

Agenda Item 8

Date 24th March 2022

Title Triangle Trust Grant Strategy 2022

1.0 Purpose of paper

For Trustees to agree the Grants Strategy for 2022.

2.0 Summary

Trustees will remember at the March 2021 Trustee meeting it was agreed that the 2021 strategy would focus on education support for young carers and employment support for young offenders. In June 2021 it was further agreed that this strategy would also run into 2022 with some small adjustments made after the 2021 funding rounds had taken place.

- The new strategy was launched by the end of March 21 with the new website.
- The criteria focused on;
 - Young carers and young adult carers whose education has been impacted by Covid-19. Funding focused on supporting work in local schools that identify and recognise the issues young carers face, projects that help young carers and young adult carers make up learning after falling behind and support for young adult carers in higher and further education.
 - Young offenders being supported to achieve employment outcomes. Applications from organisations working with young women, care leavers and young people from BAME communities were prioritised.
- An overarching Theory of Change was developed for the strategy alongside one for each element of the funding. The goal of the strategy was 'The lives of disadvantaged young people are transformed' which linked to the aspiration of reduced reoffending rates for young offenders and better education outcomes for young carers.
- Application numbers were a manageable and numbers of ineligible applications low. We received 33 applications under the young carers programme and 48 under the young offender's programme. The quality of applications was very high with only the top scoring being taken through to the next stages of the application process. Upon assessment the quality of applications remained strong leading to an 100% funding recommendation rate for both young carers and young offenders.
- Funder Plus activities were delivered with Cranfield Trust as part of the new 'Spark Programme'. This has been extremely successful and should continue to form a key part of our strategy going forward.

- With the increase in the value of the investment portfolio that Sarasin & Partners manage on our behalf, an increase in the grants budget is recommended to reflect the size of the gains made since 2018/19 and the ongoing needs of the sectors we support.
- This paper provides final detail on the strategy for 2022 with a reminder of the type of projects we will support, the kinds of organisations that can apply, the size of grants we will make, small changes to the 2021 eligibility criteria and the size of the grants budget.

3.0 Recommendations

Trustees are requested to

- (i) Agree the changes to the criteria for applicants a) increase income levels from £1m to £1.5m and; b) allow organisations holding local authority contracts to work with young carers to apply (even if they work with a wider group just young carers).
- (ii) Agree to increase the annual grant making budget from £650,000 to £1m.
- (iii) Approve a further grant to Cranfield Trust of £30,000 to continue providing consultancy/mentoring support and deliver Peer 2 Peer Exchanges as part of our approach to encouraging networking opportunities between grantees. (Overview of first year of funding included in papers)
- (iv) Approve the strategy as ready to run by the end of March 2022.

4.0 Supporting information and things to consider

- 4.1 The decision to have a one-year strategy for 2021 provided the opportunity to link our funding in the carers and criminal justice sectors through the theme of young people. The Theory of Change that was developed had the ultimate goal of 'The lives of disadvantaged young people are transformed'. This linked to the rehabilitation of offenders through 'reoffending rates for young people are reduced' and young carers through 'young carers and young adult carers have better education outcomes'.

A one-year strategy also gave us the opportunity to dip our toes into the water of funding a slightly different group of beneficiaries as well as offering project rather than organisational development funding. The learning from this activity was seen as core to helping develop a longer-term strategy. In June 2021 it was agreed that the focus of the strategy should be extended for a further year to enable the longer-term strategy development to benefit from a full two years of grant making activity. Trustees agreed to continue with the same criteria with some tweaks being made based on what the first year of activity had highlighted.

4.2 Young Carers

Young carers and young adult carers became the first funding round that was run. We received 33 applications from organisations working with young carers and saw a reasonably good geographical spread. The majority of applications were of a very high standard and only the very top scoring ones were selected for Trustee scrutiny and then assessment. Seven applications were ultimately funded (the number that were shortlisted) and will each make a unique contribution to the portfolio.

Based on the positive response we had for the first round it is recommended that we run a further round in 2022 for this same group and with the same focus. A change to the type of organisations who can apply for funding is being recommended though.

Below are the key areas that will continue to form the criteria for funding in 2022;

- **Priorities** - Young carers and young adult carers up to the age of 25.
- **Focus** – Projects that specifically address education challenges that continue to be caused by Covid-19 and offer additional support. There are three key areas that we will consider supporting;
 - 1) proposals that provide support to young carers and young adult carers who have fallen behind with their learning due to their caring responsibilities and the impact of Covid-19;
 - 2) proposals that enable greater identification of, and support to, young carers by directly working with local primary and secondary schools; and
 - 3) projects that support young adult carers to continue in higher and further education and training.

Funding can only be used to develop existing work that an organisation is already doing. It cannot be used to set up a brand-new young carers project but rather to amplify the impact of work already being done and enable existing support to go further. This might mean a young carers project adding an education component to their current support offer or increasing the amount of work currently being

done in this area by working more closely with schools or offering enhanced support around education to those in higher or further education.

- **Types of organisations to fund** – in the first round we only funded organisations that were either already working with unpaid carers and had existing young carer projects or were young carers specific organisations. We would not fund projects working generally with young people, even if some of them were young carers. We also wouldn't fund organisations working with the cared for person who want to support the young person who is undertaking the caring role.

In line with continuing to ensure the needs of a young carer are viewed separately from the needs of the cared for person no change should be made to the criteria around not funding organisations working with the cared for person. However, after reviewing enquiries from non-eligible applicants it would seem that by continuing to only fund carer or young carer specific organisations, we are excluding some organisations providing the only local support to young carers.

Recommendation – that the criteria is changed to include organisations holding a local authority contract to deliver a young carers service even if the overall organisation works with more than just young carers.

We also applied an income limit to the criteria making only those with an income of less than £1m over the previous three years eligible to apply. This had been in place since at least 2016 and was developed to ensure smaller organisations were being supported through our Development Grants. This amount of income does prohibit some relevant organisations from applying though and a number of other funders of similar size have set their limit at £1.5m annual income. Whilst it isn't envisioned that increasing income to £1.5m would significantly increase application numbers it would allow the application pool to increase and enable additional organisations who are still relatively small to apply.

Recommendation - that the criteria be changed to annual income up to £1.5 over the previous three years.

4.3 Young Offenders

The focus of the funding for young offenders was projects that secured long term stable employment as a means of addressing high reoffending rates within this group. We received 48 applications and across the board the quality of applications was very high. Eight applications were shortlisted for assessment and all eight are being recommended for funding.

Below are the four key areas that will continue to form the criteria for funding in 2022;

- **Priorities** - Projects that work with young people from BAME communities, young women and care leavers will continue be prioritised but will not form the sole focus of the programme. Application numbers from organisations wanting to work exclusively with these groups were disappointingly low so more work needs to be done on the promotion strategy to encourage applications focused in these areas. These three groups remain highly relevant and vital to prioritise.
- **Intervention point** – Proposals can focus on work that either starts whilst still in prison or through the gate. Applicants will need to show that they already work with young offenders and have a track record of securing positive outcomes for them and have the expertise to deliver employment support.

Funding will only be awarded to organisations with clear employment outcomes and targets for their project. Projects that simply aim to make young offenders more employable or employment ready are not eligible. Existing employment programmes working with adult offenders need to show that they have the skills to work with young offenders and can deliver a programme designed to meet their specific support needs. We still do not want to support brand new projects to be set up but instead help organisations build on and enhance what they are already doing. Examples of what we might support include funding organisations already working with young offenders to add an employment component to what they do or to develop support specifically for one of our priority groups. An existing employment project working with adult offenders may want to develop their work to engage young offenders.

- **Focus** – Organisations eligible to apply will continue to be both those specifically focusing on securing employment for offenders and ex-offenders and projects more generically focused on the rehabilitation of young offenders who have securing employment as a key named outcome. We know that having a job is a key factor in successful rehabilitation of offending behaviour. Therefore, we will continue to fund projects that combine both prison based and community interventions that provide support and mentoring to create tangible pathways to employment.
- **Types of organisations to fund** – For the 2021 strategy we recognised that young offenders are different to older offenders and have specific support needs. Many will feel alienated and put off by projects working solely with offenders (especially if they work with older offenders) and equally many of those projects lack the skills to work effectively with young people. We agreed to accept applications from both specialist criminal justice organisations experienced in working with young offenders and organisations working with vulnerable young people who have a track record of effectively working with young offenders. This move away from only funding organisations working with ex-offenders proved to be a good one and has allowed us to fund organisations who would previously have been ineligible. These broader criteria should continue to be applied for the 2022 strategy and any organisation not able to clearly demonstrate these elements will not progress beyond the first filtering stage of shortlisting.

An income limit was also applied to the criteria with only those with incomes of less than £1m over the previous three years eligible to apply. This had been in place since at least 2016 and was developed to ensure that smaller organisations

were being supported through our Development Grants. This amount of income does prohibit some relevant organisations from applying though and a number of other funders of similar size have set their limit at £1.5m annual income. Whilst it isn't envisioned that increasing income to £1.5m would significantly increase application numbers it would allow the application pool to increase and enable additional organisations who are still relatively small to apply.

Recommendation - that the criteria be changed to annual income up to £1.5 over the previous three years.

5.0 Grant size and length

Grants of up to £60,000 over two years were awarded with the maximum size grant in any one year £30,000. The quality of applications across the board was generally very high and only the highest scoring applications were passed on to Trustees for their review. The applications which were then put forward for assessment were again those that scored extremely highly, meaning that there were a number of good applications that we were unable to consider despite scoring well.

Need in both sectors remains high and we could have easily taken a higher number of applications through to assessment and ultimately awarded them a grant. Therefore, it is being recommended that we increase our grant spend to allow us to make a larger number of grants in 2022.

6.0 Budget

Our current grant making budget is £650,000 per year split equally between our two programmes. This figure has been in place since around 2016 and was based on the amount of interest that the endowment was making annually. During this time the grants budget has often been underspent with less grants being awarded than the available budget. This seemed to be due to insufficient high-quality grants to support under the Development Grants Programme.

The current focus areas have shown there is significant need and plenty of good quality work we could support. Our 2021 strategy provided us with a rich amount of choice about which applications to take forward and several strong applications were not able to be considered.

Alongside this since 2018/19 the investment portfolio has seen a capital increase of £5.4m which Trustees have discussed and most recently in October 2021 agreed to think about increasing the annual grant spend. After discussion with Trustees tasked with financial oversight it was agreed that an increase to the annual grant budget felt appropriate and the amount suggested was £1m.

There are two ways that this increase in funding could be applied.

- We could increase the total amount of the grants that can be applied for – either by making grants longer or the annual request higher.
- Or we could make additional grants.

Based on the number of high-quality applications that were received in 2021 that we couldn't support, and the continued needs in the sectors we are supporting, it is recommended that we increase the number of funding awards that are made. An additional £350,000 in available funding would allow us to make approximately 6 more grants per year (3 grants per programme area).

This will have a resource implication as more time will need to be built into the Director's hours to manage additional assessments, reporting, payments and support. An additional 5 hours per week of the Director's time would accommodate this increase in workload. Total costs linked to this would be around £10,000 which equates to around 3% of the increased grant spend.

Recommendation – that the annual grants budget be increased to £1m and that this be used to increase the number of grants made.

7.0 Theory of Change

7.1 A Theory of Change was developed for the strategy that had the ultimate goal of 'transforming the lives of vulnerable young people' through reducing reoffending rates for young offenders and improving education outcomes for young carers and young adult carers. Four key activities were identified to achieve this aim – grant making, supporting grantees to network with each other, funding the capacity building of grantees and sharing learning linked to what we do.

A Theory of Change based on the overarching strategy was also developed for each of the distinct funding areas we supported in 2021. Together these three documents articulated the aims of the strategy, how we were going to deliver it and how we expected change to happen.

7.2 **Capacity building** - this element of the Theory of Change was delivered by The Cranfield Trust via a grant to them. They have provided, or will provide, all of the young carer and young offender grantees with consultancy and mentoring support as part of our Funder Plus offer to grantees named the 'Spark Programme'. This remains an important element of our support to grantees as we continue to move forward from the impact of Covid-19.

7.3 **Networking between grantees** – this has been developed in a number of ways. As part of the partnership with Cranfield Trust, five facilitated Peer 2 Peer exchanges have taken place with the seven young carer grantees that make up our first cohort. These have taken the form of 90-minute action learning sessions focused on key issues identified by the participants. There is also a grantee area on the website which has been built for their use and an ongoing programme of opportunities to share and collaborate is being developed. The same model will be used for the young offender grantees with this work starting around June 2022.

This opportunity, alongside the consultancy and mentoring support, has been extremely positively received by grantees and recognised as adding significant value to the overall funding offer. Working with Cranfield Trust represents extremely good value for money in terms of the support that projects receive against the cost of the

work. Therefore, we should continue to work with Cranfield Trust to help us fulfil the networking and capacity building elements of the Theory of Change. Their grant for year 1 was £25,000 and the same amount was awarded for their work in year 2. However, there was an underspend in year 1 of approximately £6,000 which was moved into the budget for year 2. This enabled the development of the support being offered and incorporates the Peer 2 Peer Exchanges. Therefore, a further grant will need to also be of this value which is reflected in the recommendation. This will enable consultancy and/or mentoring to be offered to all 2022 grantees and 10 Peer 2 Peer Exchanges run (5 for young carers and 5 for young offenders grantees).

<p>Recommendation – to award Cranfield Trust a further grant of £30,000 to work with 2022 grantees.</p>
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- 7.4 **Sharing learning linked to what we do** – we have started to do some work in this area which we will build on in 2022. We have joined the Corsten Independent Funder Coalition which focuses on the needs of female offenders and is a useful platform for sharing with other funders the work that we are supporting. We will continue to build our presence at ACF events and within issue-based groups there and plan to write up the work that we have funded Women in Prison and Kinship to do.

The Theory of Change remains relevant for the 2022 strategy and so no changes to this are recommended so that we can build on the progress we have made to date.

8.0 Risks

The funding strategy for 2022 remains mostly unchanged from 2021 so there is little risk of causing upset to either of the sectors we support. The criteria continues to recognise the types of organisations that most effectively support the needs of our target groups whilst at the same time not being so broad that anyone could make an application. This keeps our support firmly focused on these two key sectors and supporting specialist organisations with relatively modest turnovers.

Our concern about the 2021 strategy was primarily around increased interest and managing application numbers. Whilst we did see an increase in applications these remained within manageable limits though and we don't imagine that this will change for 2022 as the criteria remains tight.

The criteria clearly outlines the level of expertise applicants need to be able to demonstrate in their application as well as an existing track record and this remains unchanged. We are also clear about the outcomes that we expect funded projects to be working towards and the specific focus we would expect funding to have. All of this helps to keep application numbers manageable. The website has also been effective in managing this by forcing applicants to answer a series of questions about their organisation and work before granting access to the application form link. Those that do not fit the criteria are unable to proceed to making an application which filters out most ineligible applications.