

## **Charitable funders in North East England:**

### **Joint statement on our responses to public sector cuts**

#### **1. Introduction**

- 1.1 The North East is home to a wide range of charitable trusts and foundations. Collectively, we serve a relatively small area with a strong identity, but one that has some of the greatest levels of disadvantage anywhere in the UK.
- 1.2 We mainly meet our objectives by investing in voluntary organisations to meet individual and community needs. In the North East, the voluntary sector comprises many 'micro' or 'grassroots' groups surviving on volunteer time and modest income. Alongside them are the equivalent of small to medium enterprises (SMEs): voluntary groups that employ staff, run buildings and provide services. They have benefited from public sector grants and contracts, as well as funding from lottery and charitable bodies. Such grants and contracts have supported paid staff to manage and run activities and support volunteers. It seems inevitable that the planned reductions in public expenditure will hit these organisations hard and, in turn, the people and communities they help.
- 1.3 Because of these issues facing the sector, charitable trusts and foundations in the North East have come together to consider how we can best respond. We are concerned that the sector itself, public bodies and other funders should all understand where realistically we can and cannot help.

#### **2. Continuing to respond to needs through grant-making**

- 2.1 Trusts and foundations have funds available for grant-making. We want organisations to apply to us, and will promote grant opportunities widely.
- 2.2 Our funds must be used to address our own charitable purposes and grant-making priorities. These may complement those of public bodies and other funders, but as independent organisations, we rightly may support causes or approaches that others do not. Overall, we anticipate that, given reduced public funding, there will be greater competition for our funds. Unfortunately, few of us can make grants to support paid posts. We are particularly concerned, therefore, about reductions to the sector's workforce, which will limit its effectiveness and its capacity to engage and support volunteers.
- 2.3 As charitable bodies, it is our duty to use our resources to their best effect, so we need to get good quality applications. We therefore undertake to provide clear information about what we want to achieve with our grants, and what we will and will not fund. In turn, applicants should carefully check our various funding criteria to avoid making ineligible or weak applications.
- 2.4 Individually we will have different approaches to grant-making, but where possible we will try to complement each other. We will continue to talk about the kind of applications we receive and liaise over our priorities.

### **3. Finding additional ways to sustain the sector through difficult times**

- 3.1 Whilst we cannot guarantee amounts, we will try to maximise the funds we have available by ensuring our own work is efficient and effective. Where appropriate, we will try to offer other kinds of support. This may include training, in-kind help and support for peer learning.
- 3.2 We encourage the sector to seek creative solutions, which may include collaborating to address problems. When funding new approaches, we will be intelligent about risks and the time needed for change to happen.
- 3.3 Some of us are particularly concerned at this time to strengthen the sector's ability to advocate for communities, conduct policy work and to campaign. Collectively, we encourage organisations to look for ways to do so within their wider objectives and we will promote opportunities to fund such activities.
- 3.4 Through our staff, trustees, donors and other stakeholders, we will play our part in encouraging giving of time, money and expertise. Some of us are directly associated with match-funding, volunteering and corporate social responsibility schemes through which we will seek to highlight local needs. We will also look to raise the profile of local causes through our communications and initiatives.

### **4. Working with the public sector**

- 4.1 We recognise the acute issues facing public bodies at this time, and that areas of discretionary funding will face severe pressure. In turn we ask local authorities, health trusts and other statutory services to recognise that, as charities, we have neither the responsibility nor the resources simply to pick up work they have previously funded. We hope, however, that we can be part of discussions with public bodies at this early stage about ways to meet needs.
- 4.2 Organisations applying to us for work that has previously received statutory support should carefully check our individual funding policies. Some of us cannot consider replacing publicly funded activities on a like-for-like basis. Where possible, however, our first consideration will be to assess how well a particular project or organisation can meet needs and address our own criteria.

### **5. Using our knowledge and leadership**

- 5.1 We will, through our wider networks, help where we can with the challenges arising from the public sector cuts and the wider economy. In particular, we will share our knowledge and try to draw attention to unmet and acute needs.
- 5.2 We will do more to encourage our colleagues in trusts and foundations that operate across the UK to increase their funding in the North East to address gaps in support for particular causes, areas or approaches locally.

***Issued by the Community Foundation Tyne & Wear and Northumberland for and on behalf of the North East Trust Secretaries Group, November 2010***