



The National Lottery Community Fund Environment Plan 2023-2030

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Introduction

At The National Lottery Community Fund we believe that It starts with community. We know that communities are happier and healthier when they live in a high-quality environment and that an increasing number of people and communities across the UK are concerned about their environment¹.

In our recent strategy renewal process, communities told us that they want bolder change to tackle some of the big challenges they face. As a result, one of [our four community-led missions](#) outlines where we will focus some of our funding, learning and efforts to support communities to be environmentally sustainable.

Environment means different things to different colleagues, stakeholders and across communities. In this Environment Plan, Environment encompasses all three priority areas that the UN has identified as putting global economic and social wellbeing at risk: Climate, Nature, and Pollution.

To date, we have already achieved a lot. This Environment Plan links to our [Corporate Plan](#) and [Strategy](#). It builds on what we have achieved since our first Environment Strategy in 2018, which is outlined in each of the sections below.

1. Environmental concerns are regularly amongst the top issues of concern for the UK public; Climate Change is now the second biggest concern facing adults in Great Britain (74%), just behind the rising cost of living (79%); ONS Opinions and Lifestyle Survey, Oct 2022

“While none of us can fix the climate crisis alone, we can ALL do something. And everyone’s ‘something’ is going to look different”

Green Squirrel’s Something Club,
grant holder

Four headline goals

This Plan is guided by a process of internal and external engagement as part of our Strategy Renewal (see [Annex 1](#)).

Our strategic goals for environmental sustainability include:

- **Be a world-class environmental funder:** supporting impactful projects that protect and improve the environment in ways that matter to local communities.
- **Improve the environmental impact of the voluntary and community sector (VCS) sector:** leading the way in our funding practice, supporting and inspiring our applicants and grant holders to take action to protect and improve the environment, and leveraging our position as the UK’s largest community funder by starting to mainstream requirements into all our funding.
- **Become an exemplar in managing our environmental impact:** walking the talk, and working towards net zero, sharing our practice along the way and inspiring others.
- **Demonstrate influence and leadership:** convening stakeholders; actively showcasing the role communities play in improving our environment.

Delivery and oversight

- Our Environment Plan feeds into the Corporate Plan and is reviewed annually by the Policy and Practice sub-committee. It is owned by the Senior Management Team lead on Environment, supported by the Head of Climate Action and Environmental Officer.
- The Fund’s Senior Management Team and Board will receive an annual update on progress against key targets within the Environment Plan, Corporate Plan and Fund-wide UK Strategy It starts with community.
- Each Directorate is responsible for developing and implementing activities that contribute to the delivery of our Environment Plan, and funding portfolios in particular should ensure that plans are in place to deliver against all four strands of the Plan. A new cross-directorate working group will ensure that information is shared in a timely manner across the Fund, and each portfolio’s approach.
- The Environment Plan Delivery Group (EPDG) meets quarterly to review progress, and all directorates should build reference to the Environment Plan into their business plans.



EP Goal 1: Be a world-class environmental funder

Our strategy states² that we will invest in specific environmental projects, so communities can help create a healthy planet. We'll fund projects that:

- reduce carbon emissions and negative environmental impact
- create positive environmental impact
- establish equality of access to the natural environment
- improve the quality of natural spaces.

Our experience has shown that environmental grant programmes in recent years have demonstrated significant demand from communities. Our research shows that these grants are more likely than average to contribute to community benefits like enabling people to live healthier lives, and bringing people together around the environment to increase local pride and belonging³. Indeed, the co-benefits of environmental work are increasingly understood and an important element that should sit behind our funding approach⁴.

Notably, our strategy states that while our funding is available to all communities, we'll take an equity-based approach and fund where there is greatest need. In the context of environmental funding this implies building resilience amongst those communities most affected by environmental degradation or most at risk of climate change impacts⁵, as well as supporting those most able to reduce environmental impact in their communities (eg through behaviour change, or capital investments to improve community assets in any/all communities).

2. nb. since publication of the Strategy, further work has taken place to evolve this into the interim outcomes framework, see Annex 2
3. Extract from [Putting Communities First, Our Impact Report](#) (TNLCF, November 2021, p87)
4. There are obvious and clear opportunities for intersectional funding between all four missions of our strategy
5. This approach ensures that climate justice sits at the heart of our funding strategy

Achievements to date

In the last five years, the Fund has committed over £440 million to projects in communities across the UK that involve environmental activities. We fund projects of all sizes that involve environmental action, including action on waste and consumption, energy, transport, food and the natural environment.

In recognition of the climate emergency we now face, in 2019 the Fund announced a significant investment in supporting people to work together to take climate action in their local communities. The £100m Climate Action Fund aims over ten years to showcase best practice and inspire and influence the building of a wider community-led movement to respond to climate change. Over £50m had been committed by March 2023.

Other significant environmental funding programmes include: Our Bright Future; Communities Living Sustainably; Create Your Space Wales; Living Places and Spaces.

Headline targets

EP1a

Each of our five funding portfolios will have a clear response to the Environmental Sustainability Mission through targeted and/or responsive funding approaches by summer 2024, aligned with the missions framework and including specific reference to supporting people and communities to focus on:

- climate action, including adaptation and resilience
- nature recovery.

EP1b

Through a structured offer of training and resources⁶, we will empower our funding teams, panels and committees to make confident funding decisions based on a clear understanding of key environmental issues.

EP1c

We will understand, and be able to demonstrate, the difference that environmental projects that we fund make, in terms of their contribution to the interim missions framework (see Annex 2), as well as how they impact on other social indicators⁷.

EP1d

As set out in the Corporate Plan 2024-2027, at least 15% of our grants will go to projects that have environmental sustainability as their primary aim (KPI 4).

6. Including adding an environmental component to our mandatory training programme for all staff, Workplace Essentials

7. This is intended to help us demonstrate and quantify the intersectional nature of environmental funding

EP Goal 2: Improve the environmental impact of the VCS sector

Our Corporate Plan states that: ‘We will put environment at the heart of our funding and operations’ (Strategic priority 4). Our Strategy states that: We’ll embed support for environmental action across all funding, including supporting all projects to consider the environment even when this isn’t their main focus.

As the largest single source of funding for community activities in the UK, we want to leverage our position to build towards an environmentally regenerative future. This means recognising the direct and indirect environmental impacts of our funding, supporting our applicants and grant holders to strengthen their understanding and commitments, and going **beyond funding** to provide wider support to the sector.

Achievements to date

Since 2019 we have run several successful pilots to inspire existing grant holders to take environmental action, including [Climate Action Top-Ups](#) and [Climate Action Boost](#) in Wales, and Environmental Top-Ups in Northern Ireland.

In 2020 we published a [page on our website](#) with environmental guidance for applicants and grant holders. This page contains tips to reduce the environmental impact of community groups and projects, reduce energy costs, and country-specific suggestions on where to go for further environmental support and guidance.

In 2021 we launched the [Climate Action Hub](#), an online space to find out how to apply for funding to support climate action, read insights and learnings from our environmental projects and programmes, and keep up to date with the latest news and events.

Headline targets

EP2a

We will review our funding portfolios to establish a clear understanding of where community projects have the most significant environmental impacts (both positive and negative)⁸. We will use this understanding to shift the focus of our funding, where appropriate, to maximise the (direct and indirect) positive environmental impacts of our funding and minimise the negative impacts⁹.

EP2b

We will review our funding processes, to ensure that we move from inspire to require. We will consult on and establish an appropriate pathway to set out a (graded) expectation for applicants to provide information to us about their environmental performance and commitments, for both funded projects and for their organisations as a whole.

8. This will align with our organisational missions framework, as set out in Annex 2

9. While this is positioned as a one-off piece of work, we anticipate the need to continually review the quality of the data and evidence we collect and to use best available evidence in our decision-making going forward



Eco Rangers, Northern Ireland

EP2c

We will provide a package of support options for our applicants and grantholders¹⁰, to help them reduce negative environmental impacts and maximise their potential for positive environmental impact as well as to advocate for positive action in their communities¹¹. This will range from support with measurement of environmental impacts to inspiring case studies, and from support with communications on environmental topics to improving governance processes and policy for environmental improvement.

EP2d

We will take a consistent approach across the UK on what our ambition to be an **environmentally regenerative funder** means in practice, including our approach to funding capital requirements and behaviour change.

-
10. Drawing inspiration, for example, from a grant we provided Voluntary Organisations' Network North East to develop www.goinggreentogether.org, and the [mentoring service model](#) developed for Sustainable Steps in Wales
 11. This will include helping the sector to understand the links between social and environmental justice

EP Goal 3: Become an exemplar in managing our environmental impact

Our latest Corporate Plan commits us to being ‘an exemplar in managing our own environmental impact by working towards net zero and sharing our practice along the way to inspire others’ (Strategic priority 4).

Achievements to date

We have established an active network of 50+ colleagues in the Climate Action Network (previously the Green Champions), who support the internal communication of environmental targets, check and challenge on strategy, and drive behaviour change campaigns.

By January 2024, we will have reduced our office footprint by 52% from 8839m² (2020) to 4231m², and committed to an ongoing review of our future physical space requirements.

Between 2020 and 2023, 100 colleagues have taken a Carbon Literacy course, including representatives of every team and directorate.

We have been measuring and reducing our emissions in some way since 2007/08, achieving Planet Mark status in 2021, and have achieved carbon neutrality through purchasing carbon offsets since 2018.

In 2021 we established a no-fly policy for our colleagues, with the exception of colleagues based in Northern Ireland or those travelling to remote Scottish islands.

Headline targets

EP3a

We will embed a continuous improvement culture, including through reimagining our property and technology strategies to reduce total space contracted, minimising any negative environmental impacts and enabling our evolving models of working spaces and styles.

EP3b

We will refresh our Environmental Policy with specific reference to our operations (including the transport hierarchy, homeworking, improving our office accommodation, our approach to events and catering, and our digital carbon footprint).

EP3c

We will establish and provide a minimum level of training for all colleagues¹² on understanding the climate and nature emergencies and steps people can take, ensuring that responsibility on delivering the Environment Plan is shared across the Fund.

EP3d

We will establish a Net Zero emissions baseline, including a better understanding of our Scope 3 carbon footprint¹³, and set a pathway to achieve Net Zero emissions by 2030.

12. And encourage this to be built into objectives where possible, in line with the approach for other strategic missions

13. Scope 3 includes our travel, homeworking, procurement (incl. technology) and wider supply chain emissions



EP Goal 4: Demonstrate influence and leadership

We want to build on our position as a major funder and our potential influence with Government, through **convening** stakeholders and **sharing** our knowledge, evidence and learning, in order to extend the positive environmental impact we aim to achieve.

We want to be known as a trusted voice on the relationship between communities and the environment, leveraging our unique position that reaches across the voluntary and community sector, to actively showcase the role communities can and do play in improving our environment and help to spread good practice. In line with our ambition to be an environmentally regenerative funder we want to show how, through funding and additional support, communities can best be supported to lead the way to a regenerative future for our planet.

Achievements to date

The National Lottery Community Fund convenes and chairs a cross-distributor group of environment leads for all National Lottery distributor bodies, which meets three to four times a year to share learning, ambition and good practice.

In October 2023, we joined over 100 other funders in the sector in signing the Funder Commitment on Climate Change (see Annex 3 for further detail).

Headline targets

EP4a

Set aside dedicated funding and/or resource for research into how communities can best be supported to work together towards a regenerative future. This includes developing and improving our approach and systems for evidence, research and monitoring to support our ability to influence and show leadership.

EP4b

Work in partnership with other funders and infrastructure bodies, to improve the environmental impact of the funding sector. Explore other potential partnerships (eg with private sector, media organisations, government) to extend our influence – through campaigns, funding or support beyond funding.

EP4c

Proactively seek out opportunities to communicate externally on our commitment, practice and learnings, for example through speaking opportunities, webinars, guest blogs, podcasts and thought pieces, as well as sector and national press.

EP4d

Develop a robust internal¹⁴ and external communication plan for the Environmental Sustainability Mission and Environment Plan, including how and when to communicate headline targets and progress made on them, which audiences to target, narrative approach, opportunities for brokerage, and a stakeholder engagement / advocacy strategy, and aligned with timetables for other communications activity.

EP4e

Work with Allwyn and the National Lottery Promotions Unit to more explicitly connect playing the National Lottery with supporting projects that improve the environment.

14. Internal engagement opportunities might include sharing best practice on our internal channels, celebrating environmental milestones and awareness days, and engagement of leadership on the topic

Annex 1: A vision for environmental sustainability

In late 2022 as part of the Strategy Renewal process, a cross-directorate team of colleagues undertook a deep dive on environment. The team presented the following vision as a conclusion from that process.

Our vision: seven strategic goals

We recommend the Fund takes an **ambitious approach**, and present a vision with **seven strategic goals** where we mobilise the creativity / enterprise and desire for change among the Third Sector to deliver:

For people and planet

- 1. Communities across the UK are climate-resilient**
 - recognise that some communities will be more affected than others
 - (re-)imagine the new emergence of a thriving community in a 2-3°C world
- 2. People in communities everywhere are empowered to take positive environmental action**
 - stimulate a deeper understanding of the nature and climate emergency, and how it connects to the way communities live their lives
 - local, visible change encourages more people to take part, building ownership and driving wider behaviour change
 - people have access to high quality environmental assets, including both green and blue space; clean air; healthy environments
- 3. The UK's biodiversity decline is halted, and begins to flourish again**

For the Third Sector

- 4. The Third Sector plays a key role in delivering environmental sustainability, to support thriving communities¹⁵**
 - the Third Sector makes a clear contribution to UK Net Zero by 2030
 - coherence as a sector; strong movement building. Third Sector organisations are advocates for the cause
 - normalising positive environmental behaviour in communities
 - The National Lottery Community Fund provides operational and organisational support to Third Sector organisations

15. Possible Measures: Thriving places index; Environmental concerns and feeling of agency

For The National Lottery Community Fund as a funder

5. **The National Lottery Community Fund is operationally Net Zero by 2030**
 - ongoing working plan, keep under review
6. **The National Lottery Community Fund is a regenerative¹⁶ environmental funder**
 - tangibly supports the UK's commitment of Net Zero by 2050¹⁷
 - is a nature-positive funder¹⁸, supporting the UK to be NP by 2030
 - sees environmental impact as cross-cutting, across everything, similar to EDI
 - enables participation in change
 - has a deliberate focus on social and environmental justice
 - is forward thinking, keeping abreast of developments and complements other funders
7. **The National Lottery Community Fund is known as a trusted voice on the relationship between communities and the environment**
 - develops a clear environmental strategy and maximises its opportunity to make impact, learn and share its knowledge by collaborating with other funders
 - proactively seeks to act as an influencer and convenor, with purposeful communications around its environmental impact
 - focus on quality evidence; knowledge and learning; research
 - consistent impact measurement (including understanding the unintended impacts of our funding¹⁹)
 - builds high level of environmental expertise across the organisation

16. Move beyond a 'do least harm' approach, to actively seeking to have a positive impact on the environment

17. We recognise that there are several key tensions that arise in funding to achieve this aim, [see the blog here](#) for example

18. working alongside other agencies - five statutory nature agencies (Joint Nature Conservation Committee, Natural England, Natural Resources Wales, NatureScot and the Northern Ireland Environment Agency) have come together to identify how the UK can achieve its commitment to being nature positive by 2030

19. For example, the [advertising industry adds 32%](#) to the annual carbon footprint of every person in the UK

Annex 2: The Fund's missions framework (March 2024)

An outcomes framework has been produced for mission-focused funding, working to each of the Mission areas.

For the 'Environmentally Sustainable' mission, the following outcomes have been agreed:

- Community organisations have a positive impact on the environment (in relation to nature, pollution and/or climate)
- People are empowered and make a positive difference to the environmental impact of their communities
- Communities prepare for and adapt to changes in climate
- People have access to quality natural spaces in their communities, enabling regular connection to nature

Annex 3: Funder commitment on climate change

The **Funder Commitment on Climate Change** (FCCC) was launched in 2019 by the Association of Charitable Foundations. It is a holistic, high-level framework supporting funders to play their part in tackling the causes and impacts of climate change.

The commitment asks funders to commit to take action under six pillars, of which five (ie with the exception of d, stewarding our investments) are relevant to the Fund:

- a. **Educate and learn:** We will make opportunities for our trustees, staff and stakeholders to learn more about the key causes and solutions of climate change.
- b. **Commit resources:** We will commit resources to accelerate work that addresses the causes and impacts of climate change. (If our governing document or other factors make it difficult to directly fund such work, we will find other ways to contribute, or consider how such barriers might be overcome).
- c. **Integrate:** Within all our existing programmes, priorities and processes, we will seek opportunities to contribute to a fair and lasting transition to a post carbon society, and to support adaptation to climate change impacts.
- d. **Steward our investments²⁰ for a post carbon future:** We will recognise climate change as a high-level risk to our investments, and therefore to our mission. We will proactively address the risks and opportunities of a transition to a post carbon economy in our investment strategy and its implementation, recognising that our decisions can contribute to this transition being achieved.
- e. **Decarbonise our operations:** We will take ambitious action to minimise the carbon footprint of our own operations.
- f. **Report on progress:** We will report annually on our progress against the five goals listed above. We will continue to develop our practice, to learn from others, and to share our learning.

20. In the context of the commitment the term investments refers to endowments/ investments held by charitable trusts (rather than grants/awards they make).



Get in touch

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