



Corporate plan 2013/14

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Phone 0845 4 10 20 30
Textphone 0845 6 02 16 59 (this is for those with a hearing impairment)
Our website www.biglotteryfund.org.uk

Accessibility

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

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 seeks to minimise its negative environmental impact and only uses proper 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 three values that underpin our work: being supportive and helpful, making best use of Lottery money and using knowledge and evidence.

You can find out more about us, our values and the funding programmes we run by visiting our website www.biglotteryfund.org.uk

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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Big Lottery Fund Corporate Plan 2013/14

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Introduction by the Chair and Chief Executive

Since the National Lottery began in 1994, over £30 billion has been distributed in support of the arts, sport, heritage, charities, health, education and the environment. The Big Lottery Fund is the largest single distributor.

Since 2006 we have awarded grants to 74,767 projects that have improved lives, transformed communities and created thousands of jobs and volunteering opportunities. As we write this corporate plan for 2013/14, 29,500 projects are underway that are bringing benefits that spread across just about every postcode district of the UK. This year we have up to £1.044 billion to commit.

We are determined that the cash we offer to good causes improves the quality of life for communities in ways that are distinct and additional to Government spending. Fresh Thinking, our strategic framework through to 2015 captures how we are an outcomes funder, committed to making real improvements to communities and the lives of people in need. Funding to the voluntary and community sector remains a core commitment. We will help groups get involved in local issues which matter the most to them. Our aim is not only to benefit those fortunate to access the direct effects of our investments but increasingly to influence mainstream practice well beyond the cash at the disposal of the Big Lottery Fund alone.



Our plan demonstrates three values that are important to the way we work: being supportive and helpful; using knowledge and evidence; and making the best use of Lottery money. Last year when we surveyed our stakeholders we were heartened to see that when asked to pick one word to describe BIG, the most commonly selected adjectives were: credible, supportive, experienced,



accessible, relevant, strategic, and trustworthy.

Our achievements, our people and the strong relationships we enjoy with partners and customers stand us in good stead for the period ahead. We will continue to work closely with them to improve the way we do things. We are happy to share our research, learning and evaluation of what we fund. Where appropriate we will continue to put our systems and skills at the

disposal of others and undertake work for third parties, ensuring this does not jeopardise our ability to deliver excellent outcomes from National Lottery good cause cash.

This year the Big Lottery Fund will see a change of leadership as Dawn Austwick takes up the position of CEO from 1 October 2013. We know that she is relishing the opportunity to take the reins here and build on our work to date.

Peter Wanless
Chief Executive

Peter Ainsworth
Chair

About us

The Big Lottery Fund (the Fund) is the largest of the Lottery distributors and was established when the National Lottery Act 2006 came into effect. Our mission is to bring real improvements to communities and the lives of people most in need.

Corporate governance

As a non-departmental public body the Big Lottery Fund is sponsored by the Cabinet Office. We can be required to give evidence to Parliamentary committees and the devolved administrations.

Our governance framework is provided by both the Cabinet Office and DCMS in consultation with the devolved administrations for Scotland, Wales and Northern Ireland. It includes:

- Policy Directions issued by the Cabinet Office and devolved administrations. These set out the matters that we should take into account in deciding how to spend Lottery money in each UK country;
- Financial Directions and the Statement of Financial Requirements, which set out how we should manage Lottery money, issued by DCMS; and
- Accounts Directions, issued by DCMS, which set out how we account for our use of Lottery money.

The Management Statement defines the relationship between the Big Lottery Fund, the Cabinet Office and DCMS and is drawn up by joint agreement and sets out the broad framework within which we operate. We also take account of guidance issued by HM Treasury, DCMS, and Cabinet Office that sits within the Cabinet Office. All these directions are put into effect through our internal policies and procedures.

We have a wide funding power that enables us to make grants (or loans) to many different types of organisation in the charitable, voluntary and community, public and private sectors. We can also distribute non-Lottery funding on behalf of other organisations.

Organisation

The Big Lottery Fund is headed by a Chief Executive who is the Accounting Officer and chairs the Senior Management Team (SMT). The SMT maintains an overview of the day-to-day operations of the organisation and ensures Board decisions are implemented. It also considers policy and key strategic and operational matters ahead of any changes that the Board might approve and is responsible for identifying and managing corporate risk. The organisation has offices in England, Northern Ireland, Scotland and Wales. The directors who are members of the SMT and their responsibilities for 2013/14 are shown in Annex A.

Internal governance

The Big Lottery Fund Board ensures that the organisation complies with legislation and any Directions, approves overall strategy and policy, and agrees and oversees the operational budget and budgets for funding programmes. The Board decides on and oversees, at a strategic level, how all our grant-making programmes will be run. It is responsible for overseeing the administration of the organisation, including the appointment of the Chief Executive. It considers the annual budget, oversees expenditure and monitors the staffing complement and structure, staff pay and conditions and other aspects of human resources management.

The Board currently comprises a Chair, four members who chair the four country committees and up to five general members. All are non-executive posts appointed by the Minister for the Cabinet Office, who seeks agreement from the devolved administrations about appointing their respective country chair. The Board has decided to have a Vice-Chair, currently one of the general board members. Board powers are delegated as appropriate to committees. Each committee is chaired by a Board member.

The country committees for England, Northern Ireland, Scotland and Wales are provided for in legislation. They are responsible for four country-based funding portfolios and associated policies as well as decisions about awards within the common policy framework agreed by the UK Board. Committee members are appointed by the Board subject to consent, as appropriate, from the Minister for the Cabinet Office or the lead Minister in the relevant devolved administration. Country committees can flex programme budgets within overall totals and indicative programme budgets approved by the Board.

The Board has also appointed an eight-member UK funding committee, chaired by the UK Chair and comprising Board and country committee members, to oversee the governance of grant programmes that operate at UK level.

The Audit and Risk committee approves the internal audit programme, endorses the risk register and scrutinises the outcome of internal and external audit reports. It currently has two externally appointed members to supplement Board level input.

The Remuneration committee considers the performance and remuneration of the Chief Executive and directors.

All Board and committee members must declare any relevant interests under our Code of Conduct. The declarations are made in writing and are held on file by the Board Secretariat. The public may inspect them by writing to the Chief Executive. Board members' declarations are also published on the Big Lottery Fund website.

A list of Board and committee members can be found at Annex B.



About this plan



The Cabinet Office issued UK and England Policy Directions to the Big Lottery Fund on 26 March 2012. These are available on the Cabinet Office website:

www.cabinetoffice.gov.uk/resource-library/new-policy-directions-big-lottery-fund

We have used them as the basis for identifying our priorities and our targets for 2013/14 and for setting a course to 2015.

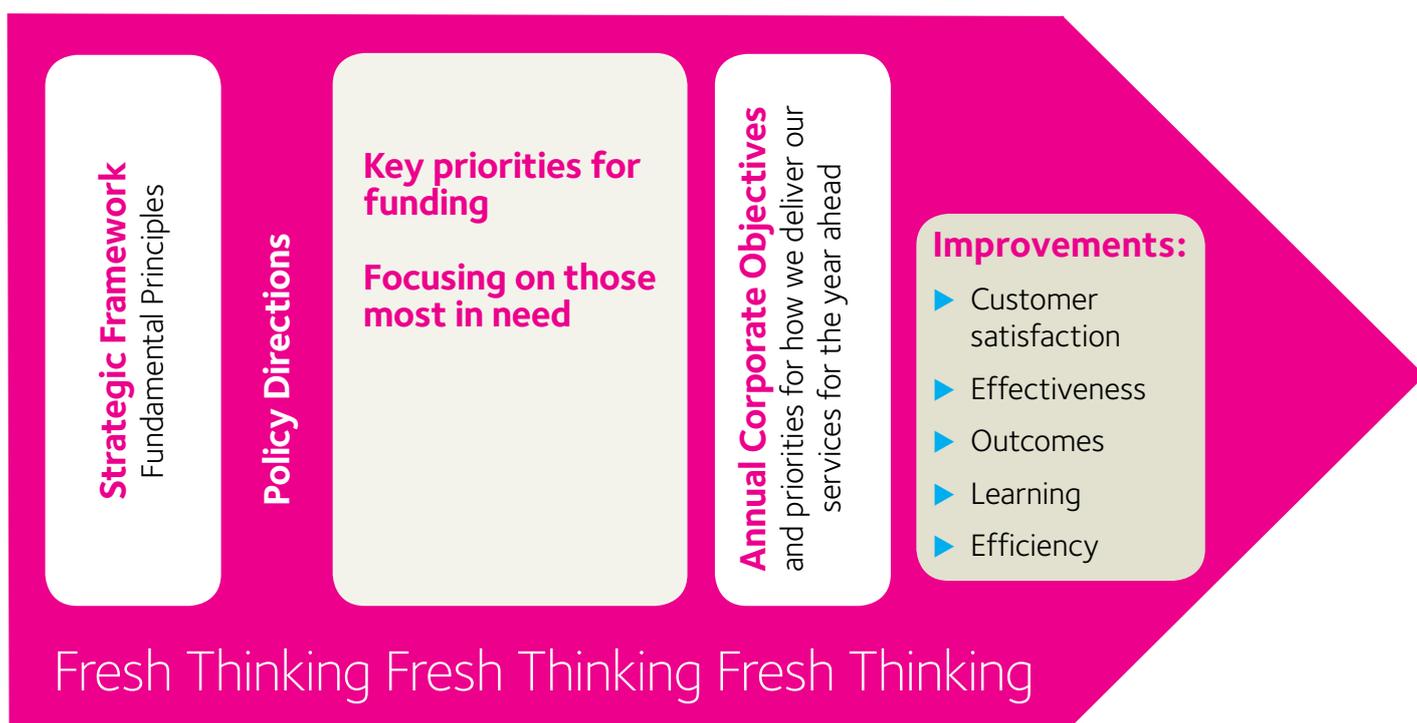
Fresh Thinking, our updated strategic plan published in April 2012, should be read in conjunction with this annual plan as it sets the context for the yearly budget and targets described in the following pages. It can be downloaded from our website at www.biglotteryfund.org.uk/index/about-uk/fresh-thinking.htm

Our mission and the fundamental principles of our strategic plan remain unchanged and will continue to flow through everything we do. They are about what the Fund stands for and what our stakeholders can expect from us as a funder. Our priorities for funding take account of our Policy Directions and developments in the external environment in which we operate, giving us seven priority areas. The principles and funding priorities are summarised below.

BIG's fundamental principles have not changed

- ▶ Our mission remains the same – we will continue to focus on supporting communities and people most in need
- ▶ We are a committed outcomes funder
- ▶ We will continue to have a mixed funding portfolio, meaning we will use a range of techniques to get money to where it will have best impact

Fresh Thinking flows through our corporate plan



- ▶ We will always promote equalities
- ▶ We will distribute the majority of our funding to the Voluntary and Community Sector (VCS)
- ▶ We continue to value learning which contributes to the sharing and sustaining of good practice
- ▶ We will continue to develop programmes and fund projects that are additional to Government expenditure
- ▶ We will continue to support people undergoing difficult transitions in their lives or experiencing isolation

Big Thinking funding priorities, now until 2015

Fresh Thinking committed us to specific priorities

- ▶ Focusing on those most in need
- ▶ Building partnerships and facilitating collaboration
- ▶ Involving people and communities

- ▶ Building stronger organisations
- ▶ Supporting the development of social investment
- ▶ Delivering outcomes with others
- ▶ Increasing engagement with the private sector

During 2013/14 the Board will begin to lay the foundations for the Fund's future funding strategy beyond 2015, based on analysis of impact, learning from within our funding and the wider world, and anticipation of longer term social needs. New policy directions from the Welsh Government, to be issued later this year, and the results from the public consultation in Wales ahead of that, will be an element of developing this strategy. It has been agreed that the Fund will carry out the policy directions consultation this year on behalf of the Welsh Government.

Corporate objectives for 2013/14

The Big Lottery Fund has three corporate objectives:

Corporate objective one: Efficiency – we are managing public funds efficiently.

Corporate objective two: Customer focus – those who enquired about, applied for or received our funding said we provide an excellent service to them. We have strong, positive relationships with key stakeholders, and with the public at large.

Corporate objective three: Effectiveness – our funding programmes bring real improvements to the lives of our beneficiaries.

Our successful delivery of the long term vision of Fresh Thinking requires setting clear annual plans and targets. So underneath each objective we set out on the following pages a summary of activities and a set of performance measures.



Corporate objective one: **We are managing public funds efficiently**

We will measure our success against this objective by continuously monitoring expenditure against budgets and financial targets.

Key performance indicators:

- total funds awarded
- value of awards made to the third sector
- actual grant payments by year-end, compared to forecast payments
- total operating costs as a percentage of Lottery income
- core operating costs as a percentage of Lottery income

Grant budgets

The Board, on the advice of the four country committees, and the UK Funding committee, completed a budget review for 2013/14 in accordance with our funding strategy. This strategy is designed to smooth out the benefits accrued annually from the level of awards and payments over the next five year period. The Board approved grant budgets for the period to 31 March 2014 for new and existing funding programmes, totalling £1044.67 million. The grant budget approved in March 2012 was £770 million.



The table overleaf shows the approved budgets for grant programmes that will be designed during the year. Programmes are announced through our website when they are ready to launch. Note that 'working titles' are used in some cases and the names will be revised when we complete the build of these programmes.

The board may make further adjustment because the year-end annual accounts have identified an amount of approximately £15 million underspend on the 2012/13 grant budget. Other changes may come about because the Board has delegated authority to the four country committees to decide whether programmes get a final 'green light' and to flex budgets between programmes within the overall grant budget total.



Our Grant Budget 2013/14 £1,044.67m

	Approved Budget 13/14 £m		Approved Budget 13/14 £m
UK-wide Funding		England Funding	
Investment 1	2.00	Advice Services Transition Fund	72.50
Digital Skills	15.00	Awards For All (England) Single Awards	57.00
Environment	0.05	Capabilities Strategy	30.00
Heroes Return 2	2.92	Co-commissioning Fund	9.08
Investment 5	0.45	Fulfilling Lives: A Better Start (Early Years)	2.45
International Communities	16.71	Fulfilling Lives: Ageing Better	165.00
Learning for Impact	6.90	Investing in Ideas	4.17
Rethink Good Health	0.05	Fulfilling Lives: Ageing Better	130.00
Older People - Dignity	0.05	Investment Readiness Fund - contract	11.00
Olympic Legacy – Single Awards	8.00	Local Papers	2.00
Olympic Trust - Spirit of 2012	42.00	Parks for People	10.00
Peoples Millions	4.05	Reaching Communities	150.00
The Media Trust	0.16	Reaching Communities Buildings	11.94
Replication & Innovation Learning - strategic grants	1.32	Silver Dreams	7.73
Research for Impact	15.00	Strategic Investment 'Top up'	30.00
Spirit of 2012 - Get Set for Change	2.50	Well Being	40.00
Spirit of 2012 - Join In	1.50		<hr/> <hr/> 732.87
Spirit of 2012 - Personal Best	1.00		
Spirit of 2012 - Sustrans	0.30		Approved Budget 13/14 £m
UK Single Awards	12.00	Scotland Funding	
World War 1 Veterans	1.00	2014 Communities	1.14
Village SOS Learning	1.50	2014 Legacy	0.50
Youth Engagement	4.00	Awards for All (Scotland)	10.04
	<hr/> <hr/> 138.45		

Becoming a Survivor (uplift fund)	2.00
Building Capital capacity	1.00
Celebrate 2014	0.55
Communities & Families Fund	0.60
Investing in Communities Community Spaces	1.70
Criminal Justice Joint Scheme	0.15
Dynamic Inclusive Communities Portfolio	0.05
Great Ideas /single awards	2.00
Growing Community Assets	0.26
Investing in Communities: Support & Connect	10.00
Investing in Communities: Responsive	1.60
Investing in Communities 10/13	59.48
Investing in Ideas	0.79
Life Changes Trust	5.00
Our Place	1.37
Social Investment	1.00
Survive & Thrive Small Grants	0.15
Young Start	3.75
	<hr/>
	103.13

**Approved Budget
13/14 £m**

Wales Funding

Awards for All Wales	3.50
BIG Innovation	1.57
Bright New Futures	14.00

Community Voice	0.43
Domestic Abuse	2.00
Lifeskills	0.15
People and Places	23.12
Place Based Funding	0.08
	<hr/>
	44.84

**Approved Budget
13/14 £m**

Northern Ireland Funding

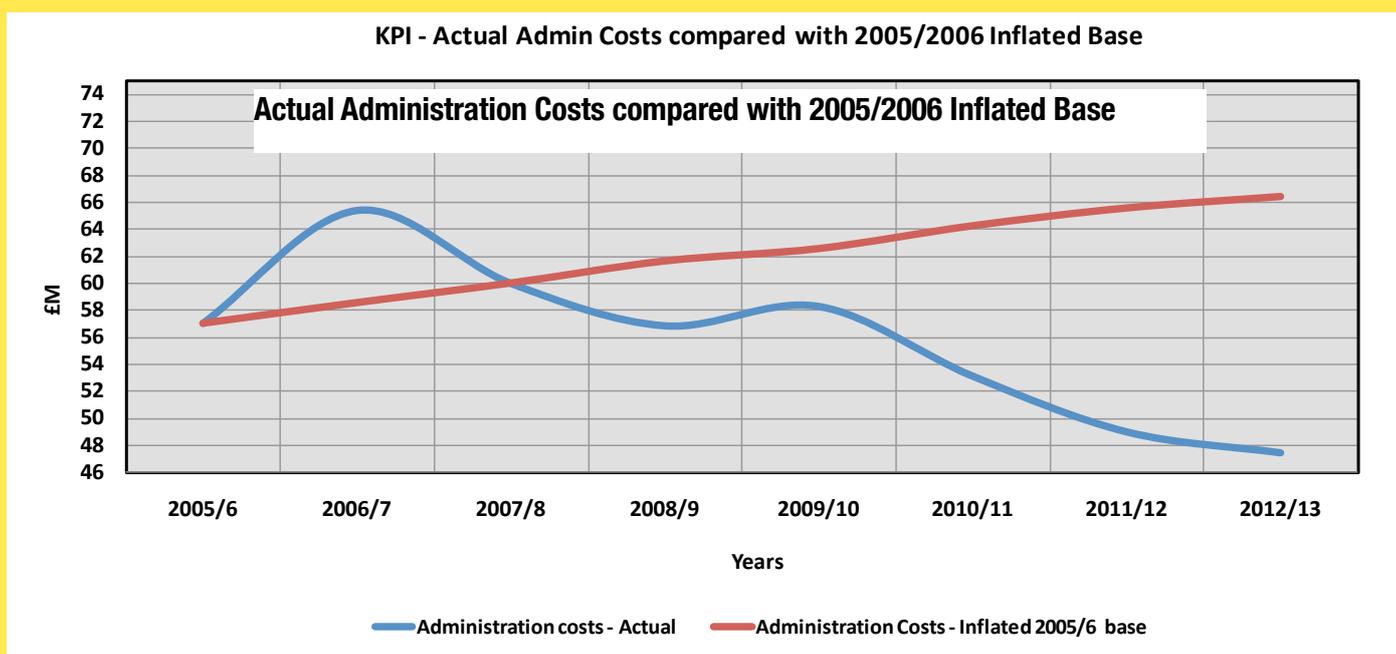
Ageing Model	1.00
Awards for All (Northern Ireland)	4.00
Culture For All	0.78
Impact of Alcohol – Northern Ireland wide	4.00
Impact of Alcohol (development & support contract)	0.30
Investing in Ideas	2.00
Mental Health contract	3.00
Reaching Communities Northern Ireland	4.00
Reaching Out - Supporting Families	1.00
Reaching Out - Supporting Families (development & support contract)	0.30
Reaching Out Connecting Older People	2.00
Social investment	2.00
Reaching Communities Replication Fund	1.00
	<hr/>
	25.38

Operating cost budget

The Fund aims to control its operating costs tightly and, along with all Lottery Distributors, has been asked by Government to reduce core operating costs to 5 per cent of lottery income received by 2014/15. We have agreed to meet these targets. These costs relate mainly to processing applications and managing grants, including all overheads. In addition to this Government allows the Fund to spend up to 3 per cent of costs on specific front line expenditure that increases our funding impact in line with policy directions- for example conducting research and evaluation, supporting grant holders.

In 2011 our Board set out a medium term plan to

achieve savings right across the business. The challenge is to achieve the Government target against the uncertainty about the level of future Lottery income; the amount of income we will gain from third party programmes; and the timing and the extent of the financial benefits from a new funding management system (FMS) due to complete this year and which will move a large part of our business online.



The chart above shows how actual costs have reduced since 2004/05, the year that the Fund was formed through the merger of the New Opportunities Fund and the Community Fund, compared with what would have happened if they had simply risen in line with inflation.

Continued cost saving this year will be achieved by delivering on the departmental structure changes and process improvements and property savings that have been in the pipeline. It is standard practice for us to seek to learn from other organisations in the public and private sectors. When considering any changes we seek to ensure that these will not affect our ability to fund accessibly and fairly, manage the risks of fraudulent applications, provide a good customer service and, most importantly, ensure that our programmes achieve positive impact. Independent assessments of the Big Lottery Fund, including Investors In People, the European Foundation of Quality Management (EFQM) Excellence Model, and the Government's Customer Service Excellence Assessment, encourage continuous improvement and tell us how well we perform compared to other organisations. We currently hold an EFQM 4-star rating.

The 2013/14 operating cost budget approved by the Board in March 2013 is £54.7 million. It takes into account the expected extra costs of the new FMS (depreciation, IT support costs), but does not yet factor in any benefits realisation from the investment as set out in the FMS business case; benefits will start to flow from the moment the system goes live.

Staff Numbers

At 31 March 2013, the Fund employed 988 full-time equivalent employees (FTE). This included 40 full-time equivalent temporary employees. The Fund does not target headcount specifically as a measure of efficiency because Lottery operating cost targets are better indicators. One reason, as explained in our Annual Report, is that if the Fund delivers funding schemes on behalf of third party clients the headcount could increase and offset planned reductions. The Fund is expecting staff numbers to fall by 100-150 FTE over the next 12-18 months. The reductions will be achieved by departmental restructures but mainly by the implementation of the FMS, which will significantly reduce our unit costs of processing grant applications and grant management. There is uncertainty about the timing of reductions in FTE because it is dependent on full implementation of the System and the need to ensure support for customers during the transition to on-line services.

Annual target: at least 80 per cent of the total agreed grant budget for 2013/14 is committed.

Annual target: the VCS receives at least 80 per cent of our funding.

Annual target: by year end the grants paid out to all our funded projects is within 20 per cent of the payments total we forecast.

Annual target: total operating costs (core and frontline costs) are at or below 7.4 per cent of Lottery income.

Annual target: core operating costs are at or below 5.4 per cent of Lottery income.

Corporate objective two:

Those who enquired about, applied for or received our funding said we provide an excellent service to them. We have strong, positive relationships with key stakeholders, and with the public at large.

We will measure our success against this strategic objective through regular customer satisfaction surveys across the UK carried out for us by IPSOS MORI. Samples will be drawn from pre-application enquirers, successful applicants, unsuccessful applicants and grant holders. We know that it is important there is confidence in our ability to operate effectively, and we will therefore commission a Stakeholder Survey and within this a detailed MP Survey, and monitor media coverage over the year.

Key performance indicators:

- customer satisfaction
- relationships with key stakeholders
- a strong positive public reputation

Every year we give advice to many thousands of enquirers, applicants and grant holders. This support comes from our own employees and also the staff of many agencies that work with us.

In the year to March 2013 our staff across the UK had contact with more than 74,000 people who enquired about a grant from the Big Lottery Fund. Staff in our operational centres responded to nearly 5,000 outline proposals and nearly 25,000 applications for grants, and supported more than 29,500 organisations that hold a grant from BIG. This was an increase in volumes over the previous year and we expect this trend to continue next year.

Towards the end of last year we launched our redesigned and rebuilt website. There will be a further project this year to create an interactive community section and to improve the help and support section of the site. We have already upgraded our telephone system and brought the Fund's Helpline in-house to our main offices in Newcastle, Glasgow, Cardiff and Belfast. We believe that better support comes from investing in research to understand our customers' needs and levels of satisfaction, understanding the diversity of our customer base, and ensuring we involve customers in testing out our ideas as we develop them. It can lead to us revising how we explain our procedures (eg how to monitor a project) and providing targeted outreach work to overcome our customers' concerns.

We will publish our improved customer commitments on the Big Lottery Fund website this year.

In 2013/14 we will continue the detailed testing, staff training, and data migration for our new system for processing grant information. Alongside this we shall be promoting dialogue about our planned changes with customers and stakeholders and via press articles and social media.

This new system (FMS) will increase the amount of online communication we have with our customers. It has taken longer than anticipated to complete the testing phase but we have used the time to consult other businesses and parts of the public sector that have moved online, to learn from their experiences.

We will be ensuring that our customers, largely charities and individuals and communities at greatest disadvantage, can equip themselves for the change. It matters to us that their problems are not compounded by a lack of access or understanding about what is possible via the internet.



During the year our Advanced Diploma in Grant Making will launch. This is a University Level qualification open to all staff and recognised nationally. Our customers can expect to be supported by people who have opportunities for professional education and development. The Diploma will ensure our staff can obtain formal recognition of their skills.

In our first UK-wide survey of key VCS Stakeholders 74 per cent of respondents told us that they considered that the Fund is an effective grant maker. When asked to pick one word to describe the Fund, the most commonly selected adjectives were: credible, supportive, experienced, accessible, relevant, strategic, and trustworthy.

Annual target: At least 77 per cent of customers are satisfied with our service

Monitoring: the percentage of stakeholders who perceive the Fund as effective; the percentage of MPs who perceive the Fund as effective; media coverage

Corporate objective three: **Our funding programmes bring real improvements to the lives of our beneficiaries**

Key performance indicator:

Programme effectiveness: We will carry out an annual review of grant programmes to assess their effectiveness across three key areas: programme management, learning and impact. For each programme there will be an in-house annual review beginning one year after launch. From this we can determine where the programme has made a difference and capture learning. These reviews will include a peer review element and draw on available research, including evaluation findings.

Research and evaluation reports are published externally and can be found on our website at www.biglotteryfund.org.uk/evaluationandresearch-uk.

Our guiding principle is that to be a highly effective funder our funding must enable positive social change and make a real difference for communities and individuals in need. In addition to the outcomes achieved through our projects and programmes, we aim to be a distributor of know-how as well as a distributor of funding. It is one of our fundamental principles that we create opportunities for exchanging knowledge, learning and ideas between the projects we fund, and this is strongly reflected in the activities we will undertake in the year ahead.

Towards the end of last year the Fund pledged £50 million of investment over 10 years to fund the Centre for Ageing Better, which is due to open in 2014. Plans are now being developed in conjunction with groups of older people, and stakeholders including the Economic and Social Research Council, Department for Work and Pensions and Department of Health. The centre will be one of four evidence-gathering bodies (the What Works centres) aiming to increase knowledge and evidence in key areas that incur over £200 billion of public spending.

Within the Fund we will be reorganising the way we work to ensure we give even greater priority to the analysis of evidence and impact from our funding, and foresight research and analysis. This is to ensure that the Board is supported in laying the foundations for our future funding strategy beyond 2015, based on analysis of impact, learning from within our funding and the wider world, and anticipation of longer term social needs. The groundwork for our future strategy begins in 2013/14.

Our new website is already giving funded projects better access to support, information, ideas and voluntary and community sector research. The BIG online community launching in summer 2013 is a further enhancement to encourage the exchange of information about projects, research and better measurement of impact. Also this year the Fund has begun a partnership with the Institute for Government which enables voluntary and community sector leaders working on some of our most transformative investments to learn alongside senior Whitehall officials about how to translate practice into policy.

We will be undertaking a number of activities including hosting an Open Data Day with the Cabinet Office, NESTA, Nominet Trust, Open Knowledge Foundation and others. On the Big Lottery Fund website we have started posting research and evaluation data and this area will be expanded under our Open Data objective.

Within the Fund we encourage learning through a range of initiatives including The BIG Exchange, whereby speakers come into the Fund to explain their work or staff spend one or two days seconded to one of our grant holders to see them in action and bring away learning that helps their grant making role.

The Big Lottery Fund is the largest general grant maker in the UK. Our Board has approved a £1044.67 million grant budget for 2013/14. As can be seen from the allocated budgets on pages 14 to 15 we have a number of new programmes in the pipeline, still subject to country committee decisions, which will need to be resourced, fully designed, and built during the year before they can be launched publicly. Some of the listed funding will be about continuing to make awards on existing programmes. It is key to delivering our strategy to maintain a mixed and varied portfolio of programmes that deliver on the funding priorities of Fresh Thinking. We operate five portfolios – funding for projects delivering UK-wide outcomes, funding for outcomes in England, Wales, Scotland and Northern Ireland. Each portfolio has at least one open programme to respond to the needs that communities identify and seek funding for. Our flagship programmes (Reaching Communities in England, Reaching Out in Northern Ireland, People and Places in Wales and Investing in Communities in Scotland) are open programmes. Through these programmes we encourage collaboration and partnership working across the VCS.

Each portfolio also has at least one targeted, strategic intervention to focus on a particular issue or geographic area where research tells us we can make a difference. This year the focus in our England, Wales, Scotland and Northern Ireland portfolios is on the very early years, young people furthest from the jobs market, isolated older people and adults with multiple and complex needs. When we consider these and other strategic issues there are four basic considerations for us in delivering a successful intervention:

- ▶ Partnership: where the Fund can broker partnerships between the VCS, the private sector and statutory services to tackle issues faced by people and communities. These are issues beyond the reach of individual Government departments and agencies working in traditional ways.
- ▶ User informed: involving people directly in the development, design and delivery of plans for intervention.
- ▶ Local: testing and delivering approaches that involve local people themselves in how best to improve their communities. The fund is giving local people the power to use their skills, talents and resources to identify and find solutions that work for their communities.
- ▶ Long term: we will invest for as long as it takes to secure lasting results.

Some examples of strategic interventions are described here.

- **Rethink Good Health** will support projects that gather evidence of what works in preventing alcohol misuse in older people, to inform policy and practice UK wide. Funds will go to a lead partner to manage and develop this initiative.
- **A Resilience programme** aiming to prevent the onset of diagnosable mental health conditions in young adolescents. Funding for this 'test and learn' investment will be delivered in a small number of demonstration areas in England.

- **Supporting Families** will fund projects in Northern Ireland that support families to improve their children's lives by building strong and nurturing relationships. Having studied the evidence-base and the results from our consultation we will seek projects that focus on early intervention. Projects will work with families with children aged under twelve years, and will be encouraged to develop partnerships and collaborative working.
- a **Place Based Funding Trust** will be endowed to support projects in Wales aimed at helping communities develop ways of mitigating the impact of poverty by developing social capital and local support infrastructures.
- funds will be targeted at some pilot projects in Wales that seek to improve the **outcomes for looked after children** and that address the impact of domestic abuse on young people.
- **Becoming a Survivor** is an initiative in Scotland that invests in projects that help tackle domestic abuse. Following our investment of £6.5 million in projects in early 2012 to roll out models of good practice like CEDAR, we now plan to spend a further £8 million in 2013/14 to support projects that help people feel safe and supported and in a home of their choice.
- **Ageing Better** is giving selected local areas in England the challenge of putting together plans to tackle social isolation amongst older people.
- **Support and Connect** aims to improve the support available for people experiencing hardship and material need by funding services like financial advice and activities to tackle food poverty – as well as connecting up local services so that they can support people more effectively. We will make grants worth at least £10 million during the coming year.

Funding for Replication, International Projects and Public Involvement

Up to 10 per cent of the 2013/14 budget will be committed to three themes that our Policy Directions set out:

- ▶ Replication – for interventions that will enable and encourage learning between the UK Countries;
- ▶ Public Involvement to involve the public in making policy, setting priorities and making decisions on grants;
- ▶ International projects.

Examples include:

- a **Spirit of 2012 Trust** will be endowed to support projects all over the UK inspired by the Olympics and Paralympics and that encourage volunteering and community involvement.
- an **environment programme**, UK-wide, will be developed and make a first round of awards this year to projects that support young people to be more involved in improving their local environment and to gain skills and knowledge in support of a green economy
- an **International Communities** programme provides funding for UK-based organisations that run projects in disadvantaged communities overseas by working with local partners. An evaluation is underway to gather evidence to inform further funding when this programme ends in 2014;
- There will be a further round of **The People's Millions** which encourages first-time Lottery applicants and engages the public in voting for projects to be funded.
- **The Big Lunch** to bring communities together to share food and conversation. Last year the Big Jubilee Lunch attracted 8.5 million people and in 2013 we hope to maintain this level of interest. BIG has funded an annual BIG Lunch since 2009.

Funding for Developing the Social Investment Market

Our Policy Directions emphasise a commitment for the fund to support the development and capacity of the emerging social investment market. Whilst traditional grant funding will always remain our primary role we are keen to explore how social investment can make a difference for communities and those most in need. In the year ahead we will be considering a range of new opportunities to develop the potential of the market further; this will include supporting a stronger pipeline of investable organisations in Scotland, encouraging more use of community-based investment approaches like community shares, and funding research so that social investors and third sector organisations have access to better information about each other. Some examples of investments going ahead in England this year are:

- launch of a £10 million fund for third sector organisations to move towards investment readiness, in order to improve their sustainability, capacity and scale to deliver greater social impact. We will ensure that this is informed by investment readiness research we commissioned and that it complements existing support in this area, namely the Cabinet Office Investment and Contract Readiness Fund being delivered by The Social Investment Business.
- launch of a £40 million fund to grow the market in Social Impact Bonds and other outcomes based investment instruments so that more people, and particularly those most in need, can lead fulfilling lives, in enriching places, as part of successful communities. We believe this will enable commissioners and service providers (particularly third sector organisations) to participate more readily in what is still an emerging part of the market. We have aligned this fund closely with the Cabinet Office Social Outcomes Fund, which is currently open to applications.

Annual target:

At least 92 per cent of grant programmes achieve their agreed effectiveness rating



The Big Lottery Fund and other income

We now have substantial experience of funding on behalf of other organisations, and, as intended, the many projects that have received grants in this way are bringing about outcomes that fit well with our mission and values.



In the year ahead we will continue to make available our systems and expertise to others who may wish to use them to achieve positive outcomes via their own funding programmes. We account for and promote such third party funding independently from Lottery funding. The effectiveness of the grants we make is judged against the objectives agreed with our clients. Our operating costs in relation to this are separate from our Lottery programmes, as are other key performance targets, but our objectives for high levels of efficiency, effectiveness and customer service will be applied as rigorously and will be monitored closely.

Under third party funding BIG will be delivering the following schemes:

- continuation of the new Scottish Land Fund on behalf of the Scottish Government and in partnership with Highlands and Islands Enterprise. It helps rural communities take ownership of local land and land assets and in 2013/14 we will make new awards as well as supporting existing and potential projects. We will also continue to manage the Third Sector Early Intervention Fund on behalf of the Scottish Government. This programme aims to support the third sector to achieve better outcomes for children and young people, and the families and communities that



support them. Having made awards in April 2013, in the remainder of the coming year we will manage these grants and support organisations to achieve their outcomes.

- continuation of jointly running Awards for All in Scotland on behalf of two other Lottery distributors, **sportscotland** and Creative Scotland, as well as ourselves.
- a new joint Lottery distributor programme linked to the Commonwealth Games in Glasgow in 2014. The Celebrate programme offers the chance for communities across Scotland to receive funding for events to celebrate the Games or the culture and values of the Commonwealth. It is funded to

the end of 2014 with £1 million each from Creative Scotland, Heritage Lottery Fund, **sportscotland** and the Big Lottery Fund.

- continuation of the Communities and Families Fund, jointly funded by the Scottish Government and the Big Lottery Fund, supporting local projects that help families and communities give children the best start in life.

Dormant Accounts

There is a statutory requirement on the Big Lottery Fund to manage the distribution of funds to good causes from dormant bank and building society accounts, and this is an important factor in planning our resources for the year ahead. Since the original announcements in 2010 about the role of the Big Lottery Fund the bespoke structures and authorisations have been worked through to prepare for the receipt and distribution of the funds. Dormant accounts funds transfer to BIG from the Reclaim Fund Ltd (RFL) and are distributed between the four UK Countries for use as directed under Policy Directions issued by respective ministers.

- ▶ Our policy directions from the Cabinet Office state that the whole of the England share should be distributed to the Big Society Trust for investment in Big Society Capital Ltd. Big Society Capital will make a further round of awards this year. Other than transferring the funds, we have no role in the decision-making of Big Society Capital.
- ▶ Our policy directions from the Welsh Government state that 80 per cent should be used to support children and young people to achieve their full potential, with the remainder to tackle climate change and promote sustainable development. This year BIG will award some of the funding under Getting Ahead, a programme to support care leavers and young people who have offended through a paid 6 month work placement. It will give them valuable work experience and support them in getting employment in the future. We will also invest time developing other areas of funding in consultation with the Welsh Government and others to identify priorities.
- ▶ Our policy directions from Scottish Ministers identify four themes: opportunities for children and young people; addressing health inequalities through increased activity; strengthening inter-generational activities; and creating community-based employment opportunities.
- ▶ We are awaiting policy directions from the Northern Ireland Assembly.

ANNEX A

The Senior management team

Peter Wanless
Chief Executive
(until 31 May 2013)

Robert Atkins
Deputy Director Strategy and Performance

Mark Cooke
Director, Finance and Corporate Services

Ceri Doyle
Director Strategy, Performance and Learning
Acting Chief Executive (from 1 June 2013)

Dharmendra Kanani
Director, England

Jackie Killeen
Director, Scotland

Joanne McDowell
Director, Northern Ireland

Linda Quinn
Director Communications and Marketing

John Rose
Director, Wales

ANNEX B

Board and committee members



Peter Ainsworth

Chair, Board
Chair, UK Funding committee
Chair, Remuneration committee



Anna Southall

Vice Chair



Nat Sloane

Chair, England committee



Frank Hewitt

Chair, Northern Ireland committee



Maureen McGinn

Chair, Scotland committee



Sir Adrian Webb

Chair, Wales committee



Tony Burton CBE

General Member
Chair, Audit and Risk committee



Astrid Bonfield

General Member



Rajay Naik

General Member

Country committees

Committee	Chair	Members
England committee	Nat Sloane	Alan Billings, Geeta Gopalan, Scott Greenhalgh, Steve Richards, Daniel Silverstone, Albert Tucker, Nalini Varma and Geoffrey Wilkinson.
Northern Ireland committee	Frank Hewitt	Geraldine Campbell, Paul Cavanagh, Julie Harrison, Claire Keatinge and Peter Osborne.
Scotland committee	Maureen McGinn	Tim Allan, Elizabeth Cameron, Helen Forsyth, David Green, Hamira Khan (from 1 February 2013), John McDonald (from 1 February 2013), Lucy McTernan and John Watt (from 1 February 2013).
Wales committee	Adrian Webb	Rona Aldrich, Graham Benfield, Gareth Newton, Janet Reed, Fran Targett, Mike Theodoulou and Barbara Wilding.
UK Funding committee	Peter Ainsworth	Astrid Bonfield, Frank Hewitt, Lucy McTernan, Rajay Naik, Steve Richards, Anna Southall and Mike Theodoulou.