



**Community Woodlands Association Response to
Big Thinking Consultation on the Future of Big Lottery funding
February 2009**

The Community Woodlands Association welcomes the opportunity to contribute to the Big Thinking consultation on the future of the Big Lottery Fund.

Lottery funding has been a key element in the development of the community land sector in Scotland. Community development and empowerment through land and asset acquisition helps deliver the Scottish Government's Land Reform agenda and Community Empowerment Action Plan, but more importantly, it unlocks potential and creativity in communities across the country, and gives them the means and the power to help deliver a more equitable and sustainable Scotland.

PART 1: UK QUESTIONS

UK1 The first emerging theme is 'Transitions' which refers to people at critical points in their lives: leaving full time education, retiring, getting divorced, or being made redundant. Some groups will experience particular difficulties, such as people with disabilities seeking employment. These pressure points may be when they most need support or advice, and when specialist intervention can make a major difference to quality of life and subsequent choices or opportunities. Transitions can also refer to communities in transition: communities affected by natural disasters such as flooding, communities struggling with gang violence, areas of low employment, or those coping with a legacy of conflict or lack of mutual respect.

1a Do you agree that the theme of transitions provides a useful starting point for our funding?

- * Yes
- * **No**
- * No opinion

'Isolation' emerges as a second strong theme. The number of single person households is on the increase and more people are living alone for longer. Certain groups suffer in particular: people living in remote rural areas, older people living alone, people who are ill or people with disabilities. And isolation does not have to be physical – young people caring for sick relatives might be isolated because their experience cuts them off from their peer group; and those struggling with debt might be in a similar position.

1b Do you agree that the theme of isolation provides a useful starting point for our funding?

- * Yes
- * **No**
- * No opinion

1c Are there other themes you would suggest?

Whilst we understand the superficial attractiveness of such single-word themes we don't agree that they provide a sensible starting point for funding decisions, not least because most have a multiplicity of meanings, i.e. "transition" has one established set of meanings and contexts for the social work sector, but quite another when discussing Transition towns and the role of communities in contributing to actions to mitigate global climate change, etc.

UK2 BIG has a powerful role to play in helping those most in need, including the most marginalized people in society. In the period 2009 to 2015, we expect to increase the focus of our funding on this group. But we also want to continue to reach a wider audience – ensuring everyone gets the opportunity to benefit from the Lottery in some way. We will achieve this through a mix of funding approaches (open-funding programmes, targeted funding, loan, endowment funding).

2a Do you agree we should have a greater focus in our funding to benefit those most in need?

- * Yes – it is important that funding goes to those most in need

* **No – the balance is about right as it is**

* No opinion

2b Tell us if you think BIG should have a different focus?

We believe that BIG's focus should be on funding projects which are community-led and driven, not on a top-down process of remotely deciding what's best for the community. We would also note that BIG funding needs to be additional to statutory provision by e.g. Local Authorities and other Govt agencies, who should be the primary "carers" for those most in need.

UK3 Our best results have often come from partnership working across sectors, where projects encourage people to achieve what was not previously possible working alone. For this reason, we will use our influence to encourage and broker links between our grant-holders and partners in the voluntary and community sector, public and private sectors. In particular, we will work harder across this period to establish more extensive and fruitful links with the private sector.

3a How can BIG best help build lasting partnerships and networks that support communities and people most in need? Select two

* Insist on partnership approaches for larger bids

* **Support voluntary and community sector organisations to build alliances with each other**

* **Support voluntary and community sector organisations to build alliances with other sectors**

* No opinion

* Other (please specify)

3b How can we get better at engaging with the private sector?

We do not believe this is a role for BIG. However, BIG could usefully support VCS sector intermediaries to work with the business sector to develop guidance and support services for their members, in particular with respect to the development of social enterprises, or in the development of joint ventures and partnership projects between the private and voluntary/community sector.

3c Are there opportunities for joint funding that BIG should take up?

UK4 The voluntary and community sector is frequently in the best position to make our funding work for communities and people most in need. It is also central to a strong and effective civil society. The large majority of our funding will continue to go to the voluntary and community sector. After 2012, when our 60-70 per cent undertaking ends, should we continue to guarantee a percentage of our funding goes to the voluntary and community sector?

* Funding should go to the organisation in the best position to deliver the project outcomes, whichever sector they are from.

* **BIG should extend its undertaking to the voluntary and community sector beyond 2012.**

* No opinion

We believe strongly that the undertaking to the voluntary and community sector should be extended beyond 2012. Given that the overall Lottery pot is shrinking, it is imperative that the highest possible percentage of what is left comes to the sector.

UK5 Our evidence tells us that to achieve greater effectiveness and impact, we must do more than give out grants. We are improving our service to you but want to go further. We think that the additional cost of more support is worthwhile if it improves the impact projects have, even where this might mean making fewer awards. We think this should become an increasing feature of the way we fund. Over and above giving out grants, what would make BIG a better funder in the way we work? Select top two

- * More pre-application support, such as talking through ideas, explaining funding available, development grants, guides on matters such as effective project management
- * More specialist support and advice for grant holders relevant to the issue or sector in which a grant has been made
- * More support for grant holders in areas such as project management, financial planning, awareness-raising and engagement, evaluation and sustainability
- * More activity to build networks of grant holders to help share learning
- * BIG developing a more visible profile in debates on social issues, using our learning and the learning of our grant holders and partners
- * **Continue to offer existing levels of support to applicants and grant holders**
- * No opinion
- * Other (please specify)

We are not convinced that adding additional support services will make BIG a better funder, indeed our experience is that it will simply add transaction costs to applicants. Voluntary sector organisations are better supported by specialist sectoral intermediaries, CVSs, etc who understand the needs of local community organizations. We feel BIG's role should be to encourage partnerships to assist voluntary and community sector organizations to find the specialist sectoral support that is already out there.

UK6 Lottery funding is more flexible than many other public sources of funding. It can give organisations the chance to try out ideas or gain longer-term funding that is not available from others. Should we aim to fund fewer projects, but fund for a longer period? Or have we got the balance about right?

- * Fund fewer projects for longer
- * **Current balance is about right**
- * Fund more projects for a shorter period
- * No opinion

UK7 BIG has a powerful role to play in funding new approaches, taking risks and challenging standard practice. This will form an important element of our funding. Do you think BIG should take more risks with our funding to promote innovative solutions?

- * **Yes, in a proportion of our work**
- * Yes, across all of its work

- * No, it should concentrate only on what is known to work
- * No opinion

In addition to measured risk taking, BIG needs to give more consideration to continuity funding. The community and voluntary sector is destabilised by the need to reinvent itself every few years for the benefit of funders – lottery funded projects address serious need and demand in local communities, and very often this does not disappear in the life of a single project.

Likewise, the assumption that this issue can be dealt with by exit strategies is mistaken and counter-intuitive. Lottery funding supports many projects that local authorities and other statutory agencies cannot or would not support – effectively it tackles “market failure” in the public sector – if work supported by BIG can simply be mainstreamed into local authority spending after the Lottery-funded project ends, then it begs serious questions about the additionality of that funding.

UK8 BIG is a UK-wide organisation whose funding is devolved predominantly to the country level. However around 10 per cent of our money is managed at a UK level and we expect that to continue. Are there areas beyond those described above where you think it is important to operate at a UK level, rather than at a country level?

We recognise that there are instances in which UK-wide initiatives are appropriate. However, given that lottery funding is shrinking, it may be more appropriate to reduce the proportion of funding spent on such initiatives to e.g. 5% and allocate the balances to country level.

UK9 Public engagement in our work helps raise the profile of funded projects and shows what Lottery money can do. It helps attract new groups to the Lottery and inspires communities to do things. We will continue to explore ways of engaging the public in our funding. Which ways of increasing public involvement do you think would work best for BIG? Pick two.

- * **Public membership of decision-making committees**
- * On-line surveys / forums
- * **Local decision-making panels**
- * Public voting on projects via television, radio or the internet
- * Citizens' panels or juries
- * More public involvement in the development of projects
- * Mix of all of the above
- * No opinion
- * Other (please specify)

UK10 Since 2006, BIG has had the power to distribute funds other than those that come from the National Lottery. We will take on more of this work, where we think we are the right organisation to do so and where it would help us achieve our mission to support communities and those most in need. BIG is not restricted to distributing Lottery money alone. Are there other sources of funding that BIG would be the right organisation to manage, either on our own or in partnership?

We cannot identify any other sources of funding where this would be appropriate.

PART 2: SCOTTISH QUESTIONS

S1 How can BIG distinctively add value to the Scottish Government's ambitions for a more successful Scotland that is 'wealthier and fairer; smarter; healthier; safer and stronger and greener'?

There is a very fine balance to be struck between BIG adding value to the SG ambitions for Scotland and it being effectively subsumed into the broad package of SG funding streams and being aligned with Fairer Scotland Fund, Enterprising Third Sector funding programmes etc. There is much to be gained from BIG having a policy framework which is clearly different and separate from the Scottish Govt's framework while at the same time being complementary and clearly referenced to some specific aspects of the SG overarching purpose.

To do this BIG should focus only on certain aspects of SG policy framework and maintain that focus over the course of the funding period - particularly important given the likely reduced levels of funds available. A continued emphasis on directing investment into communities will generate outcomes that relate to the Scottish Government's ambitions but through the specific prism of building the resilience and sustainability of the community sector.

One key aspect of SG policy which BIG funding can and should help deliver is the forthcoming Community Empowerment Action Plan, which gives strong support to community empowerment through acquisition and development of land and assets. We believe there should continue to be a dedicated funding stream to support community land acquisition and development, a successor to the Scottish Land Fund and Growing Community Assets, although significantly improved in operation and policy from the latter (see S5).

It is important for BIG to retain its ability to be the first funder in any partnership project as this can often be the means to unlock contributions from other potential funders.

S2 Do the current outcomes for Scotland provide a sensible, workable and flexible framework for the BIG? Are there gaps in these which prevent BIG from responding to current and future need? Are there outcomes which need to be removed or changed?

We believe that the current outcomes for Scotland provide an appropriate and sufficiently flexible framework for BIG's work.

S3. Does "Investing In Communities" need to be improved or revised to help communities and voluntary organisations deal with the current and future challenges facing people and communities in Scotland? If so, how?

Overall, we think the framework for Investing In Communities should be retained, on the basis that any programme of this size requires a significant period of time to 'bed in'. Short term-ism and an over-readiness to change direction has been to the detriment of many funding schemes; if there were to be a substantial change in direction or approach at this stage, an enormous amount of 'work in progress' would be lost.

We believe however there is significant room for improvement with regard to BIG's processes, which are not all user friendly:

- BIG funding policy needs to be clear, logical and transparent, and funding criteria should be made more explicit

- Changes in funding policy need to be clearly articulated, in advance, and published, e.g. on the BIG website. Where possible the reasons for change should be laid out – ideally of course significant changes would take place only after consultation with stakeholders.
- BIG staff need to be appraised of funding policy and criteria – there is nothing more disorientating to applicants than getting different answers from different staff.
- The use of Plain English in information and written communication would be appreciated. What does it actually mean to say that ‘a project does not have as strong a fit as other projects with BIG’s outcomes’? Moreover, such communications should be honest – there is the perception that the above formulation is used as a catch-all rejection regardless of the actual reasons for refusal.

S4 Should “Investing in Communities” be adjusted to reflect the new circumstances and policy framework for the third sector in Scotland, in particular how should it best add value to, or complement, the Scottish Government’s Enterprising Third Sector Action Plan?

Please refer to the answer to Q1 above

S5 How can BIG’s resources build a more sustainable third sector into the future?

We believe that BIG can best help build a more sustainable third sector by placing the highest possible value on communities acquiring assets.

We believe there should continue to be a dedicated funding stream to support community land and asset acquisition and development, a successor to the Scottish Land Fund and Growing Community Assets, although significantly improved in operation and policy from the latter.

Funding criteria for community asset acquisition and development projects should focus on outcomes and in particular on the wealth of community & public benefits delivered, and not on who the seller is.

The new community asset and development scheme should include support for development of leased assets, and where appropriate assist communities in the development of joint ventures with other partners, e.g. in renewable energy projects.

Ultimately it is communities themselves who will build a sustainable third sector; BIG needs to focus on supporting communities and not on using them as political footballs.

S6 Through “Investing in Communities”, BIG has tried to support people in need and also fund work that can help prevent need occurring. It has also invested in projects that make it easier for people, communities and organisations to deal with need when it arises. Should BIG continue the approach of supporting both work that helps people in need now and work that helps prevent need occurring?

Yes, both approaches should continue to be followed. However the balance should be in favour of building community resilience and the capacity of local people to respond to new problems and needs as they arise within their communities. This is the only approach which has the potential to leave a legacy of sustainable community action which will prevent the same needs recurring time after time.

S7 Single Outcome Agreements and Community Planning Partnerships are at the heart of the Scottish Government's policy agenda. Funding and decision-making on many policy areas have been streamlined and devolved. Should BIG take account of these structures as an indication of local need and priorities, or is it important to provide flexible funding that is not linked to these agreements?

No, we feel very strongly that BIG should not use SOAs as an indication of local need and priorities.

SOAs are not designed to be indications of local need, but of local authority delivery priorities - they are most definitely not fit for purpose as the basis of BIG funding. Over one third of the 32 Single Outcome Agreements contain no local outcome relating to the voluntary sector at all – it is hard to see how they can even be considered as an appropriate indication of the voluntary and community sector's needs.

Furthermore, BIG funding needs a degree of national consistency – the 32 SOAs are hugely inconsistent across the country in identifying priorities; similarly, CPPs are very inconsistent in terms of engaging the voluntary sector.

The best indication of local needs and priorities will come from communities themselves and from voluntary sector organisations, directly, through applications, or indirectly through representative intermediaries. BIG should be responsive to its primary customers, and not become a proxy of local authorities.

S8 Is there a particular role for BIG to add value in this context by focusing support on community engagement within these new local structures?

There is a clearly a need to support community engagement within CPPs, however, there is a danger that statutory CPP partners will absolve themselves of responsibility if BIG were to take this on.

Added value could be achieved if there was a recognition from CPP partners that communities require to have control of their own resources to enable them to develop more effective ways to engage with CPP processes.

BIG support could be matched by CPPs and invested into a resource under community control. Thus, BIG's support would be catalytic in raising overall levels of engagement in CCP structures.

S9 How can BIG help businesses and voluntary organisations work together to make a difference in communities?

CWA does not believe that it is within BIG's remit to provide direct financial support for the business sector; this is outwith the scope of lottery funding.

However, it might well be useful for voluntary organisations to place greater emphasis on the use of business models in relation to, for example, financial and forward planning, and BIG could support VCS sector intermediaries to work with the business sector to develop guidance and support services for their members, in particular with respect to the development of social enterprise.

Additionally, BIG could target funds towards areas of economic/commercial activity where potential synergies could be developed. For instance in the development of renewable energy projects BIG could invest in communities specifically to enable them to partner private sector developers and thereby generate significant long term community assets.

S10 Should BIG engage in developing opportunities for sectors to work together to solve problems or sustain solutions? What role can BIG play, through its funding and its partnerships, to support innovation?

We think BIG's role should remain the distribution of lottery funding. BIG can best help develop opportunities for sectors to work together to solve problems or sustain solutions by supporting existing and emerging sector intermediaries, key partnerships and alliances.

BIG should continue to engage with the Scottish Funders' Forum to develop opportunities for different funders to work together. It would be particularly useful if evaluation and monitoring processes and procedures could be more closely aligned.