

CMS 148869/DC

Sir Clive Booth  
Chair  
Big Lottery Fund



*host government  
department*

26 July 2010

Dear Clive

I am writing to you as Minister with responsibility for the National Lottery, on behalf of the Secretary of State, to consult you on a proposed policy direction to direct the Big Lottery Fund to take account of the need to focus funding on projects that benefit people and local communities in the voluntary and community sector.

I propose the following two alternative policy directions in respect of Big Lottery Fund's UK wide non-devolved expenditure and England expenditure, to be taken into account and read alongside the existing policy directions:

- (1) "The need to ensure that money is distributed to projects that benefit people and local communities served by the voluntary and community sector"

Or, alternatively

- (2) "The need to ensure that money is distributed to projects in the voluntary and community sector in order to benefit the people and local communities in that sector."

Subject to comments from yourself and others, my current preference is for (1) because this places the emphasis on any project that benefits the people and local communities served by the voluntary and community sector and that achieves the policy aim here with some flexibility. My expectation is that where, for example, voluntary and community sector organisations were working in consortia with local authorities, Big would be able to consider funding such projects. Similarly, my understanding is that Big would continue to be able to fund charities, voluntary groups and social enterprises. For the avoidance of doubt, I would like to make clear that such a direction would not apply to Big's devolved expenditure in respect of Scotland, Wales and Northern Ireland, for which policy directions are given by the devolved administrations.

Since this policy is closely linked to our proposal to change the Lottery good cause shares, I am arranging for this letter to be copied by email to the recipients of Jeremy Hunt's email of 21 May, including, specifically, the National Assembly for Wales, Scottish Ministers, the Northern Ireland Department of Culture, Arts and Leisure and the principal voluntary and community organisations and the devolved administrations. If there are any other organisations you believe may be directly affected by the proposed direction that you wish to consult directly, please feel free to do so. If you consider that the Secretary of State ought to be consulting directly with any other body or person that we have not included kindly let me know.

I would be grateful for any observations or comments you may have on the proposed direction by Friday 29 October.

Copy addressees should send any comments to [lotterypolicy@culture.gsi.gov.uk](mailto:lotterypolicy@culture.gsi.gov.uk) by 29 October.

A handwritten signature in cursive script that reads "John Penrose". The signature is written in black ink and is positioned above a thin, horizontal, slightly wavy line that serves as a separator.

**John Penrose M.P.**  
***Minister for Tourism and Heritage***