

EU Funding for London-based Organisations

European Lookout, Spring 2004, Issue 8

The newsletter of the UK Secretariat of the European Monitoring Centre on Racism and Xenophobia

Claude Moraes MEP represents London in the European Parliament and recently prepared a report for the Parliament on EU structural funds. Central to his report was the argument that more should be done to improve access to EU funding for organisations working on race equality issues and for black and ethnic minority (BME) organisations. Below he outlines opportunities and challenges specifically for London-based organisations.

Having worked myself in an independent NGO before being elected as an MEP in 1999, I am well aware of the constant struggle some BME organisations face in securing funding and more importantly maintaining funding for their work. Accessing European funding can be a rewarding way to finance an NGO's activities, but it is fraught with difficulties. These include:

- Lack of designated funding for race equality work and/or BME led organisations, and small organisations.
- Over representation of state bodies (local authorities) among fund recipients.
- Lack of availability of smaller, non-transitional grants.
- Bureaucratic, resource intensive application procedures.
- Disbursement barriers and delays.
- Co-financing requirements
- Lack of information and advice

What funding is actually available?

As a London MEP, primarily trying to assist NGOs in the capital which holds the biggest concentration of BME NGOs, I find the advice of the Association of London Government and Greater London Enterprise invaluable.

Rachel McCorriston of Greater London Enterprise (GLE) explains: "An increasing proportion of ESF Objective 3 funding is now being channelled through Co-financing Organisations (CFOs) rather than directly between Government Office for London (GOL) and providers. Under this system prospective providers apply on a competitive basis to the CFOs for the full project cost. In theory, co-financing is a simple process which brings a number of benefits to providers including a simpler application form; guaranteed match funding; a single claim on a contract cost; just one set of records to keep and a single Management Information return".

However, the new arrangements pose some problems for small organisations, including a large number of co-financers which operate different processes. Organisations are increasingly unsure about when and whom to apply to and for what.

The Association of London Government (ALG) has been a Co-financer since the new funding arrangements were piloted in the period September 2001-September 2002. It is currently responsible for delivering £7 million of ESF Objective 3 funding to NGOs in London in the form of 27 projects. The ALG became a Co-financer primarily because of its concern about the ability of the new arrangements to deliver to key ESF target groups, including BME groups and refugees. As a funder of the voluntary sector, the ALG is concerned that if NGOs lose out, so might the boroughs they work in. The organisation has a long history of supporting the voluntary sector, and by implication NGOs, through its grants programme – placing it in an ideal position to assist NGOs to access EU funding.

The ALG also contributes £200,000 per year in match funding to London's innovative Global Grants Programme, Fast Forward Grants, which is also funded under ESF Objective 3. The programme is managed by Greater London Enterprise and has been in operation since March 2002. It awards up to £10,000 to very small community groups, working to assist those who are furthest from the labour market, including lone parents, long-term unemployed and people from BME groups. In its first year of operation, Fast Forward awarded 304 grants worth £2.9 million, 85% of which were for black or minority ethnic organisations. The success of the programme is largely due to its targeting of grassroots organisations, for example by means of a simple application process and up-front funding of approved projects.

The London Objective 3 Regional Development Plan (RDP), drawn up by the Government Office for London, is the key strategic document for the delivery of the Objective 3 programme in London. It identifies the regional priorities, allocations and strategies for the period 2000-2006 and outlines the kind of initiatives which would be eligible for project funding. The RDP allows for 1%-5% of the programme funds to be allocated to the Global Grants Programme annually and the London European Programmes Committee has agreed to aim at a minimum of 2% of funds to be allocated to this programme which benefits small organisations.

Making grants easier for organisations to access is achieved partly by providing 100% funding (ie. no need for applicant to secure match funding), but also by ensuring that the application process is considerably simpler than the standard ESF process. Monitoring and reporting requirements for the organisations are also simpler. Furthermore, the team at Greater London Enterprise includes five outreach workers who are each allocated a specific geographical area – this encourages the development of linkages to very excluded groups. Local support workshops are held on a regular basis and the local Council of Voluntary Services (CVS) and other support organisations work to ensure that organisations are linked in to local support.

In short, a network with strong links to those most at need, i.e. the NGOs themselves, is essential to ensuring that the latter access and continue to benefit from funding under ESF Objective 3.

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Objective 3 of the **European Social Fund (ESF)** is a programme directed at the long-term unemployed and those facing barriers to accessing the labour market because of their race, gender or disability. The programme report for 2000-6, with allocation statistics and examples of good practice, is available at

http://europa.eu.int/comm/employment_social/esf2000/ms/uk-england-en.htm

Greater London Enterprise (GLE) is London's economic development agency. It manages large economic regeneration initiatives through private, public and community partnerships.

www.gle.co.uk/consulting/funding.htm

Fast Forward Grants is the London ESF Global Grants Programme:

www.gle.co.uk/consulting/FFGrants.htm

For info on ESF programmes in UK regions:

www.esf.gov.uk/

www.go-london.gov.uk/european_structural_funds/objective_3/index.asp

www.dti.gov.uk/europe/structural.html#objective_3
www.scotland.gov.uk/esf
www.wefo.wales.gov.uk