



**Department of Culture, Media and Sport's
consultation on changes to National
Lottery Funding**
The Advice Services Alliance's response

August 2010

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1 Introduction

- 1.1 The Advice Services Alliance (ASA) welcomes the opportunity to respond to the consultation on redistributing National Lottery funding and reducing the share of Lottery funding to good causes through the Big Lottery Fund.
- 1.2 ASA is the umbrella organisation for independent advice networks in the U.K. Full membership of ASA is open to national networks of independent advice services in the U.K. Our full members are:
- AdviceUK
 - Age UK
 - Citizens Advice
 - DIAL UK, a division of SCOPE
 - Law Centres Federation
 - Shelter
 - Shelter Cymru
 - Youth Access
- 1.3 Our members represent some 1,845 organisations in the UK which provide a range of advice and other services to members of the public.
- 1.4 These advice services focus support on the most vulnerable people e.g. disabled people; those facing homelessness; young people from disadvantaged backgrounds and older people. Most of these organisations are grass roots organisations, managed by local people and offering services within a local area. A substantial proportion of the sector depends on volunteer advisers with 40% of organisations having between 1 and 10 volunteers.
- 1.5 Advice agencies are largely funded through public sector grants and contracts, and charitable fundraising.
- 1.6 A draft of this response has been seen by all of our full members. However, please note that this response does not necessarily represent any individual member's views.
- 1.7 We will address each consultation question in turn.

2 How would the change benefit you or the sector you represent?

- 2.1 We fear that the change may result in a reduction in the amount of money available for the Big Lottery Fund (BLF) and that, in turn, this will reduce the amount of BLF funding available to the advice sector.
- 2.2 We welcome the Government's proposal that the BLF should focus its funding on the voluntary and community sector. However, as noted in the impact assessment, this does not necessarily protect the BLF from a funding reduction.
- 2.3 The Big Lottery Fund (BLF) is an important source of funding for the sector, often supporting innovative projects which aim to tackle poverty and increase access to advice services for the most disadvantaged. More recently, the BLF has funded local

and national partnership projects in the sector which have been effective in improving quality and efficiency.

- 2.4 The consultation document suggests that some BLF funding has been used for projects which should have been funded by statutory bodies. This is not the experience of the advice sector.

3 How would the proposed change disadvantage you or the sector you represent?

- 3.1 A reduction in the amount of BLF funding available to the advice sector would be detrimental to the sector and its users.
- 3.2 The BLF is an important supporter of the advice sector. Citizens Advice estimate that the BLF accounts for about 4% of the funding received by its Bureaux, and the Law Centres Federation estimate that Law Centres receive approximately £1.5 million pa. Shelter tells us that BLF funding has been essential for important work that otherwise they would not have been able to do.
- 3.3 The advice sector faces an uncertain future with the prospect of increasing demand and a reduction in resources. In the last year, Citizens Advice reported that advice enquiries in areas such as housing, employment, welfare benefits and debt have risen by nearly a fifth¹. At the same time, advice agencies are reporting that some local authorities and other funders are warning them of imminent funding cuts.

4 Will the change have any adverse or positive impact on particular groups? How could impacts be avoided or mitigated?

- 4.1 The change has the potential to adversely impact some disadvantaged groups in particular.
- 4.2 There is evidence that ethnic minority people are more likely to need the services of the voluntary advice sector. For example, the percentage of ethnic minority people in London is estimated as 29%². However, our analysis of Legal Services Commission (LSC) statistics suggests that, in 2006, between 65% and 74% of London advice sector clients in social welfare law³ were from an ethnic minority background. Similar results are found in other localities.
- 4.3 There is therefore a risk that a re-distribution of funds from the BLF to Arts, Heritage and Sport distributors will lead to a reduction in the overall amount of National Lottery funding that benefits people from disadvantaged communities. The impact of any redistribution on vulnerable and disadvantaged communities should be carefully monitored and the outcome published.

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¹ Citizens Advice annual advice statistics 2009

² National Statistics 2001 <http://www.statistics.gov.uk/ci/nugget.asp?id=457>

³ defined here as housing, benefits, debt and employment problems