

## BIG LOTTERY FUND

### MEETING OF BIG LOTTERY FUND ENGLAND COMMITTEE HELD ON WEDNESDAY 11 JULY 2012 ST JAMES' GATE, NEWCASTLE (ROOM 702)

#### MINUTES

#### **PRESENT:**

Nat Sloane	<i>England Chair (in the Chair)</i>
Albert Tucker	<i>England Committee Vice-Chair</i>
Alan Billings	<i>England Committee Member</i>
Geeta Gopalan	<i>England Committee Member</i>
Scott Greenhalgh	<i>England Committee Member</i>
Steve Richards	<i>England Committee Member</i>
Danny Silverstone	<i>England Committee Member</i>
Geoff Wilkinson	<i>England Committee Member</i>

#### **IN ATTENDANCE:**

Peter Wanless	<i>Chief Executive</i>
Dharmendra Kanani	<i>Director, England</i>
Linda Quinn	<i>Director of Communications</i>
Tim Davies-Pugh	<i>Deputy Director, England</i>
Ambreen Shah	<i>Deputy Director, England</i>
Andrew Morris	<i>Deputy Director, England</i>
Lyn Cole	<i>Strategic Business Executive</i>
Jon Fox	<i>Head of England Policy</i>
Gareth Newton	<i>Wales Committee Member (Observer)</i>
Sarah Gibbs	<i>Head of Funding (Observer)</i>
Nicola Thurbon	<i>Head of Policy (Observer)</i>
Amanda Todd	<i>Corporate Manager (Secretariat)</i>
Maria Lopez	<i>Corporate Officer (Support)</i>
Sarah Mistry	<i>Head of Policy and Learning (Item 7)</i>
Dan Paskins	<i>Senior Policy and Learning Manager (Item 8)</i>
Matthew Roche	<i>Head of Funding (Item 9)</i>

#### **1. INTRODUCTIONS AND APOLOGIES FOR ABSENCE.**

- 1.1 The Chair welcomed the members of the England Committee, Gareth Newton (Wales Committee Member), Sarah Gibbs (Head of Funding), Nicola Thurbon (Head of Policy) and Maria Lopez (Corporate Officer) to the meeting.
- 1.2 Apologies were received from Nalini Varma, England Committee Member.

#### **2. DECLARATIONS OF INTEREST**

- 2.1 No declarations of interest were received.

#### **3. MINUTES FOR APPROVAL OF ENGLAND COMMITTEE MEETING HELD ON 16/17 MAY 2012 (EC(12)M03)**

- 3.1 The minutes were agreed and signed as a correct record of the meeting.

#### **4. MATTERS ARISING FROM MINUTES OF ENGLAND COMMITTEE MEETING HELD ON 16 AND 17 MAY 2012 (NOT COVERED ELSEWHERE IN THE AGENDA)**

- 4.1 Dharmendra Kanani advised that the England Narrative had been updated following member's comments. Revised versions were available for members at the meeting.
- 4.2 All action points from the minutes were complete or updates contained in the Director's Report.

#### **5. ENGLAND DIRECTOR'S REPORT, JULY 2012 (EC(12)P42)**

- 5.1 Dharmendra Kanani introduced the paper which provided members with an update on the current investment strands and England priorities, emphasising the pace with which work is developing, and with some broader business and strategic considerations. A number of areas of particular interest within the report were highlighted to members.

#### **FUNDING DECISIONS**

- 5.2 (2.1) A £4.8m award and successful launch of the Business in the Communities – Business Connectors initiative. Members noted that the potential wider impact and benefit of this funded activity will be optimised by ensuring we are able to put it to good effect across the work of the portfolio. To this end a senior level exchange between BIG and BiTC has been arranged for this purpose.
- 5.3 (2.2) The Chair would consider Supporting Great Ideas (Single Awards), in consultation with members.

#### **PORTFOLIO AND PROGRAMME DEVELOPMENT**

- 5.4 (2.3) The pace and momentum of the Complex Needs programme was highlighted as it moved towards launch on 23 July. Members were invited to speak to Nicola Thurbon for further information.
- 5.5 (2.4) The launch of the Talent Match programme was noted. Its success at a regional level and the effect on the individual young people involved in the programme development were highlighted. The approach has been adopted by Liverpool City Council.

In discussion:

- i) Members requested clarification on how the name 'Talent Match' had been determined and how it linked to what the programme is trying to achieve. It was confirmed that this linked to the 'Fulfilling Lives' element of the narrative and developed in consultation with the Young People Investment Team. Whether there should be more direct involvement by members in the naming and detailed programme development once an investment decision is made was also raised with the Chair noting the link to the architecture plan he was proposing under agenda item 6.
  - ii) Officers were requested to consider the potential for young people to be employed by grant holders. **Action: Ambreen Shah**
  - iii) Officers were requested to consider the programme evaluation and in particular how a number of the outcomes, e.g. the 20% conversion rate, could be presented given the complexity of the issue and problematic data sets. Ambreen Shah commented that current data only included those who were on Job Seekers Allowance, but more accurate information would be available once data was analysed at a local level.
- 5.6 (2.6) As part of the development of the strategic young people's investment it was noted that Peter Wanless had met with Julia Cleverdon and Amanda Jordan as part of the development of the Decade of Social Action plan which aims, by forging better links between business and the voluntary sector, to make it easier for young people to access social action opportunities and learn new skills which will help them in their future careers.

- 5.7 (2.7) The continuing work in the development of the Older People strategic investment option was highlighted. A proposal will be presented at the September England Committee for decision. **Action: Ambreen Shah**
- 5.8 (2.8) Dharmendra Kanani confirmed that, as requested, work on the Early Years investment had been pulled forward. Further information would be provided under agenda item 11.
- 5.9 (2.9) It was confirmed that discussions continued with Heritage Lottery Fund on the Parks for People programme to ensure its outcomes align with the philosophy and approach of the Big Lottery Fund.
- 5.10 (2.10) Dharmendra Kanani confirmed that more detailed discussion would take place on the demand led offer at the July Reaching Communities Committee Meeting to consider how the programme can be made more agile, responsive and in sync with the England Narrative.

### PROGRAMME PROGRESS

- 5.11 (2.11) Members were advised that Ambreen Shah had met with the Big Local Protector. Learning from a meeting of Scott Greenhalgh, Nalini Varma and the Forces in Mind Protector would be fed into future discussions. Peter Wanless confirmed to members the Protector's role was to provide assurance to the Accounting Officer of the administration of the trust by the Trustees. **Action: Ambreen Shah to arrange for Albert Tucker to meet the Big Local Protector.**
- 5.12 (2.12) The announcement of the Assist initiative had received good media coverage. This initiative was seen as fundamentally changing the way capacity building was delivered in England. Members would be provided with more details on BIG's approach to capacity building under agenda item 8.
- 5.13 (2.13) Lessons from the Ideas Into Action (microgrants) programme are being shared with other funders. Whilst there was general support for new ways of working, it was noted that a more localised development approach could be a potential opportunity. The relative low level of response was also highlighted. **Action: Tim Davies-Pugh to circulate the interim report**
- 5.14 (2.14) Committee were updated on a number of third party funding developments:
- i) Following the Coastal Communities Committee, recommendations had been issued to the Minister. Additional grants have now been awarded subject to further development work with BIG. Lead members will reflect on their experience for the second stage taking into consideration the devolved administration position. **Action: Geoff Wilkinson, Scott Greenhalgh and Danny Silverstone**
  - ii) The approval by the Board of an Incubator Fund.

### BROADER BUSINESS AND STRATEGIC CONSIDERATIONS

- 5.15 (3.1) Following the recent rural proofing roundtable, discussions are continuing on how to cover specific rural issues via Reaching Communities.
- 5.16 (3.2) Evaluation and measurement of impact had been discussed at the recent Board meeting with next steps proposals being presented at the July meeting. This work was considered pertinent to the evaluation of the Complex Needs and Talent Match strategic interventions. **Action: Jon Fox to circulate the BIG as a Policy Actor report**
- 5.17 Dharmendra Kanani was requested to give his views on the progress of the Connecting England project and an update on the timetable for the launch of the new funding management system (FMS), particularly with regards to any risks to programme launch and for external customers. Dharmendra confirmed that work was continuing on the integration of new ways of working within the directorate and that there had been a positive response from staff to the Connecting England project. With regard to the FMS, component integration testing is complete and the system will be handed over to BIG for system

integration testing. Internal go live is on track for November followed by external go live in Spring 2013. A moratorium on programmes will start from 15 August 2012 and Dharmendra confirmed that England's funding plans take account of BPR implementation planning assumptions and therefore are not adversely affected.

5.18 **The England Committee agreed to:**

- i) **Note the report, specifically the Business in the Communities award and the proposal for decisions for Supporting Great Ideas (Single Awards)**
- ii) **Receive updates and proposals on the Older People and Early Years investment options at the September meeting.**

6. **ENGLAND PORTFOLIO UPDATE (EC(12)P43)**

- 6.1 The session was framed in the context of the May 2012 meeting, providing members with the opportunity to agree the budget, comment on the delivery plan for 2012-15, and discuss new ways of working including the architecture plan developed by the Chair and the delegations framework developed by the Board.
- 6.2 Lyn Cole tabled a revision to the commitment budget summary and advised members on how the information would be updated as strategic interventions were agreed. The summary will be included as an annex to the monthly director's report and raised as an agenda item as required. Mark Cooke, Director of Finance, will regularly attend England Committee meetings to provide an update on the corporate and England financial position, including NLDF balances and work on reducing operating costs within the 3% and 5% targets. **Action: England Committee members to identify additional areas that they would like to be covered to Lyn Cole.**
- 6.3 In discussion:
- i) Members requested further detailed information on how programmes are costed so that they can take this into consideration when discussing investment options. **Action: Lyn Cole**
  - ii) Lyn Cole confirmed that the capital building budget had been transferred to Reaching Communities
  - iii) Lyn Cole explained the difference between budget commitment levels presented in May 2012 and the July version as reflecting the outcome of a finance exercise to reconcile actual spend with projected spend for programmes in grant management for the period up to 11/12.
- 6.4 Lyn Cole tabled a revision to the England Programme Portfolio Plan, the aim of which was to give early indications to committee on key milestones for each initiative. The Early Years work has been brought forward from November to September.
- 6.5 In discussion, members:
- i) Requested a larger font size; that future updates should clearly identify timing changes and that this information was provided to each England Committee meeting. **Action: Lyn Cole**
  - ii) Requested that the paper on the MEN roll out provided an update on progress and activity across the regions. **Action: Mick McGrath**
- 6.6 The Chair outlined the proposed 'architecture plan' which set out a way of working to support the strategic direction of the portfolio, to best use the skills and experience of members who would act as 'critical friends' in the development of key initiatives and with increased engagement between members and the executive team especially in the post award process.
- 6.7 In discussion the following key points were made:
- i) The challenge of this new way of working was not under estimated and the need to find a mechanism that was beneficial and did not inadvertently create paperwork was emphasised.

- ii) Proportionality of member involvement should not just be based on the financial level of investment but also take into consideration reputational risk and level of 'transformational' activity.
- iii) The impact of the proposal on decision making for Reaching Communities was noted in the context of both the architecture plan and the proposal for delegations. It was agreed that more detailed discussion was required for this programme.
- iv) When considering the design of initiatives, Members suggested it would be beneficial to be involved in early meetings when officers were talking to experts and for leads to be updated as discussions and ideas progressed.
- v) Members felt it would be beneficial to receive updates on programmes post award outside of the programme progress reports currently issued to Committee. The Chair noted that the main departure in the proposed approach was a greater involvement of members post award and that this could lead to increased member accountability.  
**Action: Lyn Cole to develop and implement a process for programme updates.**
- vi) Dharmendra Kanani summarised the discussions, outlining the journey of development and emphasising that this was an opportunity to establish where non-execs and execs could best jointly exert their efforts in the life cycle of the business; build trust; exercise discretion and use the expertise of members to the best effect in order to maximise their strategic influence.

#### 6.8 The England Committee:

- i) **Agreed to the introduction of the Architecture Plan, noting that the Chair and England Director would review this arrangement on an ongoing basis.**

6.9 Lyn Cole introduced the paper which summarised the proposed approach to delegations issued by the Board to the countries for consideration.

6.10 In discussion:

- i) A range of opinions were expressed by members on the value of full Committee involvement for the Reaching Communities programme and the delegation level outlined in the paper.
- ii) Members' sensitivity to reputational risk was highlighted. It was noted that an important element of the architecture plan was delegation supported by adequate follow up.
- iii) It was recognised that a multi-model approach was already in existence in England with the most appropriate decision making model for individual grants being agreed at the programme development stage. The potential to look at delegations at a full portfolio level and a different approach being taken for open and strategic programmes was suggested.
- iv) Members involved in the Supporting Change and Impact programme commented on the confidence they had in the officer recommendations when making their decisions.
- v) Peter Wanless confirmed that the views of the countries would be discussed at the Board Meeting on 24 July 2012. **Action: England Chair**

#### 6.11 The England Committee agreed to:

- i) **Note the proposed approach to delegations outlined in the paper and the framework for considering future levels of delegated decisions.**

*Sarah Mistry joined the meeting*

### **7. FUNDING ESSENTIALS – RESEARCH AND LEARNING (EC(12)P44)**

7.1 Ambreen Shah and Sarah Mistry presented a proposal to members on the scope and focus of a research and learning activity which would be developed to support the England portfolio, set within the context of a wider corporate research and learning activity.

7.2 Members' views were sought on how the framework could be developed for England. In discussion, members requested officers to consider:

- i) How do we wish to communicate the whole of BIG's activity in England, in particular what theory of change do we wish to measure?
- ii) How can the passion and ethos of an organisation's work be measured?

- iii) Any research should help answer the question 'why are we involved?'
- iv) The need to identify the customer base
- v) A recognition that we are required to measure what we do
- vi) The wider research market place
- vii) Should BIG be central to the dissemination of best practice and if so we need to ask why and how we can capture, store and distribute this information.
- viii) Organisations have a 'corporate memory', how do we ensure learning becomes embedded
- ix) The danger inherent in target setting of learning becoming auditing.

### 7.3 The England Committee:

- i) **Agreed to the approach outlined in principle**
- ii) **Agreed to the proposal for strategic interventions**
- iii) **Requested more detailed recommendations with regards evaluation of open programmes and the wider portfolio. Action: Ambreen Shah/Sarah Mistry**

*Sarah Mistry left the meeting. Dan Paskins joined the meeting*

## 8. **FUNDING ESSENTIALS : BUILDING CAPABILITIES FOR IMPACT AND LEGACY (EC(12)P45)**

- 8.1 Jon Fox and Dan Paskins introduced the paper and the framework which had been designed with the aim of developing the capabilities of voluntary organisations and social enterprises. Dharmendra Kanani articulated the rationale for the departure from the traditional way of investing in capacity building which involves being clearer and sharper about the purpose of this funding and how BIG's approach is a shift away from a presumption that infrastructure bodies are the best and only determinants for defining and delivering this type of support. This involves a more front line organisation led approach acknowledging their ability and confidence in them to recognise their requirements in this area for these to determine the scope and availability of BIG's building capabilities offer.
- 8.2 In discussion:
- i) Members requested, and Dan Paskins provided, some specific examples of pre-grant and in-grant applications that would be supported under this investment.
  - ii) It was confirmed that a preferred suppliers market had been considered but would not be pursued, although via the Assist initiative, which had developed a 'menu' of offerings, front line organisations could receive details of a range of quality checked organisations.
  - iii) Members were advised that grant holders and applicants who could access this source of investment would be identified by funding staff.
  - iv) The radical nature of the shift in this type of investment was highlighted as a potential reputational risk, with, for example, a danger of the investment being seen as funding for consultants.
  - v) It was recognised that the investment had been developed around a wish to maximise the impact of BIG's legacy, whilst the time of potentially up to five years to collate and build valid reviews, track uptake and usage was noted.
- 8.3 Members made a general request to officers to ensure that when papers are presented to Committee for decision that the issue of risk is explicitly addressed. **Action: England SMT**
- 8.4 **The England Committee agreed in principle to the proposals set out in the Funding Essentials paper, subject to receiving a paper for agreement by correspondence in advance of the September Committee which:**
- i) **Provides details of the principles behind the investment**
  - ii) **Provides a description of how this will work in practice**
  - iii) **Clarifies the Building Capabilities budget, and specifically identifies the budget allocations made to individual programmes**
  - iv) **Provides a clear statement of how the investment will be evaluated**
- Action: Jon Fox/Dan Paskins**

*Dan Paskins left the meeting. Matthew Roche joined the meeting.*

## **9. SOCIAL INVESTMENT PROPOSALS**

9.1 Tim Davies-Pugh outlined the proposals for BIG's role in the social investment market which have been developed in response to the framework and priorities that were agreed at England Committee meetings in November 2011 and March 2012. The positive relationship established with government was also highlighted.

9.2 In discussion:

- i) Members requested clarification on the appropriateness of the levels of funding between the different elements. Tim Davies-Pugh confirmed that the breakdown had been established from research and discussion with stakeholders, although a flexible structure had been designed should funding need to be diverted.
- ii) The relatively small amounts of funding allocated to the investment readiness developmental fund was noted, with members seeking clarification on how BIG would be able to ascertain that this money had been well spent. Peter Wanless commented that there currently is no other funder active in this market, however there is a general consensus that if funders don't start to get involved then the market will never get started; consequently this is seen as a good opportunity for learning.
- iii) Matthew Roche advised members that the investment readiness development fund differed from Next Steps as it would provide funding for VCSE organisations to improve their sustainability, capacity and scale to deliver greater social impact and will be integrated into the building capabilities approach. Officers were requested to consider the definition of success of the IRDF. **Action: Tim Davies-Pugh/Matthew Roche**
- iv) It was noted that co-commissioning funding was being considered in support of the current strategic investments of Talent Match and Complex Needs. Public health was also identified as another potential opportunity.
- v) It was agreed that further discussions were required regarding BIG's long-term unique selling point and ambitions for co-commissioning, with specific proposals to be developed on how to make these investments and to build expertise with reference to due diligence and feasibility. **Action: Tim Davies-Pugh/Matthew Roche**
- vi) It was recognised that market building will potentially be a public authority led area with work on the supporting intermediaries strand being seen as a longer term proposal.
- vii) The potential complexity of evaluation of this work was noted.
- viii) The England Committee thanked officers for their excellent work to date.

**9.3 The England Committee agreed:**

- i) To the creation of a £10m investment readiness development fund**
- ii) To the creation of a £40m co-commissioning fund**
- iii) To the delegation of decision-making of the investment readiness developmental and co-commissioning funds to the England Chair, Albert Tucker and Geeta Gopalan.**

## **10. COMMENTS FROM GARETH NEWTON, WALES COMMITTEE MEMBER**

10.1 Gareth Newton welcomed the opportunity to join the England Committee, and considered the exchange process to be beneficial.

10.2 He noted in relation to the specific agenda items at this meeting that:

- i) The appetite for social investment in Wales is not as high and reflects the nature of public administration in the devolved administration
- ii) The Wales executive and non executive teams held strategic planning days where they worked with experts to look at ways of addressing particular issues
- iii) A change in approach to second phase funding via the Communities First programme had been introduced when programme impact was reviewed

- iv) Officers were recommended to consider the approach taken in Wales when developing the Talent Match programme.

### 10.3 Depopulation has been identified as an area of concern in Wales

*Gareth Newton and Peter Wanless left the meeting.*

## 11. ENGLAND COMMUNICATIONS STRATEGY

11.1 Linda Quinn presented Committee with a proposed approach to how the Communications and Marketing function will inform, support and help deliver the objectives of BIG's England portfolio, with each programme story being through the prism of People Powered Change (PPC). The importance of finding the best processes and opportunities to help communicate what BIG wishes to fund and to increase our influence was emphasised alongside the need to create both coherent messages and a brand for the portfolio. The work of the England Chair and Steve Richards in the development of the approach was welcomed.

11.2 In discussion, the following key points were raised:

- i) The presentation slide which reflects PPC at the heart with the three over arching outcomes for the England portfolio connected to it forms the 'brand' proposition and core message to communicate internally and externally.
- ii) BIG England's objective to improve its 'thought leadership' credentials would be further developed by promoting our approach and capability by working with a partner to draw together information for conferences and seminars to bring people round the table at public events to discuss areas BIG is investing in and where there is potential for wider public policy development and added value. **Action: Dharmendra Kanani to update Committee on this work at a future meeting.**
- iii) The use of social media was noted, particularly with regards to its benefit in grant management by allowing individuals to tell their own stories, and the work in this area of the Young People Investment Team.
- iv) Broadsheets continued to be the most difficult audience to access and influence.

### 11.3 The England Committee:

- i) **Agreed the proposed approach**

## 12. EARLY YEARS UPDATE

12.1 Andrew Morris presented Committee with the six key principles that underpin initial work on the development of proposals for an Early Years investment.

12.2 In discussion the following points arose:

- i) Success of the investment would be considered through the life of the individual child alongside the organisation of children's services at a local area level.
- ii) A good theory of change base has been identified, but key will be the identification of metrics which will help identify the difference made and the broader impact. Academics are working with BIG to help shape these.
- iii) A screening process for new-borns would test parent attenuation, with impact being assessed at key milestones.
- iv) A child's situation in the family is influenced by any pre-set patterns.
- v) The £30-50m investment in 3-5 areas (total £150-165m from 2013/14) was considered sufficient to make a difference and had been identified by considering a £10m scheme in Croydon.
- vi) Local health authority selection would be important for the transformational element, with co-funding/co-commissioning seen as potential options.

12.3 The next steps in developing the Early Years investment will involve England Committee leads, stakeholders and experts working together with officers to develop a more detailed proposal for presentation and decision at the September England Committee. **Action: Andrew Morris.** Members were also advised that as part of this work an internal

communications 'crowd sourcing' campaign is helping to identify key issues for consideration.

13. **ANY OTHER BUSINESS**

13.1 There were no additional items raised for discussion and the meeting closed at 16.45.

14. **CLOSED SESSION**

14.1 The Chair held an in camera session with Committee Members and the England Director.

**DATE, TIME AND VENUE OF NEXT MEETING**

The next England Committee meeting will be held on 18 September 2012, in Plough Place, London.

**MINUTES AGREED  
ENGLAND CHAIR**

**DATE 18 SEPTEMBER 2012**