

Distribution of funds from dormant bank and building society accounts

Barnardo's Scotland welcomes the opportunity to respond to the consultation on the distribution of funds from dormant bank and building society accounts. Barnardos Scotland manages over 60 services, employs 900 staff and works with 13,000 children and families throughout Scotland. We have a wide range of services and this response reflects that breadth of interest.

**What should be the governing principles of the fund?**

Barnardo's suggests that children and young people should be part of the priorities for the fund. We believe this is in line with government priorities. The fund should be aligned with government national outcomes. This will allow for the potential for maximum impact by heightening the chances of levering in funding from other sources. In terms of children and young people, the fund could contribute to national outcomes 4, 5 or 8 by helping young people: engage and improve their communities; access training and personal development; or achieving the best start in life.

The fund should avoid 'spreading the jam' too thinly and be focused on particular priorities. Barnardo's acknowledges that there will be competition for this but believes that a specific focus will enable the fund to make a greater impact on an area of need.

Barnardo's suggests that the fund should be sufficiently flexible to be able to respond to the needs of communities across Scotland, including rural and urban settings.

**Which of the funding models set out in the BIG paper would be most valuable for the third sector?**

Barnardo's suggests that there could be a mix of funding models. The large sum at the beginning of the process should lend itself to an investment approach that results in projects securing sustainable revenue sources. Thereafter, grant funding could be used to bolster the growth of projects and build delivery capacity.

**Should the fund be used for a particular type or mix of funding?**

Barnardos experience is that capital funding is more readily available than long term revenue funding and we would support a 3:1 revenue/capital balance in favour of revenue during the initial phase with a subsequent review of its impact. We believe the fund should be looking to longer term developments.

The size and range of investment will be dependent on the focus, but there is a balance to be maintained between concentrating the allocations in a small number of areas where there will be maximum impact as opposed to spreading the benefits too widely.

Barnardo's is supportive of a community development approach in working with young people, assisting them to think innovatively to make a positive contribution to their local area.

**What sort of timescales should be set for the release of the estimated £40M?**

Barnardo's favours a staged release of the funds with multi-year commitments. This will maximise the chances of sustainability. The balance to be struck is impact against longevity. In this instance we suggest mixture of grant funding and endowment release.

**Should the fund be used for a particular purpose that would apply across the sector?**

Barnardo's suggests that the fund could be used for organisational and programme development and the improvement and scaling up of existing effective programmes. As above, its focus should be specific, focused and inline with government priorities.

**Are there particular areas where the fund could make most impact?**

Barnardo's Scotland suggests that the fund can make maximum impact by being focused in how the fund is used. There are a number of options that could be considered and examples linked to the national outcomes are offered for consideration. In line with earlier comments, these are options rather than a recommendation that they all be funded.

- Engaging young people in improving their communities.  
Assisting young people to meet their own needs in their local area could be a key plank of the fund. Programmes run by voluntary agencies that enable young people to design, manage and deliver a local community project would have dual benefit for the wider community. This could include the design of play areas, rural projects, and group activities, including media projects to improve the understanding of young people's issues.
- Helping young people access training and personal development programmes.  
Targeted personal development programmes that provide young people with the opportunity to build confidence, self-esteem and gain valuable qualifications and experience. This funding should be geared in particular towards reaching underserved groups in society, including young mothers, ethnic minorities, young people in isolated rural areas, those who have been in trouble with the law and those in or leaving care.
- Achieving the best start in life.  
Providing added value to early years services through personalised support programmes for families with young children. The fund could be used to assist young families through parenting support throughout the critical early years of child's life. The fund could be used for complementing universal services in for families which may be vulnerable, through single parent, mental health, domestic abuse or substance misuse issues.