



Corporate Plan 2007-2008



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Further copies available from:

Email enquiries@biglotteryfund.org.uk

Phone 0845 4 10 20 30

Textphone 0845 6 02 16 59

Our website www.biglotteryfund.org.uk

Accessibility

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Our equality principles

Promoting accessibility; valuing cultural diversity; promoting participation; promoting equality of opportunity; promoting inclusive communities; reducing disadvantage and exclusion. Please visit our website for more information.

We care about the environment

The Big Lottery Fund is working towards sustainable development and the use of sustainable resources.

Our mission

We are committed to bringing real improvements to communities and the lives of people most in need.

Our values

We have identified seven values that underpin our work: fairness; accessibility; strategic focus; involving people; innovation; enabling; additional to government.

The Big Lottery Fund is committed to valuing diversity and promoting equality of opportunity, both as a grantmaker and employer. The Big Lottery Fund will aim to adopt an inclusive approach to ensure grant applicants and recipients, stakeholders, job applicants and employees are treated fairly.

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 Awarding funds from
The National Lottery[®]

Contents

Our Strategic Plan 2006–09 sets out our strategic framework including our Destination Statement describing what a successful Big Lottery Fund will look like in 2009. The Corporate Plan covers the period from April 2007 to March 2008. We update it annually, so that it reflects the priorities and resources we need to help us achieve our 2009 Destination Statement. The Plan includes details of our corporate objectives and priority activities, our planned grant making activity, the grant budgets and the operating cost budget for 2007–08. We will report on our annual performance in our published Annual Report and Accounts.

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Section 1

Strategic context

During 2007-08 we expect that there will be high demand for our funding; we will look at ways of managing that demand. We will make sure that our grant-making processes are as efficient as possible, and we will minimise bureaucracy and improve access for our applicants.

1.1 The impact of the Olympics

On 15 March 2007 Government announced its decision to divert additional Lottery funding away from 'the good causes' to the 2012 Olympics. Between 2009 and 2012 an additional £425 million will be diverted from our good cause. The statements made by the Big Lottery Fund Board after the Government's announcement about the Olympic Diversion have made it clear there will be less money for new programmes from 2009 as a result. We are committed to minimising the impact of this reduction in our income on our stakeholders, but clearly will have a strong influence on how we operate over the next few years.

1.2 The People's Millions

The Big Lottery Fund has led the way amongst Lottery distributors in developing public involvement initiatives, most notably through our partnership with ITV and The People's Millions programme.

This year sees the end of the three year initiative through which the public voted for more than 220 small local community projects across the UK. The initiative will culminate in a public vote to decide a grant of up to £50 million for the Living Landmarks People's Millions programme. Our learning and experience will influence our future thinking on how we involve the public in our decision making.

1.3 Planned grant making activity

Nearly all of our new programmes have now launched; remaining programmes are scheduled to launch by the end of April 2008. Details of these programmes are set

out in later sections. During this year, we will continue assessing applications and making decisions on our rolling programmes and on second stage applications for a number of our strategic programmes. We will also continue with grant management activities across all programmes under which we have made awards.

1.4 Changes brought about by the National Lottery Act 2006

The legal status of the Big Lottery Fund was established on 1 December 2006 with the passage of the National Lottery Act 2006. The Act has brought a number of changes for the Big Lottery Fund. We have now set up a new Board and four Country Committees. These committees will be responsible for making award decisions on their individual country programmes. They will also be responsible for the strategic direction and policy context for their countries within the framework established by the Board, a change that we will need to implement smoothly and effectively.

The Act has also given us additional powers to make loans and to distribute non-Lottery funding and these will be forming the focus of some of our new activities this year and looking ahead to new programmes from 2009.

We have also taken on responsibility for the Millennium Commission's residual activities and legacy assets. From this year we will be responsible for managing their grants.

1.5 New operational centres opened

We have now opened our new operational centre in Birmingham, in addition to the Newcastle operational centre opened about a year ago. We have successfully completed the final transfer of our grant management functions from London and other regional offices. We are planning further relocation of other functions to continue this year and into the following year.

Section 2

Corporate governance

2.1 Board and committees

As mentioned in the previous section, our new Board was formally established on 1 December 2006 with the passage of the National Lottery Act 2006. Our Board is responsible for the overall strategy, policy, finance, grant-making and administration of the Big Lottery Fund. It meets at least every two months. The Board comprises a Chair and 11 non-executive members. Sir Clive Booth, who was the Chair of our 'co-terminous' Board between 2004 and 2006, has been re-appointed as the Chair of the new Board. There is a list of the Board members at the end of this section.

The four new Country Committees for England, Northern Ireland, Scotland and Wales are responsible for making award decisions on their individual country programmes. They also have responsibility for the strategic direction and policy context for their countries. At the moment the England and Scotland Committees meet every month. The Wales committee meets four times a year and the Northern Ireland Committee meets nine times a year. There is a list of the Country Committee members at the end of this section.

There are a number of grant-making committees chaired by Board members.

The Audit and Risk Committee meets every three months. It approves the internal audit programme, endorses the risk register and scrutinises the outcome of internal and external audit reports.

The Resources Committee meets every three months. It approves the annual budgets, oversees expenditure and use of resources including an oversight of Human Resources.

The Remuneration Committee meets once a year, more often if necessary, to consider the performance and remuneration of the chief executive and directors.

There are also advisory panels considering equality issues (in relation to our funding) and evaluation and learning. This shows our commitment to these important areas of our work.

All Board and Committee members must declare any relevant interests under our Code of Conduct. Their declarations of interest are held by the Board Secretariat and are available for public inspection by writing to the Chief Executive.

The Senior Management Team has clear terms of reference and a defined membership. It meets at least once a month to consider our plans and operations. Every three months they receive progress reports on performance against corporate objectives. They delegate monitoring and decision making on a range of operational matters to two Management Boards, the Grant Programme Board and the Organisational Management Board. They meet every two or three months and are attended by senior managers.

The Board



Sir Clive Booth
Chair
Chair, Remuneration Committee



Judith Donovan CBE
General Member
Chair, Resources Committee



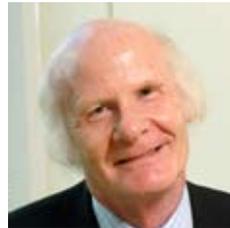
Anna Southall
Vice Chair



Roland Doven MBE
General Member
Chair, Audit and Risk Committee



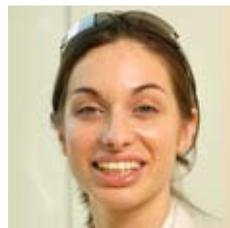
Sanjay Dighe
Chair, England Committee



John Gartside OBE
General Member
Member, England Committee



Professor Breidge Gadd CBE
Chair, Northern Ireland Committee



Esther O'Callaghan
General Member



Alison Magee
Chair, Scotland Committee



Albert Tucker
General Member
Member, England Committee



Huw Vaughan Thomas
Chair, Wales Committee



Diana Whitworth
General Member

Country Committees

England Committee – Sanjay Dighe (Chair)

Members include Dr Mohammed Amran, The Reverend Dr Alan Billings, Sue Charteris, John Gartside, Margaret Hyde, Lydia Thomas, Albert Tucker, Nalini Varma and Geoffrey Wilkinson.

Northern Ireland Committee – Professor Breidge Gadd CBE (Chair)

Members include Paul Cavanagh, Siobhan Craig, Claire Keatinge and Peter Osborne.

Scotland Committee – Alison Magee (Chair)

Members include Tim Allan, Elizabeth Cameron, Helen Forsyth, David Green, Alistair Grimes, Maureen McGinn and Lucy McTernan.

Wales Committee – Huw Vaughan Thomas (Chair)

Members include Graham Benfield, Tom Davies, Janet Reed, Mike Theodoulou and Barbara Wilding.

2.2 Risk management

Our approach for risk identification and management is set out in our Risk Management Policy Statement. The Board and the Senior Management Team have identified the key risks that may prevent us from achieving our corporate objectives for 2007-08. These risks are documented in the corporate risk register, which in turn informs the organisation's annual audit plan. The Audit and Risk Committee will receive regular reports on both of these areas during the year.

The programme development framework requires us to assess the main risks for each new grants programme, which in turn are reported to the Grant Programme Board. Every month, a summary of the key risks associated with the portfolio of new grants programmes is reported to the Senior Management Team.

Grant assessment and grant management procedures require that each grant is allocated a risk rating, which informs the level of intervention in grant management.

Section 3

Corporate objectives and priority activities 2007-2008

The financial year 2007-08 is the second year of our three year Strategic Plan. We have identified five corporate objectives, the outcomes we wish to bring about and the priority activities we will put in place to achieve these objectives. They represent the priorities that we need to focus on in 2007-08 whilst also taking us further towards our 2009 Destination Statement. We will report on our annual performance in our published Annual Report and Accounts.

Objective 1: to provide a better service to enquirers, applicants and grant holders

Outcome: an improved experience for those who enquire about, apply for or receive our funding; a strengthened relationship with our delivery partners and contract holders.

To achieve this, we will:

- a) measure and report on our performance against the agreed programme management key performance indicators
- b) review our new grant programmes to see whether programme design and delivery are appropriate to achieve the intended programme outcomes
- c) prioritise training of staff, delivery partners and contract holders to support them in responding to customers on our policies, programmes and processes
- d) work with our delivery partners and contract holders to agree service standards
- e) implement the customer care strategy.

Objective 2: to maximise the impact of our funding

Outcome: an improved framework of funding programmes, well-informed decisions about where our money goes, improved public awareness of our funding and further

development of the intelligent funder approach.

To achieve this we will:

- a) review our funding programmes to clarify success factors and outcomes
- b) develop a new funding framework for 2009 onwards and explore new opportunities related to the Olympics and the delivery of non-Lottery funding
- c) explore how public involvement adds value and develop appropriate models
- d) develop dissemination of learning and evidence from our funding programmes and communicate it across the range of our stakeholders
- e) develop and communicate a common shared vision across the organisation of the intelligent funder approach.

Objective 3: to improve stakeholder relations

Outcome: an improved understanding of our funding priorities and outcomes approach amongst our key stakeholders, increased effectiveness of helper agencies and improved communication of our intelligent funder principles.

To achieve this we will:

- a) review and develop our relationships with stakeholders
- b) develop a communications strategy to raise awareness of BIG as well as its funding programmes and communicate key activities internally
- c) deliver our outreach and development strategy effectively with delivery partners and helper agencies.

Objective 4: to develop our capabilities and get the best out of our people

Outcome: a competent, capable and committed workforce, improvements in the way we work together across the organisation and the achievement of IIP standards.

To achieve this, we will:

- a) launch the second Management Development Programme cohort
- b) continue to embed the job family framework to enhance our employee performance management process and strengthen the links with training, development and selection
- c) implement corporate, directorate and individual action plans to address issues arising from the 2006–2007 staff survey
- d) achieve IIP standards and scope requirements to become an IIP exemplar employer in leadership and recruitment and selection
- e) develop a new internal communications strategy.
- b) integrate and improve corporate planning and performance management, risk management and management information
- c) develop more robust business models that support the costing of activities and forecasting of resources
- d) re-engineer our operational processes, including reviewing the Toolkit models
- e) re-engineer our corporate service business processes to achieve greater integration of systems
- f) continue to achieve efficiency savings across the organisation
- g) continue the transfer of corporate functions to Birmingham and the disposal of surplus office space
- h) begin development of a strategic plan for 2009–2012
- i) ensure the organisation operates at all times with full legislative and contractual compliance
- j) implement the joint race, disability and gender equality scheme.

Objective 5: to improve efficiency and effectiveness

Outcome: more effective planning, resource modelling and risk management; improved decision making and support to our new Board in developing and leading the organisation to deliver our mission and be a more effective funder.

To achieve this we will:

- a) implement a new corporate governance framework, including (i) the action plan and (ii) a strategic forward plan and information schedule for the Board, Committees and SMT

Section 4

Planned grant-making activity in 2007–2008

The Big Lottery Fund awards half of the Lottery money that goes to good causes, which is currently equivalent to 14p from every £1 Lottery ticket. Billions of Lottery tickets are sold each year and at this time gives us an annual grant-making budget of around £600 million a year. Since we were set up in 2004, we have considered carefully how we can best distribute these substantial sums of money.

In 2004, we ran a UK-wide consultation on how we should work. Following this consultation, in 2005, we announced measures to help communities access our funding. We will:

1. adopt a mixed portfolio approach to funding, with no less than one third of our funding going to lightly prescribed, demand-led funding
2. introduce more flexibility to the length of our funding
3. adopt the principle of full cost recovery by allowing all legitimate overhead costs to be recovered by voluntary and community organisations
4. ensure that 60–70 per cent of our funding goes to voluntary and community organisations
5. strengthen our regional offices to increase the emphasis on policy development, outreach, partnership and external relations
6. set up two operational centres in Birmingham and Newcastle to ensure a strong unified funding policy and to make it easier to access funding, and
7. make efficiency savings of 10–20 per cent on running costs to be ploughed back into funding of projects.

This initial consultation was followed by a second phase of consultation run separately

in each UK country to help determine what our priorities should be and what programmes and projects we should fund.

This second phase of consultation, in particular, helped to finalise our overall funding framework. This framework comprises three UK-wide funding themes and three to four national outcomes.

4.1 UK-wide themes

- supporting community learning and creating opportunity
- promoting community safety and cohesion
- promoting well-being.

4.2 National outcomes

England

- people having better chances in life, including being able to get better access to training and development to improve their life skills
- stronger communities, with more active citizens, working together to tackle their problems
- improved rural and urban environments, which communities are better able to access and enjoy
- healthier and more active people and communities.

Scotland

- people have better chances in life
- communities are safer, stronger and more able to work together to tackle inequalities
- people have better and more sustainable services and environments
- people and communities are healthier.

Wales

- people of all ages equipped with the skills and learning to meet the challenges of a modern society
- people working together for stronger communities, social justice and better rural and urban environments

- healthier and more physically active people and communities.

Northern Ireland

- people have the opportunity to achieve their full potential
- people can actively participate in their communities to bring about a positive change
- community ownership of better and safer rural and urban environments
- improved physical and mental health for all people.

4.3 New programmes to be launched in 2007-08

We launched the majority of our new programmes in 2006-07. Programmes that will be launched in 2007-08 are listed below.

4.4 Legacy Trust UK

The Big Lottery Fund is also contributing £29 million in UK-wide funding to the Legacy Trust UK. This charitable organisation has been established with funding of £40 million in total from the Big Lottery Fund, DCMS (£6 million) and Arts Council England (£5 million) to secure funding for projects which will mark the 2012 Olympic Games by helping to secure a legacy across the whole of the UK through activities carried out by voluntary and community organisations. Following the completion of the Trust Deed and due diligence processes, the funds are expected to be advanced to the Legacy Trust UK in September or October 2007.

Programme	Launch date
UK-wide	
International Strategic – second round	To be launched in October 2007
Research Programme	To be launched in October 2007
Breathing Places- third round	To be launched in November 2007
England	
Young People's Fund 2	To be launched December 2007 (National programme) and April 2008 (Local programme)
Advice Plus – second round	To be launched in November 2007
Building and Sustaining Infrastructure Services (BASIS) –second round	To be launched in early 2008
Scotland	
Primetime	To be launched in June 2007
Venture Fund	Launch date to be confirmed
Wales	
Way of Life	To be launched in April 2007

4.5 New programmes in management in 2007-08, having launched in 2006-07 or earlier

During 2007-08 our grant making activity will continue on programmes launched in 2006-07 or earlier:

Programme	Status
UK-wide	
The People's Millions	Open to applications until May 2007
International Small Grants	Open to applications until June 2007
International Communities	Open to applications until April 2008
International Strategic – first round	Closed to applications in January 2007
Breathing Places – second round	Closed to applications in December 2006
Living Landmarks	Closed to applications in January 2006 (then open until May 2007 for invited second-stage applications)
England	
Awards for All England	Open to applications
Reaching Communities	Open to applications
Parks for People	Open to applications (management delegated to Heritage Lottery Fund)
Children's Play	Open to applications until September 2007
Community Buildings	Open to applications until May 2007 (then open to invited second-stage applications)
Young People's Fund – Grants to Individuals	Open to applications until November 2007
Children's Play: Playful Ideas	Open to outline proposals until December 2007
Family Learning	Open to applications until August 2008
Community Libraries	Closed to applications in March 2007
Advice Plus – first round	Closed to applications in October 2006
Well-being	Closed to applications in July 2006 (closed to second-stage applications March 2007)
Building and Sustaining Infrastructure Services (BASIS) – first round	Closed to applications in June 2006
Changing Spaces	Closed to partnership bids in March 2006; closed to second-stage applications February 2007; partners' grant schemes to launch in early 2008

Young People's Fund – National Grants	Closed to applications
Young People's Fund – Grants to Organisations	Closed to applications
Scotland	
Investing in Ideas	Open to applications
Investing in Communities	Open to applications
Awards for All Scotland	Open to applications
Primetime	Open to outline proposals until August 2007 (then open to invited full applications)
Young People's Fund	Open to applications until August 2007
Dynamic Inclusive Communities Portfolio	Closed to applications November 2006
Wales	
Awards for All Wales	Open to applications
People and Places	Open to applications
Child's Play	Open to applications
Mental Health matters	Open to applications until September 2007
Young People's Fund	Make it Happen – open to applications Reaching Out – closed to applications Bridging The Gap – closed to applications
Stepping Stones	Closed to applications in September 2006 (open from March 2007 to invited second stage applications)
Northern Ireland	
Awards for All Northern Ireland	Open to applications
Reaching Communities Northern Ireland	Open to applications until May 2007; re-opens September 2007
Improving Community Buildings	Open to applications until May 2007
Building Change Trust	Open until June 2007 for proposals for delivery of Trust Fund
Safe and Well	Open to applications until July 2007
Live and Learn	Closed to applications in March 2007

Section 5

Grant budgets 2007-2008

In 2005-06, we announced the expected funding available for each of our new programmes. Our Strategic Plan 2006-09 set out provisional grant budgets for 2007-08 and 2008-09.

In March 2007 the Secretary of State announced that a further £675 million would be diverted from the National Lottery good causes to support the 2012 London Olympics of which £425 million will come from the Big Lottery Fund's future income from 2009.

The Board is committed to maintaining our existing portfolio of programmes without seriously reducing them, as we want to honour our promise that 60-70 per cent of our grant money will go to the voluntary and community sector. We are also committed to launching new funding programmes in 2009-10.

The Board have approved grant budgets up to 30 June 2007 for the following programmes. All figures shown in the table below are 'up to' amounts.

	2007/08
BIG Programmes	£ Million
UK	
Living Landmarks	130.7
International programmes	30.0
People's Millions	7.3
Breathing Places (2006)	9.4
Legacy Trust UK	29.0
	206.4
England	
Reaching Communities	100.0
Changing Spaces	187.2
BASIS	90.0
Community Libraries	79.8
Awards for All Joint Pot 2005/09	35.7
Well-being	135.0
Children's Play	109.7
Parks for People	34.6
Family Learning	11.4
Young People's Fund – Do it 4 Real	5.0
Community Buildings	2.1
	790.5

Scotland	
Investing in Communities Portfolio	43.2
Young People's Fund	10.4
Awards for All 2005/09	8.6
Primetime	2.5
Investing in Ideas	1.6
Venture Fund	1.0
	67.3
Wales	
People and Places (incl support contract)	18.2
Stepping Stones	13.3
Child's Play	3.5
Awards for All 2005/09	2.3
Reaching Out	2.2
Make it happen	0.4
	39.9
Northern Ireland	
Building Change Trust	10.0
Reaching Communities	7.0
Improving Community Buildings	5.0
Live and learn	1.1
Safe and Well	1.2
Awards for All 2005/09	3.0
	27.3
Legacy programmes	
PE Sport in schools	15.6
School Sports Co-ordinators	5.4
	21.0
Total	1,152.4

Section 5

Grant budgets 2007-2008

2007-08 as a result of the merger. This target is measured from the baseline level of the 2003-04 budgets for the New Opportunities Fund and the Community Fund, adjusted for one off recurring costs.

With the pace of change within the organisation, setting robust operating cost budgets that will achieve this target has proved challenging. We have absorbed three years of pay increases, and inflation, and a large, above-inflation, rise in employer's pension contributions. Despite these pressures, our operating cost budget has successfully achieved our target with savings of 16 per cent against the baseline level.

As in previous years savings made through the merger and efficiencies have been ploughed back into new activities. These new activities were identified in the Government's

Decision Document setting out the road map for the Big Lottery Fund. These include leading on cross-distributor work, expanding the Awards for All programme and the taking on of the remaining activities of the Millennium Commission among other projects.

In 2007-08 there continues to be a number of outstanding one off activities before completing the large organisational change programmes. These outstanding costs include changes in accommodation and IT infrastructure projects.

There was a sound business case to allow for extra short-term resources in the operating cost budget. This was due to the high demand for a number of our programmes and the extra workload involved in meeting it.

	£000	Savings as a % of 2003/04 baseline	Spend as a % of estimated income*
2007-08 activity budget (comparable to the baseline)	£52,725	16.4%	7.7%
Savings recycled into new activities	£5,312	(8.4%)	0.8%
One off or transitional costs	£4,892	(7.8%)	0.7%
Business cases to support increased volume of activity and development activity.	£865	(1.4%)	0.1%
Total 2007-08 budget	£63,795	(1.1)%	9.4%

* central case scenario