



Derby
Derbyshire
Nottingham
Nottinghamshire

www.d2n2lep.org

Tel: 0115 957 8757

Dawn Austwick
Big Lottery Fund
1 Plough Place
London
EC4A 1DE

5th October 2017

Dear Dawn

Re: *Building Better Opportunities* and the future of the Big Lottery Fund ESF opt-in.

On behalf of the D2N2 Social Inclusion & Equalities Sub-Group (SIEAG) I write to you to express our concerns about the future of ESF priority 1.4: Active Inclusion. For information the SIEAG is a formal sub group of the D2N2 LEP Board and is unique in its role and purpose. SIEAG was the driving mechanism for the production of the D2N2 Social Inclusion Framework; the first of its kind in England.

In 2015 Big Lottery Fund made the decision to pursue a co-financing arrangement for the social inclusion elements of the 2014-20 European Social Fund (ESF) programme. This decision was made following much encouragement from the VCSE sector primarily via networks such as NCVO, the European Funding Network (EFN), Network for Europe and the Third Sector National Learning Alliance (TSNLA) – all of which members of SIEAG were involved with.

Experiences of prime contracting models in the 2007-13 ESF programme had resulted in very little ESF monies reaching closest to communities or benefiting the vital work of VCSOs in local areas. For the 2014-20 programme the VCSE sector hoped to create a model which would again:

1. Support the work of VCSOs in enabling social and economic inclusion;
2. Involve VCSOs in delivery partnerships for ESF programme delivery;
3. Reinststate the important position and role of the VCSE sector in driving economic growth locally.

We were delighted that these objectives were met through the creation of the *Building Better Opportunities* programme. In D2N2 this has achieved all of the above objectives and is providing an effective platform to frame discussions and relationships between local VCSOs and other stakeholders in relation to economic and financial inclusion.

Chairman: Peter Richardson

The Local Enterprise Partnership for Derby, Derbyshire, Nottingham and Nottinghamshire
8 Experian Way ng2 Business Park Nottingham NG2 1EP

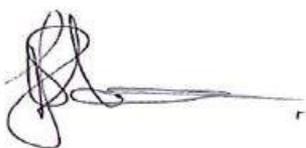
As a group we were therefore deeply concerned to hear of BIGs reluctance to continue BBO into the second half of the ESF programme. We recognise that ESF carries risk, is difficult to manage and bureaucratic. We also accept that the approach therefore required in delivery does not sit comfortably with BIGs overall vision of 'People in the lead' or the principles of 'Simple processes' and 'Confidence not control'.

However, at a local level our experience of the BBO approach has been one of positive learning and benefit. We feel it has enabled effective use of local resource, built resilience and skills into the sector, built in user-led operational mechanisms wherever possible and has driven innovation in service delivery which we hope to evaluate and use to inform future investments for the benefit people experiencing disadvantage. All of these benefits do reflect Big Lottery Fund Principles.

At present ESF plays an enormous role in supporting thousands of disadvantaged and excluded individuals in D2N2 towards more productive, rewarding and self-sustaining lives. We are currently facing a huge cliff as a result of lack of commitment to match funding of remaining ESF investment with all existing programmes due to cease between March 2018 and July 2019. Without structural match funding at national level we know that it will be almost impossible to sustain any of this support.

As the UK moves out of the European Union and towards an independent model it is vital that we use all our resources as effectively as possible. If the future Shared Prosperity Fund is to reflect our progress and learning from BBO then it is crucial that BIG remains around the table to champion the learning and progress made to date. On behalf of the VCSE sector and communities of D2N2 I would strongly encourage you to continue the work of BBO into the second half of the programme and to work with us to help shape and influence approaches to future shared prosperity and inclusive growth.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jane Howson', with a long horizontal flourish extending to the right.

Jane Howson

Chief Executive – Autism East Midlands
VCSE Representative to D2N2 Board and Chair of SIEAG