

## The National Lottery Community Fund

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### **Grantmaking practice**

We are always looking at ways of improving our grantmaking practice - whether that is in the different ways we can shift power to communities through Participatory Grantmaking, ensuring the voices of future generations are considered through our Young People In the Lead practice, encouraging our grantees to adopt climate-aware approaches into their projects, or assessing our grants based on the most relevant knowledge of technology, data and digital.

This is where we share what we are exploring, the resources we're creating and the insights we're gathering from testing out new approaches in practice.

We'll be adding resources and materials to this page as we continue to listen to, and learn from, the sector about what works best for them.



**Participatory grant-making (PGM)** >  
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### **Participatory grant-making (PGM)**

Participatory grant-making (PGM) is an approach to funding that shifts decision-making power away from grant-making organisations and to the people and places that will benefit from the money. There are different models of PGM but they all aim to give local people and communities more say and control over what is funded in their area.

At The National Lottery Community Fund, we have tested a range of approaches to PGM to help us better understand more about the benefits this devolution of power brings. From helping us make better grants to building connections across communities, to reaching communities that lack the social infrastructure of charities and community groups that we usually rely on to distribute our grants, PGM offers benefits, and challenges, that we continue to explore.

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- **PGM in Scotland**
  - **Other PGM work we have supported**

### **PGM in Scotland**

In Scotland, we have trialled 17 approaches to PGM since 2016/17. These include:

- **'Your Money You Decide'**

(<https://pbscotland.scot/blog/2016/12/8/north-ayrshire-cpp-participatory-budget-pilot-update>).

events, held in community venues across North Ayrshire in 2016. More than 550 residents and community groups took part and decided how the £72,000 of funding from North Ayrshire Council, the Scottish Government, the Big Lottery Fund and The Ayrshire Community Trust (TACT) would be allocated. A total of 140 groups presented a 3-minute pitch of their idea, with 103 going on to receive a share of the funding. The event was described as a "Fantastic way of letting people be involved in the financial process of where the money goes."

- **Pitch your Project Wishaw**

(<https://www.facebook.com/profile/100064836035109/search/?q=pitch>).

(2017), in partnership with North Lanarkshire Council and Voluntary Action

North Lanarkshire (VANL), targeted small grassroots groups that did not have a current Awards for All grant. It offered £300 to £2,000 to bring people together and/or improve the local area. 11 shortlisted groups pitched to 200 local people who voted by placing tokens in buckets. The seven groups with the highest votes were funded.

- The **Church of Scotland (CofS)**

(<https://churchofscotland.org.uk/news-and-events/news/archive/2020/Kirks-participatory-budgeting-funding-events-go-online>).

(2020) ran two PGM projects, that aimed to engage 'hard to reach' people and help them vote to decide which projects should receive a share of £9,375. This included people with no access to the internet, drug users, and other disadvantaged groups. In Dundee, the project worked in food banks, providing a post box where local people could cast their vote whilst collecting food.

- The Scottish Refugee Council's, **Reaching New Scots Fund**

(<https://bigblogscotland.org.uk/2023/09/11/reaching-new-scots-fund/>).

(2022) gave grants to projects focusing on integration, community-building, and empowerment for refugees and asylum seekers. Four volunteers with refugee backgrounds were paired with representatives from The National Lottery Community Fund on the decision panels and **34 organisations** ([https://scottishrefugeecouncil.org.uk/working-for-change/reaching\\_new\\_scots/](https://scottishrefugeecouncil.org.uk/working-for-change/reaching_new_scots/)), of which 13 had not previously received National Lottery funding, received a share of £800,000.

In 2023 we compiled findings from this work, based on a focus group, interviews with our staff and the organisations we partnered with, as well as surveys with grant holders and panellists.

Read the full report: **Participatory Grant Making Report, Phase Two**

(<https://www.tnlcommunityfund.org.uk/media/insights/documents/Scotland-PGM-Report-January-2024.pdf?mtime=20240209094421&focal=none>).

(PDF, opens in new window)

The key successes of the PGM pilots included:

- Facilitating new collaboration between third sector organisations.
- Empowering communities to shape the funding process.
- Reaching new grassroots groups.
- Building the capacity of third-sector organisations.

Some of the key challenges included:

- The time and resource intensiveness of the process for us and the communities we worked with.
- The discomfort that comes with power-sharing.
- The temporary nature of empowerment.
- The logistical barriers that come with PGM, such as staff turnover, funders' eligibility criteria, grassroots groups that are not formally constituted as a charity and difficulties in engaging local people to attend events or participate on decision panels.

Our key recommendations are:

- Future approaches should include a built-in review of the process for decision-makers so they can tackle and remove identified barriers.
- Funders testing these approaches should dedicate resources specifically to the project to ensure the work doesn't overwhelm staff and to ensure sufficient space and commitment to develop PGM approaches that have integrity.
- Funders should be clear about why they are adopting PGM and how it will be co-developed and implemented with communities. They should also think about how their systems may need to be adapted to facilitate PGM, rather than reinforcing barriers.
- Educational/learning sessions around PGM and what 'participation' and 'power sharing' really are should be developed and made available to funders and community stakeholders.
- Funders might consider how participatory practice could be embedded into traditional funding streams, as well as trialling separate projects.
- Funders should consider how to learn from groups that have been unsuccessful when applying for funding and use insights from their experiences to inform and adapt their offer.

## Other PGM work we have supported

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### **Strengthening communities: Strategies for supporting places that have missed out on funding**

(/insights/strengthening-communities-strategies-for-supporting-places-that-have-missed-out-on-funding)

This report focuses on how The National Lottery Community Fund has targeted grants to communities that might otherwise miss out on funding. It includes a case study from

Torbay where we ran our first participatory grant-making event in England, Pitch Your Project, with Torbay Community Development Trust.

## **Leaders with Lived Experience Pilot Programme**

(<https://www.tnlcommunityfund.org.uk/media/insights/documents/Leaders-with-Lived-Experience-Pilot-Wave-Final-Report.pdf>)

The Leaders with Lived Experience pilot used a participatory design approach to create a funding programme to support people with first-hand experience of a social issue to create positive change. People with lived experience played an integral role in the decision-making and award process, sitting with staff from The National Lottery Community Fund on funding panels to agree which applications should receive funding.

## **The People's Projects**

(<https://www.thepeoplesprojects.org.uk/>)

The People's Projects is a partnership between The National Lottery Community Fund, The National Lottery, ITV, UTV and the Sunday Mail in Scotland. Members of the public vote to decide how over £4 million in National Lottery funding should be put to good use in their local area. Since 2005, over £42 million has been awarded to 960 good causes across the UK.

## **Big Local**

(<https://localtrust.org.uk/big-local/about-big-local/>)

Big Local provides at least £1m to 150 communities in England, for local people to spend over 10-15 years at their chosen pace, and on their own plans and priorities. This resident-led approach is building confidence and capacity amongst those wanting to make a difference in their community.

## **Invest Local**

(<https://www.bct.wales/>)

Invest Local is a 10-year programme of funding and support for 13 communities across Wales. In return for up to £1m, plus support from an Invest Local Officer and access to a programme of shared learning, a local steering group leads the programme, taking decisions and actions and engaging with the wider community.

## **Clogher Valley Decides!**

(<https://bigblognorthernireland.org.uk/2019/02/14/clogher-valley-decides/>)

In December 2019, fifteen groups from the Clogher Valley area pitched project ideas to almost 100 local people in the hope of getting funding of up to £500.



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