EXPLANATORY MEMORANDUM TO

THE AWARDS FOR ALL (ENGLAND) JOINT SCHEME (AUTHORISATION) ORDER 2006

2006 No. 565

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 2007 and to increase the maximum amount that may be distributed under the scheme in one year to £60 million.

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 (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 the scheme is attributable to each of those bodies and the duration of the scheme.

4.3 In 2002 the National Heritage Memorial Fund (also known as the Heritage Lottery Fund), the National Lottery Charities Board, the New Opportunities Fund (both now operating under the name of the Big Lottery 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 to people in local communities. The scheme was authorised by S.I. 2002/638.

4.4 In 2003, 2004 and 2005 the scheme was modified to extend the duration of the scheme, to vary the proportions in which money to be distributed under the scheme is attributable to the participating bodies and to increase the maximum amount of grant that can be made under the scheme to £10,000. These modified schemes were authorised by S.I. 2003/664, S.I. 2004/691 and S.I. 2005/374 respectively. On 27th February 2006 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

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

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 an application 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.

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. The Schemes in Wales, Scotland and Ireland are subject to review by the relevant country administration.

7.3 Consultation by DCMS and the participating distributors since 2002 has demonstrated that Awards for All is extremely popular with potential grant applicants. Many have praised the scheme's "light touch" approach to decision-making, simplified application forms and flexibility which allows it to convey a decision on most applications within 8 weeks.

7.4 The DCMS "Review of Lottery Funding" (2002) and "National Lottery Funding Decision Document" (2003) - available from www.culture.gov.uk - showed broad support amongst the 450 or so respondents for raising the upper limit of Awards for All in England. This was done so in 2005 raising the limit to £10,000.

7.5 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. Following in depth discussions, distributors agreed to increase total contributions from £40.9 million to £56.3 million for the 2005 scheme.

7.6 On 27th February 2006 the participating distributors applied proposed in a letter to the Secretary of State to authorise modifications to the scheme: to extend the scheme for another year to 31st March 2007 and to increase the total amount of grants to paid from 1st April 2006 to 31st March 2007 to £60 million. The Secretary of State agreed to do so and the authorisation is made through this Order.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

9. Contact

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