

**CRONFA LOTERI FAWR
BIG LOTTERY FUND**

MINUTES OF THE FORTY FIRST WALES COMMITTEE MEETING

Tuesday 6th June 2017

Helmont House, Churchill Way, Cardiff, CF10 2DY

In Attendance:

Adrian Webb (Wales Chair)
Rona Aldrich (Wales Committee Member)
Sian Callaghan (Wales Committee Member)
Rita Singh (Wales Committee Member)

Awel Jones (Corporate Team Leader, minutes)
Andrew Owen (Head of Funding)
Lara Ramsay (Senior Head of Corporate Management)
Rob Roffe (Senior Policy and Learning Manager)

Andrew Brown (Funding Manager) (Item 4 only)
Tina Cottrell (Funding Manager) (Item 7.2 only)
David Rowlands (Policy & Learning Adviser) (Item 4 only)

1.1 Chair's welcome and apologies for absence

1.1.1 The Chair welcomed all to the meeting. Apologies were noted from Simon Jones, Gaynor Richards, Rob Pickford, Ruth Bates and John Rose.

1.2 Review of Minutes of the Wales Committee meeting held on the 28th February 2017 (WBM 17/11) and Matters Arising

1.2.1 Committee confirmed that the minutes were an accurate reflection of the previous meeting and were signed off. There were no outstanding matters.

1.3 Note of decisions made by written procedure

1.3.1 Awel Jones noted that the following papers were presented to Committee by written procedure:

- 3rd Quarter Performance Report
- Rural Programme (Community Grants) Terms of Reference and proposals.
- 4th Quarter Performance Report
- Update of Wales Risk Register.

All of the above were agreed and signed off.

1.4 Declarations of Interest

1.4.1 No declarations of interest were received

2. WSMT Overview (WBM 17/12)

2.1 Rob Roffe provided an overview of the activities and key business issues facing the Big Lottery Fund (the Fund) since the previous Committee meeting. The following was highlighted:

- There has been limited change following the Welsh council elections which took place on Thursday 4th May, with the Labour Party still dominating.
- Due to the General Election, that will happen on the 8th June, the Fund is in a period of ‘purdah’. It was noted that there is no reference to the Fund in any party manifesto.
- The Welsh Government has announced £4.5 million of core funding for Third Sector Support Wales, and £1.3 million for the Volunteering Wales Grant Scheme, which appears to be a reduction on previous years.
- Funding will continue for the Rural Development programme until 2020 and the Rural Community Development Fund (RCDF) will continue to receive applications. We will monitor this in terms of overlap and complementarity and this will be touched on as part of our ongoing review of the Rural Programme that Committee will consider in September to inform subsequent funding rounds.
- Adverse Childhood Experiences (ACEs) continues to dominate the policy agenda and we have had discussions with WCVA about taking forward our joint interest in the third sector sustainability agenda.
- Rob met with the Welsh Government’s Third Sector Unit to discuss their plans for a Third Sector Sustainability Fund. Rob also made Welsh Government aware of our financial constraints.
- People & Places 3 is due to be launched on the 31st July. We will be making decisions on the Rural Programme applications in August. Changes to Awards for All are due to begin week commencing 19th June.
- With regard to the Fund’s financial position the revised payment profile is on target. April and May lottery ticket sales are disappointing in comparison to last year, however there was an improvement in May due to rollovers.

2.2 Committee noted the following in their conversation:

- The lines to take on lottery ticket sales have been useful and it was noted that they will be revised when and if they need to be. Committee commented that we shouldn’t be too defensive in our messaging.
- The General Election could potentially produce uncertainty, therefore to be prepared for this.
- Adrian Webb queried how involved we are with Michael Sheen’s aim to establish an independent Child Poverty Commission in Wales. Rob stated that he attended the UNICEF round table event where various organisations noted what they are contributing to the agenda. We are yet to hear anything following the meeting, however we will keep a close eye on this. Committee noted the opportunity for us to feed in learning from project we have funded and to act as a ‘catalyst’.
- Committee discussed our approach and the UK Wide approach to the Target Operating Model. It was noted that this reinforces the direction we are travelling in. Committee requested to see a copy of the Target Operating Model.
- **Action - Rob Roffe to send Target Operating Model to Committee Members.**

3. Wales Portfolio Development update (WBM 17/13)

3.1 Lara Ramsay presented the Wales Portfolio Update paper. Lara informed Committee that there have been a lot more conversations on 'In Work Poverty' with people within the sector that David Rowlands and Andrew Brown would elaborate on later in the meeting.

3.2 Regarding the Rural Programme, Rob noted that the areas from which we have received the most applications are ones that have traditionally done well through other programmes, such as People and Places (P&P). It was also noted that there are similarities between the applications received to the Rural Programme and those we see being received by P&P. Committee expressed their disappointment as it had hoped for more strategic projects and noted that the localities issue needed to be considered as part of the review of the Rural Programme. Lara noted that the Community Support Development contract can help with these issues.

3.3 Adrian Webb suggested that the Fund's 'people in the lead' agenda may impact on our leadership role. He emphasised the need to lead strategically and not to be completely responsive. This should also be considered when reviewing the Rural Programme.

4. Update on 'In Work Poverty' (WBM 17/14)

4.1 Lara noted a couple of errors in the covering paper. On point 2.2 of the paper the supplementary target groups will be those in the Private Rental Sector (PRS) and young adults instead of people with a disability. The budget will also be £6 million and not £8 million.

David Rowlands and Andrew Brown joined the meeting

4.2 David Rowlands and Andrew Brown presented proposals for the delivery of the 'In Work Poverty' programme. The points below were highlighted:

- Consultation has highlighted that 'In Work Poverty' is different to low pay. Some people that are in low-paid jobs live in homes with higher household income.
- There are a lot of factors that contribute to 'in work poverty' that the Fund cannot do anything about. However there is currently a gap in providing wraparound support to families which allows them to develop their own solutions.
- We have used a definition of poverty which helps us to differentiate from other family initiatives. It is important not to duplicate existing support.
- There is a need for co-design and co-production so that families and the organisations working directly with them are involved in how the programme is delivered.
- There is an opportunity to provide 'top-up' grants to existing projects that are clearly people-led and can demonstrate additionality in the field of 'In Work Poverty'.
- There will be a one stage application process. Due to the nature of the programme we don't want to raise people's expectations, which can often happen with a two stage process.
- Funding will be divided in to three phases; Development, Engagement and Support. There will be no specific time limits on the phases of the grant as we have learned from other programmes that some organisations will need more time than others.
- There will be milestone reviews at the end of each phase.
- External experts will be involved in decision making, as this has been useful with other programmes, as well as people with lived experience of 'in work poverty'.
- The application process is still currently in development. The aim is to focus on 4 key questions:

1. How will you identify families affected by in work poverty?
 2. How will you engage these families in a way that puts them in the lead?
 3. How will you work with them to identify support options that build on the strengths within families and communities?
 4. How will you ensure you complement existing provision?
- We will need to be more robust in assessing applications to ensure that we have meaningful and sustainable projects.
 - There will be an ongoing evaluation of the programme.

4.3 David and Andrew invited Committee to present their thoughts and comments on the proposals. The below was raised:

- Committee were keen that this programme resulted in applications that were different to the type of family support projects we are already receiving through People & Places. It was emphasised that we will be focused in our conversations and have the confidence not to make investments that aren't suitable.
- The potential organisations the Fund will be working with was discussed and Committee strongly recommended working with employers and trade unions. It was noted that we will create those networks during the launch period, and be a catalyst for others by doing this.
- Adrian Webb noted the work of the Joseph Rowntree Foundation (JRF) which believes that the best prevention for 'in work poverty' is for a member of the family to be in a good job with fair terms and conditions and opportunity for progression. It was emphasised that projects need to be sustainable. Adrian requested for the wording of question 2 to be changed to highlight this saying '...in the lead to create enduring improvements in people's lives'.

4.4 Committee members thanked both David and Andrew for the presentation and with the above recommendations taken into consideration Committee agreed with the proposals.

David Rowlands and Andrew Brown left the meeting

5. External Environment: horizon scanning (WBM 17/15)

5.1 Rob Roffe presented the horizon scanning paper which will now be a standing agenda item. The paper summarises the key issues and challenges that we have identified as part of our ongoing stakeholder engagement, intelligence gathering and local knowledge work. It is an aid to the Committee's strategic decision making. The current key issues Rob noted were:

- Emerging concerns on the future of Youth Service provision across Wales, particularly in light of the implications for it following the withdrawal of Communities First.
- Significant interest in Asset Transfer and Empowerment amongst the third sector and policy communities, and the actions that the Wales Directorate is taking to stimulate debate, understanding and learning in both areas.
- The increasing importance of tackling Adverse Childhood Experiences (ACEs) to both the tackling poverty and public health agendas.
- The increase in People & Places applications for projects working with carers and the anecdotal evidence which suggests that local authorities have been raising the thresholds at which they provide carers with support themselves.

5.2 Committee highlighted that there is a need for us to use our learning and knowledge to support the agenda of others, particularly, ACEs and Youth Services. The need to make better links with local government was also discussed.

5.3 Adrian Webb noted the paper's usefulness in highlighting opportunities to be a catalyst and influencer, as well as highlighting areas where we can make a strategic impact in the future.

6. Sustainability challenges of the third sector (WBM 17/16)

6.1 Rob Roffe presented a paper summarising the key issues arising from the discussions at the Strategic Planning Day focused on sustainability in April. Rob noted the following:

- The five key areas in the paper which are: the external environment; organisational capacity; third sector culture; volunteering; and data.
- There wasn't anything that we hadn't already heard or noted prior to the planning day and we had already responded in part to some of the issues identified.
- We should review the investments that we have already made to assess their impact.
- Sustainability is not an issue we can tackle in isolation, and our role as a 'catalyst' lends itself to convening others, building consensus and establishing common approaches.
- Rob proposed reporting back to Committee in December with a more definitive approach that considers these points.

6.2 Committee raised the following in their discussion:

- The Fund's role as a 'catalyst' in bringing about the changes that are needed
- The need for more co-working rather than competition between third sector organisations
- The need for the Fund to be more pro-active in terms of sustainability
- The balance of our funding between organisations of different sizes
- The importance of data in building an awareness of the impact organisations are having and whether or not they are effective.

6.3 Adrian Webb summarised the conversation by emphasising the need for the Fund to be that of a 'critical friend' to third sector organisations but an increasingly intelligent funder for our communities. This should include better awareness and data.

7.1 Wales Media & Communications Update

7.1.1 In Ruth's absence Rob provided the overview of the Wales Media & Communications Update for the last quarter, highlighting the following:

- Customer satisfaction remains high at 90% and Wales remains in its position as having the best customer service of the UK nations
- A key change is our updated logo and branding to help reinforce the relationship between playing the National Lottery and our funding. The new logo will be used on all our physical and digital materials and by the projects we fund
- P&P 3 will launch on 31st July

- The indicative relaunch date for Awards for All has been pushed back to the week commencing 19th July. Our FAQs have been updated in anticipation and shared with UK colleagues to aid internal communications on the relaunch
- There has been a growth of 756 followers on social media since the last quarter and the surprise lottery letter to Brymbo Heritage project has been our most successful post
- The Fund received 660 mentions in the media between February and April, much of these being on the People's projects campaign where Welsh project received 12,000 votes
- 5 Welsh MPs have signed up for project visits which we will plan after the general election, subject to the MPs in question being returned to Parliament
- Two 'Future of Doing Good' events were held at the beginning of the year which attracted several third sector organisations. We were disappointed by the lack of interest from the public and private sector and we will target them to try to rectify this.

7.1.2 Sian Callaghan noted that she can help by supporting the Fund to engage the private sector at the right level.

7.1.3 Adrian Webb highlighted that he would like more notice to be able to attend launch events.

Action - Awel to feed this back to the Communications Team

7.2 Programme Progress Updates (WBM 17/17) & CAT 1 & 2 'Deep Dive'

7.2.1 The Programme progress updates were sent to Committee members by correspondence ahead of the meeting.

Tina Cottrell joined the meeting

7.2.2 Tina Cottrell provided a presentation on the Community Asset Transfer (CAT) programme which included the following:

- The main principles and features of the programme
- Our level of investment, applications received and grants awarded
- The geographical spread of funding
- The lessons learned from CAT 1 and the changes applied to CAT 2
- Examples of projects that have been funded through the CAT programme.

7.2.3 Tina invited the Committee to provide their questions and comments:

- Committee were interested in what has made some of the projects more sustainable than others. Tina noted that having people on the board with the right skills makes a big difference, as well as supporting projects on employing the right people, and creating the right staff posts
- It was queried how much involvement local businesses have. Tina noted that it depends on the project and provided examples where projects have been supported by private businesses. It was recommended that examples of private businesses working with third sector organisations could be highlighted as part of the 'Future of Doing Good' work
- Tina noted that some organisations have received mentoring from other organisations with successful projects due to links made through Development Trust Association Wales (DTA)

- The importance of projects not being seen as building restoration projects was noted, and that there is a need to bring something new to the community that will generate income and make the project sustainable
- Projects should be a combination of asset transfer and community development, and this learning should be fed back to P&P capital projects and CYS projects.

7.2.4 Committee thanked Tina for the useful presentation.

Tina Cottrell left the meeting

7.3 Wales Committee forward work programme (WBM 17/18)

7.3.1 Committee agreed with the emerging forward work programme for Wales Committee between now and December 2017 and had no further suggestions.

8. Invest Local (Building Communities Trust) update (WBM 17/19)

The Protector, Peter Thurston, joined the meeting

8.1 Peter Thurston joined the meeting to provide a brief update on the progress of the Building Communities Trust since the decision to award the endowment of £16.51m to Building Communities Trustee Ltd (BCT) from the Protectors perspective. The following was highlighted:

- There is no concern with the governance of the Trustee
- The investment is ahead of forecast
- CCLA are doing a good job of managing the investment as are the Trustee
- The two key programme observations highlighted were trust in the community, and general fatigue arising from multiple community investment initiatives with the trust consequently having to work harder to get areas up and running
- As the nature of the programme is community-led the pace may seem slow, but this is normal and isn't a concern.

8.2 Adrian Webb noted that the pace of the programme is not seen as an issue, and that it's the vision and values that are important. There is a need to focus on sustainable benefit and if some of the chosen communities aren't engaging there may be a need to re-think some of them.

8.3 Lara highlighted to Committee that Gareth Williams meets regularly with Peter and has built up a good relationship to monitor how the trustee is moving forward.

BCT Chief Executive, Chris Johnes and Invest Local Officer, Rachel Harding joined the meeting.

8.3 Sir Adrian Webb welcomed Chris Johnes and Rachel Harding to the meeting.

8.4 Chris provided an update on how the programme has moved forward since he met with Committee last autumn. He highlighted the following

- BCT is now working with all 13 areas
- The priorities from the community consultation are now informing the visioning and planning processes.
- Different areas are in different positions. Areas with greater capacity have moved faster whereas there have been challenges in others.

- ‘Driving change’ plans have been brought forward in 2 areas to deal with some short term emergencies and learning is being taken from this.
- The shared learning programme has been positive in driving enthusiasm and it will be adapted to create one for South and one for North Wales.

8.5 Committee discussed the following:

- Whether communities were thinking about the sustainability of projects beyond 10 years. Chris noted that capital investments were helping to make some organisations sustainable. They have also been working with particular groups such as families and young people, looking to place emphasis on aspiration
- Committee enquired how involved local government is in the programme. Chris noted that it is dependent on the area, but that at least half of the areas had local government involvement.

8.6 Committee thanked Peter, Chris and Rachel for their report and noted their shared vision and values for BCT.

Peter Thurston, Chris Johnes and Rachel Harding left the meeting

9. Finance Report

9.1 Andrew Owen noted that we are on track with our grant budget.

10. Feedback from Corporate meetings

10.1 Feedback from UK Board Meetings

Adrian Webb noted that the implementation of people in the lead was discussed by UK Board. The Fund’s risk management system was also discussed and it was noted that it is working well. Adrian noted the need for managers to give assurance to staff to be less risk averse.

10.2 Audit & Risk

Adrian Webb stated that there was nothing relevant to report back to Committee from the Audit & Risk Committee.

10.3 UK Funding Committee

Sian Callaghan stated that she hadn’t attended a UK Funding Committee since the previous Wales Committee meeting.

11. Update from other portfolios

11.1 Lara noted the following:

- John is working on driving the England change programme. Following the initial changes there is now a new senior leadership team in England
- Scotland and Wales are also looking to restructure in the near future
- A staff survey was carried out in April, but the results were not yet available
- Some of the 43 corporate targets are progressing well, and conversations with staff regarding the development of a new system to replace FMS were imminent.

12. Any Other Business

There was no further business to discuss.

