

Strategic Development Funding

Guidance Note

Introduction

1. This note provides information and guidance about Strategic Development Funding. This is a key element of the package recommended by the Resourcing the Future (RTF) review, which is now being implemented as part of the Renewal & Reform programme.

Background

2. The Resourcing the Future Review sought to ensure that the funds managed by the Church Commissioners are distributed to dioceses in a way which enables them to advance the Church's goal of mission and growth more effectively. The strategy which emerged from that review, approved by the Archbishops' Council and the House of Bishops, is that all of the national funding should be distributed for investment in the spiritual and numerical growth of the Church. This fulfils the requirement of section 67 of the Ecclesiastical Commissioners Act 1840 which directs that the funds are to provide "additional provision for the cure of souls in parishes where such assistance is most required".

3. In practical terms, this means that the existing formula-based distribution systems (the so-called 'Darlow' support for the least-resourced dioceses and the mission funding) will be replaced. 50% of the funds available will be earmarked for the support and development of mission in the poorest (i.e. low income) communities; 50% will be available for investment in new growth opportunities across the country in the form of **Strategic Development Funding**. A system of Peer Review is also being put in place in parallel, to facilitate mutual learning and accountability between dioceses.

Strategic Development Funding

4. The funding for new growth opportunities will be delivered through **Strategic Development Funding**. This builds on the funding stream established in 2014, for the purpose of supporting major change projects or activity which fits with dioceses' strategic plans, and which are intended to make a significant difference to their mission and financial strength. A number of transformative programmes and projects are already being supported through this funding.

Application process

5. The strategic development funding involves a two-stage application process: a light-touch **first stage** (two sides of A4, plus basic financial information) to assess what has been proposed and the extent to which it is consistent with the diocese's wider strategy. The requirement in the **second stage** is for dioceses to produce a project plan which helps give confidence (to all parties) that the proposal will be effectively delivered.

6. The application process is described below. We have also produced some **question-and-answer guidance** to provide some answers to commonly-asked questions.

Timetable

7. We have implemented a twice-yearly application cycle, with deadlines for initial applications at the end of April and October. The website has a timetable which sets this out in more detail.

Before you apply

8. Any diocese proposing to apply should discuss their application with a member of the Strategy and Development Unit as early as possible, and **certainly before a formal application is submitted**. This reflects wider best practice for grants of similar size. The aim is to ensure that dioceses are aware of what is involved (and how the approach differs from other application processes, such as the Heritage Lottery Fund); to provide support, advice and guidance as required; and, above all, to avoid nugatory effort and disappointment.

First stage

9. The **first stage** is a short application, intended to provide the strategic context (ie how it fits with the diocese's overall strategy); a concise description of the project and what it is hoped to achieve; and basic financial information. The **application form** can be found on the Renewal and Reform website.

Strategic Context

10. The section on the **strategic context** is intended to explain the background to the project – why this area of action has been chosen and how it fits with the diocese's wider, longer-term plans. In particular, this means:

- what analysis has been undertaken to identify the challenges facing the diocese;
- the main elements of the diocesan strategy that has been adopted to tackle them;
- how the specific proposal fits into this wider strategy and which challenges it is seeking to tackle, including how it will complement other activities that are underway (on-going) or planned.

11. Please note that the strategic context is not only about high-level goals, and vision and/or mission statements, but specific plans in place to implement the strategy across the diocese. Please include a concise description of the relevant elements of the diocesan strategy which relate to the project.

Project Description

12. The **project description** should be on one page. This should describe concisely:

- The overall project you are seeking funding for, including the main objective(s) and desired outcomes.
- What the funding will pay for (eg staff, accommodation, buildings).
- How the project will work (including the evidence it is based on).
- The timescale over which the project will take place (which may be longer than the period for which funding will be sought).

13. A key element will be demonstrating that dioceses have a clear understanding of how the proposed activities or actions have a good chance of yielding the desired outcomes – either through evidence of a similar activity or, where evidence is not available, a clear and credible chain of logic – and how challenges and risks will be overcome.

Assessment

14. Elements designed to improve **mission strength** will be assessed on the extent to which:

- **They are likely to lead to a significant increase in the number of new Christian disciples;**

- **There is a holistic approach to mission and growth within the proposals (ie they cover the three aspects contained in the Quinquennial Goals);**

15. Where they are included, actions intended to address **financial strength** will be assessed on whether they **increase the capacity of the diocese to cover its mission and ministry costs**. Proposals with a focus on developing financial strength will need to demonstrate how they will build mission strength (since without the latter, there is unlikely to be long-term financial sustainability).

16. All proposals will also be assessed on:

- The extent to which they are rooted in the diocese's existing strategy for developing its mission;
- The quality and feasibility of the overall idea, and how the specific activity or actions link to the intended outcomes;
- The clarity and overall merits of the outcomes;
- The extent to which the project will yield shared learning for the wider Church.

17. Clearly, dioceses will need to think carefully about outcomes, and the balance between being ambitious on the one hand and realistic on the other. Equally, while innovative and creative solutions to existing problems are welcome, there is no presumption in favour of the innovative or the 'new' in preference to approaches which are rooted in experience. The Strategic Investment Board understands that there may not be evidence for every intervention, but the approach will need to have a credible chance of delivering.

18. We will acknowledge all applications, and write to each applicant diocese as soon as we can after the assessment to let them know the outcome.

Second stage

19. Dioceses invited to the second stage application process will be asked to submit a more detailed project plan. The purpose of this plan is to help give confidence to the Strategic Investment Board and other parties that the proposal is well considered, sufficient capacity will be put in place to manage and oversee it, and it will effectively deliver the outcomes set out in the plan within time and budget. There is not a 'set' format for this – we hope that it is a useful and living document in its own right, which needs to work for those delivering the project. This is explained in more detail in a specific note 'Guidance note on the Second Stage'¹.

20. To help dioceses in the preparation of their project plans the NCI Strategy & Development Unit will facilitate a workshop. Invitations will be sent out soon after the notification to proceed to second stage. The aim of the workshop is to help colleagues think through the content that is sought in the plans, enable shared learning, and to provide an opportunity for networking with other dioceses at the same stage.

Further Information

21. If you have any queries, or are considering submitting an application, please contact David Jennings on 020 7898 1492 or via email at: david.jennings@churchofengland.org.

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¹ www.churchofengland.org/media/2557837/strategic_development_funding_-_guidance_for_the_second_application_stage.pdf