



## **Explanatory Note on change to Big Lottery Fund policy direction:**

### **Purpose**

The Department's Structural Reform Plan includes one of the Government's reforms of the National Lottery - that the Big Lottery Fund should aim to focus its funding on the voluntary and community sector.

### **Effect**

This policy direction would require the Big Lottery Fund to take into account the need to distribute money to projects that would assist people and local communities served by the voluntary and community sector.

Existing grants from the Big Lottery Fund ought not to be affected and decisions on which projects to fund remain with the Big Lottery Fund. The Government's expectation is that Big would continue to fund the same types of projects, but that there should be a specific focus of their funding on the voluntary and community sector. The intention is that social enterprises and joint ventures between the voluntary and community sector and local authorities would still be eligible for funding.

The Big Lottery Fund's devolved expenditure in Scotland, Wales and Northern Ireland would not be affected by this proposed new direction, as policy directions for the Big Lottery Fund in these administrations are issued by the relevant devolved Minister. The proposed policy direction would apply only to UK wide non-devolved and England expenditure by Big Lottery Fund.

### **Background**

Policy directions are issued by the Secretary of State for Culture, Media and Sport to UK and England Lottery distributors. They set the framework within which the distributors work and must be taken into account by them when making funding decisions.