



Spirit Funding Strategy

Introduction

The Spirit of 2012 Funding Strategy explains what we will fund, who is eligible for funding and how we will set about allocating funding.

There are 3 parts to the strategy:

1. Our Funding Priorities and Portfolios.
2. Eligibility Criteria for:
 - a. Who can apply for Spirit funding, and
 - b. What Spirit can and can't fund
3. Future Opportunities

Part 1 – Our Funding Priorities and Portfolios

Spirit of 2012 was established by the Big Lottery Fund with a £47m endowment in 2013 to continue the social impact of the London 2012 Games. The Spirit of 2012 Board has agreed strategic priorities to 2021, that are consistent with the Founder's Wishes, expressing the Big Lottery Fund's intentions when endowing the Spirit of 2012, and the charitable objects set out in our Trust Deed. We have a duty to invest our endowment exclusively in achieving those. We do not accept unsolicited applications for funding and the majority of our funding is committed or ear-marked for specific initiatives. Open funding opportunities will always be published on our website, twitter feed and NCVO Funding Central.

Our priorities, as a Funder, to 2021 will be to:

1. Fund outcomes, not sectors or methods
 -  Funding priorities based on Spirit's target social outcomes

- 🎨 Impact evaluation on contribution to the outcome across sectors and mechanisms
 - 🎨 Evidence-based- find out what works and how it could scale up
2. Prioritise projects that bring different groups of people together, as equals, actively addressing barriers to participation
 - 🎨 Focus on young people, disabled people and disadvantaged groups
 3. Build locality-based participation, responsive to the needs of the local community
 - 🎨 Focus projects in the right places to ensure impact is meaningful
 - 🎨 Enable 'Supported decision-making' – ensure that local project decision-makers are developed and equipped for the role and supported to undertake it
 - 🎨 Focus projects on places most in need (for specific social outcome)
 4. Provide regular and sustained opportunities for people to participate
 - 🎨 Majority of beneficiaries to participate weekly or fortnightly for minimum of three to six months
 - 🎨 Pathways to sustained participation beyond the project
 - 🎨 Projects to last 3-4 years for optimum benefit and learning
 5. Build and support partnership working
 - 🎨 Most projects to be delivered by partnerships of expert providers, including national and local partners
 - 🎨 Build and support a community of Spirit partners for learning and joint working
 - 🎨 Support partnership development through deployment of development grants (funding opportunities) and Incubation Fund (Spirit partners)
 6. Build capacity in purposeful planning, monitoring and impact assessment
 - 🎨 All new applicants to self-assess M&E capability (e.g. through 'Measuring Up! Tool')
 - 🎨 Spirit to fund capacity and capability building work where required

7. Incubate Innovation

- 🎨 Provide access to smaller grants to support innovative ideas, commissioned (through Innovation Fund) or open call (Challenge Funds)
- 🎨 Support ideas that have already been piloted or part-delivered to maximise learning about what works

Those priorities are underpinned by our Theory of Change which enables us to measure all our investment in terms of common outcomes and indicators. The overarching **impact statement** informs every grant we make:

Spirit believes that enabling people to participate in a wide range of inclusive activities and engaging in their communities together will:

- 🎨 **Improve the wellbeing of individuals, communities and society as a whole**
- 🎨 **Improve perceptions towards disability and impairment**
- 🎨 **Lead to greater social cohesion and understanding.**

Funding Strands

In order to achieve Spirit's Impact Statement and Funding Priorities we will fund projects that enable people to be:

Creative	Active	Connected
Providing opportunities for people to explore their creative-sides through a wide-variety of art forms and cultural experiences. Projects in this strand will: <ul style="list-style-type: none">🎨 Provide regular sustained opportunities for participation in the arts and culture for defined beneficiary groups	Providing opportunities for the least physically active in society to become more physically active. Projects in this strand will: <ul style="list-style-type: none">🎨 Provide regular sustained opportunities for participation in a wide-variety of physical activity and sport for	Providing opportunities for people, especially young people, to come together from diverse backgrounds as equals and influence and shape their communities. Projects in this strand will: <ul style="list-style-type: none">🎨 Provide opportunities for people to volunteer or undertake social action in their communities

<ul style="list-style-type: none"> 🎨 Explore how engagement in arts and culture can make people feel about themselves and the communities they live in 🎨 Include opportunities for people to lead and produce artistic/cultural work 🎨 Provide opportunities for people to develop and showcase their talent 🎨 Provide pathways to volunteering opportunities and employment 🎨 Show and celebrate diversity and inclusion 🎨 May include projects originally funded through the Incubator Strand (see below) 	<p>defined beneficiary groups</p> <ul style="list-style-type: none"> 🎨 Target activities for people based on their needs and on demand 🎨 Test and learn about what works in making interventions successful and share learning 🎨 Provide supportive peer to peer volunteering and mentoring opportunities 🎨 Provide pathways to other activities and sports 🎨 Scale successful interventions to other groups and localities 🎨 Provide the opportunity for people to be social outside the specific activities 🎨 May include projects originally funded through the Incubator Strand (see below) 	<ul style="list-style-type: none"> 🎨 Bring people of different backgrounds, cultures, ages and abilities together to participate as equals 🎨 Bring together, and support, local people to develop plans to address issues that matter to them and make decisions about how funding could best meet them 🎨 Actively develop the social capital and inherent capability in communities 🎨 May include projects originally funded through the Incubator Strand (see below)
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Incubator Fund

We also fund a small number of smaller, often pilot, projects through our Incubator Fund. These are projects that:

- 🎨 Provide the opportunity to test new approaches or engage new groups

- 🎨 Fund projects that further our understanding of how to deliver genuinely inclusive practice
- 🎨 Develop new partnerships between Spirit partners
- 🎨 Provide open opportunities to meet outcomes agreed by Spirit's Achievement and Youth Panel

Extended Impact Funding

As an organisation committed to investing to create beneficial and sustainable social impact, as the projects we fund come to a close we will consider whether some might be suitable for re-funding to continue to develop successful outcomes and impacts of the original projects. Our Board have agreed a policy that set out the processes and criteria we will use to arrive at a decision to re-fund. Extended Impact decisions will always be subject to the same assessment and Board Member approval as first applications and there is no automatic assumption of re-funding.

UK-wide reach

Spirit does not apply the Barnett or any other precise formula, but we do want to make sure that our funding reaches people across all 4 nations and 9 English regions through the ten-year life of our endowment. With that in mind, we closely monitor the geographical distribution of our funding, and may on occasion target specific regions of the UK to ensure a reasonable spread.

This is because we want to offer people and communities in all regions access our funding, so we sometimes specify national or regional eligibility when we advertise grant opportunities. We have also allocated national and regional liaison responsibilities to our Chief Executive, Director of Policy and the Programme Management Team because keeping in touch is an essential component of our UK wide remit. If you want to find out more about the locations, we work in please see our Funding Location Map on the Spirit website.

Transparency and accountability

We are committed to being transparent about the grants we award. We do this by:

- 🎨 Clearly explaining our responsibilities as a National Lottery-funded charitable trust (endowed by the Big Lottery Fund) to fulfil our Trust Deed objects and our Founder's Wishes;
- 🎨 Publishing our Funding Strategy on our website;

- 🏆 Publishing clear information on our website and other channels about open funding rounds, grant application windows and applicant and programme eligibility criteria;
- 🏆 Publishing clear assessment criteria and scoring levels with each advertised grant opportunity;
- 🏆 Offering feedback on how and why unsuccessful applicants scored against the criteria;
- 🏆 Announcing all the grants we make on our website, in press announcements, in our audited annual report and accounts and other appropriate channels.

Part 2 - Funding Guidelines: Who and what We Fund

Who we can fund

We do not accept unsolicited applications. We advertise opportunities to apply to us, and when those are live any of the following types of organisation may apply to us for funding:

- 🏆 Charities registered in the UK;
- 🏆 Voluntary and Community Organisations (with a formal constitution);
- 🏆 Social Enterprises and Community Interest Companies (CICs);
- 🏆 Statutory Bodies including local authorities and their agents;
- 🏆 Consortia (made up of eligible organisations) with a named lead delivery organisation;
- 🏆 Private companies (providing Spirit grants are ring-fenced for charitable purposes and do not contribute to profits).

Organisations applying to Spirit must put together clear, honest, specific and realistically budgeted applications using the forms we provide. Costs must be proportionate to the nature and size of the project, the proposed outcomes and to the applicant organisation. We publish every grant opportunity on our website with an application form and an Information Pack. The pack contains grant specific guidance about the costs we can support and to what level. Here are some general principles that apply across all our grants.

What we can fund:

1. Programme costs, including staffing and related overheads. These may be:
 - 🏆 Staff fully or partly working on the project
 - 🏆 Management time proportionately related to the project

- 🎨 Operating costs directly incurred as a result of managing the project.
- 2. We do not fund capital projects. Applicants may allocate a small proportion of the project budget (usually no more than 10% - this will vary depending on the grant round) to the cost of equipment needed to deliver the outcomes.
- 3. Spirit may allow higher allocations towards equipment for projects whose primary purpose is to reduce or remove barriers to the participation of disabled people, those with impairments or life-limiting conditions.
- 4. We strongly encourage learning and external monitoring and encourage applicants to allocate between 5-10% to external monitoring and evaluation. We clarify the level within each funding round.

Spirit will consider contributing to applicants' core operating costs. These must be proportionate to the grant and justified in the supporting documentation. Again, each grant round will offer further guidance on this.

We cannot fund:

- 1. Costs (including notional costs) that have already been incurred before the formal grant agreement except by explicit prior agreement;
- 2. Elements of work that duplicate funding provided by another body;
- 3. Contributions to reserves or the payment of debts.
- 4. Provision of services that are the responsibility of Government or another Statutory Body;
- 5. Political campaigns;
- 6. The promotion of religion;
- 7. Projects for/with animals;
- 8. Individuals directly;
- 9. Work that happens outside the UK.

When there are open Spirit funding programmes we will post all the information applicants need to apply on our website. This will include specific eligibility

requirements for the funding available. All Spirit funding must be invested in projects which deliver the outcomes of our Theory of Change.

Part 3 – Future Opportunities

Our Board have agreed our priorities and funding strands to 2021.

In 2017 our priorities will be to develop the Connecting Communities through Cricket Programme and develop a grant opportunity to improve wellbeing in girls and young women as part of the commemoration of the centenary of women's suffrage in 2018.

In 2018 we intend to open applications for a further Challenge Fund – these grant opportunities of between £100k and £250k will be open to organisations delivering high quality inclusive work for disabled and non-disabled people to participate together as equals. Each Challenge Fund has a specific theme and this will be publicised when we open the grant round. In addition, our Youth Advisory Panel will hold another open grant round.

We will update this section as we agree future funding opportunities, and please note that these opportunities may change. You should check our website and twitter feed for more details as they become available.