



**Third Sector Investment Programme  
Financial Assistance Fund 2010 / 2011**

Information pack for Third Sector organisations

## Third Sector

'Third Sector' describes the range of organisations, which are value driven and principally reinvest their surpluses to further their social, environmental or cultural objectives. These include small local community and voluntary groups, registered charities both large and small, foundations, trusts and the growing number of social enterprises and co-operatives. Third sector organisations share common characteristics in:

- the social, environmental or cultural aims that they follow;
- their independence from government; and
- the way they invest any money they make to further those aims.

In this document, we also refer to the Third Sector, Voluntary and Community and Social Enterprises organisations.

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# Third Sector Investment Programme

## Financial Assistance Fund 2010/11

Information pack for Third Sector organisations

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# Executive summary

This document gives you information about applying to the Third Sector Investment Programme's Financial Assistance Fund 2010/11.

The Financial Assistance Fund provides support to Third Sector Organisations who deliver or support health and social care that may be experiencing significant financial hardship in 2010/11. This may be due to in-year reductions in the organisation's overall funding allocations; reduced trading income or cutbacks as a result of the recent recession and/or any other legitimate reason(s), which may have affected the financial stability of the organisation.

We are launching this fund to address the urgent financial need of some Third Sector Organisations in the current financial climate and to continue to demonstrate our commitment to working with and supporting the sector's role in improving health and wellbeing.

You should read the information carefully as there are specific eligibility rules to be aware of when applying to the Financial Assistance Fund.

The document will give you information to help you decide if the Financial Assistance Fund is suitable for your Organisation and the activity you want the funding for. It gives details of:

- the eligibility criteria
- the conditions we use when assessing applications
- the timetable.

If you need more information, you can contact us by:

- email at [thirdsectorinvestment@dh.gsi.gov.uk](mailto:thirdsectorinvestment@dh.gsi.gov.uk); or
- phone on 0113 254 5450.

# A Quick Guide

*Key points of this guide are:*

The Financial Assistance Fund will provide support to Third Sector Organisations in 2010-11 who are experiencing financial difficulties. The available funding is very limited and, to be successful, organisations will need to demonstrate clearly how they would benefit from this funding. All funding must be committed before 31<sup>st</sup> March 2011.

If you made an application to the Innovation, Excellence and Service Development Fund in 2011/12 or are in receipt of a grant from that fund, you are still eligible to apply to the Financial Assistance Fund.

Please consider the requirements carefully and make your application on the application form. *Details start on Page 7 of this document.*

You must submit your application form by **noon on Wednesday 19 January 2011 to our mailbox – [thirdsectorinvestment@dh.gsi.gov.uk](mailto:thirdsectorinvestment@dh.gsi.gov.uk).**

Applications must meet the criteria for this fund, which correspond to the Department of Health's priorities. Your application is more likely to be successful if you describe how your organisation would benefit from receiving funding from the Financial Assistance Fund in 2010-11. Please note in particular that applying organisations must clearly demonstrate that they have set out a sustainability plan or strategy for 2011-12 and beyond.

We will apply stringent assessment criteria to make the most of the limited funding that is available within this emergency fund. Your organisation can make **one** application only. *Details of the application process start on Page 12.*

**We are here to help and advise you.**

You may find it helpful to discuss your proposal with one of our experts; we can put you in touch with the most appropriate person.

*Our contact details are on Page 20 of this document.*

# Financial Assistance Fund 2010-11

We make grants under the Third Sector Investment Programme using the power under Section 64 of the Health Services and Public Health Act 1968. This gives the Secretary of State for Health the power to make grants or loans to certain voluntary organisations in England whose activities support our priorities. These organisations must meet the legal requirements of Section 64 to qualify.

## [What is this fund for?](#)

The Financial Assistance Fund provides support to third sector organisations in 2010-11 who are experiencing financial difficulties that threaten their ability to continue activities. The available funding is very limited and, to be successful, you will need to demonstrate clearly the impact that this funding will have on the organisation's ability to continue activities and other associated benefits. All funding must be committed by 31<sup>st</sup> March 2011. We cannot accept applications from organisations that will be unable to commit the funding by that date.

To be considered for a financial assistance grant award from DH, your organisation must demonstrate that the financial hardship you are experiencing will significantly affect your ability to do one or more of the following and you have no other sources of funding available:

- Contribute to the delivery of DH objectives which no other organisation could provide in the short to medium term;
- Deliver health and/or social care activity and/or support which no other organisation could provide in the short term; and that there will be a considerable knock-on effect on other front line services if the organisation ceased to exist.

You will need to identify a referee from a statutory sector partner i.e. from a PCT or Local Authority, who will support the application. We will contact referees directly as part of the assessment process.

**Reserves** – Organisations with more than six months running costs in their unrestricted reserves **will not be** eligible to apply for this fund. By 'unrestricted reserves', we mean funds that can be used for any purpose at the discretion of the organisation, as well as funds that have been 'designated' by the governing body for a specific purpose. However, we will not take into consideration restricted reserves, held by your organisation for a purpose specified by the donor or funder.

**Sustainability plan or strategy (question 1.11)**- organisations will need to have robust plans in place to address their future sustainability. These plans may include:

- reviewing and redesigning your organisation's business model to respond to changes in the ways services and support are purchased e.g. personal budgets;
- forming partnerships, consortia or merging with another organisation(s);

- reviewing the way your organisation works or services are delivered to identify efficiencies and savings e.g. plans for sharing backroom functions such as HR or Finance with other organisations;

If your sustainability plan is reliant on new funding through a local commissioning process, we will need evidence from the Commissioner that this is a realistic possibility. You will need to provide us with their contact details as we will need to discuss this with them. If you have made applications for other funding, you will need to supply us with the details of the fund(s) applied for and when you are likely to know the outcome of the application (Question 1.10).

**Track record of the organisation.** We will look at the track record of your organisation in the assessment process, including your ability to develop a longer-term sustainable business model either on your own, in partnership, consortia or merged with another organisation. Organisations that have, for example, frequently or repeatedly experienced financial crisis or persistently filed late returns to Companies House or the Charities Commission are unlikely to receive funding through the Fund.

## Is your organisation eligible to apply under Section 64?

You must meet the conditions set out in Section 64 of the Health Services and Public Health Act 1968 to be eligible to receive a grant under the financial assistance fund. You must meet the following legal requirements (which are a summary of the criteria in Section 64 and not a complete description of the law):

- Your organisation must be carrying out activities that involve:  
  
“... providing a service similar to a service provided by the National Health Service or by local authority social services, promoting, publicising or providing advice to do with providing either a national health or local authority social service or a similar service”.
- A ‘relevant service’ is defined in the 1968 Act and means, “a service which must or may, under relevant law, be provided or arranged by the Secretary of State or a number of other public authorities”. Or, it is a service a primary care trust or other health service body under Part 2 of the National Health Service Act 2006 are under a duty to make arrangements to provide.
- A ‘voluntary organisation’ is defined in the 1968 Act as:  
  
“... an organisation which carries out activities but not for profit, but does not include any public or local authority”.

As well as the legal requirements in Section 64 of the 1968 Act, the following eligibility conditions also apply if you want to apply to the fund.

- Your organisation must work in England. There are separate arrangements for Scotland, Wales and Northern Ireland.
- Your organisation should be a corporation or have a formal constitution if it is not incorporated. A corporation would have a board of trustees or directors. An unincorporated association would have a management committee.
- If your organisation has charitable aims, and you need to be registered, the organisation must be registered with the Charity Commission. See [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk) for information about charity registration. Exempt or excepted charities and those with income below a set level may not have to register.
- Your organisation must have an equal opportunities policy and a health and safety policy.

## What activities are excluded from receiving support from the Financial Assistance Fund?

- Activities which are not allowed under your organisation's aims.
- Party political activities.
- Fundraising.
- Research projects. Research is defined for this purpose as 'creative work carried out to increase knowledge'. If you are not sure if your proposed project would be included in this definition, please contact us.
- Capital projects, for example, buildings, refurbishment and transport.
- New Projects or proposals for new services

## Is your organisation eligible?

You can only submit **one** application per organisation. If you send in more than one application, we will only accept the first application received. Under the Financial Assistance Fund, we will **not** accept joint or consortium bids except where this is to facilitate the merging of two or more organisations. Your organisation will be eligible for the Financial Assistance Fund **if you meet all of the following conditions:**

- Your organisation has suffered financial hardship in the financial year 2010/11. This could be because your organisation has been unable to secure funding as in previous years. You will need to provide an income and expenditure report for the financial year 2010/11. Please see Appendix A for an Income and Expenditure 2010/11 Template;
- You can explain in detail how much funding you require and for what purpose you require the funding. This could be that your organisation is unable to pay for rent, staff salaries or for any other revenue expenditure;
- You agree that, if successful, you will not use the Financial Assistance Fund for the purpose of capital expenditure; by this, we mean, for example, office equipment or computers;
- Your organisation is at significant risk of closure due to not receiving the appropriate funding requested and the Financial Assistance Fund could help to sustain your organisation, but you have a longer term plan that is not reliant on DH funding.
- Your organisation has been unable to secure funding in this financial year which will impact upon the provision of health and/or social care front line services if your organisation could no longer provide the activity, services or support you provide;

In addition, you will need to provide the following:

- Supporting evidence that much of your income is from the Department of Health/NHS/Social Care;
- If your organisation has been unsuccessful in securing funding from other sources, you will need to provide information on what organisations you have applied to, how much you applied for, for what purpose and if awaiting a decision when you will know the outcome;
- Evidence that your organisation has in place a sustainable plan and financial strategy for 2011/12 and beyond;
- You can supply a set of your organisation's in-year accounts.

# The application process

This chapter gives guidance on the application process and timescales.

## What makes a good application?

A good application:

- is concise;
- is clearly explained;
- will focus on the key questions in the application form i.e.
  - impact on your organisation if you fail to receive any additional funding
  - impact on Health & Social Care front-line services should you no longer be able to function as an organisation
  - why you require the funding and what it will be used for
- has a realistic sustainability strategy/ plan for 2011-12 and beyond.

## How do I apply?

You will need to submit your application form by **noon on Wednesday 19 January 2011 via our mailbox – [thirdsectorinvestment@dh.gsi.gov.uk](mailto:thirdsectorinvestment@dh.gsi.gov.uk)**.

## Important Information

There is only one application form for the Financial Assistance Fund.

You should be aware that we will not be able to fund all applications that meet the criteria and preferences as the fund is limited. We will prioritise those applications from organisations at greatest risk but with clear, realistic plans for the future.

Remember that the information we use to assess applications will be what you set out on the application form though we will contact the nominated statutory body that you have identified for reference regarding your application.

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## Application Form – Questions

You can **download the application** form from our website.

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_118373](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_118373)

You should make sure that the responses you give clearly answer each question as fully as possible. Relate the responses to the detail set out in this Information Pack for the Financial Assistance Fund.

The main answer boxes have a limit of 400 words. Please use the word count facilities on your word processing package to count the words.

You must submit your application via the third sector investment mailbox by noon on **Wednesday 19 January 2011** and include all the details we need to assess your application. We will not accept applications received after the closing date.

We have fixed these deadlines to be fair to everyone applying and to make sure we can start the assessment process. Incomplete applications affect our ability to complete the assessment process as planned.

**We will begin to assess applications as soon as they are received. If you are able to submit your application before the 19 January 2011, please do so.**

We will assess applications using the conditions defined in this document e.g. eligibility and the answers provided in the application form. If we feel that the application requires input from a relevant DH Policy Expert, we will seek their advice accordingly. We will also contact the nominated statutory body for reference purposes.

We will give you feedback if your application is not successful. We provide this in a constructive way so you can review your proposals and see where we felt the strengths and weaknesses were in the application.

## What supporting information do I need to supply?

You will need to provide the following.

- For all organisations, we need:
  - a copy of your latest audited accounts;
  - a copy of your current in-year budget showing income & expenditure;
  - detailed financial projections for 2011-12, showing both confirmed and unconfirmed income sources;
  - Statutory sector organisation's contact details for reference purposes.

If you do not have electronic copies of your most recent in-year accounts but these are available on the Charity Commission website, please say this on the application form. We will check them from there. If you have electronic copies, attach them with the application form when you submit the form to us.

If you do not have electronic copies and they are not available through the Charity Commission website, you should send hard copies to:

Third Sector Grant Funding Hub  
Department of Health  
3E60 Quarry House  
Quarry Hill  
Leeds LS2 7UE.

## Giving you our decision

We send the decision letter to the address you give on your application form so please let us know if your organisation's email address or main contact name changes. We aim to send out all notices by the **beginning of February 2011**. We will keep our website updated if this planned date changes.

## Summary of conditions of the award

If you are successful, we will send you an award letter showing the full conditions of the grant. Below are some of the conditions you may want to know at this stage.

- The terms and conditions must be accepted by a board member (trustee or director) or the chair of the management committee if you are an unincorporated association.
- The grant is payable using legal powers given to the Secretary of state under Section 64 of the Health & Social Care Services Act and is therefore subject to all conditions under Section 64.
- Grants are restricted funds.
- We can make you repay the grant if you do not use it for the purposes intended.
- You cannot pass the grant to anyone else.
- We are not committed to provide any funding after the agreed term of the grant.
- You must identify the grant in your accounts as being from the Department of Health.

## Summary of monitoring requirements

We need to monitor the grants we provide. As a result, we need to see:

- an end-of-year progress report and forward plan for next year, including expected projections\ spending;
- yearly accounts to show you have identified the grant correctly and that it has had the desired effect in helping to sustain your organisation;

## Appeals

The Financial Assistance Fund is a discretionary scheme and you cannot appeal against the decisions made by Ministers.

However, we do know that, in some circumstances, you may feel that we have not followed the grant application process correctly and you may want to raise a concern. We treat these requests as complaints and apply our complaints procedure. The first stage is 'informal resolution' where our Third Sector Partnership Team would handle your complaint. If you are unhappy with their response, you can make a formal complaint to the Third Sector Investment Programme Manager. They will investigate and get back to you with their findings.

Third Sector Investment Programme Manager  
Third Sector Grant Funding Hub  
3E60 Quarry House  
Quarry Hill  
Leeds  
LS2 7UE

If you are unhappy with this response, you can take this further within our complaints procedure by writing to the Head of Customer Service.

Complaints Manager  
Customer Service Centre  
Department of Health  
Richmond House  
79 Whitehall  
London  
SW1A 2NS

This is a summary of our complaints procedure and you can find full details at <http://www.dh.gov.uk/en/ContactUs/ComplaintProcedures/index.htm>

## Freedom of Information

The Freedom of Information (FOI) Act gives you the right to see a wide range of public information. For example, you are entitled to see the documents that we used to assess an application for a grant from the Fund. All applications received are covered by the Act and copies will be provided when requested. Unless there is a good reason, we must provide the information within a month. If we decide to withhold information, we must give you the reason. You can find out more about the FOI Act and making a request for information held by the Department of Health at:

[http://www.dh.gov.uk/en/FreedomOfInformation/DH\\_116425](http://www.dh.gov.uk/en/FreedomOfInformation/DH_116425)

## Useful Publications

### **A vision for Adult Social Care**

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_121508](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_121508)

### **The Big Lottery Fund – Transition Fund**

<http://www.biglotteryfund.org.uk/transitionfund.htm?regioncode=-uk>

### **Cabinet Office**

<http://www.cabinetoffice.gov.uk/>

### **The Compact - Publications**

<http://www.thecompact.org.uk/information/100023/publications/>

### **Equity and excellence: Liberating the NHS (July 2010)**

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_117353](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_117353)

### **Funding Central**

<http://www.fundingcentral.org.uk/Default.aspx>

### **Health and Social Care Volunteering Fund**

<http://www.volunteeringfund.com/>

### **Public Health White Paper**

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_121941](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_121941)

You can download other relevant publications from

<http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/index.htm>

## DH Strategic Partners Websites

<b>Strategic Partner</b>	<b>Lead Partner</b>	<b>Website</b>
Age UK	Age UK	<a href="http://www.ageuk.org.uk/">http://www.ageuk.org.uk/</a>
FaithAction (Lifeline, Faithworks, Faith Regeneration Foundation)	FaithAction	<a href="http://www.faithaction.net/">http://www.faithaction.net/</a>
Men's Health Forum	Men's Health Forum	<a href="http://www.menshealthforum.org.uk/">http://www.menshealthforum.org.uk/</a>
National Association for Voluntary and Community Action	National Association for Voluntary and Community Action	<a href="http://www.navca.org.uk/">http://www.navca.org.uk/</a>
National Care Forum and Voluntary Organisations Disability Group	Voluntary Organisations Disability Group	<a href="http://www.vodg.org.uk/">http://www.vodg.org.uk/</a>
National Children's Bureau	National Children's Bureau	<a href="http://www.ncb.org.uk/">http://www.ncb.org.uk/</a>
National Council for Palliative Care	National Council for Palliative Care	<a href="http://www.ncpc.org.uk/">http://www.ncpc.org.uk/</a>
National Heart Forum	National Heart Forum	<a href="http://www.heartforum.org.uk/">http://www.heartforum.org.uk/</a>
Race Equality Foundation	Race Equality Foundation	<a href="http://www.raceequalityfoundation.org.uk/">http://www.raceequalityfoundation.org.uk/</a>
RADAR, National Centre for Independent Living and Shaping Our Lives National User Network	RADAR	<a href="http://www.radar.org.uk/">http://www.radar.org.uk/</a>
Regional Voices (a partnership of the nine Regional VCS Networks)	The Regional Voluntary Networks Forum	<a href="http://www.regionalvoices.net">http://www.regionalvoices.net</a>
Mental Health Providers Forum (Afiya Trust, Mental Health Foundation, Mental Health Helplines Partnership, Mind, National Survivor User Network, Rethink, Sainsbury Centre for Mental Health)	Mental Health Providers Forum	<a href="http://www.mhpf.org.uk/">http://www.mhpf.org.uk/</a>
Carers UK, Princess Royal Trust for Carers and Crossroads	Carers UK	<a href="http://www.carersuk.org/">http://www.carersuk.org/</a>
Women's Health and Equality Consortium	Platform51	<a href="http://www.platform51.org/">http://www.platform51.org/</a>

The Financial Assistance Fund 2011-12

(Platform51, Forward UK, Positively Women, Maternity Action, Women's Resource Centre, Rape Crisis)		
Royal British Legion / Combat Stress	Royal British Legion	<a href="http://www.britishlegion.org.uk/">http://www.britishlegion.org.uk/</a>
NACRO and Action for Prisoners' Families	NACRO	<a href="http://www.nacro.org.uk/">http://www.nacro.org.uk/</a>

## Timetable

W/C 20 December 2010	Publish application pack.
19 January 2011	Application round closes at noon on that day, after which no applications will be accepted.
Beginning of February 2011	Decisions announced to applicants.

## Contact us

**By email:**

[thirdsectorinvestment@dh.gsi.gov.uk](mailto:thirdsectorinvestment@dh.gsi.gov.uk)

**By phone:**

0113 254 5450

**By letter:**

Third Sector Grant Funding Hub  
Department of Health  
3E60 Quarry House  
Quarry Hill  
Leeds  
LS2 7UE