

BIG LOTTERY FUND

**MINUTES OF BIG LOTTERY FUND ENGLAND COMMITTEE MEETING
HELD ON TUESDAY 9 FEBRUARY 2010 AT 0930
AT THE BIG LOTTERY FUND, ST JAMES PLACE, NEWCASTLE**

PRESENT:

Sanjay Dighe	<i>England Chair (in the Chair)</i>
John Gartside	<i>Board Member and England Committee Vice Chair</i>
*Alan Billings	<i>England Committee Member</i>
Sue Charteris	<i>England Committee Member</i>
Margaret Hyde	<i>England Committee Member</i>
Danny Silverstone	<i>England Committee Member</i>
Albert Tucker	<i>Board Member and England Committee Member</i>
Nalini Varma	<i>England Committee Member</i>
*Geoff Wilkinson	<i>England Committee Member</i>

IN ATTENDANCE:

+Mohammed Amran	<i>Former England Committee Member</i>
Peter Wanless	<i>Chief Executive</i>
Adrienne Kelbie	<i>Director of Operations</i>
Linda Quinn	<i>Director of Communications & Marketing</i>
Gerald Oppenheim	<i>Director of Policy & Partnerships</i>
Mark McGann	<i>Deputy Director Policy</i>
Tim Davies-Pugh	<i>Deputy Director Programme Management</i>
Margaret Cooney	<i>Deputy Director Policy & Partnerships (England)</i>
Ambreen Shah	<i>Head of Programme Policy & Development</i>
Lyn Cole	<i>Senior Head of Programme Management</i>
Lisa Horton	<i>Head of Programme Management (for Items 1-9)</i>
James Turner	<i>Head of Region North East (for Item 6)</i>
Kevin Ashby	<i>Senior Policy Adviser (for Item 6)</i>

Sally Musson *Head of Board Secretariat (Secretary)*

The Chair welcomed those present and thanked those responsible for organising the previous day's discussions.

1. APOLOGIES FOR ABSENCE

1.1 There were none.

* Attending as shadow (non-voting) England Committee members whilst awaiting Ministerial consent to their re-appointment to the Committee
+ Attending as a former (non-voting) England Committee member who had decided not to seek re-appointment at the end of his term.

2. DECLARATIONS OF INTEREST

- 2.1 Alan Billings *Veterans report (EC/(P10)5). He is a Visiting Lecturer at the Defence Academy of the UK, Ministry of Defence.*
John Gartside *His son was involved with some of the organisations mentioned in the Veterans report (EC/P10)5)*
These were not considered to be disqualifying interests.

3. MINUTES OF ENGLAND COMMITTEE MEETING HELD ON TUESDAY 8 DECEMBER 2009 (EC/(MINS09)11)

- 3.1 These were agreed and signed as a correct record of the meeting.

4. MATTERS ARISING FROM MINUTES OF ENGLAND COMMITTEE MEETING HELD ON WEDNESDAY 8 DECEMBER 2009

4.1 Position of Other Funders (Item 4.1)

A report providing an overview of the impact of the recession on other funders (EC/(P10)12C) had been circulated to the Committee by correspondence on 2.2.2009.

4.2 Awards for All: Benefit Monitoring Information (Item 4.5)

It had been noted at the last meeting that comparative figures on the breakdown of beneficiary monitoring would be circulated quarterly by correspondence. These would be issued shortly.

**ACTION: T Davies-Pugh/
S Musson**

4.3 Proposed Amendment to the England Policy Directions (Item 5.3)

The Minister had held a meeting with representatives of the main voluntary sector infrastructure bodies and separately with the Big Lottery Fund. It was unclear whether the Government would pursue this amendment. The Chief Executive would circulate the letter from the voluntary sector organisations to the Committee.

ACTION: P Wanless/S Musson

4.4 Capital Strategy (Item 7.3)

A distinct capital strand focused on community buildings within Reaching Communities 4 for awards over £100,000 was being developed.

ACTION: T Davies-Pugh

4.5 Sustainable and Resilient Communities (Item 9.3)

Officers confirmed that the development of a broad package of interventions was within the planned programme of work, although available funding would dictate the timing.

ACTION: M McGann

- 4.6 Future Funding and Communications Grid (Item 10.3)
 A revised version of this grid was tabled at the meeting and the Committee was assured that it was updated regularly.
 The summary of the findings of the Young Foundation report had been issued to the Committee. The full report was available on request.
ACTION: A Shah/S Musson
- 4.7 Equality Beneficiary Date Results (Item 12.3)
 Nalini Varma reported that, since the last meeting, she had had helpful discussions with officers. A Board paper was in preparation.
ACTION: G Oppenheim
- 4.8 Recession Funding: Targeted Intervention through Social Housing (Item13.2)
 As agreed at the last meeting the use of a small development grant, of £20,000, to take this work forward had been agreed by Chair's action.
- 4.9 Support for Cumbria (Item13.5)
 It had been agreed at the last meeting that the Big Lottery Fund should consider providing appropriate support for Cumbria and that up to £500K should be ring-fenced for this purpose. This had been instigated and discussions were underway with key stakeholders.
ACTION: M Cooney
5. OPEN FUNDING/REACHING COMMUNITIES 4: FUNDING DEVELOPMENT FRAMEWORK STAGE 1 SIGN-OFF (EC/(P10)2)
- 5.1 This report provided information on the remaining elements of Stage 1 of the Funding Development Framework and represented the completion of this initial scoping stage. Further detailed work would be undertaken to develop the next stages of Reaching Communities 4.
- 5.2 The lead Committee members (John Gartside, Margaret Hyde and Geoff Wilkinson) highlighted the following points:
 (i) This open funding stream was a clear response to the messages from the consultation regarding speedier decision making.
 (ii) Reaching Communities had always been a flexible programme.
 (iii) These proposals should help smaller groups to apply.
 (iv) There would be a more formal linkage between the regional teams and Operations as part of a joint assessment process.
 (v) Equality and diversity issues would assume a greater importance.
 (vi) This approach fitted with the Strategic Framework and the England Committee's philosophy.
 (vi) It would be important to consider the balance between officer and Committee decisions.
- 5.3 In discussion the main points raised included:
General comments
 (1) The Fund should review its effectiveness in targeting and consider sharing its learning with the relevant infrastructure organisations.

- (2) This approach was welcomed as offering greater flexibility.
(3) It would be helpful if the quarterly reports of the Outline Proposal Form (OPF) stage to the Committee could be cumulative.

Equalities information

- (4) Committee members requested better equality information to inform their decision making.
(5) The Chief Executive said it would be important to differentiate between using such information to ascertain where funding was going in order to inform future strategy and using information collected for monitoring purposes as part of the assessment process which would not be appropriate.
(6) In response to members' queries, officers explained the current approach to obtaining equality information from applicants.
(7) The Fund should be clear about what it wanted from applicants and should not collect information which it was not going to use. It would be important not to disadvantage those organisations which the Fund wished to encourage to apply.
(8) It was suggested that qualitative equality information would be helpful in assessment and that possibly the regional teams could help provide this.
(9) It might be that the Fund should have greater expectations of applicants who applied for repeat funding.
(10) Officers explained that proposals relating to beneficiary equality data were currently being piloted.

- 5.4 Subject to the comments made, **the England Committee agreed:**
- (a) **to note the report;**
 - (b) **that an Investing in Ideas strand should not be introduced for Reaching Communities 4;**
 - (c) **the 'RC-lite' proportionate approach and maximum grant level of £200,000 and £40,000 per year;**
 - (d) **to sign-off Stage 1 of the Funding Development Framework for open funding;**
 - (e) **that any significant changes to the proposals for Reaching Communities 4 should be delegated to the England Committee Chair;**
 - (f) **to note that the process for OPF delegation should be agreed by the England Committee Chair;**
 - (g) **that a report on equality beneficiary data would be submitted to the Committee meeting in May. ACTION: A Shah**

- 5.5 The Chair thanked the lead Committee members and officers involved for their work in developing this funding stream.

6. COMMUNITY FUNDING STREAM:
FUNDING DEVELOPMENT FRAMEWORK STAGE ONE SIGN-OFF
(EC/(P10)3)
- 6.1 This report sought the Committee's sign-off for Stage 1 of the Funding Development Framework in relation to the Community Funding stream. It presented an outline of the first phase of Community Funding in England and included proposed programme aims, delivery models and target areas.
- 6.2 The lead Committee members, Mohammed Amran, Alan Billings and Sue Charteris, commended the aims and principles of delivery and the proposed trust option. Kevin Ashby described the main features of the community funding stream and the main points of his presentation are described in Annex A to these minutes.
- 6.3 In discussion the main points raised included:
Aims and principles
(1) It would be important to consider the position of the sector infrastructure and capacity building organisations in respect of the Fund's programmes. Officers said this was being considered and a report would be submitted to the Committee in due course. **ACTION: A Shah**
Trust model
(2) It was suggested that the Big Lottery Fund might have a closer engagement with the delivery than was implied in the report.
(3) The point was made that one of the key reasons for the success of the Fair Share Trust model was that the funding was owned by the local people and not micro managed by the Fund.
(4) There was an existing deed for the Fair Share Trust to which a sister deed could be added if changes were required to the original model.
(5) The Fund would be able to derive learning effectively from this trust model.
General comments
(6) The timing of the second round of the programme should be mentioned when the first round was announced.
(7) It was suggested that communities on the periphery, both geographically and in terms of decision making, should be considered when the second round was being developed.

Selection of Local Authority Areas

- 6.4 The process of selecting local authority areas in which small communities would be targeted in Phase 1 of the programme was at a different stage in each region. James Turner tabled an updated Annex One to the report and explained, through maps and a presentation, the approach to the shortlisting of the local authority areas and the changes since December 2009.
- 6.5 In discussion the main points raised included:
(1) The challenge of identifying rural areas with recognisable communities in this programme was recognised but the shortlisted local authority areas represented a good rural/urban balance across the country. The presentation of this balance would be critical.

- (2) It might be necessary to consider rural issues differently in the second round.
- (3) Local strategic partnerships (LSPs) should be involved in the selection of the areas to target.
- (4) Community cohesion could also be an important issue across the country.

- 6.6 Subject to the comments made, **the England Committee agreed:**
- (a) the proposed aim and principles for delivery of the Community Funding stream;**
 - (b) the Trust option for delivering the programme and that a detailed options report would be submitted to the England Committee in May;**
 - (c) the list of Local Authority areas (Annex One to the report) in which the Big Lottery Fund would target small communities in phase one of the programme as a starting point for discussions. The final list would be announced post-election.**

ACTION: M Cooney

- 6.7 The Chair thanked the lead Committee members and officers involved for their work in developing this funding stream.

7. TARGETED FUNDING: A YOUTH TRANSITIONS PROGRAMME FUNDING DEVELOPMENT FRAMEWORK STAGE 1 SIGN-OFF (EC/(P10)4)

- 7.1 This report sought the Committee's sign-off for Stage 1 of the Funding Development Framework in relation to the Big Lottery Fund's first targeted programme focusing on supporting young people through specific key transitions in their lives. The report described the development work undertaken to date and outlined the aims, outcomes and proposed delivery method for the programme. It also presented proposals for involving young people in the development and on-going delivery of the programme. The paper also described Big Lottery Fund plans for supporting projects and promoting wider learning opportunities.
- 7.2 The lead Committee members, Albert Tucker and Nalini Varma, highlighted the following points:
- (i) The development of the programme had drawn on the experience of the Young People's Fund and myplace programmes.
 - (ii) There were three specific strands within this one programme, namely, young people leaving care, young people leaving young offenders institutes and young carers. It was noted that there could be challenging additionality issues in all three strands.
 - (iii) These strands should be broad enough to encompass a holistic approach to providing services for young people but tight enough to not be too open.
 - (iv) The programme was due to launch in June 2010.
 - (v) Members asked to see the programme guidance and material before it was issued publicly.

- 7.3 In discussion the main points raised included:
- (1) This programme was timely, particularly in regard to young offenders. It might be helpful to discuss this strand with the Youth Justice Board.
 - (2) Demand management would be important in this programme.
 - (3) There was potential in this programme for the Big Lottery Fund to exert a strategic policy influence on statutory bodies.
 - (4) The programme guidance would have to be clear on the age range being addressed and the extent to which this was flexible.
 - (5) It was questioned whether the funding available for this programme would be divided between the three strands.
 - (6) It was also asked whether there would be a single decision making committee with young people on it.
 - (7) Officers assured the Committee that opportunities for learning and influence were addressed through grant management and referred to the relevant evidence gathering groups (EGGs) and programme forums.
- 7.4 Subject to the comments made, **the England Committee agreed:**
- (a) to note the development work undertaken to date;**
 - (b) the core aim and outcomes for the youth transitions programme;**
 - (c) the proposed delivery method for the programme;**
 - (d) that up to £30m of the England budget should be part of the England portfolio proposals to be presented to the Resources Committee and the Board;**
 - (d) to note the plan to involve young people in the development and delivery of the programme;**
 - (e) to note the plans for supporting projects and promoting wider learning opportunities.** **ACTION: M McGann/A Shah**
- 7.5 The Chair thanked the lead Committee members and officers involved for their work in developing this programme.

8. TARGETED FUNDING: VETERANS UPDATE (EC/(P10)5)

- 8.1 This report provided an update on the development of proposals for investment focusing on the needs of veterans and their families. Two broad areas had been identified:

- (i) Building the capacity of the sector to work collectively to improve access to a wide range of support for veterans and their families.
- (ii) Advocacy and research.

Mark McGann reported on the meetings held with the Confederation of British Service and Ex-Service Organisations (COBSEO) Executive Committee and representatives of the main sector charities. Officers had also met with Vice Admiral Peter Wilkinson, the Deputy Chief of Defence Staff (Personnel) at the Ministry of Defence.

- 8.2 **The England Committee agreed:**
- (a) to note this report;**
 - (b) that a report with recommendations would be submitted to the England Committee meeting on 9.3.2010.** **ACTION: M McGann**

- 8.3 The following points were raised by the lead Committee members in respect of the targeted stream of funding generally:
- (1) Nalini Varma provided a brief oral update on work on the older people element of the targeted funding stream. A presentation would be delivered to the England Committee meeting on 9.3.2010. **ACTION: A Shah**
 - (2) Albert Tucker highlighted the potential synergy of some of the targeted funding approaches with the Young Foundation's findings.

9. CONTINUATION FUNDING IN ENGLAND (EC/(P10)6)

- 9.1 This report provided a brief summary of the continuation funding approaches being considered in each country and proposed a UK-wide policy framework which would be considered by the Board at its meeting in March 2010. It outlined some of the issues and options in regard to repeat funding.

- 9.2 In discussion the main points raised included:

- (1) The Big Lottery Fund currently did not have a consistent approach to continuation funding across all its programmes. There needed to be a clear policy in advance of the launch of Reaching Communities 4.
- (2) The Fund should retain as much flexibility as possible.
- (3) If an organisation applied for continuation funding for a project then the Fund should require evidence of achievement through an evaluation, regardless of the source of the original funding. It should consider what might help organisations work towards being more sustainable in the future.
- (4) It was questioned how the Big Lottery Fund might liaise with other funders in moving projects on from dependence on its funding.
- (5) Consideration should be given as to how to support projects from programmes which had since closed. It was suggested that there might be a continuation pot of funding for exceptional projects. Officers explained that the Fund's ability to provide top-up funding could provide flexibility and it could also exercise discretion to vary a grant.
- (6) The proposed Replication and Innovation Fund in the UK Board's portfolio could provide a source of funding in appropriate circumstances.
- (7) It was suggested that the Fund should only fund a project a maximum of two times.
- (8) Sustainability could be problematic because of changing external factors.

- 9.3 **The England Committee agreed:**

- (a) to note this report;**
- (b) that under certain circumstances the Big Lottery Fund should provide continuation funding but that there should not be a separate continuation funding pot of money;**
- (c) that, where it did agree continuation funding, the Fund should apply more stringent criteria in respect of requiring evaluation and evidence of what had been achieved;**
- (d) that officers should work up the options for continuation funding for consideration at a future Committee meeting.**

ACTION: A Shah

10. 2010-11 ENGLAND BUDGET (EC/(P10)7)

10.1 This report provided an overview of the commitment and spend across the England portfolio in the period 2010/11-2012/13. These proposals would be considered, together with those from the other countries, by the Resources Committee prior to their submission to the Board in March 2010.

10.2 In discussion the main points raised included:

(1) The Committee was concerned that this report appeared to be conveying a different financial position to that presented in December 2009.

(2) The Chief Executive explained how the Fund had to work within cash and commitment constraints, but that assumptions and external factors were continually evolving. Programme design and spend profiles would influence the budget available to the Committee.

(3) It would be helpful to have an estimation of the likely income and balances across the period in question.

(4) There would be an increasing demand on the services of voluntary sector infrastructure organisation at a time when the Fund's BASIS funding was coming to an end and the level of local authority support was declining.

(5) The Chair suggested that, in 2010/11 the allocations for Reaching Communities and Awards for All should be £120m and £40m, respectively, to allow for sufficient flexibility

(6) There should be a target of 8.5% operating costs across the portfolio.

10.3 **The England Committee agreed:**

(a) to recommend the proposed commitment and spend profiles as set out in the report and amended at paragraph 10.2(5) above, to the Resources Committee meeting on 8.3.2010;

(b) the consequent unallocated commitment and spend figures;

(c) to note the potential changes to the financial information described in the report.

ACTION: T Davies-Pugh

11. REPORT FROM COMMITTEE CHAIR (EC/P10)8)

11.1 It had not been possible to present a written report, but the Chair said he had little to report since the last meeting that was not covered elsewhere on the agenda.

12. REPORT FROM COMMITTEE MEMBERS (EC/(P10)9)

12.1 This paper covered reports from Mohammed Amran and Nalini Varma.

12.2 In discussion the following points were raised:

(1) The Community Libraries programme was evidence of what could be achieved by funding through statutory bodies.

(2) A forthcoming meeting with the Museums and Libraries Association was noted.

(3) Officers advised the Committee that a new EGG would be considering the benefits of funding through statutory organisations.

12.3 **The England Committee agreed to note this report.**

13. REPORTS FROM BOARD AND CORPORATE COMMITTEES

(i) Board Meeting: Monday 23 November 2009 (Board/(MINS09)6)

13.1 **The England Committee agreed to note these minutes.**

(ii) Resources Committee Meeting: Tuesday 10 November 2009 (Res/(MINS09)4)

13.2 **The England Committee agreed to note these minutes.**

(ii) Audit & Risk Committee: Thursday 10 December (A&R/(MINS09)4)

13.3 **The England Committee agreed to note these minutes.**

14. REPORTS FROM PROGRAMME COMMITTEES

(i) Reaching Communities: Wednesday 11 November 2009, Wednesday 9 December 2009 and Tuesday 12 January 2010
(RC/(MINS09)11, RC/(MINS09)12 and RC/(MINS10)1)

14.1 **The England Committee agreed to note these minutes.**

(ii) Myplace Committee Induction: Monday 23 November 2009
(MPC/(MINS09)3)

14.2 **The England Committee agreed to note these minutes.**

(iii) Myplace Committee Induction: Thursday 3 December 2009
(MPC/(MINS09)4)

14.3 **The England Committee agreed to note these minutes.**

15. PAPERS CIRCULATED BY CORRESPONDENCE

15.1 Extension to NCVO's Sustainable Funding Project (EC/(P09)126C)

This report had been circulated by correspondence on 17.12.2009 and **the England Committee had agreed:**

(a) **to invite NCVO, via a solicited bid, to apply for an extension to the current 'Sustainable Funding Project';**

(b) **up to £780K funding for the project;**

(c) **to delegate decision-making on the project proposal, once assessed, to the Committee Chair.**

15.2 Quarter 3 2009-10 Programme Management Performance Indicator Performance (EC/(P10)1C)

This report had been circulated by correspondence and **noted by the England Committee.**

15.3 The Impact of the Recession on Other Funders (EC/P10)12C)

This report which had been circulated by correspondence for information provided an overview of the impact of the recession on other funders, particularly in comparison with the experiences of the Big Lottery Fund.

15.4 A list of the papers and minutes circulated by correspondence on 17.112009 had been appended to the agenda. These were:

- (i) Monthly Programme Management Division (PMD) Report – October 2009 (EC/(P09)127C)
- (ii) Programme Progress Report Family Learning (EC/(P09)128C)
- (iii) Programme Progress Report Out of School Hours Learning (EC/(P09)129C)
- (iv) Programme Progress Report Reaching Communities (EC/(P09)130C)
- (v) Programme Progress Report Voluntary and Community Sector (VCS) and Strategic (EC/P09)131C)
- (vi) Programme Progress Report Young Peoples' Fund extended Schools (EC/(P09)132C)
- (vii) Chair's Action Report (EC/(P09)133C).

16. ANY OTHER BUSINESS

16.1 There was none.

17. DATE TIME AND VENUE OF NEXT MEETING

17.1 Tuesday 9 March 2010 at the Big Lottery Fund, Plough Place, London
Time to be confirmed.

There being no further business the meeting closed at 1430.

CHAIR

This meeting was followed by a meeting of the England Committee Reaching Communities and, at 1830, by a presentation from a grant holder, the Lawnmowers Theatre Group.

COMMUNITY FUNDING STREAM (Item 6)

How – targeting

- Phase One – 50 deprived overlooked neighbourhoods
- Phase Two – specific issues eg rural
- £200m overall £1m- £2m per area.

How – what we'll fund

- Varied mixture
- Capacity building and need
- Some capital.

How – basic principles

- Accountable, inclusive local partnerships (include LSPs)
- Learning and sharing learning
- Inclusive, reflective, community control
- Planned but flexible
- Long term, inclusive benefit
- Additionality.

How – stages in each place

1. Regional teams bring together partners
2. Pump prime initial engagement
3. A central support/learning structure
4. Regular review, communication, light touch engagement from us.

Portfolios delivery model

- All bids to us
- Lead organisation portfolios
- Internal delegation

Pros: - direct management control

Cons: - less local control/safeguard
- process builds capacity less
- external risks (eg spend profile)
- 14% operating cost

Local award partners

- Bids to us for local grant making and capacity building
- External delegation of small grants

Pros: - some local safeguards
- some local control
- some direct management

Cons: - external risks (spend profile)
- 10% operating costs

Trusts (national)

- Trust – local partnerships
- Trust = principles
- We initially find local partnerships

Pros: - most local flexibility and control
- largest quickest drawdown
- proven success

Cons: - no direct management
- careful cashflow handling
- 2% operating costs

Next steps

Feb 2010	Announce scope and shape
May 2010	Sign off phase one: neighbourhoods FDF Stage 2 complete
July 2010	FDF Stage 3 complete Announce programme

Dates

Aug 2010	Phase 1 initial bidding
Spring/summer 2011	Phase 1 community engagement and planning
New year/spring 2012	Phase 1 main decisions Phase 2 area research