

# **Small Grants**

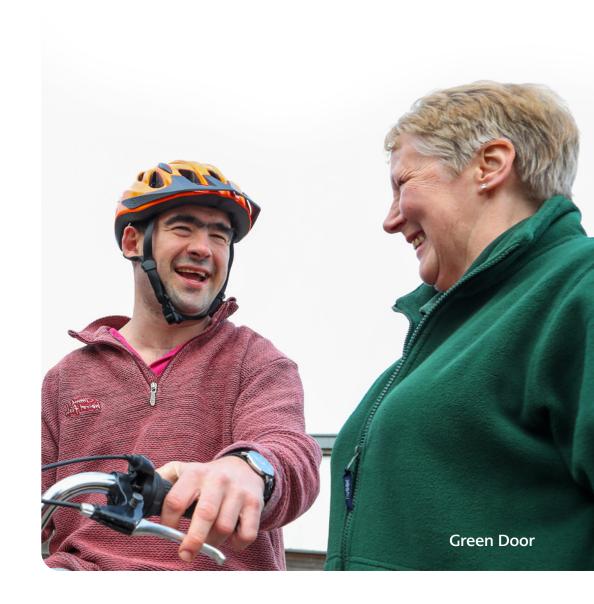


# Content



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## **Small grants - big impact**

The National Lottery Community Fund is the largest funder of community activity in the UK, and the large majority of the projects we support are in fact recipients of small grants.

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84%

of our grants are
under £10,000 in value
and we award
over 12,000 of them
each year, reaching
every constituency and
community in the UK,
and in over 90% of
all UK wards.

Our small grant funding is easily accessed, light touch and gets money out of the door to communities quickly. We know our small grants are the most effective way we have of supporting those local organisations and people who are the lifeblood of their communities.

Small grants are what keep community buildings and spaces open. They keep the roof fixed, repair the boiler, and help the lights stay on. We have used small pots of money to make sure young people have access to playgrounds, to allow community shops to flourish and to give lonely and older people a warm and welcoming place to meet. And we have used small grants to bring communities together, most recently, to celebrate Her Majesty the Queen's Platinum Jubilee.

We can also show small grants are the most effective funding platform to mobilise community volunteers and the organisations that support them, and our range of small grant funding over the pandemic only reinforced this.





# Targeting areas of greatest need

Small grants get money into communities and areas that large grants often can't reach. Our simple responsive funding approach gives power to left-behind areas that feel overlooked and under-funded. Our ongoing work on how to reach funding cold spots and areas with high levels of deprivation is also highlighting this. Our awards to priority 1 areas for the Government's Levelling Up Fund have increased from 42% to 50% in the last three years. These areas represent a third of the UK population.

Small grants are a vital part of our funding mix, and they should be in the mix of any funding approach. They show that it's not always the amount of money that fixes a problem, it's the way in which it reaches those who need it.

In this report we look forward to sharing with you just how big an impact our small grants really do have and what we have learned as the nation's largest community funder with decades of experience of small grant funding.

## **Our impact**

The National Lottery Community Fund directly supports approximately
5.2 million unique beneficiaries per year in total via their grant holders,
3.1 million of whom have benefitted from small grants.





of our awards go to organisations with turnovers of less than £100,000. Our average award size is £8,100.



Three key themes have emerged for small grant applications:

- 1. Health and Wellbeing
- 2. Community Support
- 3. Education and Learning



# Our regional Scotland -**North East** reach through small grants Total awarded: £55m Total awarded: £29m **East Midlands** Total awarded: £38m **Northern Ireland** Total awarded: £30m Yorkshire and The Humber Total awarded: £35m Total awarded: £58m **North West West Midlands** Total awarded: £79m London Total awarded: £57m Total awarded: £68m Wales Total awarded: £29m **South West South East** Total awarded: £46m Total awarded: £48m

# Funding communities that are hard to reach

We are frequently asked by government how we ensure our funding reaches areas with low levels of applications but high levels of need. Often these are communities with low social infrastructure. Our response is nuanced and led by the needs of that particular community, but invariably involves small grants.

These 'cold spots' are often areas that don't have an anchor organisation or charity network within them. However, they do have community groups who seek to address local problems, and through our easy to use and responsive small grant funding they can access the help they need.

Small sums can deliver a large impact and through our funding we enable and support grassroots organisations who know and have the trust of their community. We have funded projects in every Towns Fund<sup>1</sup> area in England and in 99% of 'left-behind' communities in the last year.

Our commitment to working locally and regionally has embedded us in local communities, connecting us with more grassroots organisations.

1These area the Government is investing in as a part of the plan to level up our regions.





# **Employment**

Funding organisations focused on employment and employability ultimately help to improve people's lives and support communities to thrive. Our grants support people at all stages of their employment journey, from writing a good CV and job applications to preparing for interviews, while also addressing more complex barriers, such as mental and physical health needs, through to identifying skill gaps.

- The Fund has invested £361 million in employment and enterprise projects over the last three years.
- Over the last year, nearly a third of funding was awarded to projects that support employment and enterprise.
- The estimated benefit to the Government and wider economy is £2.43 for every £1 invested, rising to £6.43 in social value for every £1 invested. In real terms, our Building Better Opportunities programme engaged with 127,067 and a total of 21,161 people moving into employment and 18,594 moved into training or education.



# **Employment**

**The Southwick Employability Project** 

**Grant:** Awards for all

Location: Southwick, Sunderland

Awarded: £9,900

The Southwick Employability Project is based in one of the most deprived wards nationally for youth unemployment. We awarded the project a grant of £9,900 in December 2018 to help it support people from the local area to find work, offering classes, one-to-one support, CVwriting and interview skills. Our grant funded two support workers and during the following year, 44 people attended classes face to-face or remotely. 58 hours of classroom training and 26 hours of personal support were provided. 25 people found employment as a result, some in the local area, while others moved to other cities and countries to take up new employment.



### Young people

In the last three years, The National Lottery Community Fund has been the biggest non-statutory funder of young people in the UK at around 28% of all non-government youth sector funding.

Our funding aims to help young people reach their potential, supporting them to live healthy, fulfilling lives and enrich their experiences, regardless of their circumstances. Our funding provides young people with the opportunity to access arts, sports and culture facilities as well as providing community spaces.

We put young people at the heart of our decision-making and governance. Our Youth Voice teams bring together young adults from projects we have funded. They help shape our work and are valuable ambassadors for their communities and youth organisations.



**1104 grants** totalling

£157m

focused on getting people aged 16-24 into employment.

The Fund has invested £861m over the last three years in projects for children and young people. This includes £286m to promote volunteering and social action £176m in community-led arts, and £119m for community-led sport.



# Young people

**Sovereign House GH** 

**Grant:** Awards for all

**Location:** UK

Awarded: £10,000

Sovereign House GH is a UK-based charity, operating in Salford and Ghana, empowering disadvantaged children to gain digital and life skills to maximise their full potential. In the UK, they run a computer learning programme for seven to 15-year olds, aiming to build the confidence of the children, enhance their computer skills, giving them higher competency and a foundation for the job market.

They also invite guest speakers to speak to the children about future aspirations and goals and the children are encouraged to give back to the community. The charity has won awards for its inclusive approach and ability to support children to develop social and interpersonal skills as well as all-important computer literacy skills. The children learn different concepts of programming software, internet security, and hardware amongst other IT programmes.

Irene Lockett, Founder and CEO thinks that Awards for All is 'small but mighty':

"Awards for All was a great kick start for our project. It gave us that much needed boost to get it up and running."



# Net zero and climate change

We believe its not just big projects that are needed when it comes to getting to net zero.

Alongside our Climate Action Fund (CAF), a £100m commitment to support community-led climate action projects across the UK over the coming years, we have been using small grants to help make a difference in this vital area.

In Wales, The National Lottery Community Fund's Climate Action top-up pilot was developed to inspire environmental action from a range of community groups already receiving funding from our grants.



These small pots of extra funding paid for energy and water efficiencies for 23 buildings, including solar panels, insulation, boilers, lighting, thermostats, carpets, and windows. It also helped to fund five gardens and nature areas, five orchards, two electric charging points and two allotments.

The initial early impact was considerable. With a relatively small amount of funding, organisations were able to reduce energy and water consumption, save money and improve the general atmosphere and appearance of buildings.



For 12 of the building projects supported by Sustainable Communities Wales, the estimated annual savings will be: 236,049 kilowatt hours saved, which is the equivalent to the carbon sequestered by planting 2,760 tree seedlings grown for 10 years.



#### Net zero and climate change

**Grow and Eat Garden** 

**Grant:** Awards for all

**Location:** Caerphilly Wales

Awarded: £9,020

We awarded £9,020 to Caerphilly Miners Centre for the Community to deliver socially distanced outdoor activities for parents and children. The money funded staff gardening tools, playmats, seeds, plants and planters. With the project reporting residents then went on to take the ideas home and start their own gardens.

#### Loneliness and isolation

#### **Local Connections Fund**

This £4 million fund, which was distributed with The Department for Digital, Culture, Media and Sport in 2021, helped charities and community groups across England build connections across their communities to reduce loneliness. It offered micro-grants between £300 and £2,500 to local organisations with an annual income of £50,000 or less. Furthermore, this funding helped to bring people in the community



together by creating places for them to connect, going out to individuals, and creating a support network in the community.

These micro-grants enabled groups to buy equipment to lend to people or to make beneficial changes to venues or community gardens. By combining a relatively small amount of funding with volunteers, we have seen small groups able to adapt quickly and flexibly, and it really can make a huge difference to communities. In total, almost 1,700 grants were made through the Local Connections Fund.



Insights from the Local Connections
Fund team estimate that **820,000**people benefitted from the first
round of grants, with a cost of
£2.24 per person.



#### Loneliness and isolation

#### b:Friend

**Grant:** Awards for All

**Location:** Doncaster

Awarded: £9,900

In Doncaster, b:Friend has paired over 70 volunteer befrienders with a socially isolated older neighbour. As we've seen across many of our projects, the benefits run both ways.

Kath was devastated after the loss of her husband:

"b:Friend has saved my life.
Before my volunteer Nicola
came, I had no visitors at all.
I honestly felt like I wanted
to end it all – I've never been
on my own before and it was
really difficult."

# Gelebration, pride and belonging

We fund communities and people to come together and celebrate local and national events and milestones, whether that is a village Big Lunch or or a Jubilee street party.

In a typical year, 42% of grant holders tell us that people have more local pride and belonging because of the services or activities we fund them to deliver.

For some programmes we've developed microgrants – from £250 to £1,000 – to make it even easier for communities to access funding to bring them together.



#### Celebration, pride and belonging

#### **Mayor's Community Weekend**

As part of a joint initiative with the West Midlands Combined Authority, and Mayor of the West Midlands Andy Street, we offered grants of up to £500 to support celebratory community events. In total, we awarded £55,000 of funding to 124 different groups across the West Midlands.

At the event in 2019, 54% of groups had not received our funding before, but this money acted as a catalyst, with 96% planning to arrange additional events and 72% more likely to apply to us for funding in the future.





£85,000 of National Lottery funding was awarded to 170 events in 2019, compared to £60,000 and 120 gettogethers in its first year in 2018, which encouraged people to go out, engage in their local communities and increase social interaction.

#### Celebration, pride and belonging

#### **Ageing Better**

Ageing Better is a six-year programme that started in 2015, established by The National Lottery Community Fund. The programme develops creative ways for people aged 50+ to be actively involved in their local communities, and to combat social isolation and loneliness.

We found that micro-funding was a powerful approach, enabling our partnerships to reach underserved communities. It also put people aged 50+ in the lead to develop the projects and assets most important to them.

Because community members are more engaged, micro-funded projects can test ideas and inform policy decisions. This approach is reshaping local community services, developing people's confidence and capability to run their own activities, and boosting capacity for meaningful and sustainable change.



**1,976 awards** made in 4 years (from 2015 - end August 2019)

Most micro-funding projects run from 2 months to 1 year

£4.4 million awarded for microfunding projects



#### Celebration, pride and belonging

The Allestree Club

**Grant:** Awards for All

Location: Allestree, Derby

**Awarded:** £10,000 for boiler and windows and £800 for a dance event

Improving the warmth and comfort of a venue may not only make it more attractive and friendlier for locals, it can also reduce energy bills and their carbon footprint. In 2018, the Royal British Legion refurbished the windows and boiler at the Allestree Club in Derby, reducing running costs by 45% and ensuring it was a place for local veterans and their friends and family to come together.

We also provided a £800 grant for a one off dance and music evening where older members could meet and hear entertainment from the 1940s.

#### Celebration, pride and belonging

#### The Big Lunch

The Big Lunch can be anything from a small gathering in a garden, park or driveway, to a larger party with trestle tables down the middle of a street.

Some of our funding is nationwide, such as the four-year £8.6 million grant we awarded The Big Lunch, which saw 5.6 million people attend over 90,000 Big Lunch events all over the UK in June 2019.

Even in June 2020, and at the height of the COVID-19 lockdowns, The Virtual Big Lunch saw 4.1 million people join online Big Lunch events to celebrate with their communities.

The annual UK-wide event has helped create more than 38 million connections, with 73% of participants saying they feel prouder of where they live and that they have a stronger sense of belonging to their community.



### Celebration, pride and belonging

We were proud to help the nation celebrate the Queen's Platinum Jubilee in a number of ways.

As part of a wider National Lottery contribution of £22 million towards the Platinum Jubilee, our Platinum Jubilee Fund awarded £4.5 million of funding to 91 impactful community projects across the UK.

To complement this, we also had a small grants approach, awarding up to £10,000 from The National Lottery Awards for All programme for community-led events throughout 2022 to celebrate the Platinum Jubilee year.



In England this small grant programme awarded almost 1000 separate grants which amounted to another

£6.1m

Our recent research by The National Lottery Community Fund showed that these programmes supported over **25 million people** in celebrating this momentous occasion.



### Celebration, pride and belonging

In November 2019, to celebrate the 25th birthday of The National Lottery, building on our experience of awarding microgrants with #CelebrateNationalLottery25, we made £2 million available for people to apply for funding, up to £1,000, to bring people together in their community.



We also support one-off events like achieving the Guinness World Records title for largest cream tea party at the Sage Gateshead in October 2019, hosting 1,054 people from all over the world.





# **Applying**

People can use our website to send us their application.

Our Awards for All Small Grants Programme means they can apply for between £300 and £10,000 to pay for some or all of the project costs. The Awards for All programme will not give more than £10,000 (in one or more grants) to an organisation in any one year period.

#### **Our Process**

During our assessment we will look at the following factors to help us reach a decision:

- the need for the project
- who will benefit
- how it will achieve our outcomes
- if we have funded them before
- the organisation's income
- the total project cost.

At times we find we do not have enough funds to support all the applications we would like to. When this happens, we need to make some difficult decisions. We have a scoring system which helps us do this. More points are given to applications that:

- show strong evidence of need
- seek to involve as wide a range of people as possible
- meet more of our outcomes
- are from organisations that Awards for All has not funded before
- are from organisations with a smaller annual income
- are for smaller projects.

We aim to assess each application equally and fairly and our team meets regularly to discuss their assessments. Our managers approve the final decisions.

#### **Our Decision**

We aim to have a decision within ten weeks of receiving a complete application. We require further information before payment of the grant and we do then ensure that the money is spent correctly and as applied for.



#### Conclusion

At the National Lottery Community Fund, we are hugely proud of our small grant funding and on the impact it has across the country.

These small amounts, whether through innovative funding streams like the Mayor's Community Weekend or from our traditional small grant schemes, are all playing a role in a much wider funding environment. We are supporting community investment that already exists and encouraging it to grow where it is needed.

We work with and alongside National, Regional and Local Government, other funders and businesses to help communities in a wide range of ways. Our funding reaches communities directly and plays an important role in wider investment in areas across.

We believe that through our small grants we are helping to build something much bigger. Sometimes that is by supporting organisations to grow; sometimes it is by investing in ideas that flourish. It is through small grants to communities and the people that live in them that new social initiatives are born, new groups help transform communities and new local leaders help bring people together.





The National Lottery Community Fund is the largest community funder in the UK and is proud to award money raised by National Lottery players.

At the heart of our work is the belief that when people are in the lead, communities thrive. We listen, collaborate and fund so that we can support great ideas that make good things happen.

### Get in touch

To find out more about this report or to talk to our Engagement Team:

Email: public.affairs@tnlcommunityfund.org.uk

To find out more about our funding and research:

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Read our Insight reports: tnlcommunityfund.org.uk/insights

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