



Putting communities first: Our impact report

2016–17 to 2020–21

November 2021
Executive Summary

The National Lottery Community Fund

Contents



**This is an
interactive
document**

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Foreword



In 1994, The National Lottery was created to raise money for good causes. Since then, over £43 billion has been raised, thanks to National Lottery players. As one of the good cause distributors, The National Lottery Community Fund is the largest funder of community activity in the UK.

We are proud to support thousands of projects across the country. We reflect the issues and priorities that matter to communities nationally, regionally and locally.

National Lottery funding makes a difference and touches lives, including through projects that support employment, young people, community and social infrastructure, our climate, and people facing some of life's toughest challenges.

In October 2021, we published [Our Commitment to Communities](#). We said we'll use data and impact to inform strategy and redouble efforts to measure, understand and share what works, why, and where the challenge and opportunities lie. As the Community Fund's first ever comprehensive

Impact Report, this is our first step on this commitment.

It tells a powerful story of the reach, scale and contribution of the £3.4 billion we have awarded over the last five years, including dedicated coronavirus crisis funding in 2020. It demonstrates how over 72,000 charities and community organisations support people and communities across the UK to be resilient, thrive, and prosper.

In a typical year, grant holders support 5.2 million beneficiaries, recruit 4,700 full time equivalent staff members and mobilise 290,000 volunteers. Every month, around 1.8 million people enjoy the benefits of National Lottery Community Fund supported venues like parks and village halls. In the last year, we know that over half of our grant holders would have delivered significantly fewer services without the support that was made available by National Lottery and Government funding, and one in five would have had to close altogether due to the challenges brought about by COVID-19.

Foreword

Our grant holders deliver positive benefits for people and communities, improving people's mental health and wellbeing, increasing social contact, reducing loneliness, and improving confidence and self-esteem. For example, we know that 80% of the projects reaching young people help build confidence, self-esteem and wellbeing – and 65% build stronger friendships and relationships. Opportunity for young people is and remains a top priority for The National Lottery Community Fund.

The new research shows that many more people have local pride and belonging because of the services or activities our grant holders deliver. By looking for the very first time at the impact of our smallest grants, we can now show that it is this local, grassroots funding that has the largest volunteer and beneficiary reach, and is vital for the resilience of local community assets.

We are proud to share the difference our funding makes to communities across the UK, and be accountable to National Lottery players, without whom our work would not be possible.

Looking ahead, we will use these insights to shape our future direction. We will strive to make the greatest difference we can, and be here for communities to recover, rebuild and grow. In all that we do, we will be putting communities first.

David Knott

Chief Executive

The National Lottery Community Fund

Our overall impact

The National Lottery Community Fund is the largest funder of community activity in the UK – we support people and communities to prosper and thrive. This executive summary highlights the contribution of our funding on grant holders, people and communities.

Across the UK we fund the things that matter to communities, and in the **five years from 2016–17 to 2020–21 we awarded £3.4 billion through more than 72,000 grants.**

In a typical year, grant holders collectively support around 5.2 million beneficiaries, across the lifetime of their grant.

We reach every parliamentary constituency in the UK and over 90% of all wards received funding in the last five years.

We invest in areas of greater deprivation: over the last three years, **51% (£568 million) of our total funding went to the 30% of local areas in England with the highest levels of deprivation.**

National Lottery funding is for everyone. We are committed to **fairness and inclusion**. Our vision is one of thriving communities where every person is valued and has level opportunity.

About **42% of our funding** goes to the areas identified as **highest priority for the Government's Levelling Up Fund**. The half of local areas with highest levelling up need **received 63%** of all funding. In 2020-21, the value of our funding in the highest priority Levelling Up Fund areas in England was **14% higher** than average over the previous three years, with the number of grants **60% higher**.

Using the Onward think tank's Social Fabric Index, the 10% of local areas with **highest need** received the relatively **largest amount** of funding (16%).



Energy Garden, England

Our overall impact in a typical year

In April 2021, to help us understand the reach and impact of our responsive funding, we commissioned independent research from IFF Research. Funded organisations told them that, in a typical year, The National Lottery Community Fund's support means:

All this adds up to tangible improvements. For example, every year:

Grant holders are able to support

5.2 million beneficiaries

recruit

4,700 full time equivalent staff members

and mobilise

290,000 volunteers.

7,600

grant holders increase capacity or reach more beneficiaries.

6,000

organisations reach new beneficiaries.

5,500

grant holders are more resilient.

5,300

improve their local places and spaces.

6,500

organisations create new activities or services and 3,000 change or adapt existing delivery models.

80,000

new volunteers are directly recruited and retained with our funding.

Small grants make up over **80%** of our awards by volume, but only a seventh of the total value, yet our research shows that recipients of these **small grants reach two-thirds (3.1 million)** of all beneficiaries.

Small grant holders are also responsible for mobilising **half (over 145,000)** of volunteers in a typical year.

Our overall impact

97%

of our grant holders report a variety of positive benefits for people. Most commonly, these are **social benefits** such as

 78%
Improvements to mental health and wellbeing.

 77%
Increased social contact.

 72%
Improved confidence and self-esteem.

92%

of grant holders also contribute to community benefits, including:

 66%
Opportunities to mix with others who are different.

 60%
More opportunities to engage in the community.

 56%
More events and activities being available locally.

42%

of grant holders say people have more **local pride and belonging** because of their services or activities.

42%

of projects that improved beneficiaries' employment situation **helped people find and keep a job for more than six months**.

80%

of grant holders working with young people helped **improve their confidence, self-esteem and wellbeing**.

Organisations that work with people with the most complex needs report important improvements in **mental health (91%)** and **physical health and wellbeing (68%)**.

Prosperous and thriving communities

We have awarded **£650 million** to support the development of community infrastructure.

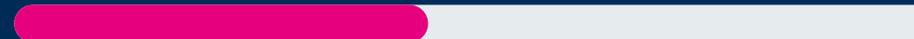
10,000 community spaces have been built or improved.

We've supported **1,550 village halls and community centres** in England and Wales, an average of four per local authority.

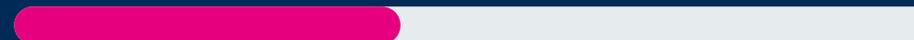
We've helped communities across the UK **acquire and maintain nearly 600 local assets**, from pubs to housing developments.

In addition to the 5.2 million unique beneficiaries our funding directly supports, **an average of 1.8 million people benefit from National Lottery funded venues each month.**

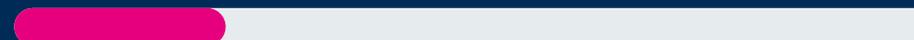
Highlighting the impact of this work, annually:



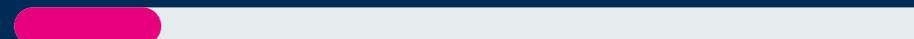
45% of grant holders say their grant helps them to **improve local places, spaces, assets and facilities**, including **equipment and adaptations for accessibility**, and **maintaining outdoor spaces**.



42% tell us **people have more local pride and belonging because of the services or activities we fund them to deliver**.



23% say their work contributes to communities having **better access to key infrastructure like parks, community centres and community transport**.



16% say people feel more ownership and control over local decisions.



5% save amenities like shops, pubs and cafes from closure.

Young people

From 2016-17 to 2020-21 we awarded more than **£1.2 billion** through **14,691 projects and programmes** to support young people.

We are the leading non-statutory funder of opportunities for young people.

In England alone, over the last three years, our funding for young people in all of the Government's levelling up priority areas (1-3) amounts to **£535 million**; **£235 million was invested in the areas deemed most in need of investment** through the Levelling Up Fund.

Using the Onward Social Fabric Index, the **30% of local areas with highest need have received over £492 million** (41%) over the last five years.

38% of grant holders say they target their activities at children and young people each year, making them the most commonly targeted group of people across our responsive funding.

In a typical year, over 1,650 grant holders tell us that they specifically work with young people at risk (in care, involved in serious violence or not in education, employment, or training (NEET)).

Grant holders that target their activities at children and young people who are not at risk, tell us they help participants:

80%

Improve confidence, self-esteem, and wellbeing.

65%

Build stronger friendships and relationships.

43%

Have more places to go and things to do.

31%

Volunteer or take part in social action.

Since 2011, we've reached **at least 1.4 million young people** through a range of dedicated funding programmes, including:

Talent Match, which helped nearly **12,000 young people furthest from the labour market to secure a job**, including 4,500 into sustained work.

HeadStart, which trained almost 247,000 professionals and volunteers on **mental health, resilience and/or trauma-informed practice**.

The #iwill Fund, which enabled over **almost 501,000 young people to volunteer**.

Employment and employability

From 2016–17 to 2020–21 we awarded more than £1.2 billion through 6,183 projects and programmes aiming to promote employment and employability.

Across the UK, our grants relating to employment broadly match the trend in unemployment rates.

£420 million (40%) of our employability funding in England and Wales has been **concentrated in the two most deprived deciles** (IMD). **£291 million (28%) went to the most deprived decile**, more than double that to the second most deprived (£130 million, 12%).

Since 2009, we've funded **eight large employability programmes, worth £755 million**. With a focus on those facing barriers to work, these programmes have **supported over 181,000 people**, with benefits for society as a whole. For example, **at least £3.08 of public value was generated for every £1 spent** on Talent Match, which was a five-year programme that supported young people along the road to employment.

In a typical year, 18% of all grant holders tell us that their work helps **improve the employment situation of their beneficiaries**, even if they aren't specialist providers of employment support.

However 13% say they offer services or activities with an explicit focus on employment and enterprise and **16% specifically target their work at people who are unemployed**.

Grant holders that use their funding to improve peoples' employment situation helped beneficiaries:

68%

Develop skills for the workplace.

64%

Start looking for a job.

62%

Take up education and training.

59%

Improve their job-hunting skills.

42%

Move into sustained employment (of six months or more).

Almost one in five help people set up a business or social enterprise.

Multiple and complex needs

Multiple and complex needs are a combination of mental ill health, homelessness, drug and alcohol use, and a history of offending. Violence, abuse and mental ill health are more central for women; over half of adult women have experience of at least one of these in adulthood, compared to a minority of men.

Our funding in this space supports people with one or more of these needs. **From 2016–17 to 2020–21 we awarded almost £1.3 billion through 16,953 projects and programmes** to this end.

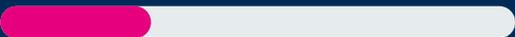
Since 2011, six large investments have supported people with complex needs. Fulfilling Lives is our **eight-year, £112 million investment** to test new ways of ensuring people receive joined up services that work for them.

After two years with Fulfilling Lives, participants **reduce their use of public services by at least £2,680 per person, per year, or over £3 million annually**, due to reductions in evictions, use of temporary accommodation, hospital care and interactions with the criminal justice system.

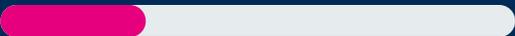
Many funded projects that target people with multiple and complex needs use their grant to make their services more accessible. One in five (18%) offer services outside conventional office hours, and almost a quarter (23%) say they increase and improve access by being better joined up or co-located with other services.

Each year 16% of grant holders say they use their funding to target people with multiple and complex needs.

As well as important health and wellbeing improvements for participants, this support also contributes to:

 **30%**

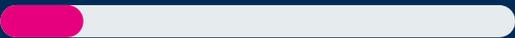
Improved personal finances.

 **29%**

Fewer people disengaging from or refusing services.

 **21%**

Improved housing situation.

 **17%**

Reduced offending.

Net zero

Since 2016, we have awarded **£397 million through more than 6,000 grants which involve environmental action**, which involve environmental action including **food, waste and consumption, energy, transport, and the natural environment**.

The Climate Action Fund is **our most ambitious environment-focused programme to date**; a **£100 million commitment over 10 years** to support communities to take the lead on impactful climate change action and **build a wider movement of change**, where communities across the UK are inspired to take action.

In a typical year, **16% of all grant holders** offer environmental activities, including conservation, food growing, energy generation or reuse and recycling. Our research shows that these grants are **more likely than average to contribute to community benefits** like increased **local pride and belonging**.

Additionally, community action for the environment delivers important co-benefits.

Communities Living Sustainably was a £12 million programme that involved 60,000 people in reducing their carbon footprint. However **improved wellbeing was considered perhaps its greatest legacy** – increasing by 30 points from the baseline reading.

Through Climate Action Boost, we have provided **up to £15,000 plus mentoring support** to 65 existing projects to **reduce their carbon footprint**.



Climate Action Fund launch, England

Coronavirus crisis funding

Across the UK we moved swiftly to respond to the coronavirus emergency in 2020. We mobilised National Lottery funding, made grants on behalf of Government and worked with networks that were well placed to reach communities most at risk of adverse impact from the pandemic.

As well as honouring existing commitments and supporting grant holders' vital work in areas like community togetherness, health and wellbeing, we awarded almost **£386 million of dedicated crisis funding via almost 19,000 awards**. £180 million was National Lottery funding and £206 million on behalf of Government in England, Scotland and Northern Ireland.*

*For full details of all funding distributed in the financial year 2020-21, please see our Annual Report and Accounts 2020-21.

England

Our total crisis investment in England from April to November 2020 was £338 million: £187 million* on behalf of DCMS, via the Coronavirus Community Support Fund (CCSF) and **£151 million of National Lottery funding**.

Without this funding, half (56%) of grant holders would have delivered significantly fewer services and nearly one in five (17%) would have had to close or stop providing services altogether.



95% of beneficiaries **had more than one positive outcome** such as **improved mental health or reduced loneliness**, and **81% experienced four or more benefits**.

52% of activities funded **helped reduce or prevent the need for public services**, reducing the impact of the pandemic on critical frontline providers and Government.

19% of grant holders used their grant **to bring back or prevent staff going on furlough**, with **almost 10,000 staff members being kept active or brought back to work as a result**.

Grants helped grant holders **hire 6,750 new staff** and **mobilise 351,200 volunteers**, including 99,200 that were new to the grant holder's organisation.

Overall, this funding reached in excess of **10.9 million** beneficiaries through the two programmes.

*£200m was allocated to the CCSF and £187m was distributed after administration and evaluation costs had been deducted.

Coronavirus crisis funding

Scotland

We made **over 1,600 crisis awards, totalling £21 million**, through National Lottery funding and two funds on behalf of the Scottish Government.

- The Supporting Communities Fund supported **anchor organisations to partner with local groups** to meet emergency needs.
- The Communities Recovery Fund helped **rebuild key local services** such as food banks.



Wales

We worked with other funders to ensure a joined-up response, running eight funding programmes between four organisations.

We awarded over **£9 million in National Lottery crisis funding, including over £2 million in grant uplifts** so that as many voluntary organisations as possible could maintain or expand their existing services, meet new needs, and **prevent them from having to close or stop delivering services**.



Northern Ireland

We made **almost 900 awards, totalling £16 million**, of which around £9 million was through the COVID-19 Charities Fund, on behalf of the Department for Communities.

This helped over **500 charities solve cashflow problems, continue or change their services, save jobs, target new funding streams, and avoid closure**.



Coronavirus crisis funding

UK-wide

Over £1 million in emergency uplifts helped existing grant holders **meet increased demand, reorganise their delivery models and cover financial losses incurred during lockdown.**

In addition to our crisis funding, the **Emerging Futures Fund** awarded over £2 million to more than 50 organisations and partnerships to process what they had been through during the pandemic and begin work **to imagine what might be possible in the new normal.**



This Executive Summary provides just a snapshot of our impact. You can read 'Putting Communities First: Our impact report' in full at – tnlcommunityfund.org.uk/impact-report



Flourish, Wales



The National Lottery Community Fund is the largest funder of community activity in the UK – we support people and communities to prosper and thrive.

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 our funding and research:

Visit our website: tnlcommunityfund.org.uk

Email: knowledge@tnlcommunityfund.org.uk

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Text Relay: 18001 plus 0345 4 10 20 30

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

November 2021

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