

Independent Review and Evaluation of the Somerset Community Foundation Somerset Flood Relief Fund

EXECUTIVE SUMMARY

August 2015

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In January 2014, in response to the major flood incident on the Somerset Levels, Somerset Community Foundation launched the Somerset Flood Relief Fund appeal.

In April 2015, South West Forum was commissioned by Somerset Community Foundation to undertake an independent review of the effectiveness of the Flood Relief Fund. The purpose of this independent evaluation is to review the setting up of the appeal, its management and the effectiveness of partnerships with other stakeholders. The methodology of the review involved a document review, interviews with key staff members, examination of external good practice, and interviews with eight external stakeholders, representing key partner organisations.

The review covers four important aspects of the Flood Relief Fund: the appeal, grant making, value for money and partnerships. Each is examined in turn and key findings are summarised below.

The Appeal

As a charitable foundation, Somerset Community Foundation must operate according to Charity Commission guidance. The Foundation has to be able to demonstrate that it has the legal capacity to set up and run the appeal. This review finds that the appeal comfortably fitted with the Foundation's aims and objectives. Evidence seen in preparing this review demonstrated that the Foundation had the skills and expertise to manage such an appeal which was an excellent fit for their vision, mission and values.

This review of the Somerset Community Foundation's accordance with charity legislation finds that it followed Charity Commission guidance in formulating and presenting the appeal. The recommendations were followed clearly, including the routine appearance of the charity logo, its strapline and the explanation as to how donations might be increased by using standardised gift-aid procedures.

The appeal framework developed was consistent with guidance on the proper allocation of charitable funds for public benefit. It also set out clearly an appropriate use of any funds raised beyond those required to meet immediate individual need, thus ensuring all money could only be put to uses clearly stated and compatible with the public benefit requirement.

Interviews with key staff members finds that the close liaison between the Chair, the Trustees and their executive officers was critical in maintaining and developing the credibility of the appeal.

External stakeholders stated that national publicity and local demand required a response from a suitably prepared and experienced agency. Somerset County Council gave Somerset Community Foundation a significant initial donation based on previous positive experience of working with the Foundation. This provided the impetus for the Foundation to develop the appeal with substantial credibility. Every other stakeholder supported the decision to proceed and thus the appeal gathered momentum. The appeal's credibility was further enhanced by a donation from the Prince of Wales Countryside Fund and more locally by support from FLAG (Flooding on the Levels Action Group) which was directly supporting residents on the ground.

The Foundation's own internal review found that the staff were initially placed under considerable pressure by the appeal's rapid escalation with 68% of the fund donated in just 8 weeks during February and March 2014. (There were eventually over 9,000 donations made to the appeal.) However the Foundation managed to double the size of the team by recruiting volunteers from local businesses and neighbouring Foundations to meet the demands placed on them. All stakeholders consulted believed that, given the rapidity of the escalation, the Foundation succeeded remarkably well despite the extraordinary circumstances.

Somerset Community Foundation recorded all income to the fund as "restricted" in line with Charity Commission regulations. These details, as they applied to the 2013/4 financial year, were properly reported in the Foundation's accounting documents which have been independently audited.

The review concludes that the decision to close the appeal in August 2014 when the gross fund had reached £1,518,550 and to redirect any future donations to the Somerset Disaster Recovery Fund was properly in line with Charity Commission advice and with the original statement of the appeal.

Grant design, planning and distribution

The focus for financial support was on households that were directly and indirectly financially disadvantaged by the flooding¹. Grants to households were offered in phases, reflecting the changing needs and growing fund. This was a lesson learned by Somerset Community Foundation based on experience in other flood appeals and the internal review and staff interviews supported the suitability of this approach. Suitable application forms and criteria were developed and each application was reviewed in a clear process and suitable records were maintained.

For the £250 Phase 1 'emergency grants', to optimise speed of delivery, some authority was delegated to executive staff and this review finds that the approach was appropriate and well handled. Delegation of authority was properly handled and recorded in the charity's minutes. **This pragmatic approach to the emergency grant ensured that the most urgent immediate needs could be met with utmost speed.**

For the second and third phases a grant committee was appointed. As part of this evaluation a committee meeting was attended within an appropriate confidentiality agreement. **This review finds that the grants committee's approach followed a rigorous and properly documented process which would satisfy Charity Commission scrutiny.**

The Foundation also supported householders' applications through Village Agents acting in an advocacy role to encourage the use of the fund where appropriate. **Interviews with stakeholders revealed that the forms worked well and gave applicants a good chance to make their case.**

The appeal framework specifically provided for support to be put in place for micro businesses, including farmers, and this was implemented in a timely fashion. The Foundation recognised the

¹ The Foundation anticipates that at least 70% of the funds available for grants will have been distributed to households by the time the fund closes.

need for expert support to ensure the fair and appropriate allocation of funds in this area and secured this support on behalf of beneficiaries.

The review concludes that the Foundation took great care in using its own prior experience and the guidance of others in designing and developing the grant applications, their assessment and distribution. Evidence gathered through stakeholder interviews demonstrated that the process was managed to the highest standards and, particularly in the light of the pace of change of the crisis, with a level of integrity which exceeded any reasonable expectations.

Interviews with external stakeholders revealed some level of dissatisfaction by flood affected communities with the responses of *all* agencies during and after the flooding, and this included the Foundation's approach to grant making. Some of these responses can by definition only be subjective. This review finds that the Foundation's grant allocations were made with the highest level of objective needs assessment. **The review finds, but only with the benefit of hindsight, the Foundation and other stakeholders could have liaised more effectively in communicating more clearly the criteria for grant allocations.**

Value for Money

Stakeholder interviews, and an examination of best practice, revealed that Somerset Community Foundation's charge to the gross fund of 10% was entirely appropriate², in particular because of the disruptive effects on the Foundation's routine work and also because of the substantial value that could have been placed on their effective resourcing of volunteers, including the Trustees themselves. Their volunteers' commitment multiplied the fund's effectiveness. Interviews with external stakeholders revealed that other agencies in the area found the example of SCF's commitment to the work was a catalyst for their own response to the appeal. It is our view that the benefits to the Foundation's reputation are far outweighed by the operational disruption over that six month period.

Partner Relationships

Interviews with stakeholders and the internal review indicate that the relationship with other funders and stakeholders was well balanced. Somerset Community Foundation was clearly the primary agency collecting and distributing funds. The use of other agencies where they possessed particular knowledge and expertise, and vice versa, showed appropriate respect between voluntary sector groups in wishing to optimise outcomes for the beneficiaries.

² After taking account of gift aid, which the Foundation stated would be used for support costs, and other donations made specifically for this purpose, only 4% of the net fund has been used for administration.

Conclusion

In conclusion, this independent review of the effectiveness of the Somerset Emergency Flood Fund finds that:

- **the Foundation responded well to the rapidly changing needs and was able to generate a substantial fund to alleviate hardship;**
- **the Foundation followed legal requirements to the fullest extent, the appeal was wholly in line with its own mission and values, and that it complied with and exceeded best practice guidance;**
- **the Foundation's administrative processes undertaken for each phase of the grant were carried out to appropriately high standards; and**
- **external stakeholders with whom it worked closely acknowledged the high levels of commitment and integrity demonstrated by staff, the trustees and volunteers.**