

# Strategic Development Funding

## Guidance Note

### Introduction

1. This note provides information and guidance about Strategic Development Funding which is a core component of the Renewal & Reform programme. Strategic Development Funding emerged out of the Resourcing the Future review in 2015, which was concerned to ensure the Church's national funding supports investment in growth. It runs alongside the Lowest Income Communities Funding. Strategic Development Funding is a ten-year programme (2017-2026).

### Strategic Development Funding: Aims

2. The overall goal of Strategic Development Funding is to support dioceses' investment in the growth of the Church. The funding supports **major change programmes or activities which fit with dioceses' strategic plans, and which are intended to make a significant difference to their mission and financial strength.**

3. A number of transformative programmes and projects involving a variety of Church traditions are already being supported through this funding and are listed on the Church of England website alongside this guidance.

4. The Strategic Investment Board, on behalf of the Archbishops' Council, is responsible for making decisions on applications for Strategic Development Funding.

5. In 2020-22 the Strategic Development Funding will be targeted on programmes which meet the overall goal set out above **and**:

- are targeted on promoting church growth within the largest urban areas<sup>1</sup>; and one or both of younger generations and deprived communities;
- involve numerical growth and growth in discipleship and social impact;
- are genuinely additional to what the diocese can currently afford; and
- have plans to sustain and multiply growth over time.

6. In targeting the funding towards large urban areas, the Board will consider funding for other areas, but only if a particularly strong case is made.

7. Strategic Development Funding is available for any kind of growth model – as long as there is evidence for and a logic to its effectiveness. The Board welcomes applications from dioceses for projects involving every Church tradition.

### Application process

8. Strategic Development Funding involves a two-stage application process: an initial **first stage** to describe what is being 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 detailed project plan which helps give confidence (to all parties) that the proposal will be effectively implemented.

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<sup>1</sup> Applications for Strategic Development Funding should focus on an area with a population of over 100,000 as listed [here](#). There may be cases where an area (e.g. a group of large deprived towns or outer estates of significant deprivation) falls outside one of the named urban areas above. We are happy to discuss these with you.

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

## Timetable

10. There will be one opportunity each year to apply for Strategic Development Funding in 2020-22 with deadlines for the first stage applications in October 2019, September 2020 and September 2021. The detailed timetable is available on the website.

## Before you apply

11. Any diocese proposing to apply should discuss the content of their application with a member of the Strategy and Development Unit as early as possible, and **ideally six months 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 enable the Unit to provide support, advice and guidance as required; and, above all, to avoid nugatory effort and disappointment.

## First stage

12. The application should ideally be around 10-12 pages and is intended to provide the strategic context (ie how it fits with the diocese's overall strategy); and a description of the proposal, including the core components, the methodology, and what it is hoped to achieve; and essential financial information. The application form can be found on the Church of England website.

## Strategic Context

13. The section on the **strategic context** (typically about a page) is intended to explain how the proposal fits with the diocese's wider, longer-term plans. In particular, this means including:

- Some analysis that identifies the challenges facing the diocese and a concise description of the diocesan strategy that has been adopted to tackle them.
- A brief explanation of the proposal and how it aligns with the diocesan strategy, alongside the key areas and demographics that it is hoped to reach.
- How the proposal will complement other activities that are underway (on-going) or planned.

## Proposal

14. The **proposal section** should include:

- The type of interventions and proposed activity.
- How the proposed programme addresses the need for promoting church growth within the largest urban areas<sup>2</sup> and one or both of younger generations and deprived communities.
- How the proposed programme has emerged from prayerful discernment about which of the many options for change will have the greatest impact;
- The overall goals and key milestones;
- How the interventions lead to the outcomes hoped for;
- The learning, evidence or experience that has informed the development of the programme.

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<sup>2</sup> If the programme is not targeted within the largest urban areas, please make the case for doing so here.

15. 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 (ie evidence and/or a clear and credible chain of logic).

## Outcomes

16. The **outcomes section** should describe the changes you hope to see and how you plan to achieve and measure them. It would be helpful to include the proposed trajectory of outcomes for the life of the programme.

17. Outcomes should be focused on mission and growth, including for example; growth in disciples, discipleship, vocations and financial strength.

18. This section should provide a clear linkage between numerical growth, growth in discipleship and social impact and explain how the proposed programme will achieve these.

## Delivery Capacity

19. This should include an outline of the skills and resources already in place and an indication of whether additional delivery capacity will be required. Programme and project management expertise are a requirement for projects supported by Strategic Development Funding. The delivery capacity section should include, if appropriate, the need for additional skills in programme or project management and communications. Please include here your track record of delivering similar scale projects.

## Financial Summary

20. The application should provide an outline budget that shows:

- The main areas of cost.
- The support sought through SDF.
- Details of any other sources of funding (including the diocese).
- A breakdown of costs per year. Within the breakdown there should be a clear distinction between what is being supported through the funding and what is being supported by the diocese and (if applicable) third parties.
- Estimates of new income streams anticipated over the life of the project (e.g. giving from new congregations).
- A clear distinction between any capital and non-capital items.
- Allowance for inflation.

21. Where capital costs (e.g. building reordering) are included, please explain how these have been calculated what due diligence (e.g. surveys) has been undertaken to reduce the level of risk. Where the building work is a significant element of the project, please discuss these with us, as it may be advisable to undertake some due diligence in advance of the first stage application.

22. It is anticipated that dioceses will invest in their proposed plans. There is no set proportion for a diocese's financial contribution but it is expected that the diocese will be willing to commit significant financial resources to the proposed programme which are proportionate to its historic and current wealth. Applications should provide a rationale for the level of contribution included, which will be considered by the Board as part of its overall assessment.

23. It is important to outline how the change you hope to achieve will become self-funding and/or sustainable beyond the SDF funding period.

## Peer Review

24. Whilst peer review is a separate process to SDF it would be helpful to include any relevant comments from the review panel that have had a bearing on the thinking behind your proposal and/or capacity to deliver change.

## Assessment

25. First stage applications will be assessed on the basis of ‘Strategic Impact’ and ‘Programme Delivery Confidence’.

26. **Strategic Impact** will be assessed by reference to the following factors:

- To what extent does the proposed programme address the need for growth in the largest urban areas, among young people and deprived communities?
- Has the proposed programme emerged from prayerful discernment about which of the many options for change will have greatest impact?
- Does the programme anticipate a good harvest in terms of the growth in the number of new disciples in proportion to the funding invested? And is the anticipated growth based on a coherent and well-evidenced theory:
- Have the interventions been done before? Did they work?
- What’s the convincing wisdom and logic that the programme will work?
- Is there a track record and evidence of fruitfulness i.e. is God at work?
- Will the growth in the number of new disciples be sustained through growth in their discipleship? What broader social impact will the programme have? Is there a clear linkage between numerical growth, growth in discipleship and social impact?
- Will the programme have a generative impact within the diocese i.e. over time will it generate growth elsewhere in the diocese?
- Is there potential to replicate the programme elsewhere in the diocese and wider Church?
- Will the programme generate learning through testing innovative or experimental approaches that will inform the wider Church’s plans for growth?

27. **Programme Delivery Confidence** will be assessed by reference to the following factors:

- How committed is the diocese to the proposed programme?
- Does the programme flow from the diocese’s strategy?
- Is the senior leadership team engaged with it?
- Is the diocese willing to commit significant financial resources to the programme which are proportionate to its historic and current wealth?
- Is there a realistic plan of delivery setting out milestones linked to budgets, skills and capacity? Is the plan financially sustainable?
- What is the track record of the diocesan team in delivering SDF (or other) programmes against their goals?
- What is the diocesan team’s track record in respect of learning and continuous improvement?

- What are the skills and capacity available within the diocese, including dedicated programme management capacity?
- How strong are the governance arrangements in relation to the programme?
- Have the risks attached to the programme been assessed and mitigations put in place?
- Is there an effective stakeholder engagement and communication plan relating to the programme?

(please note that it is expected that the information for the last two bullet points above will feature more heavily in the Stage 2 application).

28. The Strategic Investment Board will direct funding towards those proposals which offer the greatest strategic impact in relation to the funding requested and where there is greatest delivery confidence. Where it has to choose between diocesan proposals with similar impact and delivery confidence, the Board will favour proposals:

- From dioceses with the least resources in relation to their population;
- Involving investment in deprived areas.

29. 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 for which there is good evidence. The Strategic Investment Board understands that there may not be evidence for every intervention, but the approach will need to include a clear methodology as to how the interventions will deliver their outcomes.

30. 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

31. 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'.

32. 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

33. If you have any queries, or are considering developing an application, please contact David Jennings on 020 7898 1492 or via email at: [david.jennings@churchofengland.org](mailto:david.jennings@churchofengland.org).

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