



# Big thinking

BIG  
LOTTERY  
FUND



## Our Strategic Framework to 2015

## **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.

## **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.

## **Accessibility**

Please contact us to discuss any specific communications needs you may have.

## **We care about the environment**

The Big Lottery Fund seeks to minimise its negative environmental impact and only uses proper sustainable resources.

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# The BIG story so far

- ▶ **Supporting communities:** £2.8 billion invested in communities across England, Scotland, Wales and Northern Ireland.
- ▶ **Small grants:** over 9,000 awards through Awards for All last year alone.
- ▶ **The largest single funder of the VCS:** awards of more than £1.6 billion to the VCS since June 2004. This is 77 per cent of the total grant awards made in that period.
- ▶ **Efficient and effective:** a cost-efficient distributor, recognised by the Public Accounts Committee (PAC) for high quality outreach and development.
- ▶ **Home and away:** a major international funder, supporting community projects in developing countries.
- ▶ **An outcomes funder:** driven by the difference our funding makes for individuals and communities.
- ▶ **A learning organisation:** committed to becoming more effective and sharing our learning more widely for others to benefit.







## Where we want to be in 2015: From distributor to intelligent funder

BIG's Strategic Framework takes us from where we are today to where we want to be in 2015. It charts the journey we will make during this period. We are already more than simply a distributor of funds: we offer support to the sectors we fund, we work with other funders to develop and share leading practice and we promote the analysis of the impact of our funding to policy makers. This new Strategic Framework takes us further forward to becoming a more effective and efficient funder – an intelligent funder – securing greater impact and influence from our work.

The Strategic Framework captures what we mean by intelligent funding. It blends what we have heard from our Big thinking consultation with what we have

learned from our experience of funding so far. It will overlay and inform everything we do in the next six years.

This Framework will shape and influence our funding arrangements and the activities that support them. We will continue to discuss, review and report the details of these over the course of the next six years, learning from the feedback and sharing our achievements and good practice.

The overwhelming message from our consultation was that people valued the adaptability, flexibility and responsiveness of our funding. This will remain the hallmark of what we do. We will enhance it where we can.

# Where we want to be in 2015: From distributor to intelligent funder

## **BIG'S mission - We are committed to bringing real improvements to communities and the lives of people most in need**

It is clear from the consultation that people think our mission gives a positive and relevant signal about where our funding should go and what it should aim to achieve. This statement will continue to provide the inspiration for everything we do.

## **Three UK-wide themes - community Learning and creating Opportunity, Promoting community cohesion and Safety, Promoting Well-being**

These three themes underpin BIG's broad Strategic Framework agreed by Parliament. They have enabled us to respond flexibly and dynamically to the issues we seek to help communities tackle.

The design of our Lottery funded programmes and the way in which decisions on individual grants are made have been entirely our responsibility, without external interference. The successful delivery of this Strategic Framework requires that we retain this freedom of operation.

## **Championing equalities and sustainable development**

Embedded firmly in our approach to achieving outcomes through our funding will be a commitment to equality and a commitment to sustainable development. We will seek to achieve outcomes through our funding which reflect these commitments. Similarly we will pursue our own business practices with these values at the heart of what we do. This includes our dealings with applicants, grantholders and stakeholders.

Our commitment to minimising our impact on the environment will become ever more important not just for ourselves but also for everyone we fund, as we

witness the growing impact of climate change. We will build sustainable development into all our funding to help enhance the quality of life for everyone now and for generations to come.

As a funder aiming to help communities and those most in need we must apply our equalities framework vigorously in order to ensure that all communities have the opportunity to benefit from our funding.

## **Championing communities to thrive, be more robust, inclusive and tackle the issues that matter to them**

By 2015, BIG will be seen as a champion of communities and disadvantaged people, wherever they live. Some communities are defined by place; others by people having needs in common who are geographically dispersed. We are concerned about both.

We know need exists in almost every community. As a result of the worsening economic climate, we expect to see communities coming under increasing pressure during this period. We will not be constrained by rigid formulae for assessing economic deprivation, but will be alert to the many different ways in which need manifests itself. We will be sufficiently flexible to intervene effectively and with real impact. This is about understanding communities and includes the ability to identify pockets of concentrated need or need that is dispersed across otherwise apparently affluent areas.

BIG's size and reach allows us to combine a focus on disadvantage with an ability to offer something to all communities. The Lottery is played across the UK by people from all walks of life, and we will ensure that our funding reflects the legitimate expectation that all communities should have the opportunity to benefit from our funding.

As a result of our consultation we will focus on those undergoing difficult transitions in their lives or

## Where we want to be in 2015: From distributor to intelligent funder

experiencing isolation. We see isolation and transition as common characteristics of need and by 2015 we want to have used our funding to make a discernible impact on reducing problems associated with both. But they are only starting points for a discussion about the precise nature of need at community and individual level. By engaging with those who best understand this more detailed picture, we will have used our funding to help communities, families and individuals build, for themselves, the dynamic and resilient society they wish to live in.

BIG's funding will have contributed to a stronger civil society, where more people feel part of their local community, and those most in need are properly supported. People and communities will be more resilient, resourceful and enterprising – better equipped to recognise their own needs, and organise themselves to meet those needs.

### **Using our learning to influence public policy and practice**

We will aim to use our learning to inform the development and practice of public policy across the UK.

BIG's ability to work flexibly to fill gaps, and our position straddling several sectors, offers us a unique perspective on need and change. We will do more to help find solutions, influence practice, and bring parties together – not just through our funding but through our advocacy, networks and mediation.

### **Equipping communities to deal with the changes and challenges that modern life throws at them**

The communities we work with and invest in will see the difference Lottery funding has made in their area. These communities are likely to have taken part directly in achieving that difference for themselves. They will understand better how to access funding, and feel equipped and empowered to do so. In the past we have supported many projects which promote volunteering, for example, and we would expect to continue to do so in the future.

### **Reflecting the diversity of the UK**

BIG will reflect the diversity of the UK in the way it funds. BIG's emphasis on taking decisions at the most appropriate level – be that national, regional or local, has been the cornerstone of many of its achievements since 2004. Embracing the strength of devolution in responding to community needs across the UK is a prerequisite of an intelligent funder.

We will make the most of our position as a body that operates across the UK, by galvanising, celebrating and promoting the achievements and insights derived from our funding in the four countries. We will make the connections, where there is value in doing so, and provide funding at a UK level where that is necessary.





## The characteristics of our funding

### **A focus on the whole lifecycle of funding**

To make the biggest difference with our funding we see that we need to focus on the whole lifecycle of our funding: from pre-application support, to engagement with projects and to capturing and using learning beyond the lifetime of our grants.

### **Additional funding, with a clear and unique position in the marketplace**

Our funding will be distinct from that provided by Government and the statutory sector. We will complement and add value to others' work at a local

level, not duplicate or replace it. We will seek out the causes and communities that evidence suggests are in need, and help them.

### **The Voluntary and community sector is our major partner in delivery, and we have set ourselves a target that it will receive at least 80 per cent of our funding between now and 2015**

The voluntary and community sector's ability to reach those most in need, and work with communities who are often poorly served by mainstream provision, makes them the natural and primary partner for BIG.

## The characteristics of our funding

We know the sector needs a stable and secure funding base to ensure this can continue.

We will therefore extend our commitment to the VCS – raising the proportion of funding they can expect from us, and extending this for the duration of this Strategic Framework. We will set a UK-wide target that at least 80 per cent of our funding will go to the VCS during the period up to 2015.

Alongside this undertaking, our continued investment will support a stronger sector that is better equipped to support and empower all communities, but especially those most in need.

### Encouraging partnerships to strengthen civil society

While the VCS will remain the main recipient of our funding, many organisations outside the sector will be significant in the delivery of our outcomes. We will not force partnerships, but we will encourage links to be made between organisations who are working to deliver the same ends. The majority of our funding delivered through non-VCS bodies will be in partnership with the VCS, or of direct benefit to a stronger civil society.

It is likely that many of the projects we fund will aim to deliver their outcomes through working in partnership. In most cases this will involve VCS-led projects partnering with other VCS or public sector bodies. On occasion they might also choose to work with private sector partners and, as long as it is appropriate to the delivery of the outcomes, we are keen to explore this.

### Sharing learning from the success and failures of our funding with other funders

We will make a direct impact through our funding, but we will add value to this by applying the learning and knowledge derived from our funding programmes to our own work and that of others. We will enhance this

by working with other funders to share best practice and promote better funding approaches.

### Offering a mixed portfolio of funding, complementing the work of others, but with grants continuing to be our main business

We will develop new approaches to funding that will be complementary and developed in partnership. We will not immediately establish systems ourselves to deliver loans directly, but where our stakeholders tell us they will add value, we will seek partners to help us deliver these.

We will continue to offer a mix of funding. This will always include small grants, open funding and targeted approaches. We know that small changes can make a big difference in all communities. We also know that providing flexibility for communities to develop their own responses in their own time fosters creativity, innovation and ownership. Our learning shows that to deliver specific outcomes, where these are not being met by others, we should make strategic investments in a particular sector, community or an issue. We will draw on expert research to determine whether there are particular difficulties, or new problems, where innovative approaches could improve results. If there are, we will stimulate organisations to find new approaches. If our research uncovers approaches already successfully tackling emerging problems, then we will consider specific funding to replicate them.

We will continue to undertake non-Lottery work where we see it genuinely adds value for the people and communities we fund and where it fits with our mission and vision. We will work in partnership wherever possible, including seeking out those better placed to deliver than ourselves. We will listen to our stakeholders – we will not pursue approaches where we do not have their support but will put our systems and skills at the disposal of those who share our mission.

### **Setting priorities, making decisions, and delivering our funding as close to the beneficiary as possible**

We will build on our strong and established networks at country and regional level. Our dedicated country committees, working with the devolved administrations, will continue to enjoy autonomy to plan and deliver their funding with local, regional and national partners. We will draw on our devolved knowledge and learning to spread good practice throughout the UK.

We will ensure decisions are taken with understanding of the communities we serve. There will be more opportunity for local decision-making. Community and user involvement will continue to be at the heart of every project we fund.

### **Funding that is supported and inspired by the communities we are looking to help**

Public involvement in our work deepens understanding of the good that Lottery funds can do and encourages people to get involved in their communities. In future, public involvement will therefore be broader – with opportunities for direct involvement in priority setting and decision-making across more of our funding. We will seek opportunities to work with partners who can help us connect communities to funding opportunities; promote the work of funded projects to a wider audience and to encourage a wider discussion about the impact our funding has. As now, strong safeguards will be in place to ensure that the quality and range of projects we support are protected.



## What you can expect from us as an intelligent funder

### **We will focus on efficiency, effectiveness and customer care**

We recognise that how we behave as a funder is important to our stakeholders and has a real impact on our customers' success. Big thinking communicated strong messages on what we do well and how we can improve. This is what you can expect from us over the next six years as an intelligent funder.

### **An efficient funder**

Getting the most funding we can to those who need it most will be our priority. That means striving to maintain our position, already recognised by the Public Accounts Committee, as an efficient and high-value funder. We will aim to be the most efficient distributor of Lottery funding. We will continue to find significant efficiency savings throughout the period of the Framework. We will expect all spending on our operating costs to demonstrably contribute to the effectiveness of our funding and the quality of our customers' experience.

## Outcomes: what we want to achieve

First and foremost, the impact of our funding will be on what matters to people and communities. The most positive results are realised when people are themselves involved in planning and delivering the projects that help them.

We will be clear about the outcomes we want to achieve and see sustained through our funding. We will show how they match our understanding of need, and review them regularly to ensure this remains up-to-date. By 2015, the cumulative effect of our funding will have brought us closer to the vision described in the opening paragraphs of this Strategic Framework.

We will recognise the potential, and the limitations, of our funding – focusing on areas where we can have most influence. We will ensure, in particular, that we contribute measurably to three issues that will be a common thread in much of our activity: reducing isolation, helping people through certain key transitions (which could include leaving care, being made redundant, coping with bereavement) and assisting more people in more communities to feel empowered and enabled to get involved.

We will evaluate and share the learning about the outcomes we are achieving and sustaining through our programmes. We will put in place strategies of learning, advocacy, networking and other support to achieve this.

We will provide support to applicants and grantholders in understanding, articulating and measuring these outcomes, allowing sufficient flexibility to adapt to changing circumstances of need.

## Innovation and sustainability

We want to encourage new and imaginative approaches to find solutions to long-standing problems. But we recognise the merits too of tried and tested approaches that have been shown to be effective in delivering change for communities. We will therefore be clear in identifying where we think innovative solutions are needed and we will recognise that such experiments sometimes fail. Nevertheless they give us fertile territory for learning and are the means by which bold change can be fostered. BIG will be unashamedly assertive in taking risks to address unpopular or challenging issues that have been neglected by other funders, where this fits with our mission.

BIG's financial support can never be a long-term funding solution for organisations. But we are determined to achieve the greatest impact we can from our interventions. We want to sustain positive effects and outcomes beyond the life of our funding and help to ensure that changes are built upon. Through this long view, BIG will promote and sustain improvements in the quality of people's lives and their ability to deal with difficult times.

## Flexibility and responsiveness

We will maximise the potential of Lottery funding, working flexibly, responding to feedback, and ensuring our systems, processes and, of course, our people, provide the best customer service. Recognising that demand will almost always outstrip supply, we will seek to minimise unnecessary effort on behalf of applicants, making decisions as early as possible and communicating them clearly. A more personalised service will allow applicants and grantholders to track applications and payments, and provide information to us in one simple, accessible format.

Our Big thinking consultation has offered the opportunity to engage with individuals and

organisations from all backgrounds and has provided us with a wealth of information from which to consider both the strategic direction and the practical delivery of our funding. Our engagement does not end with the close of the consultation but will continue through many channels in the coming months and years. We have the opportunity to align our backroom systems with the new and refreshed ambitions set out in this Framework, establishing a seamless flow from strategy to delivery.

### Capacity building and engagement

We will support applicants and grantholders – proportionate to the size of the award – to ensure our investment has the maximum impact. We will offer pre-application support – either delivered directly or through partners – where this improves the reach or quality of a programme. In some cases, we may seek to target this in particular at communities who have missed out on funding in the past, helping them develop the capabilities required for our assessment and grant management processes. We will also work more closely with grantholders where we consider there is an opportunity to build on our investment and ensure outcomes are sustained beyond the lifetime of our funding. We know that strong organisations run by skilled people are in the best position to deliver change, and we want to ensure that those who receive our funding are supported to build their capacity for that purpose.

### Collaboration

We aspire to be a leader in continuously improving funding practice. We will explore the potential to streamline or integrate our funding with that of other organisations to create coherent streams of funding. We will seek to align systems and procedures, making applying for funding, providing monitoring information, and dealing with funders a simpler and more consistent experience.

When we are designing funding programmes we will seek appropriate partners to develop the programme so that the eventual impacts are timely, well-directed and sustainable. We will also seek partners who will help secure lasting benefits from our programmes perhaps through continuing funding or support or by building on the learning from the programme.

In all our programmes we will encourage organisations to be aware of the other organisations they could benefit from working with. We will value those that have effective collaborative arrangements that will improve outcomes. We will also explore when we are developing programmes whether more formal kinds of joint-working are needed in the context of particular services. Where this is the case, we will do more to help facilitate smooth joint-working.



# What happens next?

We hope this Strategic Framework gives you a strong sense of where we want to take BIG over the next six years. We want to continue discussing our priorities and our direction of travel with you. We want you to hold us to account in the extent to which we deliver against it. We are grateful for the support and ideas you have given us over the period of consultation leading up to the production of this Framework. And we hope it represents your aspirations for us as a funder.

This is only the beginning of discussing with you and setting out our new direction. We will be producing outlines of the funding that sits underneath this Strategic Framework for the UK and in each of the four countries – England, Scotland, Wales and Northern Ireland.

## **Next steps: UK, England, Northern Ireland, Scotland and Wales**

### **UK**

BIG is committed to running programmes that are UK-wide. We have already announced that there will be a continuation of the International programme, which funds UK-based organisations working overseas. We have consulted on this recently and will announce details in due course. Other UK-wide programmes will be considered by BIG's UK Board in the coming months and will be rolled out from 2010.

### **England**

During 2009/2010, we will continue to deliver our popular open programmes Reaching Communities and Awards For All. We plan also to announce smaller scale initiatives during the year, including some aimed at helping communities cope with the effects of the recession.

Big thinking broadly endorsed our proposals to develop open, community and targeted funding styles for the period upto 2015. We will continue to develop our funding offer under these categories. This will be done by working with partners at national level and through our regional offices. These discussions will focus on the outcomes we seek to achieve up to 2015 and the style that would deliver those outcomes most effectively.

We will continue to champion the cause of the voluntary and community sector while seeking to make the maximum difference to people's lives. We will launch our new funding portfolio in 2010.

### **Northern Ireland**

We will consult further with our stakeholders during Autumn 2009, as we develop our next round of programmes (in line with our duties under Section 75 of the Northern Ireland Act 1998). In early 2010 we will publish our plans for the first phase of funding programmes for the period 2009-2015. In the current financial year (2009/10 we will commit funding to a number of projects with specific guidelines that reflect the current socio-economic climate. BIG Awards for All and the BIG DEAL programmes are open for applications.



## Scotland

Big thinking Scotland broadly endorsed the approach we have taken with Investing in Communities, the cross-cutting funding portfolio we have operated in Scotland since 2006. We also believe that continuity and stability are important, and so we will build on Investing in Communities, improving it and refocusing it where necessary to take account of the needs and priorities of our communities. We will do this in dialogue with our stakeholders and customers, reflecting the policy directions given to us by Scottish Ministers, and aim to open to applications by June 2010.

In the meantime, funding is available through our popular small grants scheme Awards for All, which provides funding of up to £10,000 for a wide range of community and voluntary activity. Investing in Ideas, our ideas development fund, will continue to support the exploration and testing of new ideas, with grants of up to £10,000. Our easy-to-access 2014 Communities programme will continue to offer grants of up to £1,000 for grassroots projects that promote physical activity or sports-related volunteering in local communities, in the run-up to the 2014 Commonwealth Games.

## Wales

In Wales the consultation has confirmed the relevance of our proposed future portfolio of programmes to the specific needs of Welsh society, and has provided us with a clear mandate to proceed. Working within the overall UK Strategic Framework, we will therefore:

- embark on our new portfolio with a Community Asset Transfer programme later this year, which we will launch in partnership with the Welsh Assembly Government
- follow this with a programme aimed at reducing poverty and isolation amongst older people
- launch programmes to promote the citizen's voice and to reduce the impact of climate change.

We will continue to respond to the needs of Welsh communities through a new demand-led programme to be launched in 2010. Whilst very similar to the current People and Places programme, we will gather intelligence on the projects and areas that we fund and work closely with our stakeholders to ensure that we promote our programme successfully to those most in need. We will also establish an Innovation Fund to support social innovation that will complement the support provided at a UK level, and specifically addresses the Welsh social and cultural context. In doing this we will work with stakeholders, experts and policy-makers, and review good practice to inform our thinking.

We will continue to welcome applications for funding whilst we develop our new programmes, both through our small grants scheme, Awards for All, with grants of up to £5,000; and our People and Places programme for larger grants for projects which support a wide range of co-ordinated action by people to make their communities better places to live in.

# Notes



