

BACKGROUND PAPER

The Big Lottery Fund

Submission to the Welsh Assembly Government

Culture, Welsh Language and Sport Committee 29th September 2004

Background

The proposal to create a new community distributor of Lottery funding arose out of the Review of Lottery Funding, instigated by the Department of Culture Media and Sport (DCMS) in July 2002 and involving the devolved administrations.

In July 2003 the Government published its Decision Document, which included the intention to merge the Community Fund and the New Opportunities Fund to form a new community distributor, which would also take on the responsibilities of the Millennium Commission from 2006.

In Wales the New Opportunities Fund and the Community Fund have worked closely with the Welsh Assembly Government and the Wales Council for Voluntary Action in consulting on the original proposals and the outcomes of the Review.

The two funds have since implemented an operational merger and the Big Lottery Fund was launched in June 2004. The Fund has an interim board of 17 members, including three representatives from Wales, Tom Davies, Taha Idris and Huw Vaughan Thomas. Ceri Doyle was appointed Director for Wales in February 2004. The Government plans to introduce legislation in the next Parliamentary session that will formally constitute the Big Lottery Fund.

The Scope of the Big Lottery Fund

The Big Lottery Fund will be responsible for half the funding available for good causes from the National Lottery. It will support projects in the voluntary and community sectors, health, education and the environment. It will take on the Millennium Commission's ability to fund large-scale regeneration projects, and will be a centre for excellence in managing future large capital programmes.

It is proposed that the Big Lottery Fund will have the ability to handle non-Lottery funding and will take a lead in developing good practice in distributing Lottery funding and in promoting the achievements of the Lottery.

The Fund will be a Non Departmental Public Body accountable to the Secretary of State for Culture, Media and Sport. However the Devolved Administrations will be able to issue policy directions to the Fund relating to the distribution of money in their respective countries.

The Fund will be able to run a range of different funding programmes. Some may be demand led, light touch programmes, intended to support ideas developed by individual organisations. Others will be more targeted, aimed at achieving particular strategic outcomes. Partnership working across sectors is likely to continue to be an important feature of future funding.

Missions and Values

The Big Lottery Fund will enable others to make real improvements to the lives of disadvantaged people and the well being of communities through fair and open funding of people, projects and programmes.

The Funds values that underpin the mission statement are:-

Fairness: Ensuring equal opportunities for communities across Wales to access our funding. Putting equality and diversity at the heart of our work.

Accessibility: Making it easier to access funding and giving help to potential grant recipients.

Strategic Focus: Ensuring our funding has the maximum impact and leaves a lasting legacy. Supporting long-term change and sustainable development.

Involving people: Involving local people and communities in planning programmes, making grant decisions and running projects.

Innovation: Ensuring we learn from past experience and that of others to inform future programmes.

Encouraging innovation and developing new ways of grant making.

Additional to Government: Providing funding that is additional to government spending. Making decisions on grants independently of government.

The New Funding Framework

The Big Lottery Fund is in the process of consulting with a wide range of stakeholders on what kinds of programmes it should fund and how it should operate. That consultation ends on 30th September and the Fund will report back on the outcomes later in the autumn.

In a parallel development the Department of Culture, Media and Sport, with the Devolved Administration and Whitehall Departments, is in the process of developing a framework for establishing the themes, outcomes and priorities that will guide the Big Lottery Fund. This takes into account many of the messages arising from the consultation on the Decision Document and is intended to allow the Fund the flexibility to develop a number of cross-cutting programmes that respond to the needs of different sectors and communities.

Compared with the policy directions issued previously to the New Opportunities Fund, this framework is less prescriptive as to who can access funds and for what purpose. However it is proposed that the overall themes will apply to both strategic and demand-led programmes developed by the Fund.

The Framework proposes three broad themes at the UK level. These are:

- Promoting learning and creating opportunity
- Promoting community safety and cohesion
- Promoting wellbeing

The themes will be supported by a number of outcomes and priorities that government would like the Fund to address. These will be sufficiently broad to allow flexibility in developing programmes. They are not intended to be exclusive. Outcomes and priorities will be established at the country level with the devolved administrations.

The draft framework of themes, outcomes and priorities will be subject to further consultation by the Big Lottery Fund later this year. The process of developing grant programmes, choosing delivery mechanisms and partners and selecting projects will be the responsibility of the Fund. It is expected that there will be a number of crosscutting programmes, each of which addresses several priorities. These will again be subject to consultation with stakeholders.

The Fund is currently working with the Welsh Assembly Government to develop a draft framework for

Wales, which it hopes to issue to the Fund for consultation later this autumn.

In a re-statement of the commitment to the Voluntary and Community Sector the Fund has guaranteed that at least 60% of the funding available will go to the sector, although this will not all take the form of open grant programmes. The Fund will set up a cross-sectoral stakeholders group that will agree with the Fund how this commitment will be monitored and reported.

DCMS expects £2.4 billion to be available to the Fund between 2005 and 2009. Of this £1.16 billion is likely to be available for new programmes operating under the framework described above. Wales will receive approximately 6.5% of funds.

Timetable

October 2004 Welsh Assembly Government agrees draft Framework

November 2004 – February 2005 Big Lottery Fund consults on draft framework

April – May 2005 Lottery Bill receives Royal assent.

June – December 2005

Consultation on, and

development of new programmes

Early 2006 First new programmes launched in Wales