**THE NATIONAL LOTTERY COMMUNITY FUND
UK FUNDING COMMITTEE**
Thursday 1st June 2023

10:00 – 12:30 *Teams*

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| **MEMBERS:** |  |
| Blondel Cluff (Chair)Kate StillPaul SweeneyJohn MothersoleSimone Lowthe-Thomas | Chair of the BoardScotland Committee ChairNorthern Ireland Committee ChairEngland Committee Chair Wales Committee Chair |
| **IN ATTENDANCE:** |  |
| David KnottStuart FisherHannah PatersonLiz WatchornMel EaglesfieldLaura LuckingCatherine RobertsLucy Taylor | Chief ExecutiveFinance DirectorHead of FundingSenior Portfolio ManagerDeputy Director, Funding StrategyFunding Strategy, Communications, and Impact DirectorHead of Governance (Minutes)Governance Officer (Minutes) |
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*The meeting was preceded with a closed session with the Committee.*

1. **CHAIR'S WELCOME**
	1. The Chair welcomed all to the meeting.
2. **APOLOGIES FOR ABSENCE**
	1. There were no apologies.
3. **DECLARATIONS OF INTEREST**
	1. There were no further declarations of interest.
4. **MINUTES OF THE PREVIOUS MEETING**
	1. The Chair advised that there were some points of accuracy that needed to be amended in paragraphs 5.8 and 5.7. Other than these points, the minutes were approved as an accurate record.
5. **ACTIONS ARISING**
	1. The Committee reviewed the action log, noting the following updates.
6. Action 113 – The action regarding setting up a tutorial on the Climate Action Hub was still to be arranged by Governance. The Chair requested that the action be amended to include all Committee members.
7. Action 114 – Work on having a UKFC away day was underway, and the UK team is working with Governance to find available dates. The team is aiming to have this complete by the end of September 2023.
8. Action 2 – Due dates had now been added to all actions on the action tracker.
9. Action 3 – The CAF panel will meet over the summer, working with the team and colleagues to scope options for the future focus, format and value of CAF beyond the original £100m commitment. These options will be presented to both UKFC and the CAF panel by the end of September 2023.
10. **FINANCIAL UPDATE**
	1. Stuart Fisher provided an update on the financial status of the UK Portfolio. He highlighted that the Grants budgets and forecasts continue to be reviewed on a quarterly basis and reported to the Board. An official review took place in January with the development of the 2023/24 budget outlining the proposed award allocation over the next 5 years.
	2. The Committee acknowledged the revised UK awards forecast, which reflects the impact of the year-end award position and expected changes compared to the January budget. The overall awards for 23/24 remain at £61m, but in-programme allocations have changed.
	3. Income projections have been adjusted through the Q3 review due to information from the fourth license Lottery operator. The revised projection for 23/24 is £700m, down from the previous projection of £715m per annum.
	4. Medium term income forecasts from the incoming fourth license operator are expected by October 2023, with initial forecasts from Allwyn in June 2023. Income uncertainty is reflected as an upward trending risk in the Organisational Risk Register. However, there is grant programme headroom and substantial cash balances of approximately £500m in the NLDF.
	5. During the discussion, several topics were discussed regarding the UK Fund and its grant allocations. Stuart explained that the £100m working allocation reflects the catchup required from previous years to honour the 10% commitment. National moments that require funding, such as the 30th birthday celebrations, are being planned for and will involve collaboration with other distributors.
	6. The issue of incorporating ideas and discussions on future programmes was raised. It was mentioned that the Growing Great Ideas programme has closed, and individual discussions will be held with each grant holder in this programme in the future. An update on this will be provided to the Committee in September.
11. **NATIONAL CAMPAIGNS - PARTNERSHIPS**
	1. Liz Watchorn provided an overview of the national campaign opportunities and partnerships that the Fund has supported in recent years. The Committee were asked to provide views on what they see as the role of such initiatives in the context of the new strategy. Feedback will be used to help inform the shape of any programmes and approaches as the team develops the next phases of UK Portfolio’s offer.
	2. The Committee expressed gratitude for the paper and emphasised the need for alignment with the overall strategy. It was suggested that initiatives should align with the four themes of the strategy. Furthermore, the discussion on desired change and strategy alignment was deemed suitable for a wider Board discussion.
	3. The distinction between campaigns and events was discussed, with Eden considering their initiative as an annual campaign. Long-term impact and the potential for organic growth were highlighted as areas that require further attention, emphasising the importance of focusing on what matters most to communities.
	4. Members acknowledged the potential effects on volunteering. The diversity aspect of volunteering and the role of the knowledge and learning team were identified as areas requiring consideration.
12. **FUNDING DECISIONS**

*Funding decisions are confidential and can be found in Annex A.*

1. **THE PEOPLE’S PROJECTS**
	1. The Committee received an update and recommendations on The People’s Projects. As the Fund launches the strategic renewal it is proposed that this programme is reviewed in line with the new strategy. This is an opportunity to consider the future direction of this initiative through the lens of a One Fund approach ensuring that it meets the Fund’s strategic aims and has collective buy-in. Following discussion with the SMT, the UK team recommended that the programme is paused to enable a full review of the model and programme that responds to the Fund’s new strategic direction and reflects the wider external context.
	2. The Committee emphasised the high profile and resonance of The People's Projects, noting the importance of maintaining its visibility and appeal to Lottery ticket buyers. Members suggested making the format more engaging, modern, and digitally oriented to attract a younger audience. There was also interest in exploring the possibility of re-establishing a relationship with STV as a media partner.
	3. On balance, the Committee decided to pause The People’s Projects, and encouraged the team to discuss pausing the programme with key stakeholders. The inclusion of the wider Board in the discussions was also deemed necessary.
2. **UK PORTFOLIO NEW PROGRAMME**
	1. Mel provided an update on the new open funding programme, as agreed upon in the previous meeting. It was reported that the programme is scheduled to be launched at the beginning of July, alongside detailed information regarding eligibility and desired project criteria. Testing with customers is currently underway, and it is anticipated that the programme will be fully ready for launch in early July. Throughout the month of July, webinars and other forms of engagement will be conducted to promote awareness and understanding of the programme. It was mentioned that some projects previously funded by the Fund may meet the eligibility criteria. Discussions over the summer will help refine the target budget allocation for the programme if it proves to be successful. The team will also consider accessibility measures such as translation to ensure inclusivity.
3. **UK PORTFOLIO UPDATE**
	1. Mel reported that there will be a review of the projects funded under the Growing Great Ideas initiative. It was noted that intensive work will be conducted with each grant holder to consider next steps. Considering the valuable work being done by many grant holders, there may be opportunities for their projects in the open funding streams or other portfolios, although this may not be the case for all projects. Close relationship management will be a key factor in supporting this process over the summer.
	2. The Committee raised a question about the potential for project extensions or moving to another programme. Mel acknowledged the importance of extensions and mentioned that a few projects have already been granted extensions.
	3. The Chair emphasised the need to align communication regarding CAF with the new strategy to ensure consistency and clarity.
4. **ANY OTHER BUSINESS**
	1. Mel announced that Hannah Paterson will be leaving the Fund in July and expressed gratitude for her contributions over the years. The Committee and Chair also expressed gratitude for Hannah.

 **THE MEETING ENDED AT 12:45.**

**MINUTES AGREED DATE: 19/09/2023**

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**PAUL SWEENEY**

**UK FUNDING COMMITTEE CHAIR**