

**PHILANTHROPY  
IRELAND**

SHARE TODAY. SHAPE TOMORROW.

April 22, 2022

**SUBMISSION FOR PUBLIC CONSULTATION  
ON NATIONAL LOTTERY FUNDING**

29 Upper Mount Street, Dublin 2.

+353 1 518 0878

[www.philanthropy.ie](http://www.philanthropy.ie)

## Submission from Philanthropy Ireland for the public consultation on National Lottery Funding

### OPENING REMARKS

Philanthropy Ireland (PI) acknowledges and welcomes the initiative of the Department of Public Expenditure and Reform to conduct a review of the allocation and utilisation of National Lottery funding. The potential principles outlined for the allocation of funds and the possible reforms considered present real potential to advance both the delivery and impact of the funding available for good causes.

In responding to the call for submissions, key reference points for PI include:

- Knowledge and experience of good practice in grant making and funding; as an organisation with 20 years' experience providing voice and support to grant makers and funders, we have deep understanding and knowledge of the practice of grant making, which is inherent to the National Lottery scheme.
- Our members engage with over 3k causes throughout Ireland; we understand the need to enhance value and maximise impact of grant making as demand on resources continues to outpace supply coupled with new needs emerging, pointing to the value for reimagining and exploring new opportunities in funding practice.

We believe this review provides a real opportunity for the Government and the National Lottery to deepen their contribution from grant making for more impactful change across many strands of Irish society.

### KEY OBSERVATIONS

As identified in the proposal, there is a strong need to build a policy framework that complements the provisions of Section 41(g) of The National Lottery Act 2013 and to assist in informing the allocation of funding. Drawing from international practices and highlighting the need for transparency, engagement, and measurement, are key strengths and fundamental to any new direction on policy proposals.

To further strengthen the proposal and the future policy framework we present here some key considerations to underpin a robust, equitable and impactful process for effective grant making. They are not presented in order of priority but rather as a package of measures that collectively will enhance and add value, if applied in the design of any new system for the allocation and utilisation of National Lottery funding

- ***Clarity in funding criteria and process:***

The central aspect that needs to be established is clear and well-defined criteria and strategic areas for fund allocations. In addition to the criteria that determines funding, the following need to be elaborated in detail:

- selection process including procedures and steps involved for both the application for funds and allocation of funds
- key stakeholder involvement, including selection criteria, allocation of roles, and responsibilities through each stage in the process
- timelines and funding cycles

- ***Independent oversight and management:***

While recognising the importance of a nodal agency that ensures overall governance and compliance, it would add value to enable independent oversight and management for allocation of funds, e.g., Big Lottery, UK. As emphasised under the potential principles of the draft proposal, the decision on the distribution of funds could be informed by the active engagement of public, private and voluntary and community sector and social enterprise partners. This could facilitate public-private partnerships and include scope for periodic reappointments.

- ***Transparency of the structure:***

Although the proposal identifies transparency as a potential principle for allocation of funds, it largely focuses on promoting transparency in the process of allocation. It is crucial to further expand the focus to the stakeholders involved, the structure of the agencies, utilisation of funds, outcomes, and impact assessment with relation to funds distributed.

- ***Public Information:***

Information on all aspects of the operation of the National Lottery funding could be published in an easily accessible public format. Additionally, developing a dedicated webpage with fund overview, applicant information, and impact reports, etc., is highly recommended. Supplementing public information with communication and storytelling via conventional and social media could add value to the funding process.

- ***Responsive funding:***

A percentage of the fund allocation could be set aside to enable creative/responsive line of funding to test and/or react to immediate and evolving needs, somewhat like the approach taken with the Growing Great Ideas strand of UK Lottery. This could allow for use of funding to test new ideas, present a proof of concept, provide bridging on a project, advance research on ideas, etc.

Equally many initiatives are best suited to multi annual funding to advance the agreed objectives. Commitments to multi-annual funding should become a feature of funding processes to ensure the funds are responsive to needs emerging.

- ***Collaborative funding:***

A portion of funding could be set aside to work with partners in philanthropy or other funders. Our members organisations for example, have a deep knowledge and understanding of funding

needs and potential approaches and have successfully collaborated, with each other and with government in support of initiatives for public good. Collaboration supports deeper engagement, improved learning from stakeholder inputs, development of a databank of information, reduced dependency on singular funding line, all of which collectively support informed decision making on fund allocations. An underlying principle of commitment for the fund to work in partnership with other funders where possible, will support greater impact.

- ***Impact assessment process:***

This is a vital component in any new framework, to include commitment to measuring impact of the National Lottery as a funder in addition to supporting measurement of impact of grantees. Impact assessment as a core feature needs to be adequately resourced to ensure commitment becomes an action.

- ***Leadership in funding practice:***

The National Lottery is a significant funder with a significant national profile. In this regard there is real opportunity to provide leadership in good giving processes. This should be evident in policy frameworks, demonstrating intent and commitment to standards for good giving.

## COMMENTS & SUGGESTIONS ON THE CONSULTATION QUESTIONS

### Question 1: What approach do you think the Government should take to the allocation of funds arising from the Lottery to Good Causes?

Given that the policy reform options do not have to be mutually exclusive, it is recommended the Government approach introducing 'open call' fund and governance reforms in tandem. The policy framework could facilitate allocation of funding to an annual 'open call' which any community or non-profit organisation could apply for, such as with the UK's National Lottery Community Fund.

Additionally, establishing formal mechanisms of governance to oversee the allocation and utilisation of funding will ensure that the open call fund application and allocation process is carried out in a fair and just manner providing an egalitarian landscape and standard for all funding opportunities.

A combination of fixed and flexible allocation could be adopted, i.e., lottery funding could be allocated on a fixed percentage basis to a set of priority areas, and further allow for controlled adjustments based on changing priorities. The priority areas could include collaborative funding and responsive funding as highlighted under key observations.

## Question 2: How can the connection between lottery sales and the allocation of funds to Good Causes be enhanced?

Communication and engagement are features that can play a central role in enhancing the connection between lottery sales and allocation of funds. Mindful communication strategies and messaging that draw attention to the good causes and human-interest stories will likely increase public participation.

While introduction of 'open call' fund provides for a wider range of good causes to benefit from the distribution of funds; impact evaluation communication on distribution of funds will ensure support wider understanding and engagement.

## Question 3: How best can the impact of funding allocated be monitored and reported on?

Currently information on fund allocation largely focuses on quantitative statements around the amount allocated for a specific cause, e.g., the area of sports capital. There is a need to augment such statements, look beyond the amount allocated and shed light on the outcomes and impact of the allocated funds.

For effective impact assessment the following could be considered:

- Engaging an independent monitoring and evaluation body to measure the impact of the funds distributed.
- Conducting annual surveys to collect qualitative and quantitative data around initiatives and strategic areas funded.
- Adopting mixed methodology and framework that is widely recognised such as the OECD framework of impact evaluation.
- Determining a matrix to measure evidence to prove social return.
- Mapping the objectives vs outcomes of initiatives and strategic areas.

## Question 4: What systems and best practice in other jurisdictions do you believe Ireland can learn from? Please provide reasons for your answer.

The proposal rightly identifies and elucidates the international practices that Ireland can learn from. Reprioritisation as practiced in UK and New Zealand could be considered as an important feature while developing the new policy framework for Ireland. Incorporating this feature could go a long way in catering to evolving needs and instances of emergency.

Using campaigns and communications effectively is a practice that can be learned from The National Lottery Community Fund, UK. In early 2021, UK National lottery released a series of powerful images highlighting what some of the UK's most cherished landmarks and venues could look like if environmental issues are not taken seriously. These images marked the findings of new research from The National Lottery Community Fund which revealed what the UK is most concerned about when it comes to addressing climate change.

In addition to research and communications, the UK National lottery benefits from wider engagement, including voices of community and a local structure that allows them to capture such voices. This

supports the implementation of region-specific solutions that create more impact. This can also be seen in practice in New Zealand which focuses on building strong and sustainable communities.

Aligning grant giving with wider areas and issues of collective concern, such as climate emergency, is another practice that can be learnt from the UK. For example, The National Lottery Heritage Fund factors the environmental impact of all projects (not just of landscape and nature projects) into their decision making for grant giving.

### Question 5: What principles should underpin any future framework to inform funding allocation?

- Additionality rather than duplication
- Transparency is critical
- Open calls with some commitment to multi annual and unrestricted funding
- Evaluation and measurement on outcomes
- Equity – democratic and fair competition
- Multi-stakeholder collaboration and engagement
- Clear unambiguous communication
- Efficiency – proportionality on process for engagement of grantees.

## ABOUT US

PI is a not-for-profit member organisation dedicated to the growth and development of philanthropy in Ireland for the benefit of society. Our 50 members comprise independent grant-making Trusts and Foundations; Family Foundations; Corporate Foundations; and Private Donors.

Our Mission is to strengthen the social sector by advancing knowledge, understanding and practice of philanthropy. Our purpose is to empower philanthropy, representing donors, private & institutional, to create a dynamic and diverse community engaging in philanthropy for public benefit. We do this through 3 key pillars of activity:

- **Promotion** of philanthropy to increase strategic giving
- **Policy** for philanthropy to encourage an enabling environment for philanthropy
- **Practice** of philanthropy to effect evidence based good practice in grant making

We work in collaboration and partnership with a cross section of organisations, both national and international and with government. We are supported through funding from Philanthropies; Department of Rural and Community Development and Membership fees.

### Contact:

Éilis Murray, CEO | [eilis@philanthropy.ie](mailto:eilis@philanthropy.ie) | +353 1 518 0878 | 29 Upper Mount Street, Dublin 2.

**THANK YOU FOR THE OPPORTUNITY TO CONTRIBUTE.**