



Department for International Development outline Strategic Grant for VSO

VSO has welcomed the Department for International Development's (DFID) statement published today that it will continue to be a major partner in VSO's development programmes. VSO will receive a Strategic Grant of £78 million over three years: £30 million in 2011/12, £26 million in 2012/13 and £22 million in 2013/14.

Today's commitment from DFID represents a 12% decrease on the current three-year grant of £89 million but the success of VSO's fundraising programme over recent years has prepared the charity well. Income from other areas has almost doubled over the period of the grant and VSO is confident in its ability to continue growing its income and impact.

In addition to this growth VSO has an ambitious strategy, People First, which seeks to strengthen the organisation's development programmes and impact. It will drive down administration costs by 30%, matching efficiencies being made in the public sector, and increasing resources into our programmes. This will enable VSO to make a step change in its impact and value for money and continue to reduce its reliance on DFID funding.

VSO Chief Executive, Marg Mayne said: "The British Government has been a valued partner of VSO for over 50 years and this year alone its support has helped improve the lives of over 26 million individuals. This is a tough settlement, but fair. It represents a vote of confidence in VSO's approach to fighting poverty and means even more people in the world's poorest countries will benefit from our high impact approach to tackling poverty.

"But it also presents us with a challenge – to further increase our fundraising over the next three years so that we can continue to increase our impact. As positive as this news is VSO is aware of its responsibility in ensuring the Government gets best value for money and we will continue find the most cost effective ways to deliver our vision."

DFID statement: <http://www.dfid.gov.uk/Working-with-DFID/Funding-opportunities/Not-for-profit-organisations/PPAs/VSO/>