

things you can do to support

# 5 local grants

Grants are an essential part of a strong voluntary sector. When public bodies cut grant funding or move from grants to contracts they damage local charities and community groups. As a result the voices of the most vulnerable and disadvantaged communities go unheard.

You can promote and protect this vital source of funds. This leaflet will help you influence your local funders and challenge unfair decisions.

**Please help us to convince councillors, commissioners and procurement professionals that grants should continue to support local charities and community groups.**

For more information about the work of the Local Grants Forum or to download this leaflet, visit <http://tinyurl.com/c7h99qq>

September 2012

NAVCA  
The Tower  
2 Furnival Square  
Sheffield  
S1 4QL

Tel 0114 278 6636  
Fax 0114 278 7004  
Textphone 0114 278 7025  
Email [navca@navca.org.uk](mailto:navca@navca.org.uk)  
[www.navca.org.uk](http://www.navca.org.uk)

Registered charity no. 1001635  
Company limited by guarantee  
Registered in England no. 2575206  
Registered office as above

# 5 ways to protect grant funding

**1** Promote the value of grants to public bodies

**Community-led**  
Grants enable a truly bottom-up approach to service development that is free from the constraints of pre-determined contract specifications.

**Flexible and responsive**  
Grants provide the flexibility to respond to changes in demand and local circumstances. This means less waste and fewer inappropriate or poorly used services.

**Create social value**  
Grants stimulate community engagement and active citizenship. These are at the core of self help and grassroots activity, helping to build capable, resilient communities.

**Inward investment**  
Grants put organisations in a strong position to attract other funds, bringing new income into the local economy, offering stability and providing confidence to funders.

**Cut red tape**  
Grants are less bureaucratic to manage and evaluate. They are not bound by regulations that apply to competitive tenders.

**Local growth**  
Investing in groups with local roots is more cost effective than bringing in new providers from outside the area and supports the local economy.

**Promote innovation**  
Grants work well for one-off pieces of work or pilot initiatives. They enable the cost-effective management of risk for both public bodies and providers.

**Engage local people**  
Grants enable local groups to offer community voice, representation and advocacy. They support community engagement in service planning, providing local decision makers with vital intelligence.

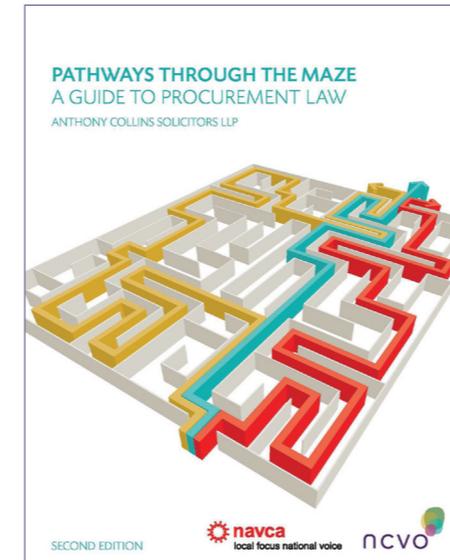
**2** Use 'Sustaining grants' to promote your cause

This pamphlet argues that grant aid is an essential part of the funding mix and is vital for thriving local communities. You can edit the case study sections to include local examples and make them more relevant for your audience.  
[www.navca.org.uk/sustaininggrants](http://www.navca.org.uk/sustaininggrants)



**3** Understand the legal position

It is a myth that grants are no longer possible because of competition law and European regulations. Procurement should exist alongside grant funding, not instead of it. *Pathways through the maze*, produced by NAVCA and NCVO, outlines the distinction between grants and contracts. More details can be found at [www.navca.org.uk/maze](http://www.navca.org.uk/maze)



**4** Remind public bodies of existing guidance

**Best Value Statutory Guidance** (CLG, Sept 2011) requires local authorities to consider economic, environmental and social value, to honour local Compacts and not to make disproportionate cuts to funding.  
<http://bit.ly/pNw9Kb>

**Successful commissioning** (NAO) offers a rationale for the use of grants by public funders and clearly endorses grants as funding vehicles. See especially the sections on sourcing providers and 'Grant or Procurement'.  
<http://tiny.cc/bqzgm>

**The Public Services (Social Value) Act** applies to the provision of services, or the provision of services together with the purchase or hire of goods or the carrying out of works. The Act, for the first time, places a duty on public bodies to consider social value ahead of procurement.  
[www.navca.org.uk/socialvalue](http://www.navca.org.uk/socialvalue)

**5** Challenge unfair decisions

The failure by a public body to consult the voluntary sector properly, or to implement the equalities duties, can be subject to a legal challenge. Public law has successfully been used to challenge funding cuts made by a number of local authorities. A successful challenge may lead to the cessation of funding cuts.

The Local Grants Forum is a partnership of 17 national organisations. We promote the importance of grants for local charities and community groups.