

ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital**Hackney Council for Voluntary Service****Adv: Sara Masters****Base: Hackney****Amount requested: £140,679****Benefit: Hackney****(Revised request: £224,000)****Amount recommended: £224,000****The Applicant**

Hackney Council for Voluntary Service (HCVS) is the umbrella organisation for the voluntary and community sector in Hackney. They provide training, support and resources and Associate Membership is free to all VCSE organisations operating in the borough. It was established twenty-two years ago and the Director has been with the organisation for eighteen years. They have a strong reputation in the sector and are involved in a number of pan-London initiatives.

The Application

HCVS initiated Hackney Giving in 2014 to raise money for local community projects. They managed to raise £300k but the project stalled due to a lack of capacity within HCVS. They now want to resurrect the initiative, developing business donor packages, hosting local 'Hackney Giving Live' events and promoting and marketing the initiative to key stakeholders and potential donors. They also want to coordinate local fundraising giving-circles using local residents interested in 'giving back' to their communities as volunteers. The initiative will involve working with several key partners including The Funding Network, Volunteer Centre Hackney, East End Community Foundation, Hackney Council and East London Business Alliance all of whom they have strong relationships with. The original request was for support for three years but have subsequently amended this to five. By the end of the grant term they hope to have built the giving to £82,000 in a combination of donations from corporates and the live events growing that to £180,000 by the end of Year 7.

The Recommendation

HCVS is a respected organisation with a strong reputation. It is very hard to attract funding for the operation of giving schemes. By providing five-year funding it will enable Hackney Giving to gain traction and build sustainability with a far greater chance of success in the long term. HCVS has an application elsewhere in your papers today for support for its core activities. That grant is recommended on the basis that the charity has sufficient free reserves to make a contribution to the costs. A similar contribution is not recommended for this project as, in effect, HCVS is hosting Hackney Giving on behalf of the whole borough and so should not be expected to make a significant contribution from the charity's reserves.

£224,000 over five years (£48,000; £41,000; £42,000; £45,000; £48,000) for the costs of launching and running Hackney Giving including the pt 3dpw salary for a Programme Manager; training costs; volunteer expenses and giving events.

Funding History

Meeting Date	Decision
07/09/2018	Two applications to the Cornerstone fund were declined as they were not as strong as others submitted.

25/09/2014	£157,000 over three years (£52,000; £52,000; £53,000) towards the part-time salary (0.6FTE) of an Organisation Development Officer, plus management and project running costs of a capacity building programme.
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Background and detail of proposal

Hackney Giving will provide a significant boost to the many small and BAMER community groups in Hackney with a focus on organisations with a turnover of £300k and below p/annum. The organisation has run a similar initiative previously and has used the learning from that to create a robust programme building in the capacity that was lacking previously and thinking about how it will work sustainably in the long term. This includes building a 10% administration fee into donations as well as looking to one of their corporate partners to provide core support to the initiative as they move into Year 6. Hackney is home to several businesses including Aviva, London Fields Brewery and Our Vodka who have all expressed a desire to 'give back' to their community and Hackney Giving is an excellent vehicle to channel this philanthropy. They have built a strong cohort of partners around the initiative which will strengthen the offer and help to build its profile. The first iteration of Hackney Giving had support from large corporate firms including Linklaters and UBS and these would be approached again as initial sponsors.

Financial Information

HCVS has historically held a significant sum in designated funds with the intention of buying permanent premises. With property prices ever increasing in Hackney they released this money from its designation into their free reserves, apportioning £250,000 to finance the recent refurbishment of their leased premises. They will spend down the surplus over the next five years by underpinning their core activities, including a contribution to a project recommended elsewhere in your papers today and to ensure that as much of their provision as possible is sustainable.

Year end as at 31st March	2018 Signed Accounts £	2019 Management Accounts £	2020 Forecast £
Income & expenditure:			
Income	2,729,563	1,691,139	2,563,974
- % of Income confirmed as at June 2019	N/A	N/A	87%
Expenditure	2,828,623	2,239,241	2,746,634
Net gain (loss) on Investment	25,012	13,081	12,000
Total surplus/(deficit)	(74,048)	(535,021)	(170,660)
Split between:			
- Restricted surplus/(deficit)	(23,807)	(456,704)	(68,257)
- Unrestricted surplus/(deficit)	(50,241)	(78,317)	(102,403)
	(74,048)	(535,021)	(170,660)
Cost of Raising Funds	53,460	28,560	29,000
- % of Income	2.0%	1.7%	1.1%
Operating expenditure (unrestricted funds)	231,377	218,659	305,458
Free unrestricted reserves:			
Free unrestricted reserves held at year end	998,807	920,490	818,087
No of months of operating expenditure	51.8	50.5	32.1
Reserves policy target	57,844	54,665	76,365
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	940,963	865,825	741,723