

Life Chances Fund (LCF)

LCF is an £80m fund that forms a part of the bigger Government Life Chances Strategy with the overall objective being support for those people in society who face the most significant barriers to leading fulfilling and productive lives.

Context

- The aim of the LCF programme is to tackle some of the most significant social issues in society, through the delivery of early and preventative interventions. Improving the long term outcomes for those people most in need.
- There is a need for public sector commissioners to find more effective and less costly ways of tackling some of the most complex social problems. LCF will increase public sector efficiencies by delivering better outcomes and evidence to generate cashable savings.
- LCF will increase the amount of capital available to a range of Voluntary community social enterprise (VCSE) groups to enable them to compete for public sector contracts
- LCF will seek to achieve its objectives by supporting the development and delivery of social impact bonds (SIBs). SIBs use social investment to finance the running costs allowing service providers to deliver against outcomes which are set and paid for by public sector agencies.
- The £80m will provide top up contributions of around 20% of the total outcomes payments for individual projects, with local commissioners paying for the majority of the outcomes payments.

Process

The LCF opened in July 2016, and will run for nine years. The fund has six specific social policy areas (or themes), with an innovative strand running throughout. When the thematic call out is issued proposals for SIBs in the relevant policy areas can be submitted for consideration. Innovative projects can be considered at any time but you must contact LCF beforehand.

- Expression of interest (Eoi): Applications can be downloaded from the Gov.co.uk website and putting Life Chances Fund in as a search. Applications should be returned to email address as instructed. An online portal is being developed and may be available for Eoi applicants for the second call out on youth services and early years provision. A decision will be taken on each Eoi within four weeks of submitting
- Development Grant (DG) funding: will be available to support development of proposals from Eoi to full application. Applicants will be invited to confirm they interest in development funding post EOI decision if eligible by submitting a declaration form. DGs mainly fund Metrics and financials, service definition, stakeholder participation, research and theory of change and are typically £30K

- Full applications: proposals approved through the Eol submission are required to complete a full application with more detailed information regarding the proposal to obtain top up funding for a SIB. Successful applicants will receive an in-principle offer after which they can enter into detailed contract negotiations before receiving a final award.

Timelines

- LCF opened to applications in July 2016 and will run for nine years to March 2025. All successful projects will need to draw down money from the fund by October 2024. The deadline dates are:

Theme	Eol	Full Application	FA decision
Drug & Alcohol misuse Childrens services	31 Oct 16	28 April 17	31 July 17
Young People Early Years	31 March 17	31 Oct 17	31 Jan 18
Older People services Healthy lives	31 Aug 17	30 April 18	31 July 18

Who are potential applicants to LCF?

- The main applicants to LCF are expected to be commissioners of local public services, namely local authorities, public health authorities, clinical commissioning groups, police and crime commissioners, housing associations, schools and others who are looking for innovative solutions to social tackling social issues
- Voluntary Community and Social Enterprise (VCSE) groups or consortiums who have existing links to commissioners or who have been in discussions with commissioners about their proposals. Both groups must be able to demonstrate that they have been able to ensure a level of commissioner engagement with their proposals at Eol
- Intermediaries: these are usually social enterprise organisations that provide technical support to either commissioners or VCSE providers. They work mainly on the development of the SIB, but have also provided management support post SIB launch. A directory of SIB (technical support) providers is available [here](#). Intermediaries leading on proposals will also have to be able to ensure a level of commissioner engagement with their proposals at Eol

For more information see the Life Chances Fund web page [here](#).