

EXPLANATORY MEMORANDUM TO
THE AWARDS FOR ALL (ENGLAND) JOINT SCHEME (AUTHORISATION)
ORDER 2005

2005 No.374

1. This explanatory memorandum has been prepared by the Department for Culture, Media and Sport and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 This Order authorises a modification to the Awards for All (England) joint scheme to extend the scheme to 31st March 2006, to increase the maximum amount of grants that can be made under the scheme to £10,000 and to vary the percentages contributing to the scheme by the participating Lottery distributors.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 Under section 25B of the National Lottery etc. Act 1993 (“the 1993 Act”) bodies distributing money under section 25 of that Act may (distributors of National Lottery money to good causes) may participate with other such bodies in a joint scheme to distribute money. A Lottery distributor may participate in a joint scheme as long as the principal purposes of the joint scheme include purposes for which a Lottery distributor has power to distribute money and it does not matter that the scheme also distributes money to projects that distributor does not have the power to do so apart from its participation in the joint scheme. In this way joint schemes allow Lottery distributors to pool resources and funding powers to facilitate the delivery of a single distribution scheme.

4.2 Schedule 3A to the 1993 Act makes further provision about joint schemes. Lottery distributors wishing to participate in a joint scheme must apply in writing to the Secretary of State and where the maximum amount to be distributed under the scheme exceeds £15 million in any year then the scheme must be authorised by an order made by the Secretary of State. These procedures also apply to any modifications to a joint scheme. Such orders must include a brief description of the scheme, the areas of the United Kingdom to which it applies, the maximum amount that may be distributed every year, the participating bodies, the proportions in which money to be distributed under scheme is attributable to each of those bodies and the duration of the scheme.

4.2 In 2002 the National Heritage Memorial Fund (also known as the Heritage Lottery Fund), the National Lottery Charities Board (also known as the Community Fund), the New Opportunities Fund, the English Sports Council (also known as Sport England) and the Arts Council of England applied to the Secretary of State for an order to authorise a joint scheme known as Awards for All (England). The purpose of this joint scheme was to make small scale grants of under £5,000 to people in local communities. The scheme was authorised by S.I. 2002/638.

4.3 In 2003 and 2004 the scheme was modified to extend the duration of the scheme and to vary the proportions in which money to be distributed under the scheme is attributable to the participating bodies. These modifications were authorised by S.I. 2003/664 and S.I. 2004/691 respectively. On 8th February the participating distributors of Awards for All (England) wrote to the Secretary of State applying for a further modification of the scheme. This Order authorises that modification.

5. Extent

5.1 This instrument applies to England.

6. European Convention on Human Rights

Not applicable.

7. Policy background

7.1 Awards for All, introduced on a pilot basis in 1998, is a Lottery grant scheme which aims to give small scale grants of between £500 and £5,000 to local communities to enable people to take part in art, sport, heritage and community activities as well as projects that promote education, the environment and health in the local community. It is also a key element in delivering joined-up Lottery funding for communities. With a success rate of around 50%, Awards for All has the flexibility to allow it to offer grants for projects which do not fit neatly into the remit of a single distributor. Consultation by the Department and the participating distributors has demonstrated that the scheme is extremely popular, not least for the “light touch” approach to decision-making, simplified application forms and flexibility which allows it to convey a decision on most applications within 8 weeks.

7.2 From the time of their establishment, Lottery distributors were required to consult widely on programmes and priorities and particularly in England, devolved much decision making to regional levels. This included setting up regional awards committees and developing a close working relationship with local authorities and regional or local organisations. Country offices were established to work together with Devolved Administrations and individual schemes for Awards for All in Wales, Scotland and Northern Ireland addressed specific priorities in each country. In July 2002 the Department published “Review of Lottery Funding”, a consultation paper on Lottery distribution policy. Discussing how to make the Lottery more responsive to the needs and priorities of communities, how to ensure fair distribution of funds across the UK and how to make the delivery of lottery funding more efficient and effective, the paper invited comments over a three month period from people and organisations with an interest in distribution of Lottery monies.

7.3 Awards for All was highlighted as successful in speeding up the process for larger grants and a new, locally administered programme for smaller grants (below £500) - proposed to speed up decision making.

7.4 In July 2003 the Department published the National Lottery Funding Decision Document (available from www.culture.gov.uk). The Decision Document offered the Department’s response to the 400+ substantive responses to the 2002 consultation document (also available from www.culture.gov.uk) and set out its proposal to offer smaller grants and double the upper limit of grants to be made by the scheme in England to £10,000. The Schemes in Wales, Scotland and Ireland remained

unchanged and subject to review by the relevant country administration. Consultation on the Decision Document (with around 240 substantive responses) showed broad support for raising the upper limit although concerns were raised that additional funding would need to be made available to meet increased demand and ensure the actual number of awards was not reduced. Full details on the consultation (published on 17 May 2004) are available from the departmental website. Whilst some Lottery distributors agreed that the upper grant limit could be increased, some expressed concern that this should happen incrementally. The advantages and disadvantages of such an approach have been discussed at length with distributors and as a result, the participating distributors have applied to modify the scheme to allow for the new upper limit on grants and to further extend this successful scheme for another year.

7.5 Total distributor contributions to the 2004 scheme were £40.9 million. This has increased to £56.3 million for the 2005 scheme. This reflects the raising of the upper grant limit to £10,000 and the fact that this increase will not become effective until part way through the 2005/6 financial year. The exact date will be determined following discussions with distributors and internal monitoring of the 2005 scheme.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as this was undertaken in 2003 and published in the Decision Document.

9. Contact

Dianne Jefferson at the Department for Culture, Media and Sport. Tel: 020 7211 6511 or e-mail: dianne.jefferson@culture.gsi.gov.uk can answer any queries regarding the instrument.