



Improving support  
for a stronger third sector

# **Evaluation Report on community foundations' delivery of the Learning and Innovation Programme as funded by Capacitybuilders**

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Prepared on behalf of



by

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## Executive summary

*"This programme has enabled us to engage with donors, trusts and groups in an altogether different and exciting way, encouraging new forms of community participation and innovative ways of giving into the community through social investment. It has enabled our delivery team to look at the way we support groups, and encouraged innovation and creative thinking about our approach in the future."* Pauline Grice, South Yorkshire Community Foundation

### Background to community foundations and CFN

- 1 Community foundations are independent charitable trusts, aiming to make a genuine and lasting difference in the lives of local people and to strengthen the communities they serve. They are the largest independent funders of community activity in the UK, and can reach around 94% of the population. They are committed to tackling disadvantage but, within that, are 'cause neutral', operating across many activities – for example, environment, health, arts and culture, and sports.
- 2 Each community foundation is a member of the Community Foundation Network (CFN). CFN is the national association, connecting UK community foundations and working on their behalf.

### The Capacitybuilders programme

- 3 Capacitybuilders is a non-departmental public body which works to create a more effective third sector (voluntary and community organisations and social enterprises). It is seeking to stimulate innovative ways of building capacity in front line organisations.
- 4 As part of Capacitybuilders Learning and Innovation theme, eight community foundations have been funded to deliver projects to build the capacity of voluntary and community organisations in their local areas. The programme ran from July 2007 to March 2008. Capacitybuilders' expectations of these projects included being innovative, working with diverse and socially excluded communities, generating learning for funders, and strengthening the capacity building capability of the community foundations.
- 5 CFN is the managing agent for the programme. It commissioned an independent external evaluation of the programme. The starting point was the intended outcomes set out by CFN in their submissions to Capacitybuilders. The evaluation grouped these objectives into three themes:
  - an increase in the capacity of local community-based organisations
  - an increase in awareness, knowledge and capability with respect to capacity building amongst local infrastructure organisations
  - an increase in the effectiveness of local capacity building (delivery).

For each theme, potential outcomes and relevant indicators of change were identified and used as the framework for the evaluation.

- 6 Evidence of benefits from the programme is based on the views of the participating groups and the partners in delivery, moderated by the combined experiences of the community foundations, CFN and the evaluators. It is too soon for outcomes to emerge in terms of sustained impacts on the operations and viability of the participating community groups.

### Approaches to capacity building

- 7 Each of the eight foundations devised its own approach, tailored to its local area, and took responsibility for its delivery. The principal focus has been on capacity building with front line organisations, including community enterprises, with an emphasis on those addressing disadvantage. The work covered matters as diverse as volunteer management, becoming an independent organisation, grant applications, building projects, legal problems, clarifying purpose (goals/objectives) and much more.
- 8 Capacity building work with front line organisations was supplemented in a number of ways. These included small grants to assist groups with costs related to capacity building, production of reference material and/or guidance on future good practice, and work which developed capacity in local voluntary sector infrastructure.
- 9 The evaluation found that the chosen approaches reflected the differing expectations and requirements of the target groups, the extent of other capacity building work in the local area, and the availability of good, local partners. The result was a widely varied programme which delivered across new geographical areas, worked with very challenging groups, and adopted new models for capacity building. This variety reflects the diversity within community foundations and the different ways that they are able to work in their local areas.

### **Models for delivery**

- 10 The most important model for delivery involved 'personal engagement'. Capacity building was done through training and development work, much of it face-to-face and involving extensive use of mentors. Beneficiaries reported that it felt personal, and as though they were being supported by people who really understood their problems. The approach was popular, and it worked. This approach to capacity building was enriched at each location in different ways, including use of training materials, creating information files on selected topics, development of networking opportunities, and use of quality assurance schemes.
- 11 Other models for capacity building were also used. One community foundation created an enhanced area for local groups to meet and for partner organisations in the voluntary and community sector (VCS) infrastructure to do outreach work and raise awareness about capacity building opportunities. Another brought groups and local businesses together, with the objective of achieving practical projects to address the needs of the community groups. Yet another worked to develop 'clusters' of small organisations, able to benefit from being part of a larger, voluntary grouping through taking advantage of greater purchasing power, opportunities for joint endeavours, and mutual support.
- 12 Each of these models was a response to local circumstances, but the nature of the community foundations meant that a number of 'extras' have been added into the capacity building work which result from their philosophy and style of working. In particular:
  - *partnership working* has been fundamental to the approach of the community foundations. They are accustomed to working with others for the benefit of their local area, and were able to draw on existing partnerships and/ or develop new ones. The partnership approach was a key element in avoiding duplication with other service deliverers and maximising the capability for meeting the needs of local groups.
  - a total of more than £250,000 has been attracted in *match funding*, with just over £170,000 coming from the funds of the community foundations themselves and from their business sector supporters. Significant help in-kind has been provided by the business sector and by partner organisations, though this has not all been recorded and/ or costed.
  - *engagement of the business sector* has been an important component in the programme's success. Capacity building has proved to be a major route to securing private sector

involvement with resulting benefits for beneficiaries from the capacity building. Community foundations report that it has also been beneficial for their corporate partners, linking to their corporate social responsibility commitments and to staff satisfaction. The evidence is that business input will continue and grow, increasing the resources available for local capacity building and local grant making in the future.

### **Benefits to the front line organisations**

- 13 Community foundations aimed to reach beyond well established organisations in the VCS. Their targets included community-based organisations in areas affected by disadvantage, hard to reach groups, and groups at a 'threshold', either because they are recently formed or because they face taking (or have the potential to take) a major step in their evolution. One community foundation specifically targeted social enterprises in one half of their programme. Others provided help for social enterprises if they came forward.
- 14 There were some difficulties in recruiting organisations for the capacity building work however, which meant that some community foundations saw a 'dilution' of their original targets, with some of the ultimate beneficiaries being in more established organisations. Community foundations attributed this to insufficient time being available for the set up phase of the programme. In consequence, a frequent comment made by the community foundations is the need for a longer time span for setting up and developing such an initiative in future.
- 15 Participants in the capacity building have been volunteers, paid workers, and board members/trustees. They attended workshops, training sessions, face to face mentoring and e-mentoring. There is evidence of dissemination of learning back into their wider organisation. Participants have reported a new found confidence in their own knowledge and abilities. They feel that they have significantly benefited.
- 16 The biggest focus has been on good operations in the beneficiary organisations. This has included book keeping, business planning, IT, employment law, health and safety, and marketing. The areas of strongest performance were enhanced financial management, fundraising, and operational procedures such as management of volunteers and filing.
- 17 Improved systems and effective people are insufficient on their own. They need to be underpinned by effective governance and the management structures which enable good decision making and efficient delivery. Work through Capacitybuilders addressed this in five out of the eight participating community foundations.
- 18 Work through the Capacitybuilders programme has also helped build sustainability for organisations in the voluntary and community sector in a number of ways. It has enhanced understanding of how capacity building can aid an organisation, and/or information on how to access capacity building support. Some community foundations have dealt with specific issues related to capacity building, including refocusing of purpose, moves towards being a community enterprise, and networking for mutual support.

### **Benefits in the wider VCS**

- 19 Collaborative working is a sign of mature working relationships. The evaluation looked for evidence of new or strengthened partnerships, co-operation between umbrella (infrastructure) organisations, and the development of mutual support.
- 20 All but one of the community foundations report that existing partnerships with other service deliverers have been strengthened by the Capacitybuilders programme. New partnerships and mutual support networks have also been developed. There is also evidence of emerging mutual support amongst the beneficiary organisations, who have reported that one of the

benefits from the capacity building work has been the opportunity to meet and share experiences with others in the same position as themselves.

- 21 Successful working between funders is also an important ingredient in an effective third sector. The evaluation found evidence that understanding of funders has been increased with respect to capacity building and their role in it. Community foundations report that this has been particularly so with respect to their corporate partners. Other local funders do not appear to currently prioritise capacity building, and this will require continuing work to consolidate and extend the impacts of the Capacitybuilders programme.
- 22 The Capacitybuilders' programme has presented an important opportunity for the community foundations themselves. They have extended their own capabilities, developed new delivery partnerships, and increased business inputs to capacity building. Relationships with the business sector have been enhanced as a result, which is central to the community foundation model and approach to delivery.
- 23 Finally, learning from the programme has reaffirmed the importance of the grant makers' role. Community foundations can increase their effectiveness by adding capacity building onto grant applications through some form of organisational health check done as part of grant assessment. The community foundations have reminded themselves that there is a lot of power in being a grant maker and that using it to build capacity would be a good approach for the future.

### **Review of the programme**

- 24 Evidence from the evaluation suggests that Capacitybuilders expectations of the programme have been met as follows:
  - capacity has been built in community based organisations through the programme; what is less clear at this stage is the extent to which this will translate into long term changes within the organisations, but the programme is predicated on the assumption that development work leads on to linked organisational change
  - there has been innovation in the approaches to delivery, in the areas covered, and in the development of new partnerships
  - there has been an assessment of priorities, both at the programme level, which examined existing capacity building in the area and the most appropriate approaches to delivery, and at the diagnostic level to understand the requirements of beneficiary groups
  - the work undertaken has prioritised groups operating in areas affected by social and/or economic disadvantage
  - considerable learning has been generated, with community foundations committed to consolidating their own findings for use by others
  - there has been significant success in achieving match funding
  - community foundations have extended their capabilities and hope to further develop the collaborative relationships that they have established through the programme.
- 25 CFN's own intended outcomes from the Capacitybuilders programme have also largely been achieved. In particular a key success is in how the community foundations, with their partners, have engaged and empowered small, new or struggling community and voluntary organisations to help them be more effective. They have worked with diverse, inexperienced,

and often socially excluded communities or the groups working with them. They have built capacity through training and one-to-one support.

### **Challenges in capacity building**

- 26 A key feature of the work of the community foundations is that they did not deliver a 'one size fits all' approach, instead working to understand what was required and how it could best be achieved. They worked with local organisations in a joint endeavour, and were responsive to the needs of their local areas.
- 27 All the participating community foundations believe that the need for capacity building is enormous, and that much remains to be done. It is an iterative process, with new organisations being born and old ones ending (also a legitimate area for enabling work).
- 28 The Capacitybuilders programme has raised a number of issues and challenges of importance to the community foundations and to future delivery of capacity building work. The most important of these include:
  - the need to acknowledge the challenge of reaching the 'hard to reach' groups. This is about getting to them in the first place, engaging their interest, and retaining them in the programme. The extent of this work has implications for the delivery costs (management costs) of the programme which have been under-estimated in this instance.
  - the assessment phase at the outset is as important to a successful programme as the delivery phase, and needs to be fully accommodated in terms of the time required for the programme. Setting up the programme requires assessment of who is to be targeted (whose needs are greatest?), what aspect(s) of learning and development are to be the focus, who is the best deliverer for the proposed programme, and what additional funding can be drawn in. It also requires to be done at a diagnostic level with individual participating groups. All this takes significant time which was insufficiently allowed for in the Capacitybuilders programme, and then exacerbated by the delay in the receipt of funding from March to July 2007.
  - community foundations as grant makers have a powerful role in capacity building. Simple health checks at the point of a grant application provide the opportunity for grant makers to identify the need for capacity building and then to either signpost the applicant to appropriate local services or to deliver the support themselves (or in partnership with others). There is an important link between grant making and support for organisational sustainability.
  - the business sector has demonstrated a real engagement with its ability to contribute to, and benefit from, capacity building, and a challenge for the community foundations is to capitalise on the strengthened links to the sector.

# 1 Introduction

## Background to community foundations and CFN

1.1 Community foundations were first established in the UK in the 1980s and now number 56. Each is an independent charitable trust and a member of the Community Foundation Network (CFN). CFN :

- is the national association connecting UK community foundations
- represents UK community foundations at a national and international level
- negotiates and manages national grantmaking and funding opportunities on behalf of members
- offers members focussed, responsive and relevant services
- provides individual support to community foundations.

1.2 Community foundations aim to make a genuine and lasting difference in the lives of local people and to strengthen the communities they serve. They are the largest independent funders of community activity in the UK and can reach around 94% of the population. They:

- work in geographically defined areas (eg, across a County); within these areas, they work with local communities to identify local needs and mobilise local resources
- are committed to tackling disadvantage but, within that, are 'cause neutral', operating across many activities – for example, environment, health, arts and culture, sports
- work cross-sectorally, partnering organisations from public, business and third sectors, and joining up funding streams from these partners
- create opportunities for philanthropic giving from the private sector (both businesses and individuals), using donations to build endowments which in turn fund local grant making; community foundations also handle grant programmes on behalf of government and non-governmental organisations
- help ensure grant recipients (typically voluntary sector bodies with a strong focus on grass-roots organisations) are appropriately identifying their needs and are equipped to undertake their project
- are separate and distinctive, with each developing its own priorities, tailored to local needs and opportunities.

*'Community foundations are charities located across the UK dedicated to strengthening local communities, creating opportunities and tackling issues of disadvantage and exclusion.'* (CFN website Home Page).

1.3 CFN and the community foundations occupy a complex position in the third sector. They are important local funders, but also work face-to-face with individuals and organisations in the communities they serve. A community foundation is part of voluntary sector

infrastructure at the local, and sometimes also the regional, level.

### Objectives for the Capacitybuilders programme

1.4 Capacitybuilders is a non-departmental public body which works to create a more effective third sector (voluntary and community organisations and social enterprises). Its aim is for *'every organisation to be able to find high quality support that meets their needs when they need it.'* It is seeking to stimulate innovative ways of building capacity in front line organisations.

1.5 As part of this, Capacitybuilders has included a Learning and Innovation theme in the work that it funds. Under this theme, demonstration projects have been funded in community foundations to *'build the capacity of voluntary and community organisations in their local areas'* (outline community foundations programme notes, Capacitybuilders). Capacitybuilders wanted to fund projects that were:

- innovative (new to the local area at least) in the type of capacity-building or the way the support is delivered
- based on an assessment of priorities - both of the type of organisation (a particular sub-sector, or at what stage in their development, or in a specific locality) and the type of need (e.g. governance and constitution, business planning, management)
- reflective of Capacitybuilders' commitment to working with diverse and socially excluded communities
- capable of generating learning about how funders can support capacity building
- linked to match funds from public sector or private funders
- able to strengthen the capacity building function of the community foundations involved over the longer term, for example by unlocking future collaborative action by funders to support front-line organisations.

1.6 Eight community foundations were chosen to deliver the programme :

- Community Foundation for Calderdale
- Cornwall Community Foundation
- County Durham Community Foundation
- Leicester, Leicestershire & Rutland Community Foundation
- Milton Keynes Community Foundation
- South Yorkshire Community Foundation
- St Katharine & Shadwell Trust<sup>1</sup> (based in East London)
- Tees Valley Community Foundation.

*'Capacitybuilders is a non-departmental public body set up in 2006 to take over the management of the ChangeUp programme and to work with other funders to build the capacity of the Third Sector. We exist to create a more effective third sector and we do this by improving support for third sector organisations.'*  
Capacitybuilders website, Home Page

*"This programme has enabled us to engage with donors, trusts, and groups in an altogether different and exciting way, encouraging new forms of community participation and innovative ways of giving into the community through social investment. It has enabled our delivery team to look at the way we support groups, and encouraged innovation and creative thinking about our approach in the future."*  
Pauline Grice, South Yorkshire Community Foundation

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<sup>1</sup> St Katharine & Shadwell Trust is a full member of the Community Foundation Network and a quality accredited community foundation, as are the other participating community foundations. CFN's independently audited quality accreditation scheme is based on 20 standards endorsed by the Charity Commission for England and Wales.

- 1.7 They were selected by an independent panel, chaired by the Grants Manager of the Esmée Fairbairn Foundation. The panel examined the bids to participate in the light of the proposed outcomes identified by CFN. The proposals and choices were approved by Capacitybuilders. Resulting initiatives have been delivered across different parts of England and ran from July 2007 to the end date of the programme in March 2008. Some activities continued beyond this date, largely financed by match funding that community foundations had attracted to the programme.
- 1.8 Box 1 gives an example of an organisation provided with capacity building support through the community foundations' Capacitybuilders programme, delivered through the County Durham Community Foundation.

**Box 1 UChoose: preparing to be an independent charity**

UChoose works mainly with 18-21 year olds leaving prison, but their work extends to offenders as young as 14 on community orders, and as old as 59. It works with the probation service, the Derwentside Employment Agency, and many others in both the public and voluntary sectors. It adopts a holistic approach, providing support across the 'seven pathways' to rehabilitation, for example, accommodation, health, families, and employment. The original idea came from prison officers working in HMP Frankland who were encountering young people who had earlier been in Youth Offenders' Institutes but later ended up in adult prison as a result of repeat offending.

UChoose is part of a wider educational Trust, and now wants to be independent. Through the Capacitybuilders initiative of the County Durham Community Foundation, two UChoose employees attended 'Performance Plus' sessions (in preparation for liP status) and eleven 'Lead the Field' workshops which covered everything relevant to independent operation including funding raising, governance and the role of Trustees, business planning and much else.

UChoose believes that its model can be replicated, and could be applied to other areas identified as gaps within the Criminal Justice System. Its ultimate aim is to develop and expand the organisation to cover the North East region.

*"We now feel confident to take UChoose forward as an independent charity. We feel confident in our knowledge, skills and abilities to devise fund raising strategies, and have started the process of independence."* Dianne Patterson

*"It has made a massive difference. It has given us confidence. Even though we are not yet experts, it has given us lots of relevant information. And it gave us a chance to be with other people, and know that we are not alone."*  
Tracey Horn

- 1.9 The intended outcomes for the community foundations' Capacitybuilders programme were:
- an increase in the capacity of local community based organisations
  - new learning resulting from innovative approaches to capacity building e.g.
    - existing capacity building models extended to new target groups
    - existing models applied to new geographic areas
    - existing models applied to building capacity in new areas of capacity building (e.g. capacity to provide "voice and representation")
    - new models developed to meet local needs or develop local

*"The course has made me feel involved and as though I belong. I particularly liked the budgeting workshop and have already used it to complete the budget part of a funding application for the first time."*  
Theresa Shiyabola,  
African Women's Welfare Association, St Katherine's and Shadwell

## strengths

- an increase in the knowledge and awareness of other local funders of capacity building opportunities and learning
- an increase in local collaborative working and improved effectiveness in building capacity
- an increase in the skills and capacity building knowledge of the participating community foundations
- increased knowledge of the potential for non-statutory funding of local collaborative capacity building work
- increased understanding as to how sustainable locally driven capacity building can be achieved and sustainable community based capacity building infrastructure developed and maintained
- an increase in the resources available to local capacity building through matching of the grant from Capacitybuilders in kind and/or monetary terms.

*"Being supported through liP has helped greatly to improve our systems with regard to quality. We have rolled it out through all our staff. It has made us a more professional, business like organisation with a plan for the future, and me a better manager."* Jack Drum Arts, Durham

- 1.10 In essence, this has created the opportunity for eight community foundations to innovate and build capacity in front line organisations, and also to explore how capacity building delivered to grassroots groups by a grant maker can "add value", how match funding can be leveraged, how collaborations can develop, and how other funders' practice can be influenced.

## Evaluation methodology

- 1.11 The evaluation has been undertaken by Sally Downs Consulting and Martin Farrell from get2thepoint. They are independent, external consultants.
- 1.12 The evaluation explores the extent to which the community foundations have been successful in achieving capacity building at the local level, and examines the approaches used.
- 1.13 With eight different initiatives to examine, an evaluation risks an excess of hard-to-analyse, descriptive material. An evaluation framework was therefore established to evaluate each community foundation on a common basis. The starting point was the intended outcomes set out in para 1.7 and in CFN's submissions to Capacitybuilders. Examination revealed that they could be grouped into three themes:
- an increase in the capacity of local community-based organisations
  - an increase in awareness, knowledge, and capability re: capacity building amongst local infrastructure organisations
  - an increase in the effectiveness of local capacity building (delivery).

CFN accepted this grouping as the basis for the evaluation as there was an opportunity to capture new learning from the models for delivery used by the different community foundations.

- 1.14 The three themes form the basis for the evaluation. Under each, a number of potential outcomes have been identified that could be achieved through capacity building (see Table 1). In turn, example indicators of change were identified for each outcome (see Annex 1). It should be noted that these indicators of change are not prescriptive i.e. they are not saying that this is what should be achieved. Instead they are saying that this is what might result from the Capacitybuilders programme, providing a framework against which evidence of change can be assembled.

**Table 1: evaluation themes**

<b>Themes</b>	<b>Potential outcomes from the Capacitybuilders programme</b>
an increase in the capacity of local community based organisations	improved systems (eg finance, IT, record keeping)
	increased capacity of people (Board, staff and volunteers)
	improved structures (eg better management, governance)
	moves to sustainability
an increase in awareness, knowledge, and capability re capacity building amongst local infrastructure organisations	increase in knowledge amongst other local funders and suppliers of capacity-building opportunities and learning
	increase in the skills and capacity building knowledge of the participating community foundations
	increase in knowledge of local community-based organisations re: capacity building opportunities
an increase in the effectiveness of local capacity-building	increase in local collaborative working re capacity building
	increase in financial and in-kind resources available for local capacity building
	increased understanding of how community based capacity building infrastructure can be developed/ sustained

- 1.15 The evaluation looked for evidence of change as a result of the capacity building work. It was assembled from the following sources:

- community foundations returned self-completion questionnaires in October, January and April. These provide information about approaches to capacity building, intended beneficiaries, outputs achieved, and wider matters such as match funding. Their experiences were collected on a number of relevant issues such as extent and success of partnership working with others from the third sector and work done with other funders
- at each community foundation, groups benefiting from the capacity building work were brought together for a workshop. Groups shared their experiences with each other and the evaluators, and what they have learned from it
- four of the participating community foundations had a subsequent visit from an evaluator to gain a deeper understanding of what had

- been achieved. The four were selected to provide a good coverage of the sorts of activities being done across the capacity building work of CFN.
- 1.16 In combination, this enabled evidence to be assembled and conclusions drawn across a wide spread of projects, and this is set out in the subsequent chapters.
- 1.17 Evaluation findings are affected by two matters relating to timing. First, the work was not complete at all the community foundations at the time of the final evaluation because implementation of the Capacitybuilders programme had taken longer than anticipated. Reasons for this are discussed later in the report. This is not expected to substantially change the findings at a later date, though they will inevitably under-estimate the extent of benefits.
- 1.18 Secondly, capacity building outcomes are relatively intangible at this stage. A group may have achieved a new legal status with the potential to position itself better for grant making, but evidence that this works and leads on to organisational sustainability is not available. The evidence presented on outcomes, therefore, is mostly about how the beneficiary organisations and individuals feel about things, rather than their long term impact. Evidence about these longer term impacts would only be available from a further round of evaluation some time in the future.
- “LLR CF has not yet proceeded to grant making. This is because the whole process takes longer than allowed for in the initial timetable. Grants will not be made until it is clear that they will result in capacity building which accords with the priorities of the group.”* Nicola Dalby, Leicester, Leicestershire and Rutland Community Foundation
- “There won't necessarily be demonstrable outputs in the short term. Benefits may come through much later.”* Chris Hill, Business Coach working with Leicester, Leicestershire and Rutland Community Foundation

### **Definition of 'capacity building'**

- 1.19 'Capacity building' is most often used to describe detailed work that strengthens the skills, abilities and confidence of people and community groups to take action on their own behalf (e.g., see Firm Foundations, Home Office, Dec 2004). It is increasingly also used to describe training for public bodies and voluntary infrastructure organisations (e.g. local authorities, councils for voluntary service) and others working with communities. In this way, capacity building is understood as increasing the capacity of all parties concerned with community development, so they can work more effectively together.
- 1.20 The definition used on the ChangeUp web site reflects an emphasis on detailed work, namely that capacity building is *'empowering activity that strengthens the ability of voluntary and community organisations to build their structures, systems, people and skills'* and is the one used in this report.
- 1.21 Capacity building tends to relate to particular learning methods, including formal training, workshops, study tours and visits, small grants to help groups get started and thus learn from experience (e.g. funding for postage, telephone, copying), distance learning, secondments, internships, mentoring and coaching from experienced people.

### **Report structure**

- 1.22 This report is divided into four further chapters as follows:
- *chapter 2: the approach to capacity building* which covers matters

such as the ways that community foundations have worked and their partners in delivery

- *chapter 3: increased capacity in the local community- based organisations* which covers who has benefited and how
- *chapter 4: improved effectiveness in capacity building in the local area* which includes increased knowledge and collaboration amongst local service providers and funders
- *chapter 5: lessons for future capacity building initiatives* which discusses the factors underpinning success, and how capacity building could be enhanced through lessons learned.

## 2 The approaches to capacity building

### Context

- 2.1 Exploring the approaches to capacity building is an essential step in understanding what has been achieved through this initiative, but does not document the passion and commitment that capacity building generates. We found the community foundations to be enthusiastic and committed, as were their partner organisations in delivery.
- 2.2 It is in the nature of small, voluntary sector organisations that people running them put in their personal passions. This is very important when dealing with an initiative like the Capacitybuilders programme. If capacity building is to be effective, it involves change. Whereas in large organisations there are wider resources to help facilitate change and protect individuals, in a grassroots organisation individuals are very exposed by the extent of their involvement and the levels of their personal commitment. Capacity building work has to engage with those individuals, and work with their aspirations. It requires sensitive approaches tailored to the circumstances and aspirations of the organisations and the individuals that make them up.
- 2.3 Capacity building is not about applying a formulaic approach or offering a 'bolt on' to existing practice. For capacity building to be effective, it needs to bring about a shift in thinking and/ or practice which strengthens and enables the organisation to be more effective in future.

*"I want to record the joy of this work. It comes from working with both our target groups of organisations. There is lots of humour and lots of fun. We work hard. There are huge benefits from having time for them to talk to each other, with someone there to facilitate a consensus."*  
Nichola Dalby, Leicester, Leicestershire and Rutland Community Foundation

*"She [the development worker] makes us to work and encourages us to be together. We learn each other and share experiences. It takes us to organise ourselves a bit harder, but finally we come together and decide to form an umbrella which works to the community."*  
Somali cluster group:  
Leicester, Leicestershire and Rutland

### CFN and the Capacitybuilders programme

- 2.4 Each of the eight participating community foundations devised its own approach and took responsibility for its delivery. Table 2 summarises the approach of each. From Table 2, it can be seen that the spread of approaches was extraordinarily wide. Table 3 gives further indication of this.

**Table 2: community foundations' approach to the Capacitybuilders programme**

Community foundation	Approach to capacity building
Community Foundation for Calderdale	<ul style="list-style-type: none"> <li>• Strengthening of third sector through use of a quality assurance scheme so that they can develop into organisations that are fit for purpose, able to support their respective target groups, and exploit opportunities in their area of work or for the communities they serve. Preparation for commissioning. No fee CRB checks.</li> <li>• Initiation of Grant Makers Forum with aim of developing a common approach, targeting groups, filling gaps, avoiding overlap.</li> <li>• Creation of a mutual support network for CEOs/ Directors in the voluntary sector to challenge isolation (confidential sounding board, solve problems in peer group setting etc).</li> <li>• Small grants pot to fund capacity building.</li> </ul>
Cornwall Community Foundation	<ul style="list-style-type: none"> <li>• Development work offering advisory and support services for new community enterprises (principally in rural areas) in partnership with NGOs and local businesses.</li> <li>• Small grant scheme offering development grants to social enterprises – seed corn to get off ground or through a key development stage.</li> <li>• Further development of a pre-existing model of community capacity building (working with community groups to undertake a 'health check' of their organisation) and extension to rest of Cornwall, focusing on areas in greatest need (principally housing estates and urban), in partnership with a local development trust.</li> </ul>
County Durham Community Foundation	<ul style="list-style-type: none"> <li>• Intensive support for target organisations to enable them to increase their capacity to bid for public service contract delivery from 2008.</li> <li>• Training grants of up to £10k each eg to pay liP and related costs</li> <li>• Mentoring support in preparation of business plans and actions for next 3-5 years, plus other important structural issues eg legal status.</li> <li>• Capture of lessons learned through initiative + dissemination.</li> </ul>
Leicester, Leicestershire and Rutland Community Foundation	<ul style="list-style-type: none"> <li>• Intensive development work with two 'cluster group'                             <ul style="list-style-type: none"> <li>- a Somali group and other new arrivals, working with them on building the sustainability of their existing activity groups, and of the centre they are creating</li> <li>- a potential 'One Stop Shop' cluster based in an existing building, working with them on the potential to become a mutually supportive grouping with benefits for service delivery, cost reduction, personal development, peer support.</li> </ul> </li> <li>• Access to personal and business coaching.</li> <li>• Small grant scheme to fund capacity building with groups in clusters.</li> <li>• Feedback and sharing with local and regional funders.</li> </ul>
Milton Keynes Community Foundation	<ul style="list-style-type: none"> <li>• Development of an information area at Acorn House (MKCF premises) to provide:                             <ul style="list-style-type: none"> <li>- informal networking/ meeting area for groups.</li> <li>- a gateway to local infrastructure organisations to help build capacity of local groups.</li> </ul> </li> <li>• Production of 'accommodation file' – a guide to property issues for the voluntary sector.</li> </ul>
St Katharine & Shadwell Trust	<ul style="list-style-type: none"> <li>• Training programme with mentor support to help small new or struggling CBOs to:                             <ul style="list-style-type: none"> <li>- improved funding raising to increase their access to local funding opportunities</li> <li>- gain confidence in using language effectively in funding applications</li> <li>- develop their financial skills</li> <li>- link through to an understanding of the importance of good governance and management.</li> </ul> </li> <li>• Evaluation and documentation of the approach to capacity building in a form suitable for publication so that the approach can be used elsewhere.</li> <li>• 'Taster sessions' in Hackney and Newham to test potential for later roll out.</li> </ul>
South Yorkshire Community Foundation	<ul style="list-style-type: none"> <li>• 'Challenge Days' doing practical physical projects, where a community group was 'paired' with a local business whose employees volunteered to give a day of help to the group.</li> <li>• 1 large building improvement project with an existing beneficiary organisation to enable them to make a step change in their service provision.</li> <li>• 32 projects where Capacitybuilders money was matched to money from Neighbourhood Renewal Community Chest. The extra money was for capacity building, to answer the question 'what extra can be done with a bit more money?'</li> </ul>
Tees Valley Community Foundation	<ul style="list-style-type: none"> <li>• Programme of capacity building for community based organisations through pro bono help which provides services at no cost to the beneficiary.</li> <li>• Delivered in partnership with an existing local professional services group. Builds on their existing activity and integrates it with community foundation outreach work i.e. links professional support on organisational capacity to receipt of grants</li> </ul>

**Table 3: spread of capacity building initiatives of the community foundations**

Types of activity	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
Intensive capacity building work with a small number of front line organisations	✓	✓	✓	✓			✓	✓
Widespread capacity building work with many target front line organisations	✓		✓		✓	✓		✓
Work specifically targeted at community enterprises			✓					
Creation of new or contributions to existing funders' networks	✓	✓		✓				
Creation of Chief Executives' support group	✓							
Preparation of capacity-building documentation		✓	✓		✓	✓	✓	
Grant making to front line organisations to support developmental activities	✓	✓	✓	✓		✓		

- 2.5 In summary, the principal focus has been on capacity building with front line organisations, including community enterprises. The work is split more or less equally between community foundations which focussed on only a small number of groups (i.e. who secured delivery of very intensive capacity-building for their beneficiary groups) and those which effectively 'spread the jam more thinly', managing to reach a wide range and larger number of groups, but with less intensive support. Box 2 on the following page gives examples of how this has worked in practice. Three foundations did some of each.
- 2.6 Work with front line organisations covered matters as diverse as volunteer management, becoming an independent organisation, grant applications, building projects, legal problems, clarifying purpose (goals/objectives) and much more. Details are in Chapter 3.
- 2.7 Capacity building work with front line organisations was supplemented in a number of ways. For example, five community foundations operated a pot of funding to assist groups with costs (for example, for external training programmes or for Criminal Records Bureau checks). At least five have produced reference material which leaves a legacy in terms of information sources or guidance on future good practice. In Cornwall, for example, a guide to social enterprise has been produced. In Milton Keynes, information has been assembled on property issues for voluntary and community sector organisations. Several community foundations intend to record their experiences with the Capacitybuilders programme once their work is complete.

**Box 2 Working deep or working wide**

*St Katharine & Shadwell Trust*

This Foundation undertook in-depth work with eight small, new or struggling, community based organisations (11 beneficiaries in total), helping to build capability in effective use of language in funding applications so as to increase access to local funding opportunities. Most of the beneficiary groups had a first language other than English, and their help came from the Foundation, from skilled trainers, and from mentors drawn from businesses willing to support the work of the Foundation. Beneficiaries had the opportunity to attend up to five half day training sessions, were required to complete 'homework', and benefited from on-line support and personal mentors. They were also able to access good quality, reconditioned IT equipment.

*"I enjoyed the e-mentor tasks on funding applications. It showed the importance of keeping it simple and that you can say a lot in 100 words. I feel better able and more confident about speaking in public, especially in front of professional people."*  
 Ayesha Ahmed, Global Bengali Mohila Samiti

*Cornwall Community Foundation*

The Cornwall Foundation used the Capacitybuilders programme as an opportunity to secure organisational development help for more than 30 community enterprises in rural areas of Cornwall, plus support for a similar number of grassroots community-based organisations (six month period) using a quality accreditation system in some of the most deprived housing estates. The extent of help varied from attendance at a single workshop through to personalised support. The community foundation was a facilitator rather than a deliverer, and delivery was done by partners including the Rural Community Council, the Penwith Development Trust and others, including local professional firms working pro bono.

*"Achieving Level 2 accreditation made us look at our record keeping and procedures. We were reassured that we were operating correctly and could show it. This increased my confidence in my own abilities re admin and financial management."*  
 Cornwall Waste Action

- 2.8 Community foundations also worked with the voluntary sector infrastructure in their local areas, and sometimes at their regional level. In Calderdale, for example, a Chief Executives' support group has been established, which brings together a peer group in a situation of trust, and also a local funders' forum. In Leicestershire, the community foundation has been keeping funders' at both local and regional levels up to date with emerging findings from the capacity building programme. Other support groups and mentoring groups at the grass roots level are emerging as a result of the capacity building work.

*"The Chief Executives' group provides a 'safe' environment to share and test ideas. We can look at issues and solutions, and improve our collaboration. Ultimately this will strengthen the third sector in Calderdale."* John Shepherd, Action Halifax, Calderdale

**Models of delivery**

- 2.9 Table 4 on the following page summarises the ways that the capacity building has been delivered. The distinctive feature across most of the work is capacity building based on personal contact. Typically, the work initiated by the community foundations made extensive use of one-to-one support. Small participatory workshops were used for joint learning (for example, on matters such as approaches to business planning, becoming a registered charity), for information getting (for example, find-the-funder events), and for networking.
- 2.10 Face to face contact is a hall mark. In this report, it is referred to as the 'personal engagement model'. It is based around direct capacity building through training and development work on a face to face basis. It was the sole approach of four of the eight foundations and was used in part by two others.

**Table 4: ways of building capacity**

Community foundation	Ways of working
Calderdale	<ul style="list-style-type: none"> <li>workshops</li> <li>one-to-one (or face to face) support</li> <li>use of quality assurance scheme</li> <li>networking and development sessions for Chief Executives</li> <li>establishment of Funders' network</li> </ul>
Cornwall	<ul style="list-style-type: none"> <li>issue identification workshops</li> <li>networking events</li> <li>training workshops</li> <li>face-to-face support from community development workers for quality assurance scheme</li> <li>face-to-face support through pro bono professional services</li> <li>production of guide to social enterprise</li> </ul>
County Durham	<ul style="list-style-type: none"> <li>face-to-face mentoring and training from independent consultants</li> <li>tutorials for group training</li> <li>use of IIP training modules and management training scheme</li> <li>networking opportunities for beneficiary organisations</li> </ul>
Leicester, Leicestershire & Rutland	<ul style="list-style-type: none"> <li>networking events to identify target groups for potential hubs</li> <li>issue identification workshops</li> <li>hub development workshops</li> <li>opportunities for personal and business coaching</li> <li>presentations to funders</li> </ul>
Milton Keynes	<ul style="list-style-type: none"> <li>creation of improved physical environment for networking</li> <li>drop-in sessions run by partner organisations to promote knowledge of, and access to, capacity-building</li> <li>production of information/ guidance on property issues</li> </ul>
St Katharine & Shadwell	<ul style="list-style-type: none"> <li>drop-in sessions and networking to identify beneficiaries</li> <li>induction for mentees</li> <li>action learning model involving training workshops, homework, email support for beneficiaries</li> <li>business mentor support for beneficiaries</li> </ul>
South Yorkshire	<ul style="list-style-type: none"> <li>'Challenge Days' to undertake practical physical improvements with support from business volunteers</li> <li>creation of improved physical environment for beneficiaries</li> <li>grant making to supplement other awards in hope of making a bigger difference</li> <li>production of tender readiness tool kit</li> </ul>
Tees Valley	<ul style="list-style-type: none"> <li>assessment sessions</li> <li>one to one support</li> <li>networking events for training purposes</li> <li>use of pro bono professional services</li> </ul>

2.11 In the personal engagement model, personal contact is fundamental and the evaluation has shown that it is greatly valued by participating groups. Details of how the personal contact was undertaken (eg small joint training sessions, or one-to-one support on a specific and current problem) varied. What mattered to groups was that it felt personal and they knew that they were dealing with real people who understood their situation. Box 3 on the following page provides an example of the personal engagement model. Community foundations supplemented the model in a number of ways which enabled them to increase the effectiveness of their delivery (for example, provision of training material, opportunities for networking, email support), but personal engagement remained the predominant feature.

*"Personal support with advice and guidance pointed us in the right direction."* Stella Pate, Whale Hill Community Association, Tees Valley

### Box 3 The personal engagement model: 'Get Ready for Delivery' in County Durham

The County Durham Community Foundation's approach was based on very intensive work with a small number of beneficiary groups. The aim was to prepare for the changed circumstances of commissioning of services from the voluntary sector by statutory service providers. The focus was on strengthening the organisations, ensuring they are 'fit for purpose' and able to tackle the next stage in their development.

An existing track record in delivery of quality and accessible training to local grass roots organisations enabled the community foundation to extend their earlier approach, aiming at a higher level of training than has been delivered previously and at whole organisational needs rather than development needs of individuals.

Eight organisations (all local, though one now has a national as well as local coverage) each received eight days of face-to-face mentoring, with each group getting some of the support tailored to their own specific needs. Some mentors brought groups together where they wanted the same support or training (for example, on becoming an independent organisation). During this mentoring phase, all groups developed or updated their own three year business plans (plus working out the actions to make them a reality), identified potential service contract partners (for example, the local authority, the Primary Care Trust), and established contact with them.

Mentors were chosen with a good understanding of social enterprises and their skills were matched to the requirements of the participating beneficiaries.

Each of the eight organisations received a grant of up to £10,000. This was to cover the cost of participating in the 'Lead the field' training programme and 'Performance Plus' workshops, with the aim of them becoming recognised 'Investor in People' employers.

It has provided the participants with a sound basis to plan for their organisations' future, both in terms of people and financial resources. The sessions have given groups a network of contact to whom they can turn to for advice and reassurance at no additional cost, and which in the future may lead to some of these groups working together to provide services. Some of the groups have completed the task of approaching statutory providers, but as yet there have been no confirmed commissioning or service level agreements put in place. However, there have been promising contacts made, with follow up meetings already being held.

*"Trustees, volunteers and workers have all looked at the workbooks and templates as part of the programme. This has made everyone in the organisation think about our direction, and we have brought them along with us. We would never have afforded to do liP or send a worker on Lead the Field without financial help.*

*The programmes have made our management committee more focused and picked up on areas where we are letting ourselves down. Now we want to put in place a funding strategy to be ready for the new Community Resource Centre which will be run as a social enterprise and will host Community Interest Companies. This will take us away from relying on charitable trusts and help us to become more self sustaining in the future." Eileen Hayes, Pelton Fell Community Group, Durham*

2.12 A distinctive feature of the personal engagement model is the widespread use of mentors. Six out of the eight participating foundations made use of mentors (or coaches). This was principally face-to-face, sometimes supplemented by e-mentoring. Mentors were drawn from:

- employees of partner delivery organisations (eg Business Link, Penwith Community Development Trust)
- consultants with specific skills, contracted to provide support
- people from local professional firms, local SMEs, and large corporate organisations working on a pro-bono basis (either as volunteers or funded by their employers' as part of corporate social responsibility).

*"Our mentor's support from Voluntary Action Calderdale has enabled us to look forward and at the bigger picture, instead of just looking at problems. Sustainability is the aim of our game"*  
Lisa Okankwo, The Illingworth Centre .  
Calderdale

2.13 Three of the community foundations made use of quality assurance schemes as a tool used within the personal engagement model to

raise quality standards in the voluntary sector. Cornwall had a 'purpose designed' approach, developed by one of their partners in delivery, and enhanced for the Capacitybuilders programme. Durham combined a nationally recognised scheme (Investors in People) with a management training course. Calderdale made use of PQASSO which is a Charities Evaluation Services self assessment tool.

- 2.14 In contrast with the personal engagement model, three community foundations adopted a different approach. They are the Leicester, Leicestershire and Rutland Community Foundation, Milton Keynes Community Foundation, and the South Yorkshire Community Foundation. Their work is summarised in Box 4 overleaf.
- 2.15 Within this, a number of different models can be identified:
- creation of a place for meeting and getting information. This was the approach of the Milton Keynes Community Foundation, and was supplemented by the provision of information on property issues tailored to the needs of smaller voluntary sector organisations. It has not been direct capacity building with front line organisations, but has created the situation where such capacity building should theoretically increase. Partner organisations held drop-in events to kick-start the process.
  - use of a grant programme to enhance other grant making and add value. This has been used as a supplement at a number of community foundations, with grants available to purchase capacity building from outside trainers/ organisations. In South Yorkshire the approach was extended to grant aid organisations already in receipt of funding (i.e. using the Capacitybuilders' grant as an adjunct) so as to discover the extent to which this would enable beneficiary organisations to do additional capacity building as part of the funded project.
  - use of direct environmental action as a means of building capacity. Again, the South Yorkshire Community Foundation innovated by matching groups with a business partner, with the aim of undertaking physical works (internal and external) which facilitated their improved operation/ met their objectives. They were helped to do this by a partner organisation from the business sector which brought willing volunteer participants from their workforce. Small grants were available to fund the work.
  - building clusters incorporated a long development phase before the formal capacity building work could commence. The model aims to bring together organisations which will be more effective if they work together, and is partly a response to the agenda of the East Midlands Development Agency which is strongly committed to developing and nurturing clusters across many sectors of activity. The development work is to enable participating groups to see the benefits of being in a cluster before they decide whether they want to develop their capacity so that they can become one. This is then followed up through the personal engagement model.

#### Box 4 other approaches to capacity building by community foundations

##### Milton Keynes

In Milton Keynes, an 'information area' and enhanced café has been created in a local hub with space for meetings/ networking and access to information, support and resources. This approach is essentially an enabling one, developing and nurturing an enhanced environment in which joint learning and mutual support can take place. This physical investment has been supplemented by drop-in sessions held in the new space by key partner organisations for their target beneficiaries. These sessions are designed to provide information about capacity building opportunities and how to access them. In addition, an information manual has been produced on property issues for the voluntary sector.

##### South Yorkshire

South Yorkshire Community Foundation took the challenge to innovate seriously, and explored a number of different approaches. An important theme was enabling physical changes (including access to equipment and rented accommodation) so that organisations can make a step change in their operations. The initiatives included:

- Challenge Days doing practical physical projects, whereby a community group was given £1,000 grant and 'paired' with a local business. Employees of the business volunteered to give a day of help to the group to make the £1,000 go further. Works included repairing a bridge, making a memorial garden and new path, and painting a community centre.
- one big project was funded to put central heating and draught-proofing measures into outbuildings at a Farm Trust so that it could be used year-round as learning space.
- 32 projects were funded in Sheffield, where the Capacitybuilders grant was matched to money from Neighbourhood Renewal Community Fund. The extra money is for capacity building, effectively asking the question of what extra can you do if you have a bit more money? How much benefit does it lever out? These grants were used principally for purchase of equipment, for rent and other expenses, and in five instances as contributions to wages.

##### Leicester, Leicestershire and Rutland

The Leicester, Leicestershire and Rutland Community Foundation was looking for something new and developmental. A lot of early development work was done with participating groups to enable them to see the benefits of being in a cluster before they decided whether they want to develop their capacity so that they could become one. Two groups of organisations were targeted:

- groups of Somalis and other new arrivals; the community foundation worked with them on the potential to build the sustainability of their existing activity groups, and of the centre they are creating
- a potential 'One Stop Shop' cluster based in an existing building, and made up of a group of third sector organisations plus a small number of private sector businesses. The community foundation worked with them on the potential to become a mutually supportive grouping with benefits for service delivery, cost reduction, personal development, and peer support.

Subsequently, support work was available for individual organisations and people, with a small grant scheme to fund it.

*"Acorn House is not home nor is it work – it's a Third Place where I feel at home and yet also at work. It is a place I can meet people who are also working for and alongside the wider community. I meet people who understand the joys and sorrows of community development and so I find support and understanding."* Tim Clapton, Mission Partnership Milton Keynes

*"We have learned how to increase our skill base, both as a group and as a community. As a group we led on the planning and delivery of the project. We involved more members of our group in the process, increasing our skill base. The challenge day also turned into a great networking opportunity which has really helped to build the group."* Leon Clemitchaw, Consiborough and Denaby Main Festival Group and EnTour, South Yorkshire

*"We had been spending a lot of time and effort trying to market meeting space here. The exploratory meetings have helped to identify this as a waste of time, and room usage has now been reviewed to allow an additional project in."* anon, Lutterworth One Stop Shop, Leicestershire and Rutland

#### The challenge of recruiting participants

- 2.16 At least four community foundations have experienced difficulty in recruiting the anticipated number of target groups to take part in the capacity building initiative or in retaining them. All are confident that

this does not reflect a lack of need for capacity building. Instead, the reasons for the recruitment problems include:

- many organisations in the third sector are constantly busy providing services and fire-fighting, and rarely get the time and/ or opportunity to think strategically about organisational direction and developmental needs; this is particularly the case amongst the smallest organisations
- a requirement for external help may only be evident at a time of crisis; such a crisis may be because of an inability to make a funding application (eg due to lack of a proper constitution), cashflow problems (eg due to poor financial management) or high volunteer and staff turnover (eg due to weak management and lack of task descriptions)
- some community foundations set a target number of beneficiary organisations, but beneficiaries cannot just be summoned up; it takes time for them to come forward through 'natural' processes, and even the best forms of solicitation and information giving will not produce participants until they are ready
- capacity building is very challenging, and can take a significant time; unless groups are strongly motivated, and clear about likely benefits, they may be reluctant to join in or to stay involved.

*"Groups and communities need much capacity-building support to understand offers and opportunities open to them. We have not attracted as many as hoped for to sign up for PQASSO....More needs to be done to help groups recognise the benefits of these processes."* Megan Vickery, Calderdale Community Foundation

2.17 In consequence, a frequent comment made by the community foundations is the need for a longer time span for setting up and developing such an initiative in future.

### **Partners in delivery**

2.18 Partnership working has been a key characteristic of the work. All community foundations involved external partners. They include publicly funded bodies (for example, Business Link, Regional Development Agencies, housing associations), the business sector (for example, local SMEs, major corporates, local Chambers of Commerce) and a wide range of organisations from the voluntary and community sectors (for example, Councils for Voluntary Service, local development trusts). The spread of partners is shown in Table 5 on the following page.

**Table 5: principal partners in delivery**

<b>Delivery partnerships</b>	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
With business sector	✓	✓	✓			✓	✓	✓
With voluntary sector	✓	✓	✓	✓	✓	✓	✓	✓
With public sector		✓				✓	✓	✓

2.19 The community foundations used a partnership approach to ensure that:

- the services delivered were high quality and appropriately tailored to the circumstances and aspirations of the beneficiary organisations
- the approach taken added to, rather than duplicated, existing capacity building in the area.

2.20 In its turn, the partnership approach contributed to building overall capacity in a wider range of agencies and VCS infrastructure. This is discussed in chapter 4.

2.21 The ability to draw on such a wide spread of partners reflects a community foundation's position locally. Because community foundations work with organisations in areas affected by multiple disadvantage, they are already embedded in enabling, funding and/or delivery of a wide range of services with multiple others, depending on the needs of the local community. They can access networks and organisations to partner as the need arises.

### **Match funding**

2.22 The eight community foundations have together attracted more than £250,000 in match funding (see table 6 overleaf). Much of this would otherwise have been spent in the local areas so is not additional in that sense, but has extended what can be achieved with the Capacitybuilders funding. Just over £170,000 of this has come from the funds of the community foundations themselves and from their business sector supporters.

2.23 Table 6 also shows that significant help in-kind has been provided by the business sector and by partner organisations, though this has not all been recorded and/ or costed.

**Table 6: size of awards and extent of match funding and help in kind**

Community foundation	Size of CB award	Match funding <sup>1</sup>	Help in kind
Calderdale	£50,000	£45.0k HBOS £8.4k Calderdale CF donors	Extensive mentoring support from employees of Royal Sun Alliance, Calderdale Cares, and Pennine Housing. Full extent not yet known.
Cornwall	£64,000	£19.0k South West Regional Development Agency	Extensive pro-bono support from local professional firms and other SMEs to 71 organisations; 10 of these organisations got in depth support with multiple visits on more than one topic. Time not calculated.
County Durham	£50,000	£14.5k Business Link £16.4k Co Durham CF £16.0k Co Durham CF donors £20.0k Northern Rock Foundation	Business Link – additional mentoring support
Leicester, Leicestershire and Rutland	£32,000	£10.0k Community Champions Prog £9.0k LLR CF Endowment Fund	Support from Refugee Action at group sessions.
Milton Keynes	£40,000	£4.0k MKCF's property co	Key partners (eg CAB, Women in Work, ) delivered drop-in sessions; extent of time not known
St Katherine's and Shadwell	£50,000	£16.5k Jupiter Asset Management	Provision of meeting rooms (News International) value £450 140 hours of support from business mentors
South Yorkshire	£50,000	£7.5k Keepmoat Housing £36.9k Neighbourhood Renewal Community Chest	> 80 man days from private sector volunteers > £8.5k value of material supplied
Tees Valley	£50,000	£30.0k Northern Rock Foundation	Extensive pro bono support from Tees Valley Professional Services Group (local firms and branches of international corporates). Extent not recorded.

<sup>1</sup> Three community foundations (Calderdale, Cornwall and South Yorkshire) have regarded money which would otherwise have been forthcoming as match funding (£45k, £19k and £36.9k respectively)

2.24 The community foundations reported that it was hard to get match funding for this programme because the potential organisations did not fully understand what capacity building was about. However, the match was very important. Both County Durham and Calderdale more than matched their Capacitybuilders' award with financial support from the private sector, with County Durham also pulling in additional public sector money from Business Link. The widespread feeling amongst the community foundations was that, without the match funding and the extensive pro-bono support, the initiative would not have been such a successful programme.

## Review

2.25 The great majority of the work undertaken by the community foundations fits within the definition from the ChangeUp website. In addition to capacity building work with individual organisations, some community foundations have also worked specifically with umbrella

organisations and funders networks to build capacity in local infrastructure organisations.

- 2.26 The evaluation has shown that at least five out of the eight community foundations involved in the Capacitybuilders programme innovated in the work that they undertook (new to the local area at the very least). Such innovation included:
- rolling out an established approach across new geographical areas
  - extending the type of support provided to higher levels of attainment (for example, up to level 4 in a quality assurance model)
  - working in-depth with challenging groups
  - utilising direct environmental action as a means of capacity-building
  - building new structures in local voluntary sector infrastructure.
- 2.27 The delivery models that resulted from this work proved to be different from those set out as potential examples in the submission to Capacitybuilders. The models results from the fact that community foundations developed their own models, tailored to local circumstances in terms of local requirements for capacity building amongst potential beneficiaries, the extent of existing local capacity-building, and the capabilities of their partner organisations.
- 2.28 The extent of pro bono working in conjunction with the business sector and the scale of matched funding are significant features in delivery of this programme.
- 2.29 In capacity building work, there is no substitute for effective training. A variety of mechanisms appear to work, depending on local circumstances. These include joint workshops, training sessions and one-to-one support.
- 2.30 There is a real qualitative difference (for both beneficiaries and suppliers) between help which gets an organisation over a particular hurdle (finishing the end of year accounts, negotiating a legal problem), and help which enables them to resolve their own problems in the future (training in how to do the accounts). Only the latter is genuinely building capacity in the terms implied by the definition.
- 2.31 Whilst achieving genuine capacity building is the target, this does not make all short term approaches bad. Sometimes pro bono professional help can enable grass roots organisations to make a significant step forward (for example, doing a feasibility study, preparing architectural drawings) which they could not achieve on their own.

### 3 Capacity built in community-based organisations

#### Target beneficiaries

3.1 Community foundations were united by their aspiration to reach beyond well established organisations in the voluntary and community sector (VCS). Their targets included:

- community-based organisations in areas affected by disadvantage
- small, hard to reach groups ie to “get beneath the radar” and “reach places that other funders and agencies can’t reach”
- groups that themselves work with people and communities affected by disadvantage
- groups at a ‘threshold’, either because they are recently formed or because they face taking (or have the potential to take) a major step in their evolution.

*“We have formalised ourselves as a not-for-profit company, limited by guarantee. This will open up opportunities for funding. As we are newly incorporated, we are still finding out what we can and can’t do, and we know we will need further help at our year end to submit document to Inland Revenue and Companies House.”*  
 Special Needs Children’s Carnivals, Tees Valley

3.2 One community foundation (Cornwall) specifically targeted social enterprises in one half of their programme. Others provided help for social enterprises if they came forward.

**Table 7: target organisations for capacity building capacity**

Community foundation	Targets
Calderdale	• all community-based organisations in Calderdale, with an emphasis on the newly established
Cornwall	• grassroots organisations that are making/ have recently made the transition to being a social enterprise • community-based organisations in housing estates characterised by high levels of disadvantage
County Durham	• organisations working with: - the elderly – County Durham has an increasingly elderly population - health – County Durhan has a higher than national average level of ill-health, obesity and early death - worklessness and job creation - particularly people claiming incapacity benefit • organisations working in the most disadvantaged & rural areas or with the most marginalised people • five out of the eight had never accessed training before – both newly formed and in existence for a long time (but training at bottom of priority list)
Leicester, Leicestershire & Rutland	• a group of third sector organisations (plus some small businesses) all operating out of same building, but not taking advantage of co-location and the potential benefits of working together • new settlers groups united by their common experience of being of a different ethnic origin to the indigenous UK population, and often also by being recent arrivals • other funders
Milton Keynes	• all VCS organisations operating in Milton Keynes, but with a particular focus on those running for less than 2 years (thought to be those in greatest need of capacity building support) • the infrastructure organisations in Milton Keynes
St Katherine’s and Shadwell	• principally minority ethnic groups with little knowledge of English
South Yorkshire	• small and often inexperienced grassroots community groups that normally miss out on capacity building funding streams
Tees Valley	• small community-based organisations

3.3 The difficulty in recruiting organisations for the capacity building work however, meant that some community foundations saw a 'dilution' of their original targets, with some of the ultimate beneficiaries being in more established organisations.

### How we have identified increased capacity

3.4 Hard evidence of success of capacity building takes time to emerge since its intended impact is more effective organisations – something which can be a long time developing. The evidence used in this Chapter is primarily from the organisations themselves. It is, therefore, their perceptions of success and of resulting (or likely) changes.

3.5 The tables in the chapter use the evaluation framework and indicators in Annex 1. These indicators show the spread of achievements. However, it is important to note that there was never any intention that each community foundation would be delivering against all the headings. What is most surprising is the spread of capacity that has been built.

### Improved systems

3.6 The biggest focus for the capacity building work has been training to cover all matters relevant to good operations in the beneficiary organisations. This has included book-keeping, business planning, IT, employment law, health and safety, marketing, and much else besides. An overall summary is in table 8.

*"It is difficult to get across to groups that they need to build their capacity. The message takes a long time to get through to the small cbos. In consequence, most help has gone to organisations that are well established i.e. we didn't reach the really new, grassroots organisations. That takes time and care. Future capacity building work needs a longer time frame and a focus on sustainable development as well as capacity building."* Megan Vickery, Calderdale Community Foundation

*"We have been able to look at our procedures and policies to make sure they are correct. It has given us confirmation that what we have in place is the right thing. We now have an organised filing cabinet with documents in place when beforehand it was all over the place!"* Debbie Sims, Treneere Team Spirit, Cornwall

**Table 8: improved systems in beneficiary organisations**

As a result of the Capacitybuilders programme, there is evidence of:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• strengthened financial mgt systems and business plans	✓✓	✓✓	✓✓	✓✓			✓✓	✓✓
• Improved approach to fundraising	✓✓	✓✓	✓✓				✓✓	✓✓
• improved organisation/ record keeping etc	✓✓	✓✓	✓✓			✓✓		✓✓
• improvements to IT systems	✓✓		✓✓			○		✓✓
• improvements to HR systems		✓✓	✓✓					✓✓
• quality assurance systems	✓✓	✓✓	✓✓					
• fit for purpose health and safety system	✓✓	✓	✓✓					✓✓

✓✓ good likelihood, with emerging evidence    ✓ good likelihood, but no evidence  
 ○ enhanced infrastructure funded through grant

- 3.7 There is already evidence that skills have been enhanced, and organisations strengthened. The areas of strongest performance have been enhanced financial management, fundraising, and operational procedures such as management of volunteers and filing. Box 5 provides an example.

**Box 5 Growing the organisation: strengthened capacity in Penzance Methodist Church Youth**

Penzance Methodist Church Youth is an outreach initiative providing activities for children, young people and families in the wider, secular Penzance community. The sessions were started by Alison Richardson at the request of the Minister, and are used by children, families and some elderly people too. Up to ninety four people attend the regular Saturday community days.

Unknown to the people who came along on Saturdays, its long term future was threatened because of a shortage of volunteer help to keep it going. This was leading to conflicts between the amount of time Alison was committing to the group and her wider obligations.

When Alison first heard about the opportunity to have the organisation 'health checked' through the Interlink Capability Model she was a bit reluctant. She knew that she was basically running "a one-man band", and was uncertain where the health check would lead. Not least, she was reluctant to ask parents for their help because she didn't want them to feel obliged to help or to get over-burdened.

An initial session with the support worker enabled Alison to see that the organisation and its activities were worthwhile, and that if the right things were done it could be even better. She also found out what would be necessary to get to level 2.

Once Alison started to talk to parents about the Capability Model, they were interested, and there were immediately volunteers both for running the organisation and for running sessions. A decision was made to form an 'action team' which is effectively a management committee, but with an emphasis on doing rather than just holding meetings.

Alison understood financial management, fund raising and reporting to funders, and so was the obvious person to be Treasurer. One of the mothers agreed to take on the role of Chair and another, with word processing skills, became secretary. Parent reps came forward. Volunteers to run sessions and prepare food have come both from parents and from the local Volunteer Bureau. Alison had previously had two helpers, both challenged by learning disabilities, and roles have been given to them which provide a real task to do and a sense of self worth. When the health check was finally done, it revealed that procedures are basically running well, with only fine tuning required.

The differences that have been made cannot be over-stated. New volunteers mean that the collapse of the group has been avoided and some of Alison's time has been released for her other activities. Volunteering parents are contributing their skills. "What I saw in a very short period of time was people being empowered, and really enjoying it. We have become democratic and we are equal."

*"Taking part in the Inter-Link capability model (health check) has enabled us to form an action team. It encouraged me, as the youth enabler, to look at our policies and practices and consider our future. The model gave us the opportunity to get to know each other more. The group is now aware of the good quality service we provide. We had not recognised this before taking part." Alison Richardson*

*"I knew that the situation wasn't sustainable, but I had to sort my head out, and accept that I needed help. I went from feeling that the group would fold to feeling valued, and that they cared for me. We have become a family." Alison Richardson*

- 3.8 Reference back to table 3 (spread of capacity building initiatives) suggests that a correlation is likely between significant success in these areas and an approach based on intensive one-to-one support.

3.9 The two community foundations that did not do or fund working in this way were Milton Keynes and South Yorkshire. Table 8 shows that, there, the extent of improvements to systems is much less. However, there is evidence of indirect capacity building arising from the approaches taken. In South Yorkshire, for example, a grant scheme was operated which linked Capacitybuilders' funding to awards being made through the Neighbourhood Renewal Community Chest. It proved to be primarily focused on purchase of equipment or contributions to running costs (eg rent, wages, telephone). However, examples of capacity built as a result of these grants include:

- a grant to RODA (offers information and support to people affected by substance abuse in friends or family) enables them to employ a volunteer as an administrator for 12 hours a week; this has enabled central systems to be improved (eg administration, filing, phones, financial procedures, book keeping, creating an effective core for an organisation that plans to expand and easing the administrative burden on other staff
- a grant to the Chapeltown Baths community business was used to part fund a water vacuum cleaner, and improved water quality has enabled them to extend their services, including a contract to run a GP referral scheme; usage of the pool has increased bringing in additional income and helping to provide them with a more secure future
- a grant to Somali Education Breakthrough was used to buy SAGE Payroll software and train their staff; this reduced overheads by removing payments to an external payroll agency and, in turn, they hope to sell payroll services to others in the voluntary sector, providing them with a cost effective service and Somali Education Breakthrough with income that makes them more self reliant.

*"The grant has led to the development of increased skills in a volunteer which encourages other volunteers. She has put in place new filing systems and information systems that will be lasting for the organisation. Another staff member has motivated staff and replenished their enthusiasm. This has impacted on the way they develop the service."*  
Alison Sadler, RODA, South Yorkshire

*"We are looking at offering our payroll service to new groups and charging them a small amount to generate income for ourselves."*  
Somali Education Breakthrough, South Yorkshire

3.10 In Milton Keynes, the Acorn House membership scheme, which provides support for new voluntary sector organisations, has recruited 48 new members since networking events were held at Acorn House, following the improvements to the space available for networking. These events were designed to introduce newly-formed organisations (up to two years old) to capacity building opportunities in Milton Keynes.

#### **Impacts on Boards, staff and volunteers**

3.11 Participants in the capacity building have been drawn from volunteers, paid workers, and board members/trustees. They have attended workshops, training sessions, face-to-face mentoring and e-mentoring. There is also evidence that people involved in capacity building have then disseminated supporting documentation and the lessons learned within their wider organisation.

3.12 The evidence is that the initiative has given those who participated a new found confidence in their own knowledge and abilities. They feel that they have significantly benefited. Identified impacts are summarised in Table 9.

Participants in capacity-building report that their new skills include:

- "an ability to delegate"
- "an ability to prioritise"
- "listening skills"
- "understanding quality"
- "how to do a good application"
- "clear, concise communication"
- "dealing with a range of stakeholders"
- "team building"
- "project planning skills"
- "handling volunteers and Boards"
- "better financial planning skills"
- "fund raising"

**Table 9 Impacts on staff and volunteers**

As a result of the Capacitybuilders programme, there is evidence of:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• staff have been able to access support and/ or training	✓✓	✓✓	✓✓	✓✓		✓✓		✓✓
• leadership has been developed	✓✓	✓✓	✓✓	✓		✓✓	✓✓	
• volunteer numbers have increased	✓✓					✓✓		
• volunteers have been able to access support and/ or training	✓✓	✓✓	✓✓	✓✓		✓✓	✓✓	
• staff and volunteers have gained new skills, confidence, morale	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓

✓✓ good likelihood, with emerging evidence

✓ good likelihood, but no evidence

### Improved structures

3.13 Improved systems and effective people are insufficient on their own. They need to be underpinned by effective governance and the management structures which enable good decision making and efficient delivery. However, getting appropriate structures in place, together with the associated organisational development, can be a low priority. Work through Capacitybuilders has addressed this in five out of the eight participating community foundations (see Table 10).

*"The Committee have clear understanding of governance, and their roles and responsibilities. We have achieved a strategic overview and clearly identified our vision. The business plan enables us to access funding. We want to continue with the face-to-face contact and to have workshops which include our board members."*  
 Skinnigrove Link Up project, Tees Valley

3.14 It is interesting to note that this emerged as an area of importance in St Katherine's, where the focus was on fund raising and improved grant applications was a means of engaging participants with the underlying issues of governance and management. This demonstrates the inter-linkages between the many operational aspects of the organisations that have been helped.

**Table 10 Improved structures**

As a result of the Capacitybuilders programme, there is evidence of:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• enhanced understanding of the importance of good governance	✓✓	✓✓	✓✓	✓✓			✓✓	✓✓
• improved management structure	✓✓	✓✓						✓✓
• more appropriate corporate status		✓✓	✓✓				✓✓	✓✓

✓✓ good likelihood, with emerging evidence

✓ good likelihood, but no evidence

### Moves to sustainability

3.15 A challenge in many parts of the voluntary sector is making the move from a culture of 'hand-to-mouth' existence and/ or grant dependency to one of greater self sufficiency. In part this is a matter of aspiration but, in an increasingly competitive operating

*"It has made everyone in the organisation think about our direction and we have brought them all along with us."* Pelton Fell Community Group, Durham

environment, organisations that are going to survive/ continue to supply their services need to address how they operate, and how they can be as effective as possible.

3.16 It is evident that work done through the Capacitybuilders' programme has helped build sustainability in a number of ways. It has helped understanding of how capacity building can aid an organisation, and/or information on how to access it. Some community foundations have dealt with specific problems, including refocusing of purpose, moves towards being a community enterprise, and networking for mutual support.

3.17 A number of things that might have been expected to be seen, for example the emerging of joint purchasing or moves to cost recovery, have not been reported, though this does not necessarily mean that they have not happened.

*"We led on the planning and delivery of the project. It was a turning point. It reinvigorated our group. We got more people involved and increased our skills base. We can use that new capacity to complete the work that the group set out to do. And when it is complete, we will do a review and then go on the bigger and better things."*  
 (anon, footpath group, South Yorkshire)

**Table 11 Moves to sustainability**

As a result of the Capacitybuilders programme, there is evidence of:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• better understand how capacity-building can help /how to access it	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓
• new/ revitalised understanding of purpose	✓✓	✓✓	✓✓	✓✓				✓✓
• setting up/consolidating as community enterprise		✓✓	✓✓	✓✓				✓✓
• expanded membership base/ income generating capability				✓✓				
• networking with others for mutual support			✓✓	✓✓	✓✓			

✓✓ good likelihood, with emerging evidence

✓ good likelihood, but no evidence

3.18 A number of other forms of support have been received by the beneficiaries which are not typically capacity building as such, but which can represent important steps along the way to long term sustainability of the organisation. These include:

- 'one-off' pro-bono professional services addressing specific problems or challenges eg guidance on state of a building, resolution of lease problems, help through a book keeping crisis
- covering costs through grant aid (for example, as in South Yorkshire, where costs covered equipment, room hire, wages, training costs, transport, rent, telephone, stationery, and CRB checks.

*"It has been good for networking, with a possible piece of joint work with other projects."*  
 Kids Co-op, Durham

3.19 The difference here is that these are rarely accompanied by work intended to bring about long term change, and organisations tend to be left to subsequently fend for themselves.

**Good ways of working: the beneficiaries' perspective**

*"Having a mentor is a fantastic thing as I am aware of what I need to learn"* participant at evaluation of St Katherine's and Shadwell capacity-building

3.20 In addition to providing evidence about the types of capacity built,

the evaluation has also assembled comments from beneficiary organisations. These include:

- One-to-one support is really enabling and makes the recipient feel valued.
- Capacity building training needs to be developmental and not dictatorial.
- The value of putting in place a quality assurance system is that it indicates to funding bodies that this is an organisation with good practices. It is a 'passport' to being acknowledged as an effective organisation.
- There are great benefits from mutual support and networking.

*"It felt very inclusive and participatory – I have learnt a lot about budgeting and have even raised some money!"*  
participant at evaluation of St Katherine's and Shadwell capacity-building

*"We have become less isolated through more contact and communication with each other."* Somali Refugee Group, Leicester, Leicestershire and Rutland

## 4 Capacity built in infrastructure organisations

### Introduction

- 4.1 The key area of activity in the capacity-building work has been with front line community organisations. However, some of the community foundations also aimed to build strength in their local voluntary and community sector infrastructure. In addition, as the following sections show, the overall initiative has worked in a number of ways which have strengthened the sector even when this was not the prime purpose.

*“The Chief Executive Officers’ Group is an informal group, sharing issues and solutions to strengthen our own organisations,, and ultimately strengthen the third sector in Calderdale. It is a ‘safe’ environment where we share and test ideas. It is part of improving collaborative arrangements, strengthening the sector, and building opportunities to tender for work.” John Shepherd, Action Halifax*

### Increase in local collaborative working

- 4.2 Collaborative working is a sign of mature working relationships. The evaluation looked for evidence of new or strengthened partnerships, co-operation between umbrella (infrastructure) organisations, and the development of mutual support.

**Table 12 Increase in local collaborative working**

As a result of the Capacitybuilders programme:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• existing partners/ partnerships have been strengthened	✓✓	✓✓	✓✓		✓✓	✓✓	✓✓	✓✓
• new partnerships have been formed and are working	✓✓	✓		✓✓	✓✓	✓✓		✓✓
• infrastructure (umbrella) organisations are co-operating	✓✓		✓✓		✓✓			
• development of mutual support networks	✓✓		✓✓	✓✓	✓✓	✓✓	✓	

✓✓ good likelihood, with emerging evidence    ✓ good likelihood, but no evidence

- 4.3 All but one of the community foundations report that existing partnerships with other service deliverers have been strengthened by the Capacitybuilders programme.
- 4.4 Cornwall Community Foundation, for example, has worked with a number of key organisations from the Cornwall Infrastructure Partnership, made up of the key voluntary sector organisations getting together to drive voluntary sector action in Cornwall. Capacitybuilders has enabled a tripartite relationship between the Penwith Community Development Trust (in practice, its Interlink offshoot), Cornwall Rural Community Council and the community foundation. The community foundation had the vision of what could be achieved, and the others developed and implemented the detail. This opportunity has strengthened the Infrastructure Partnership, demonstrating the ways that initiatives can be tailored to the particular operating circumstances of Cornwall.
- 4.5 The only community foundation that did not record strengthening partnerships (Leicester, Leicestershire and Rutland) works in an

area with an under-developed voluntary and community sector.

4.6 New partnerships and mutual support networks have also been developed as a result of Capacitybuilders. In some instances this is as a result of direct action, such as the initiation of a Chief Executive's support network by the Community Foundation for Calderdale. Elsewhere there is evidence of emerging mutual support amongst the beneficiary organisations, who have reported that one of the benefits from the capacity building work has been the opportunity to meet and share experiences with others in the same position as themselves.

*"The groups have benefited not only from the structured training and mentoring but also from the informal networking at training sessions. An internet blog has been set up which will last long beyond the completion of the programme for the groups to network with each other, ask for advice or assistance with projects etc."* Vikkie Wilkinson, Durham CF

4.7 It is in through the strengthening of the sector that the success of the Milton Keynes Community Foundation's approach emerges. They have built facilities and provided space for organisations to meet, network, exchange information, seek advice and hold meetings. Already there are testimonials to the value of this, and longer term benefits in terms of a strengthened sector are expected to flow.

*"For me, the one big benefit is access to a wide community of charitable/ voluntary organisations."* (about Acorn House) A Lucas-Smith, Milton Keynes

### Capacity-building amongst other local funders

4.8 Funding for the third sector is crucial to effective front line working. Some funding takes place at the local and regional levels, provided by a mix of public (eg local authority), private (businesses and individuals) and voluntary sectors (charitable trusts). In addition, considerable help in kind is delivered by local businesses and by volunteers in the third sector. Successful working at this level is an important ingredient in an effective third sector. The evaluation has looked for evidence of improved working between funders, and of increased availability of funding (including help in kind) as a result of the Capacitybuilders programme.

4.9 The starting point has been evidence that understanding of funders has been increased, with respect to capacity building and their role in it. Findings are summarised in Table 13.

**Table 13 Increased understanding of other local funders**

As a result of the Capacitybuilders programme, there is evidence of:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• greater knowledge of what capacity building can achieve	✓✓			✓✓	✓	✓✓		
• donors better understand how can contribute to capacity bldg			✓✓	✓✓		✓✓	✓✓	
• funders from wider area have more knowledge of capacity bldg	✓✓	✓✓		✓✓		✓✓	✓✓	
• local funding networks have been strengthened	✓✓	✓✓		✓			✓	

✓✓ good likelihood, with emerging evidence    ✓ good likelihood, but no evidence

- 4.10 Half the community foundations have worked directly with funding forums as part of their capacity building work. This is, perhaps, most developed in Calderdale. Here a new funding forum has been established, providing the opportunity for previously isolated funders to be part of a network, with the aim of developing a common approach to grant making, planned targeting of specific groups, filling gaps in funding, and avoiding overlap. The inaugural meeting was a success, but will require time and resources to develop.
- 4.11 County Durham and Leicester Community Foundations and St Katharine & Shadwell Trust have worked with their funding networks (local and regional), providing information and feedback about the initiative and the value of funding capacity building.
- 4.12 In Cornwall, the community foundation has had interest from other funders about how the capacity building model (which provides a 'health check' for organisations) could be used as an indicator of a sound organisation, thereby acting as a mechanism to ease the assessment burden for funders.
- 4.13 Other community foundations report that funders are watching the capacity building initiative with interest, and that they expect it to lead on to changed approaches in future, with joint action for capacity building at the point of funding.
- 4.14 The major reasons for working with funders are to ensure that existing resources are well used and draw in additional ones. Table 14 summarises findings.

**Table 14 Increase in financial and in-kind resources available for local capacity building**

As a result of the Capacitybuilders programme, there is evidence that:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katharine's and Shadwell	Tees Valley
• partial match funding of CB grant has been achieved	✓✓	✓✓	✓✓	✓✓		✓✓	✓✓	✓✓
• increased understanding of the value of volunteering						✓✓		
• more organisations providing financial or in-kind support	?		✓✓			✓✓		
• more individuals (volunteers) are providing in-kind support	?		✓✓			✓✓	✓✓	

✓✓ good likelihood, with emerging evidence    ✓ good likelihood, but no evidence

- 4.15 Most significantly, a number of community foundations have been able to utilise their links to the private sector to draw them into this capacity building programme. This has been both through funding (corporate givers help fund community foundations and hence provided some of the match funding), and through direct action eg providing professional services and training on a pro bono basis, and practical help with physical projects.
- 4.16 Community foundations report that this has been particularly successful for their corporate partners. The evidence is that this will continue and grow, increasing the resources available for local capacity building and local grant making in the future. Box 6 sets out the benefits that businesses feel they have gained through participation in the Capacitybuilders programme.

*"For our donor businesses, it has enabled...encouraging new forms of community participation and innovative ways of giving into the community through social investment."* Pauline Grice, South Yorkshire Community Foundation

#### **Box 6 benefits to the corporate sector from participating in the CFN capacity building initiatives**

Benefits identified by the corporate sector from their involvement in Capacitybuilders include:

*Corporate social responsibility:*

- opportunities to achieve corporate social responsibility objectives in a hands on way with clear benefits
- substantial achievements re social responsibility within a framework provided by others; don't have to seek out the opportunity because it comes in a structured form
- better understanding of the voluntary sector and what they are trying to achieve
- good fit with corporate ethos.

*Staff benefits:*

- opportunities for hands-on work outside of own workplace
- development of inter-personal skills
- opportunities for staff bonding through joint working on challenges
- more intensive and challenging situations come about in real life that can be obtained through corporate away days that have to be paid for

*PR benefits:*

- publicity associated with work with community groups raises corporate profile
- 'good works' in local communities improves linkages to them, improving relationships and potentially increasing opportunities for local recruitment
- staff feel satisfaction of working with a socially responsible firm.

*"We were absolutely elated at the end of the day – and could hardly believe what we had achieved. The ingenuity of the guys working on site was amazing – fantastic problem solving. And we all had a laugh whilst we were doing it."* Travis Perkins, business partner in one of South Yorkshire Community Foundation's challenge days

*"We saw new ways of doing things. As scouts, we could only imagine wheelbarrows and three months work. But Travis Perkins saw a JCB...."* Scout leader, beneficiary in one of South Yorkshire Community Foundation's challenge days

*"The big corporates are seeing great benefits from providing opportunities for their employees to do pro bono work. They bring fast-track graduates into the business who are professionally highly skilled. Working pro-bono gives them a better understanding of the real world. It also helps firms to demonstrate their commitment to social responsibility. This brings PR benefits, and staff feel good about working for firm that is caring, particularly the young graduates. These big corporates therefore value the work they put in."* Hugh McGouran, Tees Valley Community Foundation

#### **Changes in the community foundations**

- 4.17 Community foundations occupy a complex position in the local voluntary sector, combining a grant making role with a strong

enabling role for other partners in the sector and direct work with grassroots organisations. The Capacitybuilders' programme has presented an important opportunity for the community foundations. The way they have responded to it in terms of the sorts of things they have delivered has been described in chapter 2. The impacts on the community foundations from participation in the programme are shown in table 15 on the following page.

**Table 15 Impacts on the participating community foundations**

As a result of the Capacitybuilders programme, there is evidence of:	Calderdale	County Durham	Cornwall	Leicester, /shire and Rutland	Milton Keynes	South Yorkshire	St Katherine's and Shadwell	Tees Valley
• enhanced understanding of what works re capacity building	✓✓			✓✓	✓✓	✓✓	✓✓	✓✓
• increased skills appropriate to capacity building	✓✓					✓✓	✓	
• extended range of delivery partners and/ or funders	✓✓	✓✓	✓✓		✓✓	✓✓		
• increased pool of mentors		✓✓	✓✓					
• established as hub for networking and support					✓✓			
• increased understanding of self evaluation	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓	✓✓

✓✓ good likelihood, with emerging evidence    ✓ good likelihood, but no evidence

4.18 The programme has proved to be an important opportunity for the community foundations to extend their capabilities with respect to capacity building. A key factor for them all has been the opportunity to engage with, and think critically about, capacity building and about what works best. In part this results from self-evaluation, but it also arises from the opportunities for innovation through the programme.

*"it has enabled two long established and respected organisations in Tees Valley to review their service and way of delivery in the light of real needs in their client group. There has been a stock taking, and they have joined up to improve delivery."* Hugh Tees Valley CF

4.19 This can be expected to significantly strengthen the capacity building functions of the community foundations in the longer term. The whole movement will benefit if the lessons from the eight are disseminated to the remaining members of CFN.

4.20 The programme has also enabled them to work with a wide range of partners from public, private and voluntary sectors. Further benefits are expected to accrue from enhanced relationships with the business sector (see paras 4.15-16). Advantages to the community foundations are substantial. In particular, it has provided:

- access to an increased pool of mentors
- businesses see how valuable their inputs are into beneficiary groups and organisations, and see new opportunities for delivery of effective action under their corporate responsibilities obligations, increasing the capability of community foundations and others to secure capacity building support for organisations in the third sector
- enhanced relationships with the business sector may lead onto the

*"The Professional Services Group has gone from being a supplier of 'quick fix' solutions (eg over a legal problem) to a provider of a more strategic and long term approach which helps build the capability of beneficiary organisations to help themselves."* Hugh McGouran Tees Valley

building of endowment funds for local grant making.

Community Foundation

4.21 For all the community foundations, the Capacitybuilders programme is part of developing and extending their role in their local area in accordance with their overall objectives. For four community foundations, the results appear to have been particularly profound:

- for Cornwall, which is a relatively new community foundation, this programme has presented the opportunity to work with strong and effective local partners and to demonstrate to both operational partners and potential investors what a community foundation can achieve. The Cornwall Community Foundation sees this as helping to create the 'tipping point' which will enable them to be a fully accepted and credible community.
- Milton Keynes, which is a well-established community foundation, has been able to use the programme as an opportunity to realise its ambition to become the hub for the voluntary and community sector in the town. Its building is now the place that the sector turns to for networking, information advice and support.
- in the Tees Valley, where the community foundation is currently reviewing its role and priorities for the future, the programme has provided a genuine development opportunity which has matched its capability in grant making with the development work capability of a partner organisation. Together they have developed a three year plan for future joint working, and it may eventually lead to a full merger. This has been a massive expansion of opportunities for the community foundation, with planned service delivery for Stockton Council, enquiries from Business Link, and more (see table 16 for details).
- in Leicester, Leicestershire and Rutland, participation in the programme has reaffirmed the direction for the community foundation which is to embrace a higher level of community development and capacity building work. This will move forward the agenda of the foundation, helping to target organisations, and providing an improved image and position for the future.

*"The Foundation now works with more groups than ever before, and partner organisations in the building report the same. Membership is growing rapidly, and with that growth there comes an ever increasing degree of diversity, knowledge and understanding which has a catalytic impact on the project overall."* Steve Miles, Acorn House Manger, Milton Keynes Community Foundation

4.22 For the community foundations, this work has helped to create new opportunities for growth in their capacity building work. For example:

- testing of ideas which have proved robust enough to now roll out across wider areas
- further development of new partnerships to reinforce their activity and extend their role
- making use of the increased pool of mentors and other helping organisations
- business partners are prepared to provide pro bono support in future, and some are considering additional funding of the work of community foundations.

4.23 Fuller details are in table 16 overleaf.

**Table 16: Community foundations and their capacity building aspirations**

Community foundation	Future capacity-building opportunities and aspirations
Calderdale	<p>Expand the grant making role by assessing the need for capacity building work during the grant assessment process - have got the power of the grant. Expect to build training, insurance compliance etc into the process. Through this we can:</p> <ul style="list-style-type: none"> <li>• make a major impact on own grant making process</li> <li>• make impact on training providers i.e. Voluntary Action Calderdale</li> <li>• make a wider impact e.g. other local funders, West Yorks Community Accountancy Service, etc</li> </ul> <p>Have put together a bid with Action Halifax . Working with them on Capacitybuilders a real success. Their direction is timely and hope to continue to collaborate with them.</p>
Cornwall Community	<ul style="list-style-type: none"> <li>• Strengthened opportunities for pro-bono working in Cornwall through CCF introducing its supporters (who are willing to give help in kind and £) to Cornwall Rural Community Council</li> <li>• CCF will continue to work in its specialised role with local infrastructure partnership. Currently bidding for the Capacitybuilders' Modernisation fund and will take a lead role in projects which increase access to funding streams and provide sustainable income for the V&amp;CS in Cornwall.</li> </ul>
County Durham	<p>CDF will continue to provide capacity building support to organisations throughout County Durham and Darlington. Subject to a successful outcome from our Grassroots application, will be working with the CVS network to provide training and support to groups on an individual basis e.g. policies and procedures, employment legislation etc.</p>
Leicester, Leicestershire and Rutland	<ul style="list-style-type: none"> <li>• Want to target fledgling womens' organisations and partner Leicester Herday Trust.</li> <li>• Want to build on the Capacitybuilders' work done with the new settlers group- still much more to do and achieve, and other communities to work with e.g. eastern European settlers.</li> <li>• Want to target key wards and low income areas. But recognise that capacity building is a generic need, and the community foundation needs to work across wide agendas.</li> <li>• In terms of business coaching , would like to continue to work with all groups and individual businesses to ensure that they receive a comprehensive business support programme as a standard service, as well as helping them access vital markets to generate trading income.</li> <li>• Need to identify specific funding for this. We must identify additional resources and additional skilled staff &amp; community development workers to do this with us.</li> </ul>
Milton Keynes	<p>There are approx 1,200 VCS groups in Milton Keynes and the number is growing rapidly as the City develops. A good number of groups no longer need to be Acorn House members. These are organisations that have matured, developed and built an infrastructure to support and deliver their own services. As these groups move on, it would be fantastically rewarding to bring others to the Acorn House project and give them a springboard to more easily realise their ambitions.</p>
St Katherine's and Shadwell	<p>Extend the pilot programme (Capacitybuilders) across four East London boroughs: the City of London, Hackney, Newham and Tower Hamlets</p>
South Yorkshire	<ul style="list-style-type: none"> <li>• Would like to put forward a pot of money that encourages match funding from donors, for them to explore investing in their community in an innovative, partnership way.</li> <li>• Would like to target other geographic areas under our remit – Barnsley, Rotherham and Sheffield – and work with local businesses and Trusts to create new initiatives for building capacity at the grassroots levels using the learning points from this exercise.</li> <li>• More Challenge Days, with grants matched to private sector funders to create a greater result.</li> </ul>
Tees Valley	<ul style="list-style-type: none"> <li>• More capacity building work with community-based organisations.</li> <li>• Further development of the Capacitybuilders partnership with PSG. Have developed a 3 year plan for future working, and may eventually lead to full merger.</li> <li>• Have been approached by Stockton Council to put together a governance support package for the area, working in conjunction with PSG. Stockton Council will fund. Longer term target is to roll this out across the 5 unitary authorities in Tees Valley, with funding from each authority</li> <li>• Potential joint working in Middlesbrough with City Council, TV Wildlife Trust, TVCF, PSG and CLEMANCE, a European-funded local environmental agency. Aim would be to offer a complete package to businesses and other significant employers around corporate social responsibility – addressing transport, employee volunteering, reducing carbon footprint, philanthropy.</li> <li>• TVCF and PSG have been approached by Business Link about delivery of business support services to social enterprises across the TV.</li> <li>• Important synergies with CDWs across TV to be exploited. They were reluctant to engage, but now realise the approach is helping them by doing work that they were asked to do by cbos, but were not properly equipped/ skilled to do, thereby leaving them free to do the community development work that they do best.</li> </ul>

4.24 Finally, perhaps the most important thing for the community foundation movement as a whole is that delivering a capacity building programme has reaffirmed the importance of the grant makers' role. Community foundations can increase their effectiveness by adding capacity building onto grant applications through some form of organisational health check done as part of grant assessment. Where weaknesses are identified which need external support to resolve, organisations can be directed towards support on matters such as training on accounts, website building, business planning, insurance. The community foundations have reminded themselves that there is a lot of power in being a grant maker and that using it to build capacity would be a really good approach for the future.

## 5 Lessons for future capacity building initiatives

### Introduction

- 5.1 Capacity building is a process. What this programme has done is create opportunities for community foundations to commence or strengthen their capacity building work, and it can be anticipated that benefits will continue to flow. At this stage, the evaluation of benefits is largely based on the views of the participating groups, moderated by the combined experiences of the community foundations, CFN and the evaluators.
- 5.2 Before moving on to the substantive discussion of lessons and conclusions, it is worth commenting that this evaluation has been undertaken too soon for the full benefits to be evidenced. A longer period would be necessary for the full outcomes to emerge. If Capacitybuilders want to fully understand what has been achieved and what has worked best, they would need to do another round of evaluation to see what the impacts have been and draw conclusions for good practice.

### Review of delivery of benefits through the programme

- 5.3 CFN had a number of intended outcomes from the Capacitybuilders programme (para 1.9). First and foremost, it is clear from the material presented in Chapter 3, that the key success is in how the community foundations, with their partners, have engaged and empowered small, new or struggling community and voluntary organisations to help them be more effective. They have worked with diverse, inexperienced, and often socially excluded communities or the groups working with them. They have built capacity through training and one-to-one support.
- 5.4 What is less clear at this stage is the extent to which this will translate into long term changes within the organisations, but the programme is predicated on the assumption that development work leads on to linked organisational change. This can reasonably be regarded as the most important outcome from the programme.
- 5.5 As already noted, the principal benefits are for the grass roots organisations, but the work of the community foundations has demonstrated that such benefits can also extend to others. The following can be observed:
- there has been some success in work with other local funders, but to date only a limited amount has been achieved. Community foundations have found that local funders do not appear to currently prioritise capacity building work linked to their own grant making, though a number are interested in hearing more about the outcomes from the Capacitybuilders programme. Continuing work will be needed in this area if existing contacts are to be consolidated and beneficial outcomes achieved.
  - delivery of the programme has led to a significant strengthening

of local partnerships and collaborative working. This is a major outcome from which further benefits can be expected to accrue.

- the participating community foundations have strengthened their skills and increased their knowledge of capacity building. In addition, they have experienced a significant number of other benefits from the partnership working approach that they have adopted.
- an increase in knowledge of the potential for non statutory funding of local collaborative capacity building work has been achieved through the community foundations strong links into the business sector. The success of the involvement of businesses suggests that this will lead on to further provision of pro-bono support in various ways, with some offers already being received by community foundations.
- the resources provided by Capacitybuilders were in all cases matched through help in-kind or by other funding.

#### **Which model worked best?**

- 5.6 CFN wanted to ensure that new learning resulted from the approaches taken to capacity building, in particular with respect to the models of delivery adopted.
- 5.7 As befits a part of Capacitybuilders which has taken place under the Learning and Innovation theme, a number of approaches to capacity building have been used. The first has been described as the 'personal engagement model'. It was based around direct capacity building work through training and development work on a face-to-face basis with the beneficiary organisations. The model is directly building capacity within the beneficiary groups, covering specific problems relevant to the operation of their organisation.
- 5.8 It has been very successful. In the model, the personal contact is fundamental, and the evaluation has shown that it is greatly valued by participating groups.
- 5.9 Because an approach based on personal contact has been the most frequently used model, a summary of key ingredients in success is set out in Box 7 on the following page. More information on good practice will be available from a number of the community foundations when individual evaluations are complete.
- 5.10 The 'meeting space model' involved the creation of a place for meeting and getting information. It has been a success with the partner organisations who occupy the building and with voluntary sector organisations coming to visit. It has not involved direct capacity building with front line organisations, but it has created the situation where such capacity building should theoretically increase. Because indirect, will take considerable time to demonstrate the appropriateness of the approach. In addition, it is not easily replicated since few towns and cities have such a building with a secure long term future worth investing in on a significant scale.

### **Box 7 successful ingredients in capacity building through the personal engagement model**

#### *The development phase*

- Capacity building requires a huge desire and drive to make it happen on the part of both the beneficiaries and of the service deliverers. Half heartedness doesn't work.
- The approach must accommodate the circumstances of the local area in terms of types of target organisations and in terms of availability of partners for delivery.
- The approach must be tailored to the specific needs of the individual target organisations. It is important to find out about where their current capabilities lie, what they want to achieve and change, and to devise an approach in response. These need to be agreed by both parties at the outset.
- The process must be flexible, accommodating, personal and not regimented, shaping the nature of the support to the circumstances of the beneficiary organisation or person.
- A close match between the skills of mentors and the needs of the beneficiary groups is critical to successful outcomes. There is a need to pay particular attention to ensuring that the match is good, and not make assumptions that it will be.
- Capacity building work does not happen quickly, and can take a long time to get underway. There is a critical need to allow sufficient time. It is not easy to know in advance how much time will be needed.
- The ability to deliver either free services (through a partner working on a pro bono basis) or to make awards to enable people to access training and other support.

#### *The delivery phase*

- Capacity building with relatively inexperienced community groups is a close, intimate and personal exercise. The use of face-to-face contact which can be on a personal level really matters for good capacity building work.
- Trainers and mentors need support. This means at least a face-to-face briefing, even for e-mentors, back up by written guidelines (for example, sensitive guidance on issues such as giving feedback to mentees) and a clearly identified person for helping to resolve difficulties.
- During delivery, there is a sensitive balance to be struck between what a mentor can see is right, and what people want. Unwanted capacity building does not yield results.
- There is a need to be flexible about times of delivery to suit the circumstances of the beneficiaries/ group(s).
- Delivery must be at a pace and a style of delivery that works for the beneficiaries.
- The quality assurance approach is very effective. It provides a formal agenda of material to work through, graded in stages according to the capability of organisation.

5.11 The 'additional grants model' was based around use of an additional grant programme to enhance other grant making and add value. There are some success stories from the grantees of this approach, but they appear to have come about without any additional support from the programme, i.e. without direct capacity building. There are others where, as yet, there is no evidence of anything different being achieved and, indeed, some of the awards went to cover on-going costs. Currently, there is insufficient evidence to suggest that this is an approach which could usefully be taken forward in the future without further development work.

- 5.12 The 'environmental action model' used direct participation in environmental action as a means of building capacity. Groups were given small grants and undertook works (internal and external), and were helped to do this by a partner organisation from the business sector which brought willing volunteer participants from their workforce. So far, the evidence from four out of the five beneficiary groups is that this not only improved their operation/ met their objectives, but it was also very energising and built capacity in the groups themselves. In the organisation where this was not the case (a primary school), the environmental works were done without involving the beneficiaries, and in consequence these benefits were not achieved.
- 5.13 The model of environmental action has been well explored elsewhere (for example, see 'Evaluation of the Green Spaces and Sustainable Communities Programme', available on the Big Lottery Fund website). When done in an inclusive manner, and thereby engaging members of the group and of the wider community, it can be a potent tool for positive change, including capacity development in the group and development of community cohesion. It is an appropriate, though unconventional method of capacity building, and properly used can bring significant benefits. However, it should be noted that the groups involved were not organisations looking to become social enterprises or deliver services on behalf of others. They were focused on volunteer activity (with the exception of the school which is not voluntary sector anyway).
- 5.14 Whilst this model is good for engaging and energising, it is 'scatter gun' in its effect because there is no formal structure for identifying the capacity that needs building or control over type of capacity building that occurs. Pointers to the key ingredients in this approach are included in Box 8 on the following page.
- 5.15 The 'cluster building model' has been used as an adjunct to the personal engagement model. It is a form of personal engagement, but with the aim of achieving a form of corporate endeavour. It could be done independently from any capacity building in individual organisations which was aiming to develop individual organisational strengths.
- 5.16 The development work is to enable participating groups to see the benefits of being in a cluster before they decide whether they want to develop their capacity so that they can evolve into one. This has been extremely time-consuming, and one of the two potential clusters has yet to decide on their course of action. The theory of the approach is good, but it is too soon to say how effective it has been. However, it can be noted that participants who have not yet decided whether or not to proceed with a cluster have noted benefits from doing the work, and it may be the case that thinking through needs and opportunities and the potential for joint action is a capacity building activity in its own right, particularly with respect to moves towards sustainability.

### **Box 8 key ingredients in direct environmental action with a corporate partner as a means of capacity building**

#### *The development phase*

- It is important to get corporate partner signed up and agreement achieved over what is to be achieved. There is a need to work clearly and explicitly with both parties to make sure it happens.
- Named, nominated people are required in both the group and the corporate partner to ensure good direct communication. This should be the same person throughout (or with a clearly named substitute of absolutely necessary).
- Matching the right partner to the right group/ job is very important. The degree of benefit from the approach is in part a measure of the right match.
- Timing of works so that it suits both parties is very important.
- The planning is as important as the doing.
- It is essential for companies to meet with projects in advance in order to plan the day and agree roles and hoped for outcomes.
- It is necessary to recognise that both donors and groups have their own agenda and own legitimate expectations.
- This sort of capacity building works best if the beneficiary organisation has some capacity already that can be built on.
- Combining direct action with pre-implementation support from a partner organisation (e.g. on project planning) can substantially increase benefits.
- It is good practice to remain in contact with the organisations participating throughout the programme. This ensures they are more willing to communicate when things go wrong and identify their need for additional support.
- It is very valuable to be able to offer additional money to participants (e.g. to cover travel costs, CRB checks, child minding costs etc).

#### *The delivery phase*

- This phase works well if the development phase is done well.

### **Challenges in capacity building**

5.17 A number of challenges were reported by the community foundations which need to be overcome or addressed in future programmes. The biggest single one was timing and had a number of dimensions:

- front line organisations, and inexperienced small groups with limited capability to respond, need substantial lead-in time before they engage with capacity building programmes; future programmes need to allow more time to explain the benefits of participation
- if the capacity building involves some form of group working, it can take a considerable period of time for the group to gel, and that needs to be built into the programme length

- capacity building can only go at the pace of the organisations looking for support
  - the above challenges were exacerbated by an unprogrammed reduction in the timescale which created management and delivery problems for the community foundations; it arose from the delay from March to July in the funding being confirmed and transferred from Capacitybuilders to CFN.
- 5.18 It is common for programmes working directly with community groups, and seeking to bring about change, to comment that the timing has been insufficient. Frequently this comment gets lost in the need for timely and accountable operation of grant programmes. In this instance, timing is fundamental to successful capacity building. Unless sufficient time is available for working with groups, who often operate under very difficult circumstances, then sub-optimal results will be the outcome and disillusion with the process may result.
- 5.19 Apart from timing, other challenges noted by the community foundations include:
- Inviting organisations into a partnership is insufficient; an effective partner needs to have a clear role from the outset.
  - the retention of some groups on the programme can be difficult to achieve.

### **Final thoughts**

- 5.20 A key feature of the work of the community foundations is that they did not deliver a 'one size fits all' approach, instead working to understand what was required and how it could best be achieved. They worked with local organisations in a joint endeavour, and were responsive to the needs of their local areas.
- 5.21 Through their work, the community foundations have contributed to capacity building in front line organisations, in voluntary sector infrastructure, in their partners in delivery, and in themselves. In the final reflection, the following are worthy of further thought:
- all the participating community foundations believe that the need for capacity building is enormous, and that much remains to be done. It is an iterative process, with new organisations being born and old ones ending (also a legitimate area for enabling work).
  - the delivery of this programme for Capacitybuilders has demonstrated the great power and influence of the grant maker's role. There are substantial opportunities for community foundations and other grant makers to link capacity building support to the whole grant making process, using the leverage of the grant as a tool to ensure positive change. Organisations can be 'captured' at the point where they make an application. A coarse review of performance would reveal areas where they need help. Capturing organisations in this way and linking them to

help tailored to the correct stage in their development is potentially very potent.

- the links to business have been very successful and have tapped into a 'hunger' on the part of employees (many of them very senior and experienced) to undertake volunteering.
- work on the programme has created opportunities for partner organisations from the business sector to move their pro bono support from 'sticking plaster' to more fundamental work which really builds long term capacity. In so doing it has substantially increasing the satisfaction for the pro bono service provider as well as for the beneficiary organisation.
- capacity building is an area of activity where genuine partnership working across all three sectors (public, private, voluntary) is a successful approach to delivery which can be developed and expanded in the future.



## Annex 1: Evaluation themes and proposed indicators of change

Themes	Potential outcomes	Proposed indicators of change
an increase in the capacity of local community based organisations	Improved systems	As a result of involvement in Capacitybuilders, cbos have: <ul style="list-style-type: none"> <li>• strengthened financial management systems eg monitoring cash flow, financial forecasting</li> <li>• effective risk assessment systems</li> <li>• improvements to IT systems</li> <li>• improvements to HR systems eg use of standardised employment conditions</li> <li>• quality control and stakeholder satisfaction systems</li> <li>• a fit for purpose health and safety system (including child protection policies/CRB checks)</li> </ul>
	increased capacity of people	As a result of involvement in Capacitybuilders, cbo: <ul style="list-style-type: none"> <li>• staff have been able to access training</li> <li>• volunteers have been able to access training</li> <li>• staff and volunteers have gained new skills, confidence, raised morale</li> </ul>
	Improved structures	As a result of involvement in Capacitybuilders, cbos have: <ul style="list-style-type: none"> <li>• an improved authority structure in place eg greater spread of governance skills, strong financial structure at committee/board level, strong Chair</li> <li>• improved management structure eg clear authorities for management functions</li> </ul>
	moves to sustainability	As a result of involvement in Capacitybuilders, cbos are showing evidence of: <ul style="list-style-type: none"> <li>• setting up/consolidating as community enterprise</li> <li>• expanded membership base (income generating)</li> <li>• moves towards full cost recovery systems have been made</li> <li>• collaboration with others for mutual financial benefit eg joint purchasing</li> <li>• collaborations with others to broaden scope and depth of delivery and/or reduce competition</li> </ul>
an increase in awareness/ knowledge/ capability re capacity building amongst local infrastructure organisations	increase in knowledge amongst other local funders and suppliers of capacity building opportunities and learning	As a result of Capacitybuilders, local funders have <ul style="list-style-type: none"> <li>• greater knowledge of what capacity building can achieve</li> <li>• better understanding of how they can contribute to capacity building with money and/or in kind</li> </ul>
	increase in the skills and capacity building knowledge of the participating community foundations	As a result of involvement in Capacitybuilders, community foundations have: <ul style="list-style-type: none"> <li>• enhanced understanding of what works re capacity building</li> <li>• increased skills appropriate to capacity building</li> <li>• increased their understanding of self evaluation</li> <li>• understanding of self evaluation has been applied</li> </ul>
	increase in knowledge of local cbos re capacity building opportunities	As a result of Capacitybuilders: <ul style="list-style-type: none"> <li>• participating cbos understand what capacity building is</li> <li>• non-participating cbos understand what capacity building is</li> </ul>

**Annex 1 (cont) : evaluation themes and proposed indicators of change**

an increase in the effectiveness of local capacity building	increase in local collaborative working re capacity building	As a result of Capacitybuilders: <ul style="list-style-type: none"> <li>• new capacity building partnerships have been formed and are working</li> <li>• organisations offering capacity building support are co-operating rather than competing</li> <li>• capacity building organisations are sharing information</li> </ul>
	increase in financial and in-kind resources available for local capacity building	As a result of Capacitybuilders: <ul style="list-style-type: none"> <li>• match funding of Capacitybuilders grant in kind and/or monetary terms has been achieved</li> <li>• increase in no and/or size of awards is evidenced</li> <li>• there is increased knowledge of grant aid (all sources) for local capacity building work</li> <li>• more organisations are providing financial or in-kind support for local capacity building</li> </ul>
	increased understanding of how community based capacity building infrastructure can be developed/ sustained	<ul style="list-style-type: none"> <li>• all of the above</li> </ul>