



The Tackling Race Inequalities Fund **Prospectus**



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Section 1

The Tackling Race Inequalities Fund and this Prospectus

- 1.1 This Prospectus invites applications by 27 May 2009 from eligible third sector organisations for funding from the Tackling Race Inequalities Fund (the Fund). Applicants should ensure they are eligible before applying to the Fund.

The Fund

- 1.2 On the 24 February 2009, the Secretary of State for Communities and Local Government, Hazel Blears announced a new fund for third sector organisations operating across England or one of its regions, which are working to tackle race inequalities. Financial assistance through the Fund will be available for the financial years 2009 -10 and 2010 -11.

Purpose

- 1.3 The purpose of the support is to help successful third sector organisations expand the race equality related work they already do and achieve their existing goals to a greater extent. As well as providing strategic funding, Communities and Local Government (the Department) will work with grant recipients to help them influence public policy more effectively. The Department and its Managing Agents – the Community Development Foundation (CDF)- will also work with successful applicants to build their capacity and longer term sustainability.
- 1.4 The programme supports the Government's work to tackle race inequalities and builds on the Connecting Communities Plus funding programme in developing good working relationships with the Black, Asian and Minority Ethnic third sector and improving the long term viability of the Black, Asian and Minority Ethnic third sector and the Government's race equality and community cohesion strategy – *Improving Opportunity, Strengthening Society*.

What will the Fund do?

- 1.5 Organisations will be considered for assistance if they are pursuing any of the following goals:
 - a. Promoting equality of opportunity for people from Black Asian and minority ethnic groups.
 - b. Addressing inequalities of access and reduce gaps in outcomes for people from Black Asian and minority ethnic groups in a range of public services, including education, health, housing and the criminal justice system and in employment.
 - c. Carrying out research into issues relating to race equality to increase the evidence base of the challenges facing Black Asian and minority ethnic communities and approaches to tackle them.
 - d. Increasing levels of civic participation, volunteering or representation in civic or political institutions among people from Black Asian and minority ethnic groups.
 - e. Working with local bodies promoting race equality to help them work more effectively, including supporting the victims of racially motivated crime.
 - f. Working with particularly disadvantaged people within Black Asian and minority ethnic groups, including women, young people and disabled people.
- 1.6 The Tackling Race Inequalities Fund will provide strategic funding to selected organisations recognised to be of strategic importance and whose work is considered to be significant until the end of March 2011.
- 1.7 The Department for Communities and Local Government (the Department) and CDF will also arrange regular meetings of all funded organisations with the Minister responsible for race equality and two further meetings with officials in order to strengthen working relationships between the Department and funded organisations and between the funded organisations themselves.
- 1.8 The Department also wants to encourage greater co-operation and cross-working between BAME led voluntary organisations as well as greater engagement with the Department and wider government. Funded organisations will be expected to engage actively with the Department and each other as part of their agreed work programmes.
- 1.9 The Tackling Race Inequalities Fund is part of the wider framework to tackle race inequality, the Government's wider work to address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation, religion or belief.

The rationale for the Fund

- 1.10 Communities and Local Government is responsible for race equality policy across Government. We work with other Government departments and public bodies, the Equality and Human Rights Commission and voluntary and community sector organisations who represent Black Asian and Minority Ethnic communities to achieve our aims of tackling inequalities due to race and promoting equality of opportunity for people of all ethnic groups.
- 1.11 The many voluntary and community sector organisations working with Black Asian and minority ethnic groups bring a unique expertise, perspective and ability to meet the needs of these communities that we are keen to nurture. We also want to enable these bodies to converse with Government and contribute to policy making to enable it to more effectively meet the needs of these groups.
- 1.12 We are therefore inviting bids from eligible organisations (see section 2 below) for the Tackling Race Inequalities Fund.
- 1.13 This Prospectus sets out the basis on which this Fund is to be operated by the Department and CDF. It describes the legal basis of the financial assistance and how it will be provided, the aggregate amount of financial assistance available, the institutions which are eligible to apply for the financial assistance and how they should do so and how the Secretary of State will decide the applications she receives.

Section 2

The operation of the Tackling Race Inequalities Fund

The legal basis of the Fund

The Secretary of State intends, under section 70 of the Charities Act, 2006 to give financial assistance in the form of grants to certain charitable, benevolent or philanthropic institutions who meet the eligibility criteria for this fund.

The provision of financial assistance

- 2.1 Our intention is to select approximately 15 to 20 organisations for the receipt of financial assistance through the Fund.
- 2.2 The amount of financial assistance to be given to an eligible organisation will be determined through a competitive grant process. Subject to Parliamentary approval we will provide funding of between £200,000 and £450,000 spread over two years to each successful organisation. The submission by an eligible organisation of a valid application does not give any entitlement to financial assistance.
- 2.3 Applications will initially be assessed by CDF, acting on behalf of the Department. Applications will be assessed against the published eligibility and assessment criteria (see the separate assessment strategy, available with this document). The final recommendations for grant funding will be agreed by the advisory board, membership of which will include CDF, the Race Equality and Diversity Division of the Department and at least one independent person with experience of the sector.
- 2.4 The final decision to accept an application and the amount of grant to award will be made by the Secretary of State for Communities and Local Government based on the recommendations of the advisory board and the published assessment criteria.
- 2.5 The terms and conditions on which financial assistance will be given are those set out in this Prospectus and any other terms and conditions which the Secretary of State may specify, including terms and conditions which may be set in relation to a particular application. Where appropriate and necessary this will include payment in advance of expenditure where this would achieve better value for money. It is our intention to pay grants quarterly in advance.

- 2.6 Applicants should consider their application on the basis that financial assistance to selected organisations will not commence until July 2009 and will not continue after the end of March 2011 financial year.

Aggregate amount of available financial assistance

- 2.7 Up to £6 million will be available over the two years July 2009 – March 2010 and April 2010 – March 2011.
- 2.8 If there are insufficient satisfactory applications, not all the available amount will be given to organisations.

Eligibility criteria

- 2.9 To be considered for this financial assistance an institution must be an organisation which:
- is eligible when judged against the criteria (paragraphs 2.9 and 2.10) set out in this Prospectus
 - has made an application for assistance in accordance with this Prospectus
 - has complied with all other relevant terms and conditions set by the Secretary of State.

Who is eligible?

- 2.10 Subject to the criteria in paragraph 2.10 and subject to their meeting one or more of the themes in section 3, an organisation is eligible to receive financial assistance from the Tackling Race Inequalities Fund if:
- a) it is a third sector organisation that in the opinion of the Secretary of State falls within the scope of section 70 of the Charities Act 2006 definition of being a charitable, benevolent or philanthropic institution; Where the application is made by a partnership, all the partners applying to receive grant funding must fall within the scope of section 70;
 - b) it has a mission and goals substantially related to reducing racial inequalities and harassment as demonstrated through its existing mission statement, corporate and business plans and other strategy documents.
 - c) it is able to operate across England or across one or more government office regions in England.

- d) The Department will not provide in grant in any one year, more than 50% of an organisation's annual income, taken from their latest accounts (i.e. before taking the proposed grant into account). This is to encourage grant recipients to seek a diversity of income streams and avoids questions of organisational independence
- e) it is a legal entity eg a charity, trust, friendly society, legally recognised partnership
- f) it has an Equality statement or policy.
- g) Its proposed work plan meets one or more of the themes set out in section 3 of this prospectus. This does not mean that pursuit of the theme or themes concerned must be the organisation's sole purpose, but the theme or themes should not be tangential to its activities. Organisations can apply for more than one theme within their application, although the total funding must not exceed the limit set below. Organisations can only submit one application;

Who is not eligible?

2.11 Irrespective of whether an organisation meets the criteria set out in paragraph 2.9 above, it is not eligible to receive financial assistance from the Tackling Race Inequalities Fund if it meets one or more of the following:

- a) it already receives grant funding from the Department for 2009-11, which in combination with the financial assistance from the Tackling Race Inequalities Fund, would represent more than 50% of the organisation's annual income.
- b) it undertakes largely for beneficiaries outside England the activities relating to a theme or themes by reference to which it would otherwise claim eligibility.
- c) It (or in the case of a partnership, one of the partners) intends to use, or the Secretary of State considers on the basis of the information available to her, that there is a risk that it might use, the financial assistance for which it has bid:
 - whether directly or indirectly, for activities such as: services or events where the key purpose is to promote a religious doctrine; mission or proselytism; promotion of the beliefs of a particular faith (beyond basic religious/cultural awareness raising)
 - whether directly or indirectly, to subsidise services or activities in such a way that would distort or threaten open competition in line with current European Commission rules on State Aid. For further information see the separate assessment strategy document and the application form

- d) the Secretary of State considers on the basis of the information available to her that its financial position is not sound.

Alternative funding

- 2.12 The Tackling Race Inequalities Fund is not designed to support local organisations directly. While recognising that local organisations play an important role in addressing the needs of Black, Asian and Minority Ethnic communities they are not the focus of this fund.
- 2.13 If your organisation is not eligible to apply, there are other sources of funding available at: www.governmentfunding.org.uk

Section 3

The themes

- 3.1 The purpose of the Tackling Race Inequalities Fund is to give financial assistance to eligible third sector organisations which in a variety of ways are helping to tackle racial inequalities and promote equality of opportunity for people from Black Asian and Minority Ethnic groups. Such organisations are active across the England or at one of its regions in relation to a range of themes which in various ways can contribute towards addressing inequalities across key life determinants, help people from Black, Asian and Minority Ethnic groups to achieve greater representation in public life and to support local bodies who are trying to address these issues.
- 3.2 Organisations who work to address the issues set out in paragraph 3.2 below are, we believe best able to take forward the Government’s agenda on Tackling Race Inequality.
- 3.3 We will consider funding organisations to work with the Department to:
 - a. Promote equality of opportunity for people from Black Asian and minority ethnic groups.
 - b. Address inequalities of access and reduce gaps in outcomes for people from Black Asian and minority ethnic groups in a range of public services, including education, health, housing and the criminal justice system and in employment.
 - c. Carry out research into issues relating to race equality to increase the evidence base of the challenges facing Black Asian and minority ethnic communities and approaches to tackle them.
 - d. Increase levels of civic participation, volunteering or representation in civic or political institutions among people from Black Asian and minority ethnic groups.
 - e. Work with local bodies promoting race equality to help them work more effectively, including supporting the victims of racially motivated crime.
 - f. Work with particularly disadvantaged people within Black Asian and minority ethnic groups, including women, young people and people with disabilities.

Section 4

The Application Process – how to apply and how your application will be handled

How to apply

- 4.1 We have sought to make the application process for financial assistance from the Tackling Race Inequalities Fund as simple as possible, whilst equally ensuring that decisions on any applications will be fair, transparent, and soundly based, having regard to the information supplied by the applicant.
- 4.2 An organisation wishing to receive financial assistance from the Tackling Race Inequalities Fund will need to make an application to the Secretary of State. All such applications must be received on or before 27 May 2009 and must conform to the requirements set out below in this Prospectus. It is preferable if applications, including attachments, can be sent by email to:
matthew.west@communities.gsi.gov.uk

Information required

- 4.3 The information we ask for is to ensure that we have accurate contact details, understand the nature of the organisation (for instance whether it is a charitable organisation), the level of funding sought, plus the mission and goals of the organisation applying and how these will achieve the goals set out under any of the themes set out in section 3. We also ask for information about economic activities of the organisation so we can be confident that a grant would not be an unlawful state aid.
- 4.4 Applicants will need to complete the application form set out in at Annex A which seeks to ensure we are able to understand:
 - a. Your organisation's current activities in the absence of any Tackling Race Inequalities Fund financial assistance to pursue activities in relation to the specified theme or themes.

- b. What difference receiving financial assistance from the Tackling Race Inequalities Fund would make to the scale and range of activities your organisation would undertake in relation to the specified theme or themes.
- c. The main outcomes that you will deliver with the fund and by when.

4.5 In addition, we will need to receive copies of:

- Your current strategy or business plan.
- Your latest annual report.
- Your organisation’s annual financial statements, audited if they are audited, for the last two accounting periods for which financial statements are available.
- If you are a registered charity, your charity registration number and details of when and where you were registered. If you are not a charity, information on why you consider that you have a charitable, benevolent or philanthropic nature.
This information is needed for all members of a partnership.
- Your Equality Policy or statement.
- Your formal constitution.

It will help the Department if these documents can be emailed to us at – matthew.west@communities.gsi.gov.uk – along with your completed application form.

Applicants may also provide such other information as they consider appropriate if they wish, and at any time during the selection process the Department or CDF, on behalf of the Department, may request for further information to clarify material previously submitted. Any such further information must be provided in accordance with any timetable included in the request.

- 4.6 Partnership applications will be eligible for support where the lead partner organisation meets all the eligibility criteria of the fund in its own right. Partners should also meet the requirements of Section 70 of the Charities Act 2006. Rules regarding state aid (section 2.10c) apply to all members of a partnership. Partnerships should be robust and sustainable and have in place a partnership agreement making it clear the roles and responsibilities of each organisation in the partnership and the amount of funding from this fund which will go to each partner. In addition, all partner organisations receiving grant must comply with paragraph 2.9(a) and (e) and not fall within paragraph 2.10 (b) and (c).

How your application will be handled

- 4.7 Once your application is received you will receive an email notification from CDF with a reference number within five working days. This will confirm receipt and help facilitate future correspondence. If you sent your application by email, you will be asked to print, sign and return a signatory form confirming your application.
- 4.8 Applications, once received, will be subject to a three stage assessment process which is designed to be fair and transparent. The process will be run by CDF in partnership with the Department for Communities and Local Government. For further information please see the separate assessment strategy.

Stage 0 will assess completeness of the application. In this stage the project team will log all applications and ensure they are complete. Applicants will receive an email confirmation that their application was complete and is proceeding to Stage 1. If there are any elements missing applicants will be notified and given 48 hours to provide the necessary information. **If this is not received within the deadline then the application will be rejected.**

Stage 1 will assess compliance with the requirements of the Tackling Race Inequalities Fund. This will eliminate unsuitable applications and select a long list of potential applicants. The stage essentially deals with whether the applicant is within scope of the legal requirements of the Fund, meets the minimum financial requirements, can reach across the country or region(s) and has a sufficient focus on tackling race inequalities to proceed to the next stage.

During Stage 2 the quality of the applications will be scored against the criteria. This stage will test the relative merit of the application, ability to increase impact and assess the value for money of the application.

Assessors will score each application against 4 criteria at this stage. The application will be allocated a score from 1 (Does not meet criteria at all) to 7 (outstanding) against the criteria set out in the assessment strategy. The assessors will score against criteria set out under the four areas set out below. For a fuller explanation see the assessment strategy.

- **Focus on themes of the Fund**
- **Additional impact of proposed work**
- **Value for money**
- **Focus on groups experiencing multiple disadvantage**

- 4.9 Scores will be moderated by an advisory board consisting of representatives from CDF, the Department and at least one independent person with experience of the sector. We anticipate this stage will result in a recommended list of around 20-25 organisations for the Secretary of State to consider. This list will be based on the scores received from each organisation and the need to have a wide coverage of regions, themes and communities. She will make her decision with due regard to the available information and the advisory board's recommendations. We anticipate that we will fund approximately 15–20 organisations. The total amount of funding available up to March 2011 is £6 million.
- 4.10 The Secretary of State will notify applicants of the result of her selection which we envisage being by the end of June 2009. The Department and CDF will agree work plans and monitoring arrangements with the successful organisations and issue grant funding agreements after this date. The decision of the Secretary of State is final and there is no appeal process.
- 4.11 The Department and CDF will meet quarterly with each funded organisation to discuss progress against outcomes but also to look at non-financial support that the organisation needs.
- 4.12 Subject to available resources, the financial assistance will be provided until the end of March 2011, as described in this Prospectus, subject to the organisation's satisfactory performance as judged through the agreed monitoring arrangements. If the Secretary of State were to judge that performance was not satisfactory she may require remedial action by a specified date. Should such required remedial action not be taken and the Secretary of State considers that the effective use of public funding is at risk, she may suspend or terminate the provision of the financial assistance, after giving any appropriate notice.

For any queries contact Matthew West: matthew.west@communities.gsi.gov.uk

