



We continue to receive more Reaching Communities applications than we can afford to fund. In 2010/11 we received:

- 5,730 outline proposals requesting over £1 billion (many not eligible for funding)
- 1,322 eligible full applications asking for £354,713,780.

We made:

- 500 grants totalling £124,127,283.
- The average grant size awarded was £248,255.

Cuts in funding elsewhere are likely to mean a further increase in competition. In difficult times we are aware of the need to remain open to applicants and be flexible in the grants that we make. However we are conscious of the time organisations spend in preparing their applications and try to minimise wasted effort as much as possible.

To help achieve this and to ensure that we respond effectively to so many requests, we have created these key messages to ensure our programme remains focused on: supporting projects that actively involve the people who will benefit from the project and have the biggest impact on people and communities most in need.

Please read these key messages. You can also contact us via our helpline: **0845 4 10 20 30** if you would like to talk through your application prior to applying. We also have a live online help facility available via our website www.biglotteryfund.org.uk

Is Reaching Communities right for you?

Think about your project and what you are trying to achieve. Perhaps funding through a loan from a charitable or commercial bank or other investors is more appropriate? Perhaps there are other funders in your areas that could help support your project? Demand for Reaching Communities funding is high so consider all your options and talk to a local funding adviser.

Success rates

Our new process for Reaching Communities means that we invite fewer applications to the full application stage to guarantee a higher success rate than we previously had. **Competition for funding is very strong and likely to remain that way, with chances of being invited to submit a full application expected to be around 20 per cent.** If you are invited to submit a full application it is still competitive. The success rate at this stage is currently running at around 50 per cent.

Revenue project budgets and value for money

Because competition for funding is tough, you should only include costs in your budget that are essential to the delivery of a successful project.

We also expect your project to offer good value for money. To help determine value for money we typically consider the amount requested against: the number of beneficiaries; the number of project years; and any highlighted issues you bring to our attention, such as the high unit costs associated with particular beneficiaries. We will also take into account the quality, use, purpose and impact of your project to judge whether or not a project can be considered good value.

Applying for larger amounts of revenue funding

In the current climate and with demand for funding particularly high, it is especially important that we make best use of our funds. In the future we expect to fund fewer large projects and we will only consider making grants of more than £300,000 if we think your project is an example of excellent practice. An excellent project will clearly evidence need, clearly meet the programme outcome(s) and clearly make a

difference to communities and people most in need. You will also need to demonstrate that you have the capacity and expertise to manage the project and will learn from, and share learning with others.

Often our funding can be used as leverage to unlock contributions (financial and in-kind) from other funders. We would expect applicants to explore this before completing an outline proposal form. Organisations looking for large amounts of funding from us should also consider making a contribution themselves and/or working collaboratively with other organisations to maximise resources available.

We are less likely to fund very large projects over a short period of time. We would like projects that request more than £100,000 in each project year to have seriously considered a range of funding options.

New revenue projects or expanding existing revenue projects

If you are looking to deliver a new project or to expand a pilot or other small project, we would advise you to carefully consider how you plan to do this. We are unlikely to fund a large expansion of a small project or the very rapid growth of a new project unless we consider your project to be exceptional. It is important you think about how much money you need to start with and the risks attached to managing a larger grant and trying to scale up too fast. You should consider a phased development approach to delivering a project. This may be beneficial in the longer term and should provide useful evidence of success to present to other funders in the future, who in turn may wish to support your project. You will need to provide evidence that there is a need for your project to expand in the way that you want and that you have the capacity to manage the new or additional work.

Other funding

Cuts in funding elsewhere are already impacting on the ability of organisations to secure funding from other sources. We have not made it a requirement for you to obtain other funding to match our funding. However, please consider the range of income sources available: other grant funding; loans from charitable or commercial banks; income generation; fundraising; money from your own reserves; and reducing your cost base by working collaboratively with other organisations.

Other revenue projects already providing similar services in your area

Before you apply to us we expect applicants to look into what other work is being done in your area. You should talk to other projects in your area because you may be able to work in partnership with them, work collaboratively or share services. This often results in greater impact on beneficiaries and local communities. We are unlikely to invest in projects where significantly similar work already exists in the beneficiary area or where we think a partnership approach would be more effective.

Revenue projects around £40,000 per year or less

Although we have a quicker process for projects asking us for around £40,000 per year and we ask you for less information, the success rate at full application stage is the same as projects that complete the more detailed application. We will send you the application form we think best suits your project based on how complex it is. Because the same committee makes decisions about both types of applications from the same grants budget, there is no other benefit apart from the time saving.

Applying for capital funding for land or buildings

We have two different funding strands depending on your project. Because demand for funding for buildings is high and our funding is limited, please read the details below carefully and read the relevant guidance notes to be sure you are eligible for funding.

- ▶ **Smaller buildings projects** (asking us to contribute between £10,000 and £50,000 towards a total capital project cost of less than £200,000) – All organisations that can apply to Reaching Communities can apply for this funding no matter where in England the project is based. Please read the Reaching Communities Guidance Notes for more information. Because of the detailed information we need for all projects involving buildings, you will be asked to complete the longer version of the full application form.
- ▶ **Larger buildings projects** (asking us to contribute between £100,000 and £500,000 towards a total capital project cost of less than £750,000) – We can only fund buildings that are located in the most deprived areas in England. To see if your building is eligible please use our eligibility checker on our website

www.biglotteryfund.org.uk/reachingcommunities

If you are deemed eligible to apply for between £100,000 and £500,000 towards a capital project do not forget that you need to tell us about your overall project and what will take place in the building once the capital work has been completed.

A lot of applicants get rejected at the Outline Proposal Stage because they do not provide information on the revenue based activities/services that will happen once the capital element of the project has been completed. It is important that you give us a full understanding of the overall project, which will make a difference to people most in need.

You can also find lots more information about our requirements for these larger building projects and our specific guidance notes on our website.

Large capital projects and value for money

We want to make sure building costs reflect value for money. To help determine this we will consider your cost per square metre against industry guidance for similar type of buildings.

Telling us about your project

It is important that you fully respond to all of the questions on the application form as this is the main source of information about your project. We may contact you for more information about your project but this is likely to focus on clarifying what you have said in the application form. The amount of information we will ask from you will depend on a number of issues including the size and type of project you are applying for. We are committed to reducing our administrative costs and are very aware that applicants have fed back that they think it is unfair that bigger projects are assessed in exactly the same detail as smaller projects.

Guidance for arts, sports and heritage projects

Reaching Communities will only pay for activities where the main purpose of the project meets one or more of the programme outcomes. We will not fund applications where the main purpose of the project falls within the scope of programmes run by the other Lottery distributors.

- ▶ **Sport England** has made £45 million a year available under its Open Funding strand. This £45 million is made available through the following strands:
 - £30 million Themed Round fund for projects that meet the criteria within a given themed round
 - £7 million Small Grants fund offering grants of between £300 and £10,000 to support sport in communities
 - £5 million Innovation Fund for a limited number of large projects to test out new ideas
 - £3 million Sportsmatch fund offering grants of between £500 and £100,000 for clubs and bona fide organisations that need grants to bring in other funding
- ▶ **Arts Council England** via their Grants for the Arts funding initiative offers grants of between £1,000 to £100,000 for activities carried out over a set period and which engage people in England in arts activities, and help artists and arts organisations in England carry out their work.
- ▶ **London 2012, the UK Arts Councils and the British Council** want to commission high quality, ambitious work by disabled and Deaf artists that can be experienced in a wide range of spaces, to help celebrate the London 2012 Olympic and Paralympic Games. Disabled and Deaf artists can apply for Unlimited Commissions through Arts Council England's Grants for the arts application form.
- ▶ **Heritage Lottery Fund (HLF)** offers a range of grant programmes:
 - **Heritage Grants (Grants above £50,000)** for all kinds of heritage that relate to the national, regional and local heritage of the UK. It is open to all not-for-profit organisations.
 - **Your Heritage (£3000 to £50,000):** a small grants programme for all types of heritage projects. It is a flexible programme particularly designed for voluntary and community groups and first-time applicants.
 - **Young Roots (£3000 to 25,000)** This programme is for projects led by young people. It aims to involve 13-25 year-olds in finding out about their heritage, developing

skills, building confidence and promoting community involvement.

- **Repair Grants for Places of Worship (From £10,000 to £250,000)**

Funding for urgent, high-level repair work to listed places of worship. The scheme is managed separately in each of the four countries of the UK.

- **Skills for the Future (£100,000 to £1million)**

Skills for the Future funded projects which provide paid training placements to meet a skills gap in the heritage sector, and fully support trainees to learn practical skills.

- **Townscape Heritage Initiative (£500,000 to £2,000,000)**

Townscape Heritage Initiative makes grants that help communities to regenerate Conservation Areas displaying particular social and economic need.

- **Landscape Partnerships (£250,000 to £2million)**

This programme supports schemes that are led by partnerships of local, regional and national interests, which aim to conserve areas of distinctive landscape character throughout the UK.

- **Parks for People (£250,000 to £5million)**

Parks for People is for whole park projects that support the regeneration of existing designed urban or rural green spaces, the main purpose of which is for informal recreation and enjoyment.

Applications from Schools

We welcome applications from schools but we will not pay for activities or services that schools have a statutory duty to provide. This means we will not pay for activities that are in the school curriculum or directly related to it.

We expect projects to take place before or after school, during lunch or in the holidays, unless you can provide a good reason in your application why this is not possible (for example, you are in a remote rural area). Projects should help children learn about new things that are not part of the school day. This may be achieved by working with a local community group or local people.

We will accept applications for projects working solely with children with special needs where it may not be appropriate to involve the wider community, although you still need to show that what you want us to fund is extra to what happens in the school day.

Advice for those we cannot fund

There are a number of directories and websites containing information that may help you find appropriate funders for your work.

- ▶ **Association of Charitable Foundations**

The Association of Charitable Foundations' website includes downloadable leaflets, facts and figures about charitable trust funding, and links to trusts and foundation websites, UK and international umbrella bodies, and other resources for grant-seekers. www.acf.org.uk

- ▶ **Directory of Social Change (DSC)**

The Directory of Social Change (DSC) is an information-providing charity. It produces a number of guides and directories for those seeking funding. Details of these are on its website: www.dsc.org.uk. The DSC also has a subscription website giving information about trust and foundation funding: www.trustfunding.org.uk

- ▶ **European Union Funding**

This website provides further information about European Union funding. <http://ec.europa.eu>

- ▶ **Government funding**

A Government website details grant funds for the voluntary and community sector from several departments, including: Department for Education and Skills; Department of Health; Home Office; Department for Communities and Local Government; and Government Offices for the Regions. www.governmentfunding.org.uk

- ▶ **Other National Lottery funding**

A website provides information on how to get Lottery funding, the latest news on the organisations that distribute lottery money, and case studies on projects that the lottery has funded in the past. www.lotterygoodcauses.org.uk