



Llywodraeth Cymru
Welsh Government

Third Sector Scheme



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Foreword

I am pleased to be responsible for overseeing the Welsh Government's support for, and engagement with, the voluntary, community and social enterprise movements in Wales, which we collectively recognise as a distinct "Third Sector".

This report covers the period between 1st April 2015 and 31st March 2016 during which my Cabinet colleague, Lesley Griffiths, then Minister for Communities and Tackling Poverty had oversight of the Third Sector.

Our focus in 2015-16 was on maintaining our commitment to engage with and support the Third Sector to develop policy and deliver for those we all serve – the people and communities of Wales.

It is important there is strong evidence to demonstrate what the Sector does to help us deliver our objectives.

In 2015-16 we continued to work together to:

- develop better mechanisms for constructive engagement between the Third Sector and the Welsh Government;
- target Welsh Government support to enable the Third Sector to continue to do what it has done so well previously, while encouraging the Third Sector to look at sharing resources and working collaboratively;
- and most importantly to build a legacy of voluntarism across Wales, re-emphasising the importance of volunteers to Welsh life.

I very much look forward to continuing to work closely with the Sector, to ensuring our relationship remains on a firm and positive course for the future, and to working in partnership to enrich the lives of people across all of our communities in Wales. I would also like to take this opportunity to thank all those volunteers, throughout Wales, who contribute so much to our society.



Carl Sargeant AM
Cabinet Secretary for Communities
and Children

View from the Sector

Wales Council for Voluntary Action (WCVA)

The Third Sector in Wales is a vibrant and diverse collection of registered charities, voluntary associations and community groups. As you will read further on in this Report, research by Wales Council for Voluntary Action (WCVA) suggests that there are over 30,000 voluntary organisations in Wales, with 938,000 volunteers. The sector has a value of £3.8 billion and is active in every community across Wales.

WCVA is the national organisation which connects the Welsh Third Sector, provides support to enable organisations to meet their objectives and influences decision makers across public and private sectors as well as individual citizens at a national level. County Voluntary Councils (CVCs) provide local support and advice

to enable the sector to thrive and contribute to an active civil society.

Welsh Government provides valuable funding to enable CVCs and WCVA to work together, operating as Third Sector Support Wales.

One particular focus of this funding is to encourage engagement through the Third Sector Scheme. This scheme sets out the important partnership principles and processes for the sector to jointly consider and discuss strategic matters with Welsh Government. Regular meetings are held with Welsh Ministers and work is progressed to ensure that the value added by 3rd sector experience, based on the evidence of people in communities across the country, is considered.

Changing landscape

This year has seen a number of changes in the social and economic landscape.

The Third Sector has seen a decline in public trust in charities and knows that it has a job of work to do to rebuild that trust. The importance of good governance cannot be overstated both in terms of members of the public donating funds and volunteering their time as well as the trust of public funders.

Fundamentally, the sector is seeing increased demand and challenges around resources which require us to continually review and evaluate our work to ensure our focus is clear and relevant. Making sure our experience is communicated to Welsh Government is key to our role in influencing and informing.

We welcome the Welsh Government's continued commitment to the principle of the independence of the sector and the importance of the voice of the sector in informing good policy.

Looking forward to 2016-17

One thing is for certain, operating in the same way will not be an option in the future. There are a number of significant developments ahead which will impact on the Third Sector including the coming into force of legislation focused on the future wellbeing of people and communities. Change is a way of being for the Third Sector. We pride ourselves at being innovative, aware of needs and able to meet them in an inclusive and responsive manner.

There is a maturing relationship between the sector and Welsh Government, it is based on trust and needs to take advantage of opportunities to try new approaches to tackle issues deemed "too difficult to deal with". The sector supports individuals, works in communities and is able to provide evidence and data about what works in public policy terms across all Government portfolios.

We will not always agree and do not seek to create a relationship that is seen as "cosy" but one where challenge, by both partners, is a sign of health in an open, transparent society.

The importance of devolution in establishing the frameworks set out in this report should not be underestimated. We should not take for granted the importance of these frameworks while continuing to learn and improve to build an effective partnership between public and Third Sectors.

A strong and consistent dialogue with the Welsh Government is really important and the Third Sector Scheme provides a positive foundation to build on.



Peter Davies CBE
Chair



Ruth Marks MBE
Chief Executive

Case Study

Enabling Better Play for Children – Conwy Voluntary Services Council – Developing and Delivering Play Boxes



Children have taken the opportunity to decorate the Play Box



Local children at play

In partnership with Wrexham County Borough Council's Play Development Team, Conwy Voluntary Services Council (CVSC) created a new project called **Play Boxes**. www.cvsc.org.uk/en/cvsc-play-development/

Play Boxes are large containers put into a community and filled with safe resources for children to play with. The boxes are opened and cleared away by volunteers.

Development Team approached the community and attended meetings to introduce the idea, and then CVSC worked with Cartrefi Conwy Housing Association to fix the box in place on their land.

Over the summer holidays, CVSC supported parents in opening the box and using the resources, and now have six volunteers who are willing to be 'keyholders' to the box. Accredited training is being delivered to the volunteers and other interested community members, and further project support has

come from Business Supporting Communities who have offered advice from solicitors and insurers on the liability of the box and its contents.

The children are able to use the materials as they choose, enabling them to explore their potential regardless of age, race, gender or physical or mental ability. The box has encouraged local children to 'play out' more often and for longer.

CVSC have also held discussions with the council about reproducing this pilot, which would in turn address priorities associated with improving people's perceptions of playing children and helping parents feel more confident about allowing their children out to play. The Play Boxes scheme also contributes to Welsh Government's Statutory Duty for Local Authorities to provide sufficient play opportunities.

How the Welsh Government Works with the Third Sector

Relationships, Engagement and the Third Sector Scheme

What is the Third Sector?

Because of the sector's diversity, a precise definition is hard to pin down. The Third Sector spans virtually every facet of human interest. It includes community organisations, self-help groups, voluntary organisations, charities, faith-based organisations, social enterprises, community businesses, housing associations, co-operatives and mutual organisations to name a few.

They display a range of institutional forms, including registered and unregistered charities, Companies Limited by Guarantee (which may also be Registered Charities), Community Interest Companies, Industrial and Provident Societies and unincorporated associations. Each organisation has its own aims, distinctive culture, set of values and way of doing things, but they all share some important characteristics in common, being:

- independent, non-governmental bodies; established voluntarily by citizens who choose to organise;
- 'value-driven' and motivated by the desire to further social, cultural or environmental objectives, rather than simply to make a profit; and
- committed to reinvesting their surpluses to further their social, cultural or environmental objectives.

We remain convinced of the case for viewing bodies with these characteristics as a distinctive "sector" – one which makes a huge contribution to the social, economic, cultural and environmental well being of Wales.

The Welsh Government is committed to recognising and promoting the Third Sector. We value its contribution to the long-term economic, social and environmental wellbeing of Wales, and its people and communities.

Our continuing relationship rests upon integrity, trust and mutual respect. We do not operate a culture where we expect the Sector to agree with us all of the time and we welcome constructive challenge. We recognise Third Sector organisations are independent bodies who determine their own priorities and manage their own affairs. The Third Sector has an obligation to represent the interests of its constituents first and foremost. They must operate within the principles upon which they are founded. They are accountable to their members and the individuals and communities with whom they work, and to regulatory bodies such as the Charity Commission for England and Wales.

The Welsh Government is committed to maturing this crucial relationship which has developed over a long period, for the benefit of people and communities in Wales.

Welsh Ministers have given a continuing commitment to meet with Third Sector representatives on specific concerns or topics of mutual interest. These meetings will also take account of the work of the Third Sector Partnership Council (TSPC) which you can read more about further on in this report.

The Third Sector Scheme

The Welsh Government's Third Sector Scheme, published in January 2014, sets the framework for how the Welsh Government works with the Third Sector. It covers arrangements for consultation, working in partnership with the Sector and also funding.

The Welsh Government's Code of Practice for Funding the Third Sector (discussed further in Chapter 5 of this report) annexed to the Third Sector Scheme sets out the processes for allocating funding to the Third Sector in Wales and the commitment the Welsh Government expects from the Sector in return for its funding.

www.gov.wales/docs/dsjlg/publications/comm/140130-third-sector-scheme-en.pdf

What is in the Scheme?

The Third Sector Scheme is designed to deliver a partnership intended to help us to develop and support processes which will ultimately lead to:

- **Stronger, more resilient, communities** – the way most people make a voluntary contribution to the vibrancy and regeneration of their communities, provide care and help build people's confidence and skills; and the opportunities the Third Sector creates for employment and local enterprise;
- **Better policy** – the knowledge and expertise the Third Sector offers through its front-line experience to help shape policies, procedures and services;
- **Better public services** – the innovative and transforming role the Third Sector can play in making public services reach more people and become more sensitive to their needs.

The Third Sector Scheme sets out how the relationship between Welsh Government (and its delivery agencies) and the Third Sector will work in terms of:

- The sharing of views and information, through early identification and consultation processes, on the impact on the Third Sector of policy and future implementation and the contribution the Third Sector can make;
- Joint planning, design, monitoring and evaluation of programmes and schemes where there is Third Sector involvement;
- Funding across a wide variety of policy areas, directly and indirectly; and
- A shared interest in the way wider public services interact with the Third Sector.

The Scheme also takes account of the cross cutting themes of Tackling Poverty, Sustainable Development, Equalities and the Welsh Language.

How do we talk to each other?

The Welsh Government and the Third Sector maintain various channels of communication and engagement with each other:

The Third Sector Partnership Council

The Third Sector Partnership Council (TSPC) comprises representatives of 25 identified categories in the Third Sector and three representatives of the Wales Council for Voluntary Action. It provides a valuable forum for discussion of strategic and cross-cutting issues.

During 2015-16, the TSPC discussed a range of items of interest between the Welsh Government and the Third Sector. During the period of this report discussions included:

- Third Sector's role in Preventative Action.
- Mechanisms for engagement.
- Reforming Local Government: Power to Local People White Paper.

Ministerial Meetings with the Third Sector

The cycle of meetings between each Welsh Minister and representatives of Third Sector networks relevant to their portfolios has continued to provide the basis for dialogue. Topics covered in 2015-16 included:

- Tackling Poverty and the Well-being of Future Generations Act;
- Financial Inclusion; and
- Welsh Government's Equality Objectives.

Records of these meetings can be found on the Welsh Government website:
www.gov.wales/topics/people-and-communities/voluntarysector/ministers/?lang=en

Case Study

FareShare Cymru



Food Preparation at FareShare

FareShare Cymru (www.fareshare.cymru/) received in £50,000 in core funding in 2015-16 from the Welsh Government.

FareShare has been operating since 2004 as an independent charity to tackle two urgent issues – food poverty and food waste. They divert the edible food currently treated as waste by food manufacturers and retailers and distribute it to disadvantaged people across Wales.

They take edible surplus food that would otherwise be wasted, because it no longer has a commercial outlet – all the food taken is “in date” and is still safe to eat. They then redistribute the food to local organisations, dividing it into useful amounts for the organisations they work with and redistribute it to them.

FareShare Cymru sourced 580 tonnes of good quality surplus food (that would have been wasted) from the food industry and redistributed 540 tonnes to Community Food Members.

This food contributed towards over 1.28 million meals for vulnerable people in South Wales, provided through FareShare Community Food Members. At the end of March 2016, FareShare were delivering food to 46 organisations in Cardiff, Newport, Rhondda Cynon Taf, Merthyr Tydfil, Caerphilly, Torfaen and Bridgend with a further 55 Community Food Associates benefiting from the FareShare FoodCloud initiative across Pembrokeshire, Carmarthenshire and Swansea.

FareShare's work would have been impossible without the dedicated volunteers who gave their time to help. The total hours contributed by volunteers was over 12,286 hours. 31 training courses were undertaken by volunteers at the depot resulting in 22 qualifications including Food Safety Level 2, Emergency First Aid and Forklift Licenses. Additionally, during 2015-16 ten regular volunteers moved on to paid employment.

Some examples of comments received regarding support provided by FareShare Cymru to Moorland Road Community Centre, Cardiff:

"FareShare has been invaluable to our daily luncheon club at Moorland Road. They have helped not only financially but have also enabled us to feed isolated people in our community. The quality of the produce we receive is fantastic!"

"FareShare has been a godsend and has made such a huge impact on so many lives."

"It's so good to see that additional food is not going to waste, but more importantly going to people that actually need it."



Moorland Road Community Centre, Cardiff – Luncheon Club

Case Study

StreetGames



StreetGames participants with their awards



Children enjoying a StreetGames Pop Up Club

StreetGames is a charity launched in 2007 which takes sport to the doorstep of disadvantaged communities. It advocates sport as an instrument of social change in disadvantaged communities and helps disadvantaged young people to become the best they can be through taking part in and leading sports initiatives.

StreetGames currently works with 45 of the 52 Communities First Clusters, engaging young people in sports activities and supporting a network of projects which give sports and volunteering opportunities to young people. The delivery method, "Doorstep sport" brings sport close to the home with the aim of it becoming a sustainable part of the fabric of the community. Projects involve:

- Identification of a suitable local facility,
- Identification of local sports coaches who act as role models,
- Youth workers and volunteers receiving training in doorstep sport delivery,
- Local young volunteers delivering sessions,
- Developing and increasing participation from target groups existing activities/ sessions.

At the end of 2015-16, StreetGames reported 38,045 participants through the Doorstep Sports project and 1,382 participants through the Young Volunteer project.

How and why the Welsh Government Supports Volunteers

The Welsh Government regards volunteering time and expertise to support others (free of charge to the person or community or group, without financial benefit to the volunteer) as an essential characteristic of good citizenship.

Volunteers continue to make an enormous difference to people and communities all over Wales, benefitting almost every aspect of everyday life and enhancing the delivery of many public services and Government initiatives.

Volunteering is ultimately about helping others and having an impact on people's wellbeing. Volunteers often get as much out of the experience as the individuals and communities they help.

Wales Council for Voluntary Action's Third Sector Statistical Resource for 2016 www.wcva.org.uk/about-us/news/2016/08/third-sector-statistical-resource-2016 indicates there are around 938,000 persons engaged in voluntary activity across Wales. With a population of just over 3 million, Wales' tradition of supporting others continues to be maintained.

The Welsh Government recognises the value and impact volunteering has on the lives of people across communities and has provided significant funding to ensure there are avenues of support for those wishing to do what they can for others.

We are also mindful of the very real benefits to individuals volunteering can bring, a few of which are set out below:

- **Volunteering can give a sense of purpose – something to do which benefits both the person volunteering and the person/cause they are helping**

Having "nothing to do" can have a very negative impact on a person's self esteem or their sense of self-worth. While it can be challenging, with obstacles to overcome, the journey to achieving positive results can in and of itself be beneficial.

At the other end of the scale, there is nothing better than a helping hand. Volunteers have the power to make life better for all of us.

- **Volunteering can provide career experience**

Getting and keeping a job is the very best way to improve the quality of individuals' lives. For those seeking employment opportunities, volunteering offers the chance to try out a new career without making a long-term commitment. It offers an opportunity to gain experience in a new field, and to learn new skills. Many volunteering opportunities provide extensive training. Having increased experience and desirable skills strongly enhances applicants' chances in a competitive job market.

- **Volunteering can advance your career**

For the already employed, volunteering can help to develop experience in an area of interest and meet people in the same field. Volunteering provides an opportunity to practice important skills used in the workplace, such as teamwork, communication, problem solving, project planning, task management, and organisation.

How does the Welsh Government support volunteering?

The Welsh Government allocates “core” funding to minimise any administration costs and improve efficiency to support what we commonly describe as the Third Sector Support Wales or the “Infrastructure” (explained further in Chapter 5) for the Third Sector in Wales.

We have developed, with the Wales Council for Voluntary Action, County Voluntary Councils and Volunteer Centres, an agreement which sets out what the Welsh Government expects its partners in the Third Sector to do for the “core” funding provide.

It details a wide range of objectives designed to ensure persons or organisations wishing to make use of advice, support and guidance across Wales receive a uniform and high-quality service.

There is a Volunteer Centre in each local authority area in Wales. All are Third Sector organisations and in most cases they are part of the respective CVC. All the Volunteer Centres in Wales work to a common standard of service within the framework provided by the overall Partnership Agreement.

Within the period of this Report, Welsh Government continued to support two distinct Volunteering Programmes – both administered on our behalf by the Wales Council for Voluntary Action – Volunteering in Wales Fund and GwirVol.

The aim of the Volunteering in Wales Fund (VWF) was to:

- Support formal volunteering projects which aim to recruit, support, train and place new volunteers;
- Encourage good practice in volunteering; and
- Support the development of volunteering in under-developed areas such as underrepresented groups, areas with less opportunities or types of volunteering opportunities.

Grants of up to £25,000 were available through this fund towards the costs of a volunteer coordinator, volunteer training and travelling expenses and some capital items.

GwirVol supported young people to get involved in volunteering in a number of ways, including via Youth Volunteering Advisers based in the Volunteer Centres around Wales. YVAs offered advice and information about how to become a volunteer. They enabled young people to talk to about what they wanted to do and what they wanted to get from their experience.

YVAs were also local delivery partners for the Welsh Government Millennium Volunteers (MV) Award celebrating 50, 100 and 200 hours of voluntary service.

During the period of this report work commenced to examine the potential for simplifying Welsh Government support for volunteering and to provide a seamless service for current and potential volunteers.

The new Volunteering Wales programme will come on stream in 2016-17 and further details will be included in the Annual Report of 2016-17.

Welsh Government also provided funding to support our key Third Sector partners to deliver this service through our Welsh Government Third Sector Infrastructure Fund. Allocations for 2015-16 are set out below:

Allocations	
County Voluntary and Volunteering Centre Core Funding	£4,042,398
Wales Council for Voluntary Action Core Funding	£873,459
Volunteering in Wales Fund	£935,802
GwirVol	£539,694
Partnership Capacity Fund – grants to TSPC networks	£97,273
TOTAL	£6,488,626

Grants to County Voluntary Councils Allocations

Area	
Bridgend	£167,171
Neath Port Talbot	£169,532
Swansea	£217,394
Gwent	£600,303
Torfaen	£168,122
Conwy	£170,427
Denbighshire	£169,634
Flintshire	£174,953
Gwynedd	£222,521
Isle of Anglesey	£166,059
Wrexham	£170,376
Cardiff CVC	£145,475
Cardiff VC	£63,988
Vale of Glamorgan CVC	£108,917
Vale of Glamorgan VC	£77,058
Merthyr Tydfil	£165,146
Rhondda Cynon Taff	£206,695
Carmarthenshire	£189,250
Ceredigion	£169,578
Pembrokeshire	£169,378
Powys	£350,421
TOTAL	£4,042,398

This is not the only funding provided to Third Sector organisations across Wales. The Welsh Government provides support, core funding and project funding to many other Third Sector organisations.

In many cases these funds relate to specialist areas of work and the funding is agreed by the appropriate Welsh Government Minister. Further summary information about this wider funding is provided in Chapter 6.

Case Study

Supporting Diversity in our Communities – Rainbow Biz



Diversity Festival, Deeside

Rainbow Biz (www.rainbowbiz.org.uk/) – set up in 2015 by life partners Sue and Sarah in Flintshire is a social enterprise supporting individuals from underrepresented groups and impoverished backgrounds, with the aim of promoting equality and diversity within the local community.

Rainbow Biz organised its first Diversity Festival in Deeside in April 2016, which was highly successful, and are planning its second event.

Events are staffed by volunteers from the local community, including socially isolated and vulnerable individuals, providing valuable employability skills and work experience, whilst also empowering and inspiring them to engage with and to contribute to their community.

Business Wales support has helped develop the business.

“Business Wales provided us with the opportunity to engage with an experienced business adviser, who helped us overcome a number of issues and who provided invaluable advice on the direction of our organisation. The adviser worked very closely with us to help us secure National Lottery funding for our events and to ensure constant cash flow.”

“Our Business Wales adviser was always there for us, even on a short notice, and we are extremely grateful as they helped us with all integral aspects of our business and pointed us in the right directions when we need further support.”

Supporting the Third Sector

The Role of Infrastructure Organisations Enabling the Third Sector to Flourish and Deliver

The Third Sector infrastructure: empowering organisations to make a positive impact all over Wales

The Third Sector in Wales is engaged in a huge array of activities in the areas of climate change, tackling poverty, public services, community transport, health and social care and more.

It depends upon and thrives upon active citizens becoming involved in these activities. Welsh Government, through the Third Sector Scheme and the Infrastructure Partnership

Agreement via Third Sector Support Wales (TSSW), supports a Third Sector Infrastructure which represents, promotes, supports and is accountable to the Third Sector at all levels.

The Infrastructure, primarily comprised of Wales Council for Voluntary Action (WCVA), County Voluntary Councils (CVCs) and Volunteer Centres (VCs) promotes and support volunteers and volunteering at local, regional and national levels. It also supports sector organisations and volunteers to create positive change in their communities, as well as helping organisations monitor their impact and outcomes.

Key statistics

During 2015-16

- 8,168 opportunities were posted on the Welsh Government funded website, www.volunteering-wales.net, attracting over 197,000 visitor sessions;
- Over 865,000 information sheets on running and managing organisations were downloaded from infrastructure websites, including a new set of three sheets on volunteering;
- 3,802 enquiries on good practice in managing volunteers were received and responded to;
- 6,785 trustee enquiries were received and responded to;
- 9,994 funding advice enquiries were received and responded to with over £35.5 million of funding obtained by groups advised;
- 773 training courses were arranged, attracted 7,298 participants;
- Over £9.6 million of funding was provided through a range of grant/loan schemes.

Volunteering

www.volunteering-wales.net is a website for people hunting for volunteering opportunities across Wales. It is funded by Welsh Government and managed by WCVA, who work with Volunteer Centres and volunteer-involving organisations.

Volunteer Centres provide advice and guidance to volunteers through the website, face-to-face, by telephone, email and social media. They, along with volunteer-involving organisations, offer training in both personal and professional development, with volunteers receiving certificates and qualifications.

Welsh Government supported the Volunteering in Wales Fund in 2015-16, with 3,729 volunteers putting in 483,955 hours of volunteering work.

Welsh Government launched its Volunteering Policy, titled *Supporting Communities, Changing Lives*, at WCVA's stand at the National Eisteddfod in August 2015 following engagement with the Third Sector through the Third Sector Partnership Council.

Informing and guiding the sector

The Third Sector infrastructure provides information and guidance to volunteers and organisations on a range of topics including funding, governance, volunteer management, recruitment, setting up an organisation and more.

WCVA also provides a national Helpdesk service, which provides assistance to the enquirer or signposts them to others for further help: (0800) 2888329.

Training and employment

The Third Sector offers a wide variety of training and mentoring programmes to allow participants to learn new skills and knowledge. CVCs work with other regional and national organisations to offer a range of specialised courses looking at, for example,

project management, discrimination awareness, first aid and minute-taking. They also host sessions in community centres and libraries looking to help people, for instance, use social media or the internet.

WCVA offers practical workplace skills to those working or volunteering for Third Sector organisations. This can be via traditional courses, or seminars, "webinars" and online learning in its Learning Zone, looking at topics such as giving presentations, measuring impact and safeguarding.

www.learningzone.wales/

Effective trustees and good governance

Trustees provide leadership, clarity and accountability across the Third Sector. Both the Welsh Government, and the Third Sector Support Wales, are committed to ensuring trustees receive all the support necessary to be effective in their roles.

They can access this support in a variety of ways, from training to seminars and workshops, as well as updates from websites, e-bulletins, newsletters and social media. WCVA also hosted its Charity Law Conference in March 2016, focusing on legal and regulatory developments, plus an Employment Law update.

Funding opportunities and advice

Third Sector Support Wales helps organisations secure funding to achieve their goals, whether their goals are to secure grants, procured contracts or loan finance.

Support and guidance for the sector includes funding searches; practical assistance with funding applications; diversification of income; fundraising; business planning; financial management; tendering; trading; and joint working.

WCVA's Better Bids service offers advice to organisations as they develop their funding applications to the Big Lottery Fund's People and Places programme and others.

Some examples:

- The Friends of Ceredigion Museum sought the help of WCVA's Catalyst Cymru project to help them prepare a fundraising strategy, identify potential funders to apply to, and review funding applications.
- Social Investment Cymru invested money into Vi-Ability to enable them to create Football CEO, a mobile game exploring the impact of running a football club as a business, and the importance of a club to its community. Profits went back into Vi-Ability to fund places on their training programmes.
- The Ethnic Youth Support Team (EYST) received grants from the Volunteering in Wales Fund and the GwirVol Youth Volunteering Fund to recruit 83 volunteers, who contributed 4,216 hours of volunteering up to the end of the third quarter of 2015-16.

Policy: giving the sector a voice

Third Sector Support Wales works to ensure the Third Sector can contribute to policy at all levels of decision-making.

At national level, this voice is facilitated through strategic planning groups and supporting networks and forums, while information on relevant consultations is promoted through a range of infrastructure communication channels.

WCVA responds to these consultations and other reviews, feeding back thoughts from the sector. Consultations responded to in 2015-16 included those on Landfill Disposals Tax, the Draft Wales Bill, and the Draft Budget proposals for 2016-17.

CVCs are involved in key public sector partnerships in their areas, and work to ensure the sector has an input into emerging regional partnerships. Third Sector Support Wales held consultation events on the draft indicators for the Wellbeing of Future Generations (Wales) Act, with input from these events feeding into WCVA's response.

Tackling poverty and improving economic activity

WCVA held a national event, *Europe Matters To Wales: Tackling poverty and social exclusion*, providing information about EU funding opportunities to tackle poverty and to take stock of the Wales Anti-Poverty Strategy. The event was addressed by the then Minister for Communities and Tackling Poverty.

The Minister also met with the Third Sector Partnership Council to discuss preventative action around poverty. CVCs responded to the consultation on the Child Poverty Strategy for Wales.

The Active Inclusion Fund is supported by European Structural Funds and managed by WCVA, and aims to improve the employability of those further from the labour market. Over £3.5 million was awarded in 2015-16 to help organisations offer training and experience to those out of work.

145 organisations applied for funding, 88% of which were from the Third Sector. Participants in the Active Inclusion programme have found work in occupations as wide ranging as farming, childcare and bee-keeping.

CVC and VCs are also working with the unemployed to help them back into work – for instance, Bridgend Volunteer Centre supported 19 people into volunteering, from which five found employment, while Neath Port Talbot CVC (NPTCVS) works with Work Programme returners to offer motivational talks on the benefits of volunteering and accredited training courses on emergency first aid and financial awareness.

Case Study

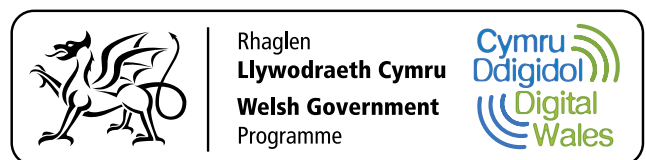
Digital Inclusion and the role in the Third Sector



A Digital volunteer shares internet experience

Our Welsh Government Digital Inclusion programme Digital Communities Wales (DCW) provides support to Third Sector organisations (as well as public and private organisations) which work with those individuals most likely to be digitally excluded to help them improve their lives.

The programme supports organisations that are well placed to help people make the most of digital technologies, by assisting them to engage with clients; use volunteers; and provide training to front line staff. Improving a person's digital skills can transform their life chances, improve learning and employment outcomes, or reduce feelings of isolation and loneliness by staying in touch with friends or family.



Enabling Access – Mental Health Matters Wales

Based in Bridgend, Mental Health Matters Wales (www.mhmbcb.com/) is an independent non-profit, non-political charity which works with people who have a mental health related issues, other voluntary organisations and statutory services, to promote mental

well-being and to ensure there is a comprehensive range of mental health services in Wales. They received a loan of kit from the Digital Communities Wales programme to help engage and pass on digital skills needed by their members and customers.



Digital volunteer shares internet experience

"We try to encourage our service users to use our laptops and iPads. We help them get online and find out more information and become more familiar with the equipment. With the kit we received from Digital Communities Wales, our service users go online and use it for shopping, general searching, registering for courses, NHS information and dealing with referrals to other agencies.

One of our service users, enrolled onto a course with a local college, uses the kit to do his coursework on. We reach 500 service users and I'd say about 80% wouldn't usually have access to digital technology if it wasn't for the kit we've got from Digital Communities Wales. When they come in to use it, some of the service users are visibly excited."

**Ceri Bosley, Community Services Worker,
Mental Health Matters Wales**

Case Study

Financial Inclusion Champions Project



Money Advice session



Accessing Money Made Clear website

Welsh Government currently funds the Wales Co-operative Centre to deliver the Financial Inclusion Champions Initiative. This initiative has been operational since April 2011 and is currently funded until 31 March 2017. The funding supports the Welsh Government's objectives to tackle poverty and financial exclusion in Wales.

The broad aims of this work are to provide a resource to deliver both strategic activity as well as support, on a regional basis, in the promotion and development of solutions to address poverty and social issues through financial inclusion and money management. Welsh Government funds one full time post and one part-time worker

The £75,000 funding provided by the Welsh Government helps build capacity and raise awareness across the Public and Third Sector of issues that contribute to financial exclusion in Wales, and how these issues can be tackled.

The initiative has developed and is maintaining the www.moneymadeclear.wales/ website. The website provides people with access to unbiased information and advice services, to help them make informed decisions about financial services available to them.

The www.moneymadeclear.wales/ website demonstrates how digital technology can help key staff working to tackle financial exclusion better co-ordinate their activities and share notable practice using the practitioner's portal facility. For example, the site is being used for people to access the Discretionary Assistance Fund but individuals can also look at different aspects of budget management.

Welsh Government Funding and Support for Third Sector Organisations – 2015-16

As referred to earlier in this Report, the Welsh Government has worked with the Third Sector to review and revise its Code of Practice for Funding the Third Sector.

Below are explanatory notes on the types of funding the Welsh Government uses to support Third Sector organisations.

Grant in Aid or “Grant”

Welsh Government has four types of grant funding:

- Strategic core funding of national organisations;
- Specific project funding at a national level;
- Support to partnerships or national (all Wales) intermediary bodies in order for them to support specific projects at a local level;
- Start up funding for national organisations or networks or, through intermediaries, for local organisations.

Core Funding

The Welsh Government Code of Practice for Funding the Third Sector defines Core Funding as below:

“Core funding is not easy to define as there are many variations as to what constitutes core funding depending on the context, such as the size or nature of an organisation. Generally, core funding is for financing a Third Sector organisation to carry out activities which the Third Sector organisation chooses within broad parameters agreed with a public body.

Core funding is used when there is a high level of trust between the public body and the Third Sector Organisation.

Under core funding, the management relationship between the Third Sector organisation and the public body is deliberately arm’s length. Typically, the public body gives a steer on its priorities once a year. In a core funding relationship, monitoring and evaluation of the Third Sector organisation by the public body should be light touch and accountability arrangements should emphasise the accountability of the trustees (or equivalent).

In general terms, core funding allows the funded body to conduct their key activities as defined by their governing document. Core funding is usually provided for a given period (up to 3 years) but awarded on an on-going basis. Although funding agreements are unlikely to be longer than three years, there is commitment to maximise the period of funding wherever possible, to minimise any administration costs and improve efficiency of the funding.”

Project Funding

In the context of grant funding, project funding refers to monies paid towards achieving outcomes as a result of an individual project within a grant funding programme. Project funding can be used for revenue costs e.g. salaries and day to day running costs, and/or capital costs e.g. costs associated with the development or purchase of capital items such as buildings.

Funding for project activities is time limited. Where a distinct project is time limited (often less than 12 months) and outside the cycle of a financial year, three months notice of funding prior to project commencement may not always be realistic or desirable.

Procurement

Procurement is the acquisition of goods and services from third party suppliers under legally binding contractual terms, where all the conditions necessary to form a legally binding contract have been met. Such contracts benefit the contracting authority and are necessary for the running of its business or its statutory duty.

Information on available contracts can be found on the Welsh Government's Sell2Wales website: www.sell2wales.co.uk

What's in the Code?

The Welsh Government's **Code of Practice for Funding the Third Sector** (the Code) governs how the Welsh Government and its agents should approach funding of the Sector.

The Code sets out the types of funding the Welsh Government provides, the principles upon which funding decisions should be based, and the terms and arrangements under which funding should be offered.

Welsh Government Sponsored Bodies and Local Authorities are encouraged to develop their own codes of practice on funding the Sector.

NOTE: As stated earlier in this report the Welsh Government has developed a revised Code which was published in January 2014.

www.gov.wales/docs/dsjlg/publications/comm/140130-third-sector-scheme-en.pdf

How does the Welsh Government monitor adherence to its Code?

Since 2011, Welsh Government's Grants Centre of Excellence has strengthened the management of funding across all departments and helped to ensure compliance with the Code of Practice for Funding the Third Sector.

This work has included:

- Streamlined grants management processes agreed by key stakeholders supported by minimum standards, guidance, training and the Grants Centre of Excellence;
- A grants and funding guidance portal to provide consistent guidance;
- A standard grant award letter which requires grants to be outcome focused and a 'payments in advance' template;
- Improved due diligence processes to enable monitoring of governance, financial management and policies in receiving organisations;
- Increased due diligence processes to enable monitoring of external bodies and their performance;
- Work across all departments to identify and share good practice.

Annual Reports

An Annual Report on Grants Management is provided to the National Assembly for Wales Public Accounts Committee. In addition, a further report on compliance with the Code of Practice for Funding the Third Sector is prepared for the consideration of the Third Sector Partnership Council Sub-Committee on Funding and Compliance. This report summarises any issues which have arisen during the year and, in particular, identifies any systemic issues relating to the Code.

The Sub-Committee reports to the full Third Sector Partnership Council, which in turn can raise any relevant issues with the Welsh Minister Responsible (Cabinet Secretary for Communities and Children at the time of publishing this Report) who chairs the Council.

How much did the Welsh Government spend on the Third Sector in 2015-16?

We have continued to enhance and improve the data gathering process and systems which support and provide the data used to calculate the spending shown below.

In 2015-16 the Welsh Government spent £289.4 million on direct funding of the Third Sector.

This does not include indirect payments made to Third Sector organisations where the Welsh Government has provided funding to another organisation, for example a Local Authority, which may have subsequently funded Third Sector organisations.

As mentioned earlier in this report, the Welsh Government has published a separate report into Grant Management. The figures in that document are different to the figures in this document. Part of the reason for this is that this report covers grant and procurement expenditure and not just grant expenditure.

The reported grant funding to the Third Sector in the 2015 Welsh Government Report on Grant Management reflects a range of circumstances across many Welsh Government Departments. The overall economic situation and the reduction in UK Government funding for Wales have inevitably impacted on funding across all sectors.

Overall funding figures for the Third Sector, inclusive of procurement, have indicated reported reductions in grant funding have been somewhat ameliorated where funding has been provided via procurement contracts.

The Third Sector was successful in attracting £41.37 million in 2015-16 in procurement expenditure. Since 2012-13 the Third Sector has secured over £223 million in direct Welsh Government procurement expenditure.

Case Study

Community Social Enterprise – Cambrian Aquatics/Connah's Quay Swimming Pool



Connah's Quay Swimming Pool



Cambrian Aquatics' Connah's Quay Swimming Pool

Connah's Quay Swimming Pool is a long-standing aquatics facility within the Flintshire area and has been valued by the local community for a number of generations. In a bid to ensure the long-term financial viability and operation of the pool, in the face of pressures on public body budgets, Flintshire County Council invited the local community to take over the running of the facility as part of a Community Asset Transfer. It was hoped this would avoid the need for closing the pool or reducing opening hours across the county's leisure facilities.

The community group Cambrian Aquatics worked with the Council, Swim Wales, Sport Wales and Social Business Wales to complete the asset transfer in May 2016.

Since completing the takeover, Cambrian has extended the pool's offering with new disabled and high performance swimming programmes and are on track to become the flagship 'learn to swim' organisation in the area. Cambrian work closely with 12 primary schools, Coleg Cambria, the Royal Lifesaving Society and Swim Wales to deliver education, apprenticeships and training opportunities on a national level. Residents can participate in over 60 water-based sports at the pool, from swimming and snorkeling to water polo and kayaking.

27 new jobs were created after the takeover, and through a mix of apprenticeships and staff training, Cambrian is aiming to provide a real pathway for young people to build a career in the leisure industry within their local area.

Case Study

Supporting Carers – Swansea Carers Centre



Attendees at Carers Rights Day 2016



Participants in the Swansea Carers Centre choir

“Gene” cares for her mother, who is in her 90’s but lives in her own home. Gene has been caring for 15 years and had not worked throughout that time. Gene is the main carer for her mother, but wanted to go back to work part-time.

When Gene joined Swansea Carers Centre’s Life Skills 2 project it was clear that she really lacked confidence in her own abilities.

Swansea Carers Centre staff and volunteers spent time on a one-to-one basis with Gene, constructing her work history but also translating her recent caring role into a set of skills which could be conveyed on a CV.

Gene felt she needed more practical support to build her confidence to be work ready. She enrolled onto a 10 week beginners IT course and undertook a level two course in Emergency First Aid.

She began to attend weekly job club sessions at the Centre and with some support from the Life Skills 2 project was called for interview for three jobs and offered two of them.

She decided to accept a role at the local Tesco.

Case Study

Social Business – Elite Paper Solutions (EPS)

Elite Paper Solutions (EPS) offers a confidential paper waste shredding and recycling service to private, public and voluntary sector organisations throughout South Wales.

EPS was set up in Merthyr Tydfil in January 2015 by South Wales based charity, ELITE Supported Employment Agency Ltd, to enable employment, training and volunteering opportunities for people with disabilities or those experiencing disadvantage. It was established to address the level of financial deprivation and social exclusion faced by people in the counties of Merthyr Tydfil, RCT and Caerphilly, caused by their difficulty engaging with or accessing mainstream employment, training and volunteering opportunities due to their support requirements. ELITE Paper Solutions provides an intervention of engagement for individuals through one to one support, offering tailored vocational training at their workplace.

Its business model is based on the concept that “no contract is too small”. This has allowed it to engage with businesses who would previously have dealt with these requirements in-house, which was costly and ineffective for them, but generates effective income for EPS. Its service prevents paper waste products going to landfill, thus reducing customers’ carbon footprint and indirectly assisting organisations with their Corporate Social Responsibility, through the



Elite Paper Solutions – a Welsh Social Business

creation of employment for people with disabilities or those experiencing disadvantage. EPS therefore not only provides customers with a cost saving benefit within their business, but also address environmental and equality issues for their company.

In the past 12 months EPS has established and expanded its premises in Merthyr Tydfil. It has enabled 41 people with disabilities or experiencing disadvantage to access opportunities of paid employment, training or volunteering, where 100% gained accreditation and 17 have progressed to independent activities of work, training and volunteering in their communities.

Social Business Wales project has assisted with the creation of 11 jobs and new management processes in preparation for them to achieve BSI standard. EPS was one of the finalists of the Social Business Wales Awards.

More Information

For information on Welsh Government support for the Third Sector, visit:
www.gov.wales/topics/people-and-communities/communities/voluntarysector/?lang=en

Alternatively contact the Third Sector Unit at:

thirdsectorqueries@wales.gsi.gov.uk, or telephone number (0300 062 8274).

For information about volunteering, please go to www.volunteering-wales.net

or visit your local County Voluntary Council or Volunteer Centre www.wcva-ids.org.uk/

For information about other grant programmes, please contact Wales Council for Voluntary Action (WCVA) on (0800) 2888329. Their website is www.wcva.org.uk.

Notes

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Mae'r ddogfen yma hefyd ar gael yn Gymraeg. / This document is also available in Welsh.