

**BIG LOTTERY FUND**

**MEETING OF BIG LOTTERY FUND ENGLAND COMMITTEE  
HELD ON TUESDAY 10 MAY 2011 at 09:30  
at AMBASSADORS HOTEL, BLOOMSBURY,  
12 UPPER WOBURN PLACE, LONDON**

**MINUTES****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>
Margaret Hyde	<i>England Committee Member</i>
Sue Charteris	<i>England Committee Member</i>
Geoff Wilkinson	<i>England Committee Member</i>
Nalini Varma	<i>England Committee Member</i>
Danny Silverstone	<i>England Committee Member</i>

**IN ATTENDANCE:**

Dharmendra Kanani	<i>Director for England</i>
Linda Quinn	<i>Director of Communications &amp; Marketing</i>
Ambreen Shah	<i>Deputy Director England Policy</i>
Andrew Morris	<i>Deputy Director Business Development</i>
Tim Davies-Pugh	<i>Deputy Director, Operations and Programme Management</i>
Margaret Cooney	<i>Deputy Director England (Regions &amp; External Relations)</i>
Jon Fox	<i>Head of England Policy</i>
Peter Wanless	<i>Chief Executive</i>
Joanne O'Reilly	<i>Head of Planning &amp; Support</i>
Lyn Cole	<i>Senior Head of Operational Functions</i>
Sarah Fickling	<i>Operations Support Assistant (Secretariat)</i>
Sir Ronald Cohen	<i>(Item 6 only)</i>
Alastair Ballantyne	<i>Portland Place Capital (Item 6 only)</i>

**APOLOGIES**

Albert Tucker	<i>Board Member and England Committee Member</i>
---------------	--

The Chair welcomed those present.

**1. APOLOGIES FOR ABSENCE**

1.1 Apologies had been received from Albert Tucker.

**2. DECLARATIONS OF INTEREST**

2.1 There were no declarations of interest stated.

**3. MINUTES FOR APPROVAL OF ENGLAND COMMITTEE MEETING HELD ON TUESDAY 12 APRIL 2011 (EC/11/M03)**

3.1 Subject to the following amendment, these were agreed as a true record of the previous meeting:  
There was an error in the page title: delete "*Birmingham*" and insert "*London*"

**4. MATTERS ARISING FROM ENGLAND COMMITTEE MEETING HELD ON TUESDAY 12 APRIL (EC/11/M03)**

- 4.1 Early Action Task Force (Item 2.3 point vi)  
No recommendations had been made by members of the England Committee.
- 4.2 Reaching Communities Review (Item 6.2 point iii) – Branding pitch on People Powered Change and England Portfolio  
This action was postponed due to the weight of the May agenda items.
- 4.3 Matters arising (Item 10.1) – England Committee Learning Day  
This action was completed.
- 4.4 Communications Update (Item 12.1)  
This action was postponed until the June Committee Meeting due to the weight of the May agenda items.
- 4.5 Social Impact Bond Papers (Item 14.2)  
This action was completed.
- 4.6 The England Chair announced that the new chairs of both the UK Board and England will take up post in June 2011. The England Chair thanked the Committee members and Officers for their continued support over the previous 4 years with particular thanks to John Gartside for his support and guidance. He also extended his thanks to all staff for their support. In addition, he expressed thanks to the Reaching Communities programme team.

**5 REFRESHED ENGLAND PORTFOLIO (EC(11)P27)**

- 5.1 The England Chair outlined the approach to new programmes and identified the progress that had been made to date including his desire for the England portfolio to operate in a responsive way to ensure that programmes add real value. The Chair endorsed the refreshed portfolio and the approach to future funding noting that it builds on the work of the England Committee over many years and is therefore a fitting legacy of its work and provides a substantial heritage of intelligent funding for the future.
- 5.2 Ambreen Shah, Jon Fox and Lyn Cole presented an outline of the New England Portfolio for 2011-2015. Ambreen Shah thanked the Committee Members for their work to date and for their support in attending meetings at short notice and invited Committee Members to comment on the model that was presented. Isolation and Transition were identified as key themes from the consultation and these would remain; the proposed portfolio would be outcome driven and providing a more holistic and integrated approach to accessing funding, learning, tackling need, supporting and spotting opportunity, and to analysis impact as a portfolio approach rather than the programmatic approach in place hitherto. It was noted that there is £1.1bn up to 2015 to be allocated; the structure of the portfolio approach would be designed to be responsive and flexible through annual review of the portfolio of funding to enable funding priorities to reflect changing needs and circumstances, as well as the reach and impact of BIG's funding across England.

- 5.3 In discussion the main points raised included;
- i. The principles and approach outlined for the proposed portfolio is positive and has relevance to current and emerging circumstances both internally and externally.
  - ii. The focus on capturing learning, regional intelligence and a more integrated way of funding would require a shift in how regions, operations and policy teams work to achieve the desired impact. Dharmendra Kanani advised that this approach was already being embedded across the England offices.
  - iii. Addressing Inequalities was highlighted as a funding essential that requires further consideration in terms of the Fund being clear about its objectives in this regard.
  - iv. Further clarity would be helpful regarding the role of Non-Executives and relationships with regions relating to the new portfolio approach. The current England Chair outlined that the Committee's concerns would be passed to the New England chair.

**ACTION: D Kanani**

*Peter Wanless and Margaret Cooney joined the meeting.*

- v. Members sought confirmation of the £1.1bn and noted the importance to allocate in broad headlines how this funding would be organised and ring fenced. Dharmendra Kanani advised the figures before Committee are based on discussion with Finance colleagues and this would continue in order to ensure that if Committee agreed to create an indicative allocation for the full amount, this would form the basis of further planning especially as England's funding approach has the potential to have a disproportionate impact across the UK. This would, however, be subject to reviewing financial implications up to 2014/15 and an annual appraisal of spend and cash limits across the organisation.
- vi. Dharmendra thanked the England Strategic Management Team for their work on the Refreshed Portfolio.

*Sir Ronald Cohen and Alastair Ballantyne joined the meeting.*

## **6 Presentation from Sir Ronald Cohen**

- 6.1 The England Chair welcomed Sir Ronald Cohen to the meeting.

*Margaret Hyde joined the meeting.*

- 6.2 Sir Ronald Cohen outlined the role of Social Investment and noted how a funder like the Big Lottery Fund could engage with this agenda. The key areas he referred to were as follows:
- i. Social issues can be tackled by using business philanthropy.
  - ii. 5 areas had been considered – Community investment tax relief; venture funds; redefined guidelines, resulting in changes by the charities commission; a different role for banks to publish their lending to poorer areas; a community development finance association.
  - iii. Using the principles of financial markets to drive social markets will lead to innovation and impact. Sir Ronald Cohen expressed thanks for the Big Lottery Fund's support of social finance work.
  - iv. Significant progress in the next 5 years is expected.
  - v. Social Impact Bonds implemented correctly will challenge new financial instruments, creating powerful role models and lead investors to this area.

- 6.3 The England Chair thanked Sir Ronald Cohen for the presentation and invited questions from Committee Members. The main points raised in discussion included:
- i. Applying the principles of a bigger business model to the social sector, which will enable entrepreneurial activities, is favourable but it will inevitably mean some failures.
  - ii. There were reservations about the Big Society name as this is perceived as 'London centric' and concern was voiced about the reality of reaching very deprived communities and local engagement.
  - iii. Questions were raised about the appetite amongst Government departments to drive this and whether the Treasury would allow any savings to be retained and rolled over and the impact of the Social Impact Bond in a particular city.
  - iv. It was suggested that Local Authorities could be issuers of the bonds, sponsored by Local Authority with central government department as Commissioners. Big Lottery Fund is demonstrating investing in potential champions (with its Improving Futures programme). There may be an opportunity to assist those who regularly seek our funding support, for example via an investment relationship to assist them with being more entrepreneurial.
- 6.4 The England Chair thanked Sir Ronald Cohen for taking the time to attend the meeting. The England Chair advised that discussions will continue on this topic and he invited Sir Ronald Cohen to return in the future. Sir Ronald Cohen thanked the England Committee for its time and for the opportunity to tackle these deep seated social issues.

*Sir Ronald Cohen and Alastair Ballantyne left the meeting.*

## **7 'Why' Session**

- 7.1 Jon Fox introduced the agenda item, advising that the session was to ensure that Committee Members' views were captured with regards the New England Portfolio and to allow reflection on previous discussions that had taken place.
- 7.2 In discussion the main points raised included;
- i. With reference to underpinning principles and specifically 'focusing on resources to address disadvantage and need' it was noted that the Fund should be careful not to exclude communities simply because they are not within the 10% most deprived areas. Committee Members sought reassurance that this is not the intended approach and requested that Annex 2 of paper EC/11/P27 be amended to ensure clarity on this subject.
  - ii. Committee Members requested that the Equalities Act should be used within the Fund's programme design.
  - iii. Further clarity is required on Additionality; Peter Wanless advised the Committee that the UK Board has revised its policy on Additionality. Lyn Cole will circulate the Board paper. **ACTION: L Cole**

### 7.3 The England Committee agreed:

- i. To support the principles and approaches that will underpin the portfolio as detailed in paper EC/11/P27, subject to the changes discussed to Annex 2, with reference to 'focusing resources to address disadvantage and need.'
- ii. The process for the ongoing review of strategic priorities within the portfolio as set out in paper EC/11/P27.

## 8 'What' Session

8.1 Jon Fox outlined the key components of the 'what' element of the portfolio model - Intelligence Gathering, Funding Essentials and Intelligent Funding, and invited the England Committee to comment.

8.2 In discussion the main points raised included;

- i. Equalities were cited as an area for improvement. As a funder, The Big Lottery Fund needs to be seen to be addressing inequalities. Identifying the issues of how we deal with those communities is key. The assessment reports used at the recent Youth in Focus Committee meeting on 5 May 2011 were cited as a good example where applicants had to demonstrate a specific need and how the project would address it. The England Chair requested that copies of the assessment reports used at the Youth in Focus Committee should be circulated to all England Committee Members. **ACTION: L Cole**
- ii. A request for a more sophisticated evidence gathering approach to support good decision making by its members.
- iii. Whether the Fund needs to be more robust at making grant holders accountable. Lyn Cole commented that there could be an opportunity to look at this with the design of targeted programmes.
- iv. The impact of questioning applicants about inequalities was discussed, it was noted that having this information included in project assessments would be useful.
- v. The England Committee was invited to comment on the proposed Intelligence Gathering model and to consider whether using the model would provide the Committee with a strategic focus
- vi. Committee Members suggested that better use of regional officers should be made, possibility to help identify themes. Key metrics on themes funded through the Reaching Communities programme were requested. **ACTION: L Cole**

*Roger Winhall joined the meeting.*

- vii. The approach taken for the Youth in Focus programme was cited as a positive and meaningful way of working. Nalini Varma and Albert Tucker had worked with the Programme team leads from the very start fostering a close working relationship. It was noted that important learning should be taken from this approach and should be captured and utilised for future funding approaches.

**ACTION: N Varma and L Cole**

8.3 At this point Jon Fox invited Committee Members to offer comments on the 'How' element of the new England Portfolio model.

- 8.4 In discussion the main points raised included:
- i. Awards for All and Reaching Communities may not need to operate as two separate open programmes? Tim Davies Pugh advised a single front door principle was being considered, utilising a risk based approach with standardisation across programmes.
  - ii. Consideration could be given to outsourcing certain scale and approaches to funding recognising that this would be considered as the best option for the outcomes sought, most effective and efficient.
  - iii. Concern was expressed for smaller groups if there is one large open programme especially those applying for less than £10k - officers explained that this is a key consideration in the structure and content of the future portfolio design.
  - iv. BIG should consider taking a stronger leadership role within the family of funders as a result of this refreshed portfolio as well as in response to the external environment of significant change.

*Tim Gill joined the meeting.*

## **9 BUILDING CAPABILITIES FOR IMPACT AND LEGACY (EC/11/P28)**

- 9.1 Jon Fox provided an outline of the background to funding capacity building, how the current proposal to move from a 'producer' led approach towards a more market and beneficiary led approach was developed in partnership with significant external organisations at a local and national level; Tim Gill provided a summary of paper EC/11/P28 and asked for endorsement of the approach detailed therein.
- 9.2 In discussion the main points raised included:
- i. In response to queries about the involvement of regional teams in the development of the approach, Dharmendra Kanani assured the Committee that this had been the case.
  - ii. Committee Members expressed thanks to Jon Fox and Tim Gill for the high quality paper which had been produced.
  - iii. Learning from the BASIS programme should be considered to ensure the successes of the programme are capitalised upon. Tim Gill referenced a paper on BASIS programme that had been presented to the England Committee in December 2010.
  - iv. Committee Members commented that the Fund would need to take a view as to where we stand with other funders in terms of infrastructure. The VCS needs to have the correct tools to be able to succeed. Jon Fox advised the Fund will need to engage with other funders for this piece of work, Committee Members welcomed this.
  - v. Committee were keen to adopt an 'Action learning' approach and for us to work with other funders.
- 9.3 **England Committee agreed:**
- i. **To the overall framework for investment to build capabilities to extend the impact and legacy of our portfolio, including:**
    - **The proposed co-ordination of investment with the OCS (para 2.1-2.4 of paper EC/11/P28)**
    - **The suggested Guiding Principles (para 2.7 of paper EC/11/P28)**
    - **The recommended purposes of the framework (para 2.9-2.21 of paper EC/11/P28)**
    - **Two main strands of investment to 2015 (para 2.22 – 2.30 of paper EC/11/P28)**
  - ii. **The proposed priority investment under Strands A and B of paper EC/11/P28**

- iii. **Committee Members were in agreement with the indicative budget for the programme.**

*Alex Dodds joined the meeting. Tim Gill left the meeting.*

## **10 OLDER PEOPLE FUNDING(EC/11/P29)**

- 10.1 Andrew Morris and Alex Dodds presented paper EC/11/29. Committee Members were invited to comment on proposals.
- 10.2 In discussion the main points raised included:
  - i. It was noted this is a positive way forward; the outcomes and approach taken was commended and regarded to be an interesting and innovative way for the Big Lottery Fund to work to develop a response to a social issue combined with new approach to funding.
  - ii. An outcome relating to how older people's contribution is recognised was suggested.
  - iii. Isolation and advocacy were key themes that Committee Members were keen to have considered alongside transition.
  - iv. Committee Members were keen that an emphasis on the 'active old' helping 'less active old' should be prominent in the programme.
  - v. Dharmendra Kanani commented that feedback at the recent Older People stakeholder event had been very positive.
  - vi. Committee Members favoured the content of the paper but were keen to ensure that good proposals or significant investment in this area was not unnecessarily delayed pending the approach set out - officers would develop an approach to ensure this was not the case
  - vii. Committee Members expressed concern that £50m was not reflective of the scale of the issue in England and therefore a proportionate share of £1.1bn of the portfolio and agreed to consider this further and would be subject to review.

### **The England Committee agreed:**

- i. **To note the latest developments of proposals for this package of investment;**
- ii. **The draft overarching aims and outcomes (para 2.5 - 2.6 of paper EC/11/P29);**
- iii. **The development of a Challenge Fund as the initial investment in older people during financial year 2011/2012. (para 2.7 - 2.12 of paper EC/11/P29);**
- iv. **Indicative amount of up to £10m for the Challenge Fund Prize and £100m up to 2015.**

## **11 SUSTAINABLE AND RESILIENT COMMUNITIES (EC/11/P30)**

*Elaine Warner joined the meeting.*

- 11.1 Tim Davies Pugh reflected on the recent Sustainability & Resilient Communities BIG Insight event and how it helped to shape and frame the approach to this investment which Elaine Warner set out and provided an overview of paper EC/11/P30.
- 11.2 In discussion the main points raised included;
  - i. There was concern that proposals in the paper may be too ambitious for the Big Lottery Fund to deliver and whether the Fund can really be a significant player in the renewable energy field. Elaine Warner confirmed that the Big lottery Fund will not be main lead for the renewable energy proposal.

- ii. Members felt that the level of complexity and range of proposals did not come together as a coherent package but were keen to support the elements identified such as a place based approach, the notion of a pilot and targeting the most vulnerable and least able to engage in this issue and did not want to delay further investment in this important area
- iii. The Committee members were keen to support this programme but requested further consideration of the key issues with the involvement of Committee members.

**ACTION: E Warner and T Davies-Pugh** to take this discussion and development further with the Committee leads in this area, Daniel Silverstone and Albert Tucker

### 11.3 The England Committee agreed:

- i. **The major focus of the programme should be supporting the most disadvantaged and the most vulnerable communities.**
- ii. **The Programme team should work up a place based test and learn ‘pilot’ to target the most vulnerable in England, combining the elements noted above with an overriding aim to build resilience and how this can be learned and spread;**
- iii. **Indicative Commitment of £50m up to 2015;**

*Margaret Cooney left the meeting.*

## 12 ANY OTHER BUSINESS

- 12.1 Committee Members agreed that generally issues surrounding, poor, vulnerable and disadvantaged young people, violence, domestic abuse, well-being and mental health should be considered as future priority areas for investment. Ambreen Shah advised the next Big Lottery Fund insight event with external stakeholders will focus on young people and proposals will be presented at a future Committee meeting. Committee asked that the Youth Justice Board be consulted as part of stakeholder engagement for young people. **ACTION: A Shah**
- 12.2 The England Committee Vice Chair expressed thanks to the England Chair for all that had been achieved during his tenure and that he would be missed. The Vice Chair was keen to highlight that the Chair had ensured values were inherent in programme design and approach to Committee business; the huge influence on the choice of Committee Members to ensure a good skills set and experience and the open and inclusive style that has been adopted.
- 12.3 The England Chair commented he was proud of the achievements of the England Committee to date and wished the England Directorate well as it progressed under a new structure. Dharmendra Kanani thanked the England Chair for the support and flexibility that had been shown over the previous 4 years.
- 12.4 The next England Committee meeting will be held on Tuesday 14 June 2011 in London.

*There being no further business the chair closed the meeting at 17:35pm.*

*England Chair*