

# Policy and Sustainability Committee

**10am, Tuesday, 9 January 2024**

## **Regenerative Futures Fund**

**Executive/routine  
Wards**

### **1. Recommendations**

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It is recommended that members:

- 1.1 Note the work undertaken by EVOC to develop a new approach to funding voluntary and community groups in Edinburgh.
- 1.2 Note that EVOC have submitted a funding request to the Council to support this work over a ten-year period.
- 1.3 Note that the intention of the Regenerative Futures Fund is to encourage greater financial sustainability for anchor community and third sector institutions which currently rely disproportionately on short term grant programmes from the public sector.
- 1.4 Agree that officers should continue to engage with EVOC and develop their funding request for consideration as part of the Council's budget development process.
- 1.5 Attend an elected member briefing session on the Regenerative Futures Fund, including the approach taken in developing the proposal and it's potential to change how the Council works with community partners to deliver shared outcomes for the city.

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# Report

## Regenerative Futures Fund

### 2. Executive Summary

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- 2.1 The Regenerative Futures Fund is a programme currently in development by Edinburgh Voluntary Organisations' Council (EVOC). The fund aims to co-design a new ten-year pot for community-based organisations or groups to support a system change in the way such organisations in Edinburgh are funded. In doing so it aims to encourage financial sustainability in the sector.
- 2.2 This paper provides information on the programme and sets out a request for a contribution from the Council of between £1m to £3m over its ten-year life span.

### 3. Background

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- 3.1 The Regenerative Futures Fund aims to create a new £15m pooled resource to provide 10 years of secure, unrestricted funding for local organisations who are committed to delivering long term, community led solutions with a clear focus on tackling the root causes of poverty, climate change, and racial inequality.
- 3.2 The fund has been co-designed by a group of individual activists with experience of living in poverty and local community organisations that work most closely with people in poverty, and funders interested in supporting systemic change and social justice.

### 4. Main report

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- 4.1 The Regenerative Futures Fund aims to encourage a focus on preventative action, moving away from short-term solutions, to positively benefit communities. The proposal is to provide 10 to 15 community organisations or groups up to £100,000 per year per organisation. Providing security around core funding will assist local organisations to focus on long term system change, addressing the well-established challenges of ensuring resilience among community sector organisations. It also recognises their ability to innovate quickly in response to local needs under less restrictive funding regimes as evidenced during the covid pandemic.

- 4.2 The aims of the fund will support the ambitions of the City to end relative poverty by 2030 and reach net zero by 2030, and the recommendations set out by the Edinburgh Poverty Commission in its final report - 'A Just Capital'. It also has the potential to support the Council's approach to community empowerment, as well as commitments set out in the Council Business Plan to:
- 4.2.1 Take an enabling and supportive, rather than contractual and transactional approach to helping communities organise their assets to improve the lives of local citizens; and
  - 4.2.2 Work with other public bodies and the third sector to move away from a procured services model and into a relationship-based approach to third sector support as advocated by the Edinburgh Poverty Commission.
- 4.3 The fund also has a potentially significant role in supporting the Edinburgh Partnership priorities as set out in the Local Outcome Improvement Plan.
- 4.4 This approach is a first in the UK and Edinburgh is leading the way in creating a fund that will shift power to communities to lead long-term social change. Key features of the fund are based on allowing collectives and organisations time to plan how the funding will enable them to work in a new, long-term way, with participatory decision-making as the driver for change. The fund has been designed to respond to existing funding models where participation can be limited, are competitive, short-term and deal with symptoms rather root causes. Examples of the current funds the Council provides and/or administers are set out in Appendix 1.
- 4.5 The fund is intended to raise new money where possible, with partner funds being used to leverage in support from independent funders, public money, philanthropy and private sector.
- 4.6 There is a fundraising first stage target of £6m to be reached by April 2024 allowing for the initial launch of the fund at that time. Whilst developed by EVOC the fund will be hosted by Foundation Scotland. To date commitments of have been secured of between £5m to £6m, subject to decision-making processes between November 2023 to March 2024 with a small group of funders: The Robertson Trust, Esmée Fairbairn, Turn2us Edinburgh Trust, The National Lottery Community Fund. Further work will be undertaken during 2024/25 to raise the remaining funds to allow the launch of the ten year programme and grants in 2025.
- 4.7 An important factor to these deliberations and from the project team is the role of the Council in supporting the initiative, both in-kind and financially, with specific requests:
- 4.7.1 **In kind support** – continued support and participation of appropriate Council officers in the development of the model and associated decision making structures.
  - 4.7.2 **Financial support** – a commitment of Council resources to form part of the £15m pooled fund. This commitment of funds is regarded as important to

help leverage in funds from other sources. This is estimated to be, based on other anticipated pledges, a commitment of £100-300k per annum, or £1-3m over 10 years. EVOC have already submitted a letter to the Leader of the Council requesting a financial contribution to the project.

## **5. Next Steps**

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- 5.1 Subject to Committee approval, officers will continue to provide in-kind support to the development of the fund for consideration as part of the budget setting process.
- 5.2 Member or group briefing will be arranged as required.

## **6. Financial impact**

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- 6.1 Funding of between £1m to £3m is being sought over a ten-year period to support local action to tackle poverty, inequality and climate change. This would require a new funding stream. However, this investment does have the potential to leverage in a further £2 to £12 million from elsewhere.

## **7. Equality and Poverty Impact**

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- 7.1 In addressing poverty and racial inequality, the activity will contribute to the Council's public sector equality duty and the End Poverty Edinburgh Plan.
- 7.2 The principles and objectives of the Regenerative Futures Fund are in direct alignment with the findings of the Edinburgh Poverty Commission. In its final report in 2020, the Commission made a call to action to for the city to "develop new models for contracting with the third and private sectors to support organisations and alliances which support local economies". In doing so, the Commission called for the development of a partnership fund, supported by public, private, independent funders and philanthropists to encourage innovation and system change needed to meet the city's end poverty goals.

## **8. Climate and Nature Emergency Implications**

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- 8.1 As the Fund will support local climate action, it is anticipated it will have positive impacts the climate and nature emergency.

## **9. Risk, policy, compliance, governance and community impact**

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- 9.1 It is envisaged that activities supported by the Fund will have positive impacts on the community and support the Council in advancing equality.

- 9.2 Contract and Grant Standing Orders will require to be adhered to including the necessary Committee approvals.

## **10. Background reading/external references**

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- 10.1 [Regenerative Futures Fund](#)

## **11. Appendices**

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- 11.1 Current Grant Funds

## CURRENT GRANT FUNDS

Name of Fund	Purpose	Value
No One Left Behind and Child Poverty	Two funding strands: All Age Employability Support Child Poverty  These funds are issued by Scottish Government to Local Government with decisions of the allocation of funds made by the Local Employability Partnership.	£2.6m £2.3m
Community Grants Fund	Aimed at encouraging local action; amount disaggregated by Neighbourhood Network.	£405k
Smarter Choices, Smarter Places	Sustainable transport behaviour change.  Will be discontinued from April 2024.	£500k
Connected Communities Edinburgh	Aims to support vulnerable and disadvantaged young people and their families across Edinburgh. There are three different funding strands: Learning Outcomes, Health and Wellbeing, Youth Work	£3.5m
Edinburgh Integration Joint Board Grant Programme	Prevention, Early-Intervention and Tackling Inequalities	£4.7m
Tenants Association Grants	Provides funding to set up and run tenant groups, support health and well-being projects, and help tenants to learn and use digital devices and services.	Max individual grant £10k

Community Development Innovation Fund	To reduce isolation for high risk drug and alcohol users.	£452,500 over 2 years
Cultural Grants	To facilitate access to cultural activities and practice and deliver a significant contribution to the city's success as creative place to live and work.	£4.589m
Shared Prosperity Fund (UK Government)	To boost productivity, pay, jobs and living standards across the UK, closing inequalities in opportunity, health and wellbeing, and improving sense of community, local pride and belonging. A sum is also earmarked for delivery of Multiply, a national programme to increase numeracy skills in adults.	£10.2m over 3 years