



Empowerment Fund
Evaluation strategy
Summary



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Section 1

Introduction

Purpose of this document

- 1.1 This document sets out the evaluation strategy for applications to the Empowerment Fund. The evaluation strategy was approved by the Empowerment Fund Project Board on 12 November.
- 1.2 The final decisions on which organisations receive financial assistance through the Empowerment Fund, rests with the Secretary of State.

Scheme purpose

- 1.3 As described in the *Communities in control: real people, real power* white paper, the Department for Communities and Local Government has made available at least £7.5 million Empowerment Fund which will provide over the next three years support for existing third sector organisations able to operate across England, which are helping turn key white paper proposals into practical action on the ground.
- 1.4 The purpose of the Empowerment Fund is to help selected third sector organisations to exceed their own goals. Those selected to receive assistance will be organisations that have, and are pursuing, goals that further the empowerment of communities.
- 1.5 Following consultation on the proposals for the Empowerment Fund there have been amendments to the scheme. A summary of responses to the consultation is available at www.communities.gov.uk/communities
- 1.6 The Prospectus was published by the Department on 30 October 2008. The application process has been extended to provide applicants with sufficient time to prepare, plan and apply for the financial assistance. Applications are due by **midday 6 January 2009**.
- 1.7 For the Department to be able to assess those applications and in order to then also allow for three-year funding agreements the period of funding is 6 April 2009 to 5 April 2012.

- 1.8 The scheme will contribute to the UK Government's Public Sector Services Agreement (PSA) 21 to build more cohesive, empowered and active communities. The Empowerment Fund is limited to England.

Strategy

- 1.9 This evaluation strategy sets out the method by which the Department aims to identify 20-25 applicants who are capable of delivering the objectives of the Empowerment Fund and from which the Secretary of State can select organisations to receive financial assistance.

Section 2

Timeline

2.1 The timeline below is a summary of the stages in the application and evaluation process. It reflects the launch of the Empowerment Fund Prospectus on 30 October 2008.

Stage	Date
Issue Prospectus	30 October 2008
Evaluation strategy signed off by Project Board	12 November 2008
Deadline for applications	12 noon 6 January 2009
Stage 0 completeness check of applications	January 2009
Stage 1 evaluation	
Stage 1 evaluation moderation	
Project Board approval of Stage 1	
Notify unsuccessful Stage 1 applicants	
Stage 2 evaluation	January – early February 2009
Stage 2 evaluation moderation	February 2009
Project Board approval of Stage 2	
Secretary of State consideration of Stage 2 and approval of selected organisations	
Grant Offer to successful applicants	
Confirmation of grant awards	Late February/early March 2009
Grant commences	April 2009

Section 3

Evaluation process

Overall process

- 3.1 The overall objective of the evaluation strategy is to complete, through a fair and legally defensible evaluation exercise, a process that ultimately identifies the most suitable applicants for the Empowerment Fund.
- 3.2 Applicants will apply once in a light touch application process. The application form will be accompanied by their strategy or business plan and their most recent accounts.
- 3.3 There will be three stages of internal assessment:
 - **Stage 0 will assess completeness of the application.** In this stage the project team will log all applications and ensure they are complete. Applicants will receive an email confirmation that their application was complete and is proceeding to Stage 1. If there are any elements missing applicants will be notified and given 48 hours to provide the necessary information. If this is not received within the deadline then the application will be rejected. We anticipate receiving and processing around 200 applications.
 - **Stage 1 will assess compliance with the requirements and criteria of the Empowerment Fund as stated in Section Two of the Prospectus.** This will eliminate the unsuitable applications on a pass/fail basis and select a long list of potential applicants on a red-amber-green (RAG) rating. Pass/fail tests will be applied to whether the applicant is within scope of the legal requirements of the fund, is a legal entity and has over £170kpa income. RAG assessments will be applied to whether the applicant can reach across the country and has a sufficient empowerment focus to proceed to the next stage. Any red assessment will be rejected and if numbers are too high the amber ratings will also be rejected. This assessment will be undertaken by officials and we anticipate reducing the applicants to around 50-70 at this stage.
 - **Stage 2 will assess the relative quality of the remaining applications.** This stage will further test their relative merit on the basis of:
 - focus on a relevant empowerment theme
 - ability to increase impact
 - value for money of the application
 - monitoring and reporting proposals.

Each applicant will be scored on a five-point scale, excellent to weak, against each of these four criteria. This will translate into a weighted score and lead to a ranking of all applications. *From this ranking a recommended top 25 will be determined which provide coverage across the themes of the Empowerment Fund. The Secretary of State's final decision is expected to approve financial assistance to 20-25 organisations.*

Stage 1 process

3.4 The purpose of this stage is to assess compliance with the requirements of the Empowerment Fund. At this stage the Department will make the following assessments based on a red, amber, green rating. Applicants with a RED assessment will not proceed to the next assessment.

3.5 *Is the organisation within scope of Section 70 of the Charities Act 2006 – ie is it a charitable, philanthropic or benevolent organisation and does it meet other legal criteria?* This is the legal basis for the scheme and the Secretary of State needs assurance that applications are within the scope of this power. The Department will need to satisfy itself that any applicant is a legal entity. The Department must also be satisfied that the grant would not constitute an unlawful state aid. The project team, with support from the legal team where necessary, will make an assessment based on Section Two of the application form according to the box below. Applicants who fail will not proceed to the next assessment.

FAIL	The applicant is not within scope based on the Department's interpretation of s70 or fails to meet other legal requirements.
PASS	The applicant is within scope being a registered charity or otherwise so demonstrating its eligibility in the Department's interpretation of s70 and meets other legal requirements.

3.6 *Is the organisation one that the Department could provide financial assistance to?* This Department will need to satisfy itself that any applicant has at least £170k income. The project team, with support from finance, will make an assessment based on Section Two of the application form according to the box below. Applicants who fail will not proceed to the next assessment.

FAIL	The applicant does not meet the minimum financial requirements of the Empowerment Fund.
PASS	The applicant meets the minimum financial requirements.

3.7 *Is the applicant capable of reaching communities across the country?* The aim of this fund is to support organisations able to operate across the country. (NB: This is not necessarily national organisations but those with the ability and track record to demonstrate they are able to work with communities across England.) The project team will make an assessment based on Section Two of the application form, the strategy or business plans, and the criteria stated in the Prospectus, according to the box below. Applications with a RED rating will not proceed to the next assessment.

RED	The applicant is limited to one locality or region and has not demonstrated the capacity to work at national level and reach communities throughout England.
AMBER	The applicant is limited to one locality but has worked or influenced activity across the country and has the potential to do more.
GREEN	The applicant has a remit across England and track record to demonstrate such.

3.8 *Does the applicant have an empowerment focus?* Selected organisations will be those that are pursuing goals that further the empowerment of communities. At this stage the project team will assess the extent of the empowerment focus among applicants. The project team will make an assessment based on the application form and strategic plan according to the basis of the table below. Applicants with a RED rating will not proceed to the next stage.

RED	The applicant does not have an empowerment focus or has a tangential focus on empowerment.
AMBER	The applicant has a general empowerment aim but this is not the focus of the applicant.
GREEN	The applicant has a clear empowerment focus and a remit associated with the selected themes.

3.9 We expect 50-70 organisations to remain after this sifting. If there are more than these, we will also eliminate amber rated applicants to reduce the field. However, there is a risk that there will still be more applicants than envisaged – or indeed fewer. If there is a need we will have to draw on additional staff resource from across the Group to assist with the evaluation. This assessment will be completed by officials.
The eventual aim is to support 20-25 selected organisations.

Stage 2 process

3.10 This stage will assess the relative quality of the applicants across four criteria. The assessments will be led by the project team together with the policy leads for the relevant themes with a moderation meeting to check results.

3.11 The four criteria against which the applicants will be assessed in this stage are:

- focus on relevant empowerment theme
- additional impact
- value for money, and
- monitoring and reporting.

3.12 Scoring of each criterion will be on a 1-5 assessment. The scoring definition will give additional weight to those scoring 4s and 5s so that the stronger applications across the criteria emerge.

SCORING DEFINITIONS	
5. Excellent	100% of available points for criteria
4. Above average	70%
3. Average	40%
2. Below average	20%
1. Weak	0%

Focus on relevant empowerment theme

3.13 The first will be the focus of the organisation on a relevant theme of the Empowerment Fund. This will be assessed through a judgement of the project team and the policy leads based on Section Four and the strategic plan. Forty points will be given to this assessment.

3.14 The assessors should expect an excellent applicant to demonstrate through their application that:

- Empowerment has been specifically included in the applicant's vision or mission statement and strategic aims for some time.
- A relevant theme is a strategic objective of the applicants existing work and there is a track record to demonstrate this.
- The applicant is the recognised leader in its field.
- The applicant is an opinion former.
- The applicant has a focus on working to empower excluded communities/ reaching marginalised and disadvantaged communities.

Example: Applications considered excellent against these criteria will receive 100 per cent of the 40 points available. However, those considered below average will only receive 20 per cent of the 40 points available – ie 8 points.

Additional impact

- 3.15 The second will be the applicant's ability to scale up their impact and the difference financial assistance through the Empowerment Fund would make. This will be assessed through a judgement of the project team and the policy leads based on Sections Five and Six and the strategic plan. Thirty points will be given to this assessment.
- 3.16 The assessors should expect an excellent applicant to demonstrate through their application that:
- Capability would be transformed
 - Capacity would be transformed
 - Reach would be transformed

Value for money

- 3.17 The third will be the value for money and financial assessment of the applicant. This will be assessed through a judgement of the project team and finance colleagues based on the strategy or business plan, and the annual report. Twenty points will be given to this assessment.
- 3.18 The assessors should expect an excellent applicant to demonstrate through their application that:
- Average cost improves – ie impact increases faster than income
 - Existing support would not be displaced
 - There is no dependency on the financial assistance.

Monitoring and reporting

- 3.19 The fourth will be the applicant's proposals for monitoring and reporting. This will be assessed through a judgement of the project team, internal audit and finance on Section Six and the annual report. Ten points will be given to this assessment.
- 3.20 The assessors should expect an excellent applicant to demonstrate through their application that:
- Clear and robust arrangements are in place for monitoring and reporting with evidence of reporting influencing activity (ie risk management approaches)

- Organisational arrangements for financial reporting would satisfy the Department's needs
- Reporting is outcome focused (ie what difference does it make)
- Report of social impact is undertaken
- Reporting and monitoring is proportionate to the scale of the organisation (ie they are not over-reporting)

Overall score

3.21 The results from each criterion will be compiled into an overall assessment. This will be an overall score out of 100 for each application in Stage 2.

3.22 The final stage of the process will then be for the project team, in discussion with policy leads, to identify a recommended shortlist of up to 25 organisations based on this assessment with the aim of ensuring coverage of all relevant themes.

OVERALL SCORE	
/40	Empowerment focus: the applicant must be able to demonstrate a clear focus on a relevant Empowerment Fund theme in the application and through their strategic plan.
/30	Impact: the applicant must be able to demonstrate a clear <i>impact</i> on a relevant Empowerment Fund theme in the application and through their strategic plan.
/20	Value for money: the applicant must demonstrate value for money and a robust financial plan.
/10	Monitoring and reporting: the applicant must be able to clear proposals for monitoring and reporting which will meet departmental requirements and minimise the burden of reporting.
Score/100	Total

3.23 Due to the objective of achieving coverage of all themes it may be that high scoring applications in a much contested theme are not selected over a lower scoring application overall focused on a theme with less competition.

3.24 The Secretary of State will decide on the organisations that will be supported, having regard to this assessment. The Secretary of State's decision will be final.

3.25 Each unsuccessful applicant will receive a decision letter setting out the reasons for the decision made.

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