

HERITAGE LOTTERY FUND CONSULTATION 2018



Awarding funds from
THE NATIONAL LOTTERY®



Welcome!

It's time to speak out! The Heritage Lottery Fund (HLF) wants your views on the future of National Lottery funding for heritage. We're consulting on how we should use National Lottery Good Causes income for the period from 2019 to 2024, our next Strategic Funding Framework (SFF).

We've spoken in depth to **players of the National Lottery** about their ambitions for the income generated through the tickets they buy. We've been inspired and challenged by their vision for the UK's heritage and the wide-ranging social and community benefits that investment in heritage can offer. Their views have helped shape this consultation¹.

We've also worked with UK Government on a **Tailored Review**² of HLF, alongside the separate reviews of museums and churches in England announced as part of the Culture White Paper. This consultation responds to these reviews, particularly the Tailored Review's findings which place emphasis on:

- working in partnership with other bodies across the UK to ensure that our Strategic Funding Framework 2019–2024 sets **out clear strategic priorities for National Lottery investment in heritage**.
- achieving efficiencies in all aspects of our work, including **simplifying and streamlining** our funding portfolio and processes, so that the maximum amount of money is available for the heritage good cause.
- responding to **policy priorities in the four countries** of the UK.
- continuing to **drive innovation and investment** in a range of policy areas such as diversity and inclusion, digital, resilience and non-grant finance, soft power and international influence.

The recommendations from the Tailored Review are included with our consultation questions where relevant.

The operating environment for UK heritage remains uncertain and volatile. With reduced public funding available, **competition** for HLF grants has grown. This coincides with a recent decline in National Lottery income, from historic high points in 2015 and 2016. We are working hard with the National Lottery operator, Camelot, and other National Lottery Distributors to address the causes of this. Our next Strategic Funding Framework will enable us to respond flexibly to changes in our income. For the transitional year 2018–2019 we will operate with a grant budget of circa £190m. We will also take steps to manage competition and to keep to a minimum the work applicants need to do before knowing whether their application has a realistic prospect of success. Between 2019 and 2024 we will be making a

¹ <https://www.hlf.org.uk/heritage-lottery-fund-2019-%E2%80%93-planning-future>

² <https://www.gov.uk/government/publications/tailored-review-of-the-heritage-lottery-fund-and-national-heritage-memorial-fund>

huge investment in the UK's heritage – on current forecasts around £1 billion over 5 years.
It's vital we hear your views on what our priorities should be – for heritage and people.

Context for this consultation

This document contains the questionnaire from our consultation, which is available online.³ The consultation is open until 22 March 2018.

We hope to hear from a wide range of organisations across the UK. What you tell us will help us to set our priorities for National Lottery investment in heritage from 2019 to 2024.

This questionnaire covers a wide range of topics and policy areas related to National Lottery investment in the UK's heritage.

If you have any questions please contact Alice Ralston at ComRes
alice.ralston@comresglobal.com or on 0207 871 8660.

We'll report back on the findings from these surveys and our next steps in developing the Strategic Funding Framework later this year. Where necessary we'll hold some further stages of consultation as we develop the details of new proposals. We'll launch the Strategic Funding Framework in the autumn and manage the transition to new funding programmes from then onwards, with first decisions in 2019.

Find out more about the Heritage Lottery Fund and the impact of 23 years' of National Lottery investment in heritage here⁴.

Thank you for taking the time to give us your views.

³ <https://www.hlf.org.uk/about-us/news-features/time-speak-out-hlf%E2%80%99s-future>

⁴ <https://www.hlf.org.uk/about-us>

Consultation Outline

This consultation has 6 sections and 19 question areas:

PART 1: HLF's role now and in the future

PART 2: Strategic priorities for heritage and people and measuring our impact

PART 3: Strategic interventions and partnerships

PART 4: Our portfolio

PART 5: Improving the experience for customers

PART 6: Final comments, review and submit

You don't have to answer all the questions. You can skip questions or whole sections if they are of less interest or relevance to you.

About you

We are asking for a few details about you so we can understand your comments in the context of your experience of heritage and of HLF. If you would like us to report back to you on the consultation findings, please include a current email address.

What is your name?

Prefer not to say

What is your email address? If applicable, please use your professional email.

Prefer not to say

I do not have an email address

Please write in the box below the name of the organisation you work for.

Prefer not to say

Not applicable

Please write in the box below the postcode of the location you primarily work in. This is to ensure that we are speaking to people from across the UK.

Don't know

Prefer not to say

Which of the following best describes what type of organisation you currently work for? (Either paid or voluntary)

- Community or voluntary group
- Charity or third sector organisation
- Local Authority
- Government department or body
- Other public sector organisation
- Faith-based or church organisation
- Private sector organisation

- Not applicable – I work freelance/I am a self-employed consultant
- Other, please specify

Please answer if you answered any of the above apart from ‘other’.

Do you, or does your organisation, work with or represent any of the following heritage areas? *Please select all that apply.*

- Archaeology
- Archives
- Community heritage
- Historic buildings (including industrial heritage sites)
- Intangible (e.g. cultural traditions, people’s memories, dialects)
- Libraries
- Maritime and transport heritage
- Museums
- Natural heritage (including landscapes)
- Public parks
- Places of worship
- Other: please specify

- My organisation does not work with or represent any heritage areas

Would you say that your role is...

- Primarily heritage based
- Partly heritage based
- Not heritage based

Please answer if you work for an organisation.

What is the approximate number of paid employees (full time equivalent) at your organisation?

- 0
- 1–5
- 6–10
- 11–20
- 21–50
- 51–100
- 101–500
- 501+
- Don’t know

Which of the following UK regions does your organisation cover? *Please select all that apply.*

- East Midlands
 - West Midlands
 - East of England
 - London
 - South East of England
 - South West of England
 - North East of England
 - North West of England
 - Yorkshire and the Humber
 - All English regions
 - Wales
 - Scotland
 - Northern Ireland
- or*
- All of these

Please indicate below whether your responses to this consultation are your personal views, or the official response of your organisation.

- My personal views
- Official response of my organisation

If you do not work for an organisation, in which of the following UK regions do you work?

Please select all that apply.

- East Midlands
 - West Midlands
 - East of England
 - London
 - South East of England
 - South West of England
 - North East of England
 - North West of England
 - Yorkshire and the Humber
 - All English regions
 - Wales
 - Scotland
 - Northern Ireland
- or*
- All of these

Which of the following best describes your experience of applying for an HLF grant?

- The organisation I work(ed) for applied for a grant from HLF
 - I was involved in applying for a grant as an external consultant for an organisation
 - I have applied for a grant from HLF as an individual
- or*
- I have never been involved in applying for a grant from HLF

Please answer if you have experience of applying for an HLF grant.

In the last 5 years, approximately how many HLF grants have you applied for? If responding on behalf of an organisation, please give this figure.

- Don't know/can't remember

What were the value of the grants you applied for? Please write in the number of the grants applied for in each value band.

| Value band | Number of grants |
|--------------------|------------------|
| Under £10,000 | |
| £10,000 – £100,000 | |
| £100,000 – £1m | |
| £1m – £2m | |
| £2m – £5m | |
| £5m+ | |

- Don't know/can't remember

And how many of these grants were successful or unsuccessful, or have a pending outcome? Please write the number of each next to the corresponding category.

| Value band | Successful | Unsuccessful | Outcome pending | Don't know |
|--------------------|------------|--------------|-----------------|------------|
| Under £10,000 | | | | |
| £10,000 – £100,000 | | | | |
| £100,000 – £1m | | | | |
| £1m – £2m | | | | |
| £2m – £5m | | | | |
| £5m+ | | | | |

PART 1: HLF's role now and in the future

Since 1994 when the National Heritage Memorial Fund was given responsibility for the UK-wide distribution of National Lottery income for the heritage good cause, HLF has distributed over £7.6bn to over 40,000 projects.

In doing so over 23 years we have led change and innovation across the UK heritage sector through our inclusive and progressive approach to heritage and people. We have championed a democratic view of heritage as “what we value from the past and want to hand on to the future”, allowing people to define what they consider to be heritage and why, and nurtured community-driven approaches to local heritage and identity.

We now hold a unique position as the largest dedicated funder of the UK's heritage. Through our investment and influence we have a significant leadership role in the heritage world. Stakeholders in our recent Tailored Review discussions suggested that we should acknowledge this more proactively.

We believe that there are many ways in which leadership is demonstrated, and there will always be many ‘leaders’ across the heritage world. HLF will continue to champion a unified view of the full breadth of heritage – natural, built, tangible and intangible – across the UK.

During our next Strategic Funding Framework we will provide strong thought leadership, enabling support and investment. We will continue to advocate for the impact and benefits to society that heritage achieves, and aim to secure investment and support from others to strengthen this position through:

- building strategic partnerships and collaborations
- attracting other public or private financial support for heritage
- supporting the capacity and resilience of the heritage sector as a whole
- sharing learning
- advocating for the value of heritage
- supporting organisations within and beyond the heritage world to come together, collaborate and network
- inspiring and promoting innovation
helping people and communities to meet their aspirations

We aim to move from being the largest dedicated grant-funder of the UK's heritage to the largest dedicated investor – deploying National Lottery income as grants, loans or other financial interventions where they will respond best to strategic needs and create most long-term value for society. We will continue to be a collaborative partner, developing strategic relationships at scale, for example in place-making.

We will continue to champion innovation in business models, and build the capacity, skills and resilience of organisations working in heritage to enable them to diversify their income

and attract new investment. Through our leadership, investment and support we aim to enable the heritage world to better measure and demonstrate its impact and value to society.

We will continue to take an enabling and empowering role, providing the resources and investment through which others can achieve their ambitions for heritage and people.

We would describe this development of our role as moving from:

- distributing money raised by the National Lottery to make a lasting difference for heritage and people in the UK.

Towards:

- inspiring, leading and resourcing the UK's heritage to create positive and lasting change for people and communities, now and in the future.

About HLF's role

Do you agree or disagree that HLF's role in future should be to inspire, lead and resource the UK's heritage to create positive and lasting change for people and communities?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

Why do you say that?

Thinking about the different aspects of HLF's role, other than grant-giving, please select and rank up to 5 that you think are most important for HLF to do.

- Building strategic partnerships and collaborations
- Attracting other public or private financial support for heritage
- Supporting the capacity and resilience of the heritage sector as a whole

Sharing learning

Advocating for the value of heritage

Supporting organisations within and beyond the heritage world to come together,
collaborate and network

Inspiring and promoting innovation in business models

Helping people and communities to meet their aspirations

Why do you say that?

PART 2: Strategic priorities for heritage and people, + measuring our impact

Supporting the full breadth of heritage

Heritage Lottery Fund (HLF) has developed a distinctive approach to making a 'lasting difference for heritage and people' across the UK.

This overall vision and direction has been widely supported and endorsed by stakeholders and the public in many previous consultations. In particular, National Lottery players told us that they value the fact that HLF takes an inclusive approach, doesn't define heritage and supports the full breadth of heritage across the UK.

We have no plans to change this – but we want to hear from you what our priorities should be for different types of heritage and in different parts of the UK.

TR5. In its next Strategic Funding Framework HLF should:

- a. clarify its own strategic priorities, explain how those priorities are identified and illustrate how evaluation and research are used to inform these*
- b. articulate its strategy for reaching underrepresented groups and geographical 'Priority Development Areas'*
- c. outline how it responds to priorities in Scotland, Wales, Northern Ireland and England, within the UK-wide framework.*

Taken from the Heritage Lottery Fund Tailored Review

What do you think are the most important heritage needs or opportunities that investment from the National Lottery should address in the UK?

And what do you think are the most important heritage needs or opportunities that investment from the National Lottery should address in your region or country?

Should HLF give priority to heritage considered to be ‘at risk’?

- Yes
- No
- Don't know

And how would you define heritage that is ‘at risk’? Please give as much detail as possible in your answer.

How should HLF take account of different priorities for heritage in England, Northern Ireland, Scotland and Wales within a UK-wide framework?

Addressing under-representation in HLF’s funding and making heritage more inclusive

Since 2002 HLF has offered **outreach support** to groups in areas and communities who have benefited least from HLF funding. We intend to continue to prioritise for development support people who are under-represented in our funding so that they are given the help they need to develop applications.

Since 2013 we have reduced the number of Local Authority areas that have received less than 25% of average per capita funding from 61 to 56, indicating some success in achieving a more even spread of funding. We have also supported a wide range of community groups to make successful applications. We need to do more.

TR19

Building on learning to date, HLF should develop a cohesive strategy for engaging underrepresented groups with heritage, to ensure that National Lottery money benefits as wide and diverse an audience as possible. HLF should capitalise on the benefits of digital tools to achieve this aim of broadening access.

TR20

HLF should ensure that funded projects collect audience data to ensure it is fully aware of who is currently engaging with the projects it funds and to assess its progress in broadening and diversifying audience participation.

Taken from the Heritage Lottery Fund Tailored Review

Do you agree or disagree that HLF should address under-representation in our funding of geographical areas that have received least funding in the past?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

Why do you say that?

Do you agree or disagree that HLF should address under-representation in our funding of geographical areas that experience deprivation?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

Why do you say that?

We are continuing to drive forward our progressive agenda of broadening the range and depth of people’s engagement with heritage. Our current Strategic Framework has encouraged more people to volunteer, to learn and to develop skills. Guidance and mentoring have helped applicants to broaden audiences, make heritage more accessible and tackle a lack of workforce diversity. But there is still more to do to engage people who are under-represented in heritage, such as people from black, Asian or minority ethnic communities and disabled people.

We are committed to taking leadership to achieve higher levels of inclusion in heritage, which is key to a flourishing more equitable society. We know it is a priority for Lottery players that everybody, regardless of age, disability, ethnicity, sexuality, class or income should have opportunities to get involved. Working in partnership with sectors outside heritage, e.g. youth organisations or disability or housing charities, is increasingly important in this context.

We will set clear expectations that our grantee organisations and the beneficiaries of the projects we fund should reflect more closely the demographics of the population across the UK. We will support our grantees to collect better data on who is – and who is not – engaging with heritage.

The social groups in the list below are ones that we focus on, in line with our policy directions and the public sector Equality Duty. Are there groups you think we ought to prioritise in our Strategic Funding Framework? *Please select all that apply.*

- Children (under 11)
- Young people (aged 11–25)
- Older people (over 65)
- Disabled people
- People from Black, Asian or minority ethnic communities
- Lesbian, Gay, Bisexual or Transgender people
- People on low incomes/benefits
- Other:

or

HLF should not prioritise social groups in its next Strategic Funding Framework

How could HLF respond to any specific barriers you know these groups face in applying for funding to support their community's heritage?

How could HLF respond to any specific barriers you know these groups face accessing heritage opportunities?

How could HLF most effectively support all organisations to reach a wider range of beneficiaries?

How could HLF most effectively support organisations to collect better data on who is benefiting from heritage projects?

Why do you say that?

Achieving quality and measuring our impact

In 2013 we introduced an outcomes framework which forms part of our assessment and decision making process, to help us make comparative judgements of projects, alongside our view of the applicant's business case, risk and value for money. This has worked well in supporting applicants to consider carefully the difference they want to make for heritage and people, and providing the basis for higher-quality project evaluations and evidence of impact. We will continue to require applicants to produce thorough proposals for evaluation and to budget realistically for this as part of their grant.

For our next Strategic Funding Framework we will make some changes to the current range of outcomes we expect our funding to achieve and will set some corporate objectives linked to those as the basis of measuring the overall impact of National Lottery investment in heritage.

Below is the list of outcomes we propose to cover in our new Strategic Funding Framework – these will be used to prioritise funding and measure impact.

1. Heritage will be in better condition
2. Heritage will be identified and better explained
3. People will have developed skills
4. People will have learnt about heritage
5. People will have greater well-being
6. A wider range of people will be involved in heritage
7. The funded organisation will be more resilient
8. The local area will be a better place to live, work or visit
9. The local economy will be boosted

Do you agree or disagree that HLF should focus on these nine outcomes?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

Why do you say that?

We recognise that our funding has long delivered well-being benefits for individuals, evidenced in our evaluations, and now plan to reflect this more explicitly through

introducing an additional 'well-being' outcome. Well-being is gaining wider currency across the cultural sector, and there are established definitions and measures available. We want to recognise the personal well-being benefits which heritage projects achieve for those with lowest relative well-being.

Do you have any comments on how people might gain greater well-being through heritage projects?

PART 3: Strategic interventions and partnerships

The shifting policy and operating environment for the UK's heritage continues to present significant challenges, but also opportunities.

We want to build on recent investments in resilience (Catalyst⁵ and Resilient Heritage⁶), and place-making (the Great Place Scheme⁷), and other interventions to maximise the wider impact and role of heritage in society. We want to see cultural and natural heritage at the centre of social and economic regeneration, and opportunities presented by developments in digital technology and new models of business and enterprise being seized.

Place-making

Heritage shapes how people identify with the places they live, work and play in. Yet a role for heritage is frequently missing in conversations and plans for how places can develop into the future, as shown in our 2016 research Networked Heritage⁸. In our next Strategic Funding Framework we are interested in developing new approaches to place-based funding that would offer an opportunity for communities of all kinds – from major urban centres to rural areas – to put heritage at the heart of their economic and social development, and to decide for themselves how to invest our funding to achieve their goals.

Our approach to place-based funding would cover all types of heritage, including those previously funded through programmes targeted at parks, townscapes, landscapes and places of worship and could include new areas of investment such as enabling the re-use of historic buildings for housing.

Do you agree or disagree that HLF should focus on putting heritage at the heart of place-making across the UK?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

⁵ <https://www.hlf.org.uk/catalyst-capacity-building-programme-evaluation>

⁶ <https://www.hlf.org.uk/looking-funding/our-grant-programmes/resilient-heritage>

⁷ <https://www.greatplacescheme.org.uk/>

⁸ <https://medium.com/networked-heritage>

Why do you say that?

Please answer if you agree that HLF should focus on putting heritage at the heart of place-making across the UK.

Who would be the most appropriate partners for HLF and what should their contribution be?

Heritage and enterprise

Launched in April 2013, Heritage Enterprise was a pioneering new funding programme designed to stimulate local economic growth by unlocking the commercial potential of unused heritage buildings and sites. Analysis of the schemes that HLF has already supported, allied with feedback from sector stakeholders, confirms that there is an appetite for HLF to do more to support the regeneration potential of underutilised heritage assets.

We could take a more commercial approach, encouraging projects more actively targeted towards the private sector. We might also consider whether projects could be funded through loans or a blend of loans and grants, depending on the planned end use of the building or site.

It could also be more closely focussed on heritage at risk and historic assets located in the most deprived areas where there is clear market failure and that demonstrate the potential for regeneration. Collaboration with LEPs, Historic England and DCLG, for example, could enable HLF to achieve greater strategic impact with projects building on the Heritage Enterprise model. This might include projects that, for example, address the major challenge of industrial heritage at risk, or have the potential to address housing need.

Should HLF fund more commercially focused approaches to support projects with a focus on enterprise and skills?

- Yes
- No
- Don't know

Why do you say that?

Do you have any suggestions about how HLF can best work with other organisations to support the viable reuse of existing underutilised buildings?

Resilience and capacity building

Since 2012 we have provided support to organisations working in heritage to rise to the challenges presented by reduced public funding. These have included capacity building programmes for income generation, governance and fundraising skills, early-stage funding to new organisations, transition funding for previous grant recipients to review business plans, governance and strategic direction, and interventions to build endowments and increase private giving to heritage.

We are committed to helping organisations to adapt to the current uncertain financial and operating context. We want to support organisations to build resilience and entrepreneurial approaches, develop new sources of income, increase private fundraising, build business and financial management skills, and to be ready to respond to opportunities presented by new sources of finance and digital innovations. When investing in the resilience of organisations, we will continue to prioritise protecting past National Lottery investment in heritage.

How can HLF best support heritage organisations across the UK to become more enterprising and financially sustainable? Please select and rank the top three ways in which you think HLF could do this, placing the numbers 1–3 in the corresponding box.

- Provide funding to individual organisations to achieve strategic organisational change
- Provide early-stage funding to support new organisations and enterprises in setting their direction
- Provide small-scale funding to help organisations build their fundraising capacity and skills
- Provide funding for testing new ideas, such as the viability of new commercial activity
- Fund business support training and capacity building programmes, including in investment readiness
- Other, please specify
or
- HLF should not support heritage organisations to become more enterprising and financially sustainable

Why have you chosen these as your top three?

Non-grant finance

We see opportunities to make National Lottery investment go further and building the capacity of the heritage sector by offering a proportion of our funding as repayable grants, loans, or other types of social investment (an investment requiring both a social and financial return) where appropriate – for example where organisations can generate income from their HLF project or need working capital. We will continue to provide help and support in investment readiness to enable more organisations to gain the financial and other skills needed to use repayable finance.

We could also use our investment to attract additional funding for heritage from others, for example, through an ‘Impact Fund’ model where HLF investment is augmented by funds from others, distributed as loans or equity investments. We expect to pilot some approaches to this in the near future.

TR25

HLF should explore whether alternative options to pure grant giving would support the sustainability of the sector. DCMS, DEFRA, DCLG and the devolved administrations should work with HLF as alternative fundraising mechanisms are developed, to support the take-up of new options where appropriate.

Taken from the Heritage Lottery Fund Tailored Review

What is your organisation's experience of non-grant finance (e.g. loans, equity investments, crowdfunding)? Please choose the description that best reflects your current position.

- We already use non-grant finance as part of our funding mix
- We plan to take on non-grant finance in the near future
- We are in the early stages of exploring non-grant finance
- We have no experience of non-grant finance, but are interested in exploring it
- We have no experience of non-grant finance, and are not interested in exploring it
- We wanted to explore non-grant finance but were unable to identify ways of repaying
- We have explored non-grant finance but decided not to take it on

What, if anything, would make your organisation more likely to take up non-grant finance such as loans or equity investment? Please select all that apply.

- Increased knowledge or skills in financial management and business planning
- Increased knowledge or skills in impact measurement
- Having an income source that we could use to repay a loan
- Increased confidence among trustees about levels of risk
- Greater flexibility on what sorts of projects we can get funding for
- Access to funds designed for heritage and/or cultural organisations
- Preferable rates
- Other, please specify

Or

- We have no current need to use non-grant finance

Why do you say that?

Please answer if you work for an organisation.

What support, if any, would be most useful for your organisation in helping you to access non-grant finance? Please select and rank your top 3.

- Capacity building support in financial management and business planning
- Capacity building support in impact measurement
- Capacity building support in income generation
- Capacity building support for governance reviews
- Greater flexibility in what sorts of projects HLF will fund
- Providing funding for projects as part grant/part loan or equity investment
- Attracting partners to invest in funds designed for heritage and/or cultural organisations
- Other, please specify

Or:

- None of these

Why do you say that?

Recent research by Nesta in partnership with Heritage Lottery Fund and Arts Council England demonstrated significant financial and non-financial benefits arising from a matched crowd-funding approach, whereby an institution such as HLF offered to match fund money raised by the 'crowd' for small and medium-sized projects (£4000-£40,000).

Should HLF provide match funding for organisations who use crowd-funding to win support for their heritage projects?

- Yes
- No
- Don't know

Why do you say that?

Digital

Digital technology can help organisations look after heritage and make it accessible to a wide range of people in many different ways from digitising historic photographs and 3D laser scanning of buildings to online access to remote sites, collecting biodiversity data and crowd-sourcing community stories. It can also help heritage organisations to thrive through improving their management, marketing, fundraising, communications and public offer.

HLF encourages the use of digital technology in any way that helps a project achieve our outcomes; we recognise that there is more we can do to support in this area. The Tailored Review recommends that HLF work strategically to support the sector to use digital technology effectively and to access funding for digital projects.

How could HLF better support organisations to use digital technology to...

- a) Create and make available high quality digital content

- Don't know

b) Increase engagement with heritage

Don't know

c) Diversify audiences for heritage

Don't know

d) Make heritage more inclusive

Don't know

e) Increase organisational efficiency and resilience

Don't know

f) Build the digital literacy of staff, volunteers, and trustees/governors

Don't know

How could HLF help organisations ensure that their digital content is accessible to the public now and safeguarded for the future?

How could HLF support innovation in the use of digital technology by organisations that look after heritage and engage the public with it?

International

TR13

HLF should support the projects and organisations it funds to promote themselves and the sector internationally, and to engage further with the GREAT Britain campaign and tourism campaigns led by the devolved nations.

Taken from the Heritage Lottery Fund Tailored Review

We are looking at what we can do to support the sector to take up new opportunities for growth and learning. More opportunities can be opened up by broadening the UK heritage sector's international engagement and global reach. In 2017, together with the British Council, we brought together heritage and tourism leaders and practitioners to discuss our potential role in supporting international engagement. We are interested the role we can play in supporting heritage organisations to promote themselves and the sector internationally, exchange knowledge and support tourism campaigns.

How could HLF support the heritage sector to engage internationally and deliver benefits for the UK? *Please select all that apply.*

- Support for UK heritage organisations to promote themselves internationally
- Support for knowledge exchange with organisations overseas
- Work strategically with partners to develop heritage-led inbound tourism
- Other, please specify

Why do you say that?

Involving the public in our decision making

We already undertake open recruitment for decision takers on our Board and regional and country committees and ask projects to demonstrate how they have involved their local community and other partners in developing their plans. In opening up decision making to a wider range of people we will need to balance the resources required to do this with the benefits to projects, HLF and National Lottery players. There are a number of options that we could explore.

A finding from our consultation with National Lottery Players was the strong public appetite and enthusiasm for involvement in our work and the projects that we support – as audiences, participants, volunteers, supporters and as decision makers.

There was also support for decisions being made ‘professionally’ . Alongside this, the most frequent message was about also involving the communities and local people who would benefit in deciding what is funded. Findings also highlighted the importance of decisions being made with the input from people with a range of backgrounds and experiences.

Should HLF involve the public in decision-making?

- Yes
- No
- Don't know

Please answer if you think the HLF should involve the public in decision-making.

Why do you say that?

What options for involving the public in National Lottery Funding for heritage projects should HLF explore? *Please select all that apply.*

- Involve communities (geographical or communities of interest) in setting priorities for HLF funding
- Involve local communities in deciding on funding in a specific geographical area through e.g. a people's panel
- Partner with community grant-making organisations to deliver grants through them
- Have beneficiary groups represented on decision making panels for targeted funding e.g. for young people
- Involve National Lottery players in distributing money in their local area and/or nationally through public voting on projects linked to ticket purchase
- Public voting linked to a TV programme or online content
- Other, please specify

And what level of grant should we consider this for? Please tick the level of grant for each option.

| Options | Under £10k | £10k – £250k | £250k – £2m | Over £2m |
|--|-------------------|---------------------|--------------------|-----------------|
| Involve communities (geographical or communities of interest) in setting priorities for HLF funding | | | | |
| Involve local communities in deciding on funding in a specific geographical area through e.g. a people's panel | | | | |
| Partner with community grant-making organisations to deliver grants through them | | | | |
| Have beneficiary groups represented on decision making panels for targeted funding e.g. for young people | | | | |

| | | | | |
|--|--|--|--|--|
| Involvement National Lottery players in distributing money in their local area and/or nationally through public voting on projects linked to ticket purchase | | | | |
| Public voting linked to a TV programme or online content | | | | |

PART 4: Our Portfolio

Our portfolio

We are committed to improving our application processes and making it easier for people to apply for grants for all types of heritage. We want our next SFF to be flexible and enable us to respond quickly to new areas of need and opportunity as they emerge.

We expect to offer open funding opportunities for any type of heritage, with grants starting below £10,000, as well as:

- Strategic campaigns, which may be UK-wide or locally based, and will be time-limited, to attract applications for types of project missing from our portfolio
- Partnership initiatives, including non-grant finance, on issues such as place-making, as set out in part 3;
- Innovation funds, which could be small-scale partnership interventions to test ideas and drive progress in areas such as developing new business models.

This will reduce the number of separate grant programmes we offer, which will enable us to provide clearer routes to funding for applicants.

We will provide new guidance and resources to support applicants with projects focusing on specific types of heritage such as landscapes, places of worship, parks or townscapes, to ensure that the good practice achieved through our investment to date is embedded in the new open programme and our future approach to place-making.

We may set specific requirements for certain types of project where our evaluations of previous strategic initiatives demonstrate clearly what works and produces the greatest impact. For example, we would expect future work-based skills training projects to be based on the learning from Skills for the Future⁹.

Each year we will review the need for strategic campaigns and will advertise new funding opportunities in advance so that applicants can plan with confidence.

TR 14 HLF should better and more consistently embed learning from project and programme evaluations into the organization, using lessons about successes and failures to inform programme design, strengthen the advice given to applicants and ensure decision-making is focused on building a sustainable sector.

Taken from the Heritage Lottery Fund Tailored Review

⁹ <https://www.hlf.org.uk/looking-funding/our-grant-programmes/skills-future>

The open grant programme

For funding **up to £10,000 and from £10,000 up to £250,000** we plan to accept applications at any time, for any type of heritage project.

These will be single-round applications (as now) with decisions made on an application in around 8 weeks.

We propose to increase the upper ceiling for single-round applications from the current **£100,000 to £250,000** which will enable a wider range of projects to benefit from a quicker decision and simpler application and monitoring processes.

For grants **over £250,000** we will set out our priorities for support following this consultation, for example, priorities for heritage and people as identified in part 1. We expect to accept applications around four times a year, as we do now.

We will have proportionate requirements and processes for each of the grant levels under the open programmes:

- Under £10,000
- £10,000–£250,000
- Over £250,000

Do you have any comments on our proposal for an open grant programme for all types of heritage project?

Do you agree with the proposal that we increase the ceiling for single-round grants from £100,000 to £250,000?

- Yes
- No
- Don't know

Why do you say that?

We currently have no upper limit on the value of our grants. In the current Strategic Framework since 2013 we have made 20 awards over £5m and up to £19.7m, and given the green light to 11 further projects to develop their proposals.

With a lower annual budget, should HLF set an upper limit on awards?

- Yes
- No

If you *do* think HLF should set an upper limit on awards, what should that limit be?

- £5m
- £10m
- £15m
- Other

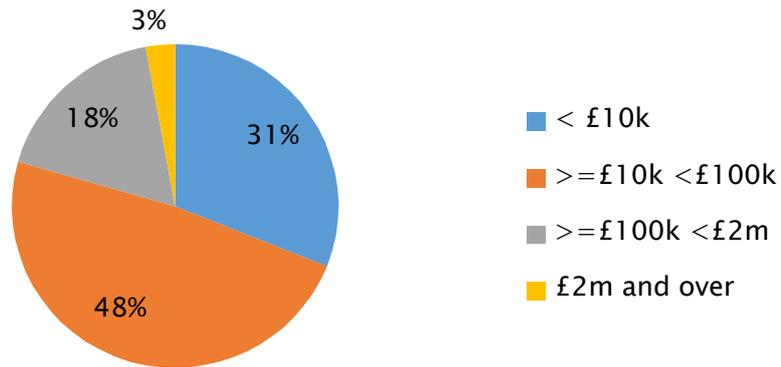
Why do you say that?

Balance between smaller and larger grants

In the current strategic framework since 2013 HLF has made awards in the proportions shown in the following charts.

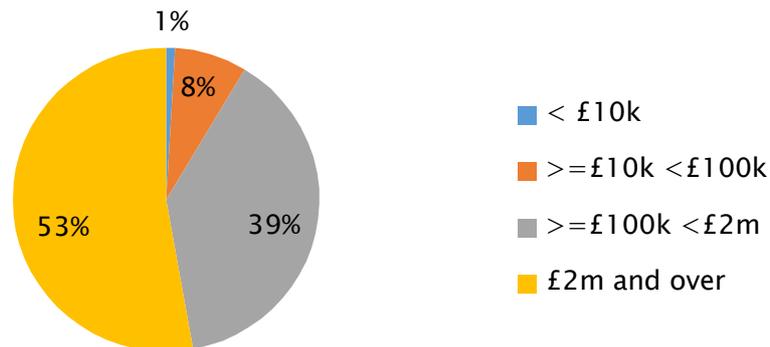
Number of projects funded

This chart shows the proportion of projects funded by grant band. 48% of projects we funded received amounts between £10,000 and £100,000.



Value of award by grant amount

This chart shows the proportions of our total funding, by grant band. 53% of our funding went to projects with a grant of £2m or over.



How should HLF strike a balance of offering larger and smaller awards?

- HLF should prioritize investment in smaller grants (under £250,000)
- HLF should give equal weight to smaller and larger grants
- HLF should prioritize investment in larger grants (over £250,000)

Why do you say that?

Strategic campaigns

We propose to introduce strategic campaigns which will be time-limited and could be delivered across the UK or within a single region or country. They will enable a shorter-term emphasis on specific opportunities such as encouraging more applications from certain groups or areas, or running alongside events or anniversaries. They may be offered at any level of grant.

Strategic campaigns will be focused on needs or opportunities we have identified. They could be based on particular areas of heritage, or aspects of people’s engagement with it (e.g. skills, well-being), or a particular beneficiary group (e.g. young people), or cross-cutting needs (e.g. building resilience or digital capabilities across the sector).

We will also continue to make strategic interventions in partnership with others as opportunities arise, for example through solicitation of bids to meet strategic needs or programmes that will drive innovation and build capacity across the sector.

What needs or opportunities should HLF prioritize for strategic campaigns in the early years of the next Strategic Funding Framework?

For certain types of strategic campaign we could consider making grant offers at a fixed rate – for example, we would announce in advance that we want to make say 10 awards of £1m to address a specific strategic need or opportunity, and invite proposals.

Do you see benefits in HLF offering fixed rate grants for certain types of project through strategic campaigns?

- Yes
- No
- Don't know

Why do you say that?

Partnership funding

We want to maximise the value and benefits achieved through National Lottery investment in heritage while ensuring that the projects we support are financially viable and sustainable. We can provide support for organisations to develop their fundraising capacity and skills and expect to offer more resources to help organisations improve their governance, business and financial planning skills in future. There are a number of ways in which we could ensure that we are contributing financially to projects at the right level and realistically maximising the contributions from others.

We currently require partnership funding (in cash or in kind (e.g. through free use of a venue)) to be contributed by grantees at the following minimum rates:

- Up to £100K – no minimum contribution (in kind and volunteer contributions encouraged)
- Over £100K and up to £1m – 5% cash or in kind
- Over £1m – 10% cash or in kind

Should we make changes to this approach?

- Yes – require more partnership funding
- Yes – require less partnership funding
- No – retain the current approach

Why do you say that?

How should HLF achieve a balance between offering open funding opportunities and strategic interventions through campaigns, partnership programmes or innovation funds?

- HLF should prioritise investment in the open grant programme
- HLF should give equal weight to investment in open funding and strategic interventions
- HLF should prioritise investment in strategic interventions

Why do you say that?

Environmental sustainability

We encourage applicants to take steps to minimise the use of resources and to avoid negative impacts on the environment. We currently take account of the outcome ‘negative environmental impacts will be reduced’ in our assessment and decision making.

Research commissioned in 2016 concluded that environmental sustainability has now become a much more mainstream aspect of building design and construction, and that most professional advisers and contractors specify, manage and deliver environmental sustainability initiatives as standard practice.

As the need to adapt to climate change and promote environmental sustainability is now widely accepted, we will in future ask applicants to address climate change adaptation and environmental sustainability as an integral part of all projects and will consider the proposed sustainability measures as part of our project risk assessment and the business case, rather than as an outcome. We will also continue to build on our recent collaborative work with the Fit for the Future Network to support potential applicants and grantees to

adopt effective environmental policies and deliver projects that have tangible positive environmental impacts.

Do you agree or disagree that all projects should embed environmental sustainability and that this should be part of our standard criteria for the assessment of applications?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

Why do you say that?

How should HLF ensure applicants follow best practice on environmental sustainability and address the potential negative impacts of climate change?

PART 5: Improving the experience for customers

Support and guidance for applicants

We will continue to ensure that the application process is as straightforward as possible and that applicants are supported to achieve high-quality projects.

We will make available a new range of digital resources to make our application process clear and straightforward, with guidance on our requirements and on how to develop high-quality heritage projects.

Which of the following resources do you think would be most helpful to applicants preparing project proposals and applications? *Please rank the top three most helpful, placing the numbers 1–3 in the corresponding box.*

- Application guidance documents and help notes
- Video guides to navigating the online application process
- 'Top tips' short videos from successful grantees
- Digital peer to peer support (from current/recent grantees) through an online community
- Online toolkits and guidance on specialist topics e.g. evaluation, working with young people
- Webinars on specialist topics e.g. on project planning and management
- Self-assessment tools and/or checklists to identify 'project readiness'
- Tailored advice, such as a telephone helpline and/or online chat facility
- Other, please specify

Why do you give these rankings?

Managing competition effectively

In a competitive funding environment, we want to minimise the resources spent by applicants before they have a realistic view of whether their application will be worthwhile. For larger grants (over £250,000) we propose to introduce a simple, formal Expression of Interest screening stage, to ensure that the success rates for those progressing to a full application are reasonable. We will assess brief Expression of Interest submissions against published criteria, and advise whether or not we encourage a full application.

Do you agree or disagree that HLF should introduce an Expression of Interest screening stage for larger grants?

- Strongly agree
- Tend to agree
- Tend to disagree
- Strongly disagree
- Don't know

Why do you say that?

Making it easier to apply for a grant from HLF

We are interested in views on how we can best ensure that Lottery funding is used effectively and on how we can make it easier to apply for a grant from HLF.

Please answer if you have experience of applying for an HLF grant.

In your opinion was the work involved in preparing an application proportionate to the size of grant you applied for?

- Yes
- No
- Don't know

Why do you say that?

How could HLF simplify its application processes to ensure they are as accessible as possible (for example by accepting applications by video or other online media, or using face-to-face, telephone or online interviews as part of the assessment process)?

How could HLF use digital technology to improve the customer experience for applicants and grantees?

Please answer if you have successfully applied for an HLF grant.

How could HLF make its processes for managing your grant post-award more efficient?

PART 6: Final comments, review and submit

Are there any other comments you would like to make?

We now have a few very short questions about you as we want to ensure any changes we introduce to our policies and programmes are fair. We will use any data and additional detail you provide below to help us assess this.

Below are the protected characteristics set out under the Equalities Act 2010. Does the work or services of your organisation (or you, if working as a freelancer or individual consultant), specifically focus on or specifically represent minority groups within any of these protected characteristics? Examples of this might be an organisation working on improving access to heritage for disabled people, or one that focuses on the heritage of a minority religion or race in the UK. *Please tick all that apply.*

| Minority groups | Wholly focused on or represents | Partially focuses on or represents | Does not specifically focus on or represent | Prefer not to say |
|--------------------------------|---------------------------------|------------------------------------|---|-------------------|
| Age | | | | |
| Disability | | | | |
| Gender reassignment | | | | |
| Marriage and civil partnership | | | | |
| Pregnancy and maternity | | | | |
| Race | | | | |
| Religion or belief | | | | |
| Sex (as in gender) | | | | |
| Sexual orientation | | | | |

Please answer if you selected 'wholly' or 'partially' focused for one of the options in the previous question.

You mentioned that the organisation you work for (or you, if working as a freelancer or individual consultant), represents a minority group within at least one of the protected characteristics mentioned in the previous question. Please could you provide more details below on exactly which minority group(s) your organisation (or you) represents?

Is there anything in the proposals detailed in this consultation that would have a positive or negative impact on you, or any minority groups within these protected characteristics?

Thank you for taking the time to respond to our questions. We will be in touch once the consultation has reported to let you know the main findings and our next steps.
