing Children, Young People and Families Directorate grant programmes into a single programme to support the work of voluntary and community sector organisations with children, young people and families?

The Alliance has demonstrated through its strategic and operational plans that the organisation is committed to the delivery of the government's ten-year strategy for early years and childcare and the Every Child Matters outcomes. We have worked closely with officials in the Children, Young People and Families Directorate (Sure Start Unit) with the firm belief that the voluntary and community sector has a key strategic role to play in improving the lives of children and families, often providing the means to identify and fill the gaps that statutory services do not reach.

We do agree with the proposal to create a new single grant programme to support the work of the voluntary and community sectors, however we are concerned that the timescale for implementation, April 2006, may not be realistic. The timing of the distribution of information to organisations that are deemed to be key strategic partners is crucial, to allow ample time for preparation and completion of funding applications, linked to policy objectives. We would welcome clear, transparent and straightforward application and monitoring processes, including specific information on objectives and outcomes to be achieved. The charity's experience to date provides evidence that such processes are not currently in place.

Implementation of the charity's three-year strategic plan would be made easier in the knowledge that longer-term strategic funding would mirror its life span. Three-year strategic funding has been promised by the department for some years, with an expectation that this would take effect from April 2005, however we have unfortunately found ourselves to be in a 'transitional year'.

Time-limited project funding for specific pieces of work would be welcomed by the charity with assurances that there will be a fair and consistent process for administering such funding i.e tendering with assessment against set criteria.

Question 2

Do you have any comments on the outcomes for voluntary and community sectors that we are proposing would be delivered through a single grant programme?

The Alliance is of the shared view that a new single grant programme should focus on activity that it makes sense to fund at national, rather than local level. The Alliance has a long history of supporting, developing and co-ordinating direct services to children and families, these core services that have proved to be a vital lifeline for many providers are in danger of being lost if we are unable to secure the national infrastructure of the organisation.

The Alliance is of the belief that there is much to be gained from sharing best practice and learning from each other, to this effect we have instigated a childcare forum that aims to bring together key people from other charitable organisations with a view to working collaboratively.

Should a decision be taken to devolve specific funding streams to local authorities/children's trusts, we would urge that clear guidance is given regarding the distribution of such funds to ensure a level playing field, with particular reference to full cost recovery to support and develop the infrastructure of organisations at local level.

Question 3

Do you have any comments on the activities we propose to fund through the single grant programme?

The current disparity of some organisations being in receipt of 'core' funding on an annual basis and others benefiting from three-year allocations does not appear to be the basis of a fair and equitable funding process. The charity would support and welcome a move by the directorate to address this anomaly, in so doing where 'core' funding is allocated, for this to be always for a minimum of three years. Strategic funding for organisations that are helping to meet key policy objectives and targets should be deemed as a necessity, not as a luxury.

We welcome the commitment to working in line with the Compact Code of Good Practice on Funding, it is our experience that in some areas little reference is being made to the code when funding is administered.

We do not believe that strategic funding should be open-ended, however if a specific project is meeting all of its strategic objectives and is deemed by both parties to be worth continuing, there needs to be a simplistic channel for allocating additional/longer-term funding for such projects.

Overall we agree with the activities that are proposed to be funded under the single grant programme.

Question 4

Do you have any comments on our proposals for strategic funding arrangements?

Our comments with regards to the strategic funding arrangements relate to the need to ensure that organisations are not spending copious amounts of time on unnecessary bureaucracy, as this is time that could be best used in service delivery.

Named link persons and continuity between organisations receiving strategic funding and officials within the directorate will be essential, to ensure that officials have a clear understanding of the work of the organisation and how it contributes to the policy agenda, with particular reference to guidance on work in progress by the department to ensure that funding bids are not being rejected on the basis of duplication of work. Good working relationships will also enhance the monitoring process.

Question 5

Do you think that our proposal to award most of the single grant programme as strategic funding is appropriate to ensure effective delivery of the outcomes we have proposed?

It is our belief that there is a need for a high proportion of strategic funding to be allocated to the delivery of the outcomes proposed. The Alliance continues to demonstrate that the charity is best placed to assist the directorate in the delivery of the proposed outcomes related to the Every Child Matters outcomes. Our work with other key partner organisations across the voluntary and community sector would support the view that this is the correct approach.

However we must not lose sight of the fact that there are many key voluntary and community sector organisations operating at local level that will also need to access funding to support their work and develop their infrastructure. Guidance should be given to funders to ensure that funding is allocated on a fair and equitable basis, with penalties for those that do not have regard for the Compact.

Question 6

Do you think that these proposals strike an appropriate balance between enabling stability in the voluntary and community sectors and allowing sufficient flexibility to meet emerging priorities?

The voluntary and community sector is unique adding value to the work of the statutory sector, and is often able to engage with communities that statutory services are unable to reach. It is essential that the VCS is able to make representation on behalf of its members and or users and that it is able to have a voice in identifying emerging priorities.

The proposals indicate that there is a desire to enable stability in the voluntary and community sectors, however as always the devil is likely to be in the detail. We eagerly await round one of the funding application process and subsequent monitoring in order to fully address this question.

All too often, the diversity of funding streams, their short-term nature and their complexities have led to a process, rather than outcome-based focus – with long-term delivery impeded as a result. The approach needs to combine security and a balance of risk for voluntary organisations with responsiveness to the government's agenda and also provide sufficient flexibility to make the system work to deliver the key policy objectives such as the delivery of the ten-year strategy for early years and childcare.

Flexibility must not be dependent on pulling the plug on a specific piece of work in order to meet emerging priorities. It is our view that more thought needs to be given to how the directorate might meet emerging priorities.

Question 7

Do you have any comments on our proposals for application and monitoring processes?

To reiterate previous answers attention must be paid to the timing of when strategic funding information is sent out and deadlines for receipt. Clear succinct information should be given by way of guidance notes, in order to streamline the process of application, with sufficient time allowed for organisations to fully consider and prepare their application. Clear timelines must be drawn up, including when applicants will be informed of funding decisions, in time for budgets to be drawn up for the forthcoming financial year, together with notification of appeals process.

Each funded organisation should have a named link person/monitoring officer within the directorate.

Question 8

Do you have any recommendations for particular approaches to application and monitoring processes which we should explore to deliver an effective single grant programme?

None noted.

Question 9

What issues do you think will need to be taken into account in further developing arrangements for the transition to a single grant programme?

Key to the success of managing the transition to a single grants programme is the necessity for applicants to have access to clear, detailed, timely information, with realistic timescales that give due regard to planning and preparation and submission and feedback dates.

Question 10

What additional issues not covered in this consultation document do you think will need to be taken into account?

The charity hopes that when the strategic funding is administered lessons will be learned, not only from funding models that have worked well, but also from arrangements which have proved less than satisfactory for both Government and the voluntary sector.

Conclusion

The Pre-school Learning Alliance is pleased to submit this paper to the consultation on the rationalisation of grant funding and congratulates the Department for Education & Skills on its intention to achieve greater strategic coherence in its grant funding to voluntary organisations for work with children, young people and families.

The Pre-school Learning Alliance is fully committed to the delivery of high quality early years services that meet the needs of families within local communities. It is our belief that the Alliance continues to have a major role to play in the delivery of key policy objectives, we are therefore committed to working strategically with the department and other key agencies.

For more information on the Pre-school Learning Alliance's response to the *Rationalisation of Grant Funding from the Children, Young People and Families Directorate to Voluntary Organisations*, please contact Andrew Fletcher on **020 7833 0991** or by email to andrew.fletcher@pre-school.org.uk