

Scotland
Investing in communities:
Our manifesto

BIG
LOTTERY
FUND





Speak of manifestos and we think of strong statements of principle. Speak of manifestos and we commit to take action, make changes and do new things.

We have chosen to announce our new funding framework for Scotland in the shape of a manifesto precisely because it suggests all of these things. We are making a commitment to act in a different way as a funder. We have £275 million to commit in Scotland before 31 March 2009. We want to invest that money to bring real improvements to communities and the lives of those people most in need.

It will be our contribution to delivering positive social change in Scotland.

While most of our investment will respond to demand and help organisations deliver their own solutions, we reserve the right – and the funds to go with it – to make interventions along the way.

The Big Lottery Fund is not the biggest funder in Scotland, though we have 50 per cent of all Lottery funds available for distribution. Central and local government invest more. However, Lottery funds are unique in that they flow directly from the sale of Lottery tickets to members of the public. They can therefore be put back into the community as the public wants to see them used and add value to funds from other sources.

Since the Big Lottery fund was launched in June 2004, we have spent six months in public consultation. Three hundred organisations took part in consultation events, nearly four hundred people or organisations gave written responses, and we held 36 strategic dialogues.

We asked some fundamental questions about how we should work and what our priorities should be in Scotland. We consulted voluntary and community groups, public and

private agencies, charitable trusts and grant-makers, central and local government – and in doing that, Lottery players. How should we use our funds to tackle disadvantage and bring about the best possible outcomes for Scotland?

This manifesto embodies the public's answer to that question.

Dharmendra Kanani
Director for Scotland

Our values

There are seven values that underpin the work of the Big Lottery Fund throughout the UK. They will be the hallmarks of our investment in communities in Scotland.

We will be:

Fair – putting equality and diversity at the heart of our work

Accessible – making it easier to access our funding and providing help to grant applicants and recipients

Strategically focused – working in partnership and joining up with existing strategies

Involving of people – involving local communities in our work and making sure the public know and care about our work.

Innovative – building evidence based programmes, sharing what we learn and considering new ways of investing

Enabling – working with communities, partners and other funders to help achieve lasting change

Additional to government – ensuring our funding is distinct from government funding and adds value.

We will focus our funding on outcomes



There are three themes that underpin the Big Lottery Fund's work throughout the UK:

- ▶ Promoting well-being.
- ▶ Promoting community safety and cohesion.
- ▶ Community learning and creating opportunity.

We believe that the outcome of promoting these three things in Scotland will be that:

- 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.

This is what we want to achieve with our funding and we will invest in projects that aim to achieve these outcomes. We see these outcomes as interdependent – if a project achieves any one of them, it will probably go some way to achieving the others too. We know from our consultation that this is how organisations see their work – as tackling several different things at the same time. Problems and issues do not occur in isolation. For that reason, we will no longer offer narrowly focused funding streams. These can prevent communities defining and solving their own problems and force them to solve the problems that funders want to solve.

Instead, through consultation, we have identified four areas of investment. If we put our funds into these four areas, we believe we will achieve these outcomes.

The value of outcome funding

We believe an outcomes approach is the best way to achieve long-term change in Scotland. Instead of focusing on what an organisation is or does, the outcome funder focuses on what it aims to achieve. Organisations are asked to identify the long-term benefits of their planned project and to describe how their project will contribute to achieving these outcomes in the short-term. The philosophy of outcome funding is: we do not purchase activity; we purchase results.

We will research and evaluate to learn what kind of action best achieves certain outcomes.

Social change from your Lottery pound

We will adopt an investor approach

We see the investor approach allowing us to invest in communities – of geography, need and interest – to strengthen and empower those who belong to them, enabling them to identify their own needs, respond to opportunity and achieve their goals. We recognise the power of community to act on its own behalf and bring about positive lasting change.

BIG is committed to becoming an investment funder. This is a step change from the way we have made grants in the past. We believe it is a logical and intelligent step forward.

We recognise the difference between making an investment and making a grant. Grants tend to support immediate outputs. Investment tends to take place over a longer period – and so does

the change it brings about. It does not happen overnight.

The investor funder will share the responsibility for bringing about that change, and will travel the distance with those they fund, agreeing the need for change from the outset, and recognising the milestones along the way. It is a different kind of relationship between the funder and the funded.

Being an investor will mean putting more resources into providing help, advice and guidance for organisations before they apply for funds. It will mean putting more resources into supporting organisations to manage those funds during the lifetime of their projects, working alongside them to reach the milestones along the way. It will mean more negotiation. More contact. More involvement.

It will mean shifting our internal resources to support the investor approach and we will make that shift, redeploying our staff and their skills and expertise in a new way to deliver our new approach.

It will mean having a real stake in the success of the projects we support. A shared responsibility for achieving the outcomes.

We undertake to make 60 per cent of our funds available to support voluntary sector activity which will deliver our outcomes. In some areas of investment, we will work strategically with other organisations to add value to our investment. We will also look to partners to provide specialist development advice, facilitation, and local strategic advice.

Social change from your Lottery pound

We will invest in ideas

Ideas are rarely fully fledged when they become the subject of funding proposals.

We will make £4.6 million available over the next three years to help organisations develop their plans, test out their ideas, and increase their capacity to deliver our outcomes.

We will make that funding available in small sums through an easy access process called Investing In Ideas. We expect it to pay for feasibility studies, market research, options appraisals, community consultation, professional advice, and training for voluntary sector directors, trustees and staff – and the many other things that will enable organisations to submit better, stronger applications for funding.

Through Investing In Ideas we will identify those actions, activities and approaches which will best achieve the outcomes we are aiming for. And we would hope to make further investment in these types of projects. But this might also mean that an idea that looks good might not get funded because, after testing, researching, or with better understanding, we realise that it will not work. We want to support people and communities to develop the right idea for them.

Investing In Ideas is evidence of our intention to build capacity, particularly in the voluntary sector, and of our serious commitment to becoming an investor in Scotland's communities.

We will launch Investing In Ideas in January 2006.



Social change from your Lottery pound

We will invest in growing community assets

Our experience through the Scottish Land Fund is that community ownership and control of assets can have a critical role in making those communities stronger and more sustainable.

We will commit £50 million to fund communities to acquire assets and will provide that funding across both urban and rural Scotland.

This will enable communities to acquire, develop, improve, protect, manage, enjoy, understand and sustain environmental and other assets – for the benefit of the community and the wider environment. It could bring into community ownership more buildings for recreational use, providing a new focus for many neighbourhoods. It could enable communities to buy vehicles, or land, or provide local facilities such as communal gardens or play parks. It could create community farms or local wind farms.

It might also fund non-tangible assets such as skills and knowledge, cultural tools or financial advice and planning tools to strengthen the capacity of communities and increase their sustainability.

We expect this investment to regenerate and sustain communities not only through ownership but by encouraging entrepreneurship and social enterprise.

We will invest in life transitions

We know people face times of change at many different stages in their lives – they deal with growing up, growing old, moving out and moving on. These transition times can be the most challenging for some sections of society.

We will commit £35 million to projects which support people through these transitions in life at different stages and in different circumstances. These could be projects which address problems directly, provide support services, or assist people to get the skills they need to cope themselves.

We will focus our funding on four areas: transitions that young people experience, transitions that people over 50 experience, employment and learning transitions – within school, out of school, out of unemployment, into employment – and people facing challenging times in their lives. This could mean people getting out of debt and staying out of debt, moving on from addiction, leaving prison, moving into independent accommodation.

By investing in this area, we want to change people's lives by giving them skills and confidence to cope with transition, change the delivery of services to make them client-centred and change communities, enabling them to reach and include the hard-to-reach.

We will invest in building dynamic inclusive communities

We want to help Scotland's voluntary and community sector to be proactive, to champion change and not just react to it. We are also aware that volunteering has a key role to play in all our communities and we want to support it.

We will commit £20 million to fund projects that improve the capacity and infrastructure of national, intermediary or second tier organisations. We will also support communities to engage in civic society and influence civic processes so that they can build strong and more inclusive local communities. They may do this by

forming and sustaining their own organisations which enable that engagement and influence to happen.

Whatever way they choose – engaging in processes, influencing debate, taking a stand or taking direct action to challenge a particular approach, providing support services or acquiring skills to engage in dialogue – we want to improve the trust between people, communities and the institutions that affect their lives.

Vibrant, dynamic and democratic community life depends on people having the interest and the capacity to influence – individually and collectively – the policies that affect their lives.

We want to create the conditions in which that healthy and dynamic community and voluntary sector activity can take place.



Social change from your Lottery pound

We will invest in supporting 21st century life

As we enter the 21st century we live in communities whose shape and context has changed radically during the past few years. We live with the impact of a revolution in communications. We see the transformation and sometimes disintegration of traditional structures and supports. We have also seen the creation of new communities in Scotland – from many different parts of the world.

This area of investment will support us in 21st century living by recognising the changes that have taken place.

Life in the 21st century is also characterised by the pace of change which leaves us little time to plan for or forecast the future. We find it difficult to connect to evolving technology. We may find that services are based on out of date policy frameworks, past models and not present need, and are not forward looking.

With an investment of £35 million we will fund projects that provide support to people and communities to deal with the pace of change. We will do this by supporting projects that look ahead, think through what is coming and facilitate opportunities to plan for the future. We will support those projects to improve quality of life, health and relationships, and make connections across 21st century society. We recognise the role of IT in combating isolation and helping people to reconnect. We will invest in projects that bring together people of different generations and in projects that support the building of skills and confidence of parents and grandparents to deal with the changes and stresses of 21st century living.



Social change from your Lottery pound

We will reward excellence

We will increase our funding through Awards for All

We will continue to invest in Scotland's young people.

We will reward excellent projects and grant management where we see real evidence that outcomes have been delivered. If projects achieve positive social change in a way which can assist wider learning and improve standards across the sectors we fund, we will reward it. We will make available up to £5 million to be committed as additional funds to these projects to allow them to extend their projects, expand or develop them, or to disseminate the learning and good practice.

Awards for All has a strong reputation and is a popular route to Lottery funds for the smallest of community groups. Its simple form and wide remit makes it the first choice for many organisations seeking funds for small projects. We will commit a total of £24 million to Awards for All from 2006-9.

Our Young People's Fund complements our other areas of investment. The Young People's Fund involves its young public in every aspect of grant-making. We will enlist the support of young people to actively promote this £20 million fund which was launched in August 2005 and involves young people in deciding how and where Lottery funding should be spent. Young people have advised on the shape of the programme, its application materials and its marketing. Decisions will be made by a committee composed largely of young people and a panel of young people in each of Scotland's 32 local authority areas will decide what should be the local priorities for funding.

We will create a venture fund

We want to retain around one per cent of our overall budget (about £2 million) to support and guide our investment. We are confident that at least 50 per cent (£129 million) of our funds will be delivered through a demand-led process where organisations apply directly for funds for projects which address one or more of our outcomes. In practice, that figure may be higher, and our initial commitment exceeds that. However, we will retain at least 15 per cent of our funds so that we are able to intervene in any of the investment areas.

This way we will be able to review the flow of funds to the investment areas, and where additional stimulation is needed to ensure that our outcomes are being addressed, take the action needed.

We will review the position after the first full year of investing and use our venture fund, for example, to research the options for making effective interventions.



Social change from your Lottery pound

We will make it easier for people to access our funds

This is our investment plan, which is designed to help communities and organisations achieve the four outcomes that have been set for Scotland. As an investor, we will take a long-term interest in those we are supporting.

Checks and balances, processes and procedures are needed by all funders and BIG is no exception. However, we are committed to reducing the bureaucracy that surrounds grant-making and to making it easier for people to apply for – and get – Lottery funds. We will work with other funders to make processes easier for those seeking funds.

We will launch this portfolio of investment with its four investment areas in spring 2006, calling it Investing In Communities.

In future, we will have a single point of entry for all our funding, so that applicants have one phone number and one form to begin their dialogue with us about funding. We will present our funding package as just that – a single funding package. We will end the practice of having narrowly defined, prescriptive programmes and applicants will no longer have to artificially focus their project to meet narrow funding requirements.

The complex task of managing our funding budget will remain behind the scenes and not present itself to our applicants in complex paperwork.

Equality and inclusion will sit at the heart of this portfolio of investment. But our starting point will not be to ask people and communities to prove or make the case for equality or inclusion. Instead, our approach will recognise and acknowledge the impact of discrimination, inequality and exclusion. Those who access our funding will be expected to promote and achieve the outcomes of equality and inclusion.

Social change from your Lottery pound

We will involve the public in deciding how Lottery money should be spent

Ninety-three per cent of Lottery players surveyed by MORI feel that public involvement in deciding how Lottery money is spent is important. Without Lottery players, Lottery distributors would have no funds to distribute. The Government has charged BIG with delivering increased public involvement.

We will pursue different ways of enabling that involvement. Television is a key medium here, and we are already delivering the People's Millions and Living Landmarks programmes through partnership with ITV.

Members of the public will serve on our new decision-making committees, and we will use a range of consultation toolkits, some tried-and-tested methods and some innovative ones, to give members of the public more involvement.

We will host a seminar in 2006 which will explore – and encourage – public involvement in the delivery of services in Scotland.



Social change from your Lottery pound

We will be an intelligent funder

We speak of being an intelligent funder – which means knowing what is going on and knowing what makes a difference. It also means knowing what not to fund.

It means understanding the policy context in which we operate, and anticipating future policy development. It means taking an evidence-based approach to what we do and how we do it.

It means learning from what we do, then sharing that learning with others in the field of funding. The benefit of our experience – and our evaluation of our investment strategy and its achievements – will be available to policy makers to help develop future policy. By investing in the now, we are investing in the future.

Being intelligent also means recognising your limitations. We will implement our strategy for working with others where they can add value to our own efforts and where other agencies are better-placed to achieve the outcomes we are looking for.

Although we have set out our intentions in this manifesto, we will review, as we go, during the first year, the way our funding framework is working. We will hold onto the ability to realign budgets internally so that investment can be modified and even changed in response to changing circumstances.

At the outset of the second year (April 2007), we will announce how we intend to invest the remainder of our budget, whether we make it partly or fully demand led or dedicate it to specific interventions.

We will invite independent evaluation of our investment strategy and will publish the results on our website.

We will operate in a transparent way and open our decision-making process to scrutiny.

And finally, we will publish details of all grants made in order to show the extent of the human and social gain on our investment. We believe it will be a significant gain.

Social change from your Lottery pound

Information for readers

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We care about the environment	The Big Lottery Fund seeks to minimise its negative environmental impact and uses only proper sustainable resources
Our equal opportunities commitment	The Big Lottery Fund is committed to valuing diversity and promoting equality of opportunity, both as a grant maker 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. It is the responsibility of all staff and Board members to uphold and implement our equality policy
The legal bit	Big Lottery Fund is the joint operating name of the New Opportunities Fund and the National Lottery Charities Board (which made grants under the name of the Community Fund)



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