

DIRECTIONS GIVEN TO THE BIG LOTTERY FUND (OPERATING AS THE NATIONAL LOTTERY COMMUNITY FUND) UNDER SECTION 22(3) OF THE DORMANT BANK AND BUILDING SOCIETY ACCOUNTS ACT 2008 AS AMENDED

The Secretary of State for Digital, Culture, Media and Sport in exercise of the powers conferred on her by section 22(3) of the Dormant Bank and Building Society Accounts Act 2008 ("the Act") (c.31) and having consulted the National Lottery Community Fund ("the Fund") pursuant to section 22(7) of that Act, hereby gives the following directions to the Fund.

1. As of 30 October 2019, the Secretary of State for DCMS has issued eight Spending Directions under section 22(3) of the Act. This Spending Direction updates and consolidates these into a single Direction. Accordingly, all Spending Directions to date are withdrawn with immediate effect and are replaced with this Spending Direction.
2. Under the terms of a Memorandum of Understanding between DCMS and the Fund agreed on 17 October 2018, the Fund will continue to distribute up to £1.2m in total from the English portion of dormant account money in the form of non-repayable grants to youth-focussed voluntary organisations in targeted locations through the Youth Capacity Fund, such grants having been agreed by the Fund and DCMS. The Fund will continue to manage these grants until their completion.
3. The Fund will, subject to sufficient assurances being in place, also continue to distribute up to £1m to support the effective organisational development of Youth Futures Foundation Limited, whose purpose is to meet expenditure on or connected to the provision of services, facilities or opportunities to meet the needs of young people, in line with section 18(1a) of the Act.
4. The Fund will, subject to sufficient assurances being in place, also continue to distribute up to £1m to support the effective organisational development of Fair4All Finance Limited, whose purpose is to meet expenditure on or connected to (i) the development of individuals' ability to manage their finances, or (ii) the improvement of access to personal financial services, in line with section 18(1b) of the Act.
5. The Fund will also distribute an allocation of £145m as follows (exclusive of the money to be distributed pursuant to paragraph 2 of this Spending Direction, but inclusive of the money to be distributed pursuant to paragraphs 3 and 4 of this Spending Direction). This may be distributed in tranches phased over a period of time, or in a single endowment, as agreed by the Fund and DCMS. The Fund will only allocate this funding to each organisation once each organisation has demonstrated sufficient governance and operational readiness. The allocation of £145m will be split as follows:
 - o £90m to meet expenditure on or connected to the provision of services, facilities or opportunities to meet the needs of young people, in line with s18(1)(a) of the Act, delivered by Youth Futures Foundation Limited; and

- £55m to meet expenditure on or connected to (i) the development of individuals' ability to manage their finances, or (ii) the improvement of access to personal financial services, in line with s18(1)(b) of the Act, delivered by Fair4All Finance Limited.
6. The Fund will continue to distribute, up to a total sum of £435m (of which £300m was distributed by December 2017), from the English portion of dormant account money in the form of non-repayable grants to the Big Society Trust to invest in Big Society Capital and to contribute to the funding of Access – the Foundation for Social Investment, acting as social investment wholesalers in accordance with section 18 of the Act.
 7. The Fund will also distribute up to £500k per annum from the English portion of dormant account money, and in the form of a grant, to The Big Society Trust (BST) on an ongoing basis (unless and until further directions are issued by the Secretary of State for Digital, Culture, Media & Sport to amend or supersede this direction).
 8. BST will only use this funding to assist other bodies which are within the sole or majority legal control of BST, and which distribute dormant account money for meeting expenditure that has a social or environmental purpose.
 - Such other bodies must, in addition, either (i) be a social investment wholesaler; or (ii) use the dormant account money in the performance of their functions which:
 - i. meet expenditure on or are connected with the provision of services, facilities or opportunities to meet the needs of young people; or
 - ii. meet expenditure on or are connected with (a) the development of individuals' ability to manage their finances, or (b) the improvement of access to personal financial services.
 9. The Fund is directed to make no other payments of the English portion of dormant account money until further Directions are issued by the Secretary of State under the Act.