

# 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 consultation<sup>1</sup>.

We've also worked with UK Government on a Tailored Review<sup>2</sup> 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

---

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

<sup>2</sup> <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.<sup>3</sup> 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 here<sup>4</sup>.

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

---

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

<sup>4</sup> <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?

NATURAL RESOURCES WALES (NRW)

Prefer not to say

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

External.funding@cyfoethnaturiolcymru.gov..uk

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.

As above

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.

NRW works across the whole of Wales

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

As well as the guardian of the environment in Wales, NRW is a statutory consultee on planning issues around historic assets and places of worship in relation to our remit which includes flood risk, protected species eg bats, designated landscapes etc.

- 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.

N/A
-----

- 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?

NRW would like to suggest that HLF should 'enable' and empower (recognising HLF's enabling and empowering role described in para 2 above) rather than 'lead' the UK Heritage sector. There are agencies specialising in various types of heritage and HLF has a crucial role in enabling these agencies including community groups to create positive lasting change **with** rather than **for** people and communities. Positive lasting change must incorporate **well-being** of people, communities **and the environment** in which we live, now and in the future).

We would ask HLF to recognise that in Wales, 44 public bodies are subject to the Well-being of Future Generations Act (more information [here](#) ). This Act is about improving the social, economic, environmental and cultural well-being of Wales.

The Act requires Welsh public bodies to make sure that when they make decisions they think about how it will affect people living in Wales now and in the future. Public bodies must work towards all 7 national well-being goals for Wales: these are a Wales that is globally responsible; prosperous; resilient; healthier; more equal; cohesive communities; and vibrant culture and thriving Welsh language. The Act requires public bodies to think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach (the sustainable development principles). We would like to see these ways of working reflected in HLF's future approaches.

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
- 4 Attracting other public or private financial support for heritage
- 2 Supporting the capacity and resilience of the heritage sector as a whole

Sharing learning

3

Advocating for the value of heritage

1

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

Inspiring and promoting innovation in business models 5

5

Helping people and communities to meet their aspirations

Why do you say that?

Aspects of HLF's role align with the sustainable development principles within the Well-being of Future Generations Act that 44 Welsh public bodies must apply to their functions and delivery. This alignment is more likely to enable Welsh public bodies to support HLF funded projects which deliver these objectives and work in this way.

*Advocating for the value of heritage / Supporting organisations within and beyond the heritage world to come together, collaborate and network*

NRW recognises the value of heritage to well-being in Wales. The Well-being of Future Generations Act is about improving the economic, environmental, social and cultural well-being of Wales. One of the 7 national well-being goals, 'vibrant culture and thriving Welsh language' is defined as: a society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.

*Helping people and communities to meet their aspirations*

NRW would also like to see this aspect selected because it is aligned to NRW's well-being objective: Help people live healthier and more fulfilled lives and with NRW's wider role under the WFG Act.

## 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?

In Wales, we would encourage HLF to take a more area-based approach and consider Sustainable Management of Natural Resources (SMNR) and Well-Being of Future Generations (Wales) Act 2015 (WBoFG) in the development and delivery of its programmes. Our valued natural heritage should play an integral part in the well-being of people and communities, we should celebrate our heritage whilst safeguarding our future.

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?

NRW is working with Area Statements to help pursue the SMNR principles. Area Statements help organisations and communities make better decisions about the way that their activities and behaviors can impact on the environment and what they can do to be a more ecological resilient Wales. They will contain information such as: (1) natural resources in each area and the benefits they provide; (2) priorities, risks and opportunities that need to be addressed; and (3) what Natural Resources Wales and other organisations can do to address them.

In Wales, HLF needs a more area-based approach and there is an opportunity for HLF to consider SMNR and WBoFG goals into its programmes.

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.

We would define heritage as 'at risk' if it has either low restoration potential and low resilience. In the natural environment, some natural heritage would be more difficult to restore if it were to be destroyed or allowed to deteriorate beyond a tipping point. The State of Nature report (SoNARR) sets out the state of Wales' natural resources. It assesses the extent to which natural resources in Wales are being sustainably managed, and recommends a proactive approach to building resilience, the SoNARR report can be found [here](#). This is a useful reference document for HLF and applicants to understand the risks to natural heritage and the opportunities for reducing risk

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

Here in Wales we work within the context of two significant pieces of legislation – the Wellbeing of Future Generations Act and the Environment (Wales) Act. The first applies to most Public Bodies in Wales, and requires us to work through the principles of Sustainable Development – that is was of working that promote Collaboration, Integration, thinking Long-term, taking Preventative approaches, and Involvement of people and other organisations. Through this legislation public bodies must work together to achieve the seven Well-being Goals.

The Environment (Wales) Act relates further to the way in which we manage our natural resources (including natural heritage and historic landscapes) in Wales. It defines our role and purpose as the natural resources body for Wales. It sets out a framework for the sustainable management of our natural resources (in the context of the WFG Act), including:

- The State of Natural Resources Report, which contains an assessment of the extent to which sustainable management is being achieved.
- The Natural Resources Policy, which contains the Governments priorities for the sustainable management of natural resources
- Area Statements, which sets out the priorities, risks and opportunities at a more local level, and how NRW and others can take forward action to implement the Natural Resources Policy.

We would therefore like to highlight the opportunity in Wales to look at how HLF can help to support projects that help to implement the Natural Resources Policy and Area Statements (since the purpose of Area Statements is to facilitate the implementation of the Natural Resources Policy). We expect that in time, Area Statements will:

- Set out the national challenges, opportunities and priorities for sustainable management of natural resources relevant to that place, which focus on delivering outcomes of most benefit for Wales (across all the wellbeing goals).
- Identify the location and scale (where relevant) to address the national challenges, opportunities and priorities in the Natural Resources Policy,
- Provide an integrated local level evidence base to help support sustainable management of natural resources.

Area statements could therefore help local project applicants to integrate some of their objectives with the opportunities for sustainable management of natural resources; find opportunities to collaborate with other community, third sector, and public sector organisations, and; take an evidence-based approach.

Wales' Designated Landscapes are national assets rich in natural and cultural heritage as well as key partners in delivering SMNR and well-being.

## 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?

Whilst NRW agrees that it is important to assist under-represented areas to access HLF funding, all applications should be based on merit through the HLF scoring criteria as it is now.

It is important to understand the barriers experienced by potential applicants in under-represented areas in-order to target support successfully, based on evidence. It's worth noting that some barriers may be outside the control or influence of potential applicants, so outreach work may not help. If HLF also understands the 'external' barriers, its resources can, where appropriate, be directed at removing these barriers e.g. by raising awareness and influencing the agencies in an under-represented area, who are potential supporters/sponsors/ funders of projects, to increase supportive involvement with potential applicants. It should be recognised that there is not equal distribution of these agencies across Wales resulting in some communities struggling to find agencies to advise and support their heritage aspirations. Addressing this inequity, if based on evidence, may address under-representation in some areas of Wales. Where issues/challenges and risk to natural resources align with underrepresentation then we agree there should be a focus.

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?

NRW would 'tend to agree'. HLF should base these decisions on evidence related to specific geographical areas, and not apply a 'general' understanding of deprivation across all areas that it assumes might be under-represented and deprived.

Wales Index of Multiple Deprivation (WIMD) is the WG's official measure of relative deprivation for small areas across all parts of Wales. It's designed to identify those small areas where there is the highest concentration of several different types of deprivation (income; employment; health; education; access to services; community safety; physical environment; and housing).

"Deprivation is the lack of access to opportunities and resources which we might expect in our society. Material deprivation is having insufficient physical resources – food, shelter, and clothing – necessary to sustain a certain standard of life. Social deprivation refers to the ability of an individual to participate in the normal social life of the community" (*Wales Index of Multiple Deprivation report*).

Social deprivation is more prevalent in areas of higher relative deprivation, so it is more likely that people in those areas face multiple barriers to accessing HLF funding (for example, less confidence to initiate or engage in a heritage project; less skills to develop a group/project/funding application etc.). Further work is needed by HLF to establish the correlation between under-representation and deprivation so action is based on evidence. We are interested in working with you on areas of multiple deprivation and risks to natural heritage

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?

NRW as an organisation cannot not prioritise any group of people, and advises that HLF be mindful of all the above groups, but not prioritise. Current thinking is moving beyond general equality, and in Wales, well-being goals are being integrated into our work. Some groups may need help to be able to have 'more' benefits (e.g. physical ability, education, skills, income, self-esteem, good mental health, etc.), to have equal access to opportunities like HLF funding and heritage opportunities, and NRW supports this. However, if there is to be prioritisation, it must be clearly based on evidence, and it must be possible to show that prioritisation will create lasting change for society.

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

NRW would support HLF's statement on page 16 "working in partnership with sectors outside heritage is increasingly important". It is the organisations who work with disadvantaged groups who understand their often multiple and complex barriers best, and know how to address them, so they can have equal access to opportunities enjoyed by the rest of society. It is through these organisations that HLF can work with disadvantaged groups to involve them in shaping measures that address their specific barriers. (NRW's Come Outside! programme demonstrated the success of this approach – see [link](#)).

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

As above. HLF can reach a wider range of beneficiaries if they' respond to any specific barriers that these groups face. HLF should go to organisations that represent different groups in society and pose this question to them. There could also be HLF 'Ambassadors' within public sector organisations and PSBs.

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

Monitoring activity requires skills, for meaningful data to be gathered. Therefore, we would encourage HLF to require applicants to describe what they will monitor and how. Applicants should be required to include costs for monitoring/evaluation consultants who will either train and mentor community members to carry out monitoring, or to undertake the work themselves. The former approach is encouraged as it's in line with aspirations to enable and empower communities.

When collecting data, barriers need to be acknowledged and addressed, otherwise the results are skewed towards those who are most able to engage with the data collection process. This is especially important if collecting data from the 'unengaged'.

Why do you say that?

NRW has long experience of funding organisations including projects involving monitoring. Our comments reflect this experience and the level of skill required which affects the quality of data gathered, and its subsequent usefulness.

## 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?

NRW welcomes the wide range of outcomes which are comprehensive and relevant to many heritage types. However, we would like recognition that the natural environment, not only the funded organisation, should be in a more resilient condition because of funding. This is essential if we are to meet the challenges to wellbeing in Wales

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?

The Future Generations Commissioner for Wales commissioned a review in 2017 of 19 well-being assessments produced by Public Services Boards across Wales. The report 'Planning today for a better tomorrow' found [here](#) identified 13 factors that are important for well-being. Participating in heritage projects could have a positive impact on all of them:

1. [The importance of a good start in life](#) – heritage projects can have a positive impact on the community and the local built and natural environment that children grow up in
2. [The role of spaces and places in people's well-being](#) – heritage projects can contribute to the quality of the built and natural spaces and places where people live, work and play
3. [Preventing ill-health and health harming behaviors](#) and
4. [Mental health and well-being](#) – heritage project can provide opportunities for improving physical and mental health
5. [Skills and qualifications – are they fit for the future?](#) – heritage projects can provide opportunities for people of all ages to develop new skills and gain qualifications. Future work roles are likely to need different skills from today for example; creativity, connectivity, communication and problem-solving, more than specific knowledge, and with more project-based work than set employment. These skills could be developed through heritage projects.
6. [How places serve populations- infrastructure and environment](#) – heritage projects can enhance the local infrastructure and environment benefitting the local population in many ways
7. [The role of our home in our well-being](#) – heritage projects could provide local housing through the restoration of unused buildings
8. [The Welsh language is part of who we are](#) – heritage projects can celebrate and promote the Welsh language
9. [People in decent work improving overall prosperity](#) – heritage projects can have a positive impact on eg. local tourism-related jobs
10. [How people engage in their communities](#) – heritage projects can provide opportunities for people to come together, connect with local heritage, get involved in volunteering and engage in local decision-making
11. [How safe people are and how safe they feel](#) – heritage projects can contribute to social cohesion and provide local opportunities for those whose activities can have a negative impact on their community
12. [Our changing population and the need for us to age well](#) – heritage projects can provide opportunities for young people in the area they grew up in (addressing outward migration) and for older people to contribute their wisdom, experience and time to their community, as well involving people experiencing conditions like dementia
13. [The global effects of what we do](#) – heritage projects can be delivered to incorporate climate change adaptation and to maximise the sustainable management of natural resources.

It is important to note that these potential well-being benefits from heritage projects will only be realised if the projects are specifically designed and delivered to maximise those benefits, as part of the wider heritage activity.

Landscape Institute Position Statement 'Public Health and Landscape: Creating Healthy Places' November 2013. In her 2011 report, Catherine Ward-Thompson traced evidence of the impact of landscape on people's health from ancient times to the present day, noting how access to nature and attractive green spaces has been a recurring theme in descriptions of therapeutic environments and associated healthy lifestyles. The report concluded: "The importance of access to the landscape appears to be as relevant as ever in the context of modern urban lifestyles".

Valuing Wales' National Parks , Arup 2013: 82% of Pembrokeshire Coast National Park residents, in the 2011 census, described themselves as being in good or very good health. This percentage is slightly higher than for England and Wales overall. Given that the age structure of National Parks is generally older than nationally, this is an indication that people residing in national parks tend to have better health than those living in the rest of the country.

## 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 (Catalyst<sup>5</sup> and Resilient Heritage<sup>6</sup>), and place-making (the Great Place Scheme<sup>7</sup>), 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 Heritage<sup>8</sup>. 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

---

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

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

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

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

Why do you say that?

In the future, NRW will be delivering per Area Statements and will be working with a place based approach. Area Statements must be considered by all organisations and programmes in Wales, and NRW would welcome HLF focusing on heritage as an integral part of place making especially linking to Public services Boards (PSBs) well-being plans. There are 19 PSBs, covering all Wales, have been established under the Well-being of Future Generations Act. NRW is one of the 4 statutory members of PSBs and sits on every board. Each PSB will shortly be publishing the well-being plan for their area. The local well-being plans will set out how the boards intend to improve the economic, social, environmental and cultural well-being of their area by setting local objectives which will maximise the contribution made by the board to achieving the well-being goals in their area. The local well-being plans, along with NRW's Area Statements (covering all Wales and being developed under the Environment Act) provide statutory mechanisms in Wales which would support HLF's ambition "to put heritage at the heart of place-making".

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?

PSBs and their well-being plans (based on local assessments of well-being) could provide HLF with valuable, local heritage-related information on community issues and ambitions and community assets. In turn, PSBs welcome HLF advice and funding to support delivery of their well-being plans, related to cultural well-being or where heritage can be used to deliver aspects of wider well-being. The Act requires public bodies to think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach (the sustainable development principles). We would like to see these ways of working reflected in HLF's future place-making approaches.

### 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?

NRW agrees in so far as these aspects relate to well-being, and provide wider societal benefits. The key is that funding should unlock well-being, not commercial potential. Projects should be providing wider benefits to society and should be 'not for profit' i.e. not providing support to the private sector.

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

We need to use under-utilised buildings to better support well-being and have wider community benefits such as social housing. It would be useful to integrate HLF into local well-being plans and ensure that under-utilised buildings have a multifunctional usage.

### 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
- 1 Provide small-scale funding to help organisations build their fundraising capacity and skills
- 3 Provide funding for testing new ideas, such as the viability of new commercial activity
- 2 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?

In our experience, organisations are likely to develop and become more financially sustainable if they receive help in building capacity, testing new ideas and general business support. Small groups involved in local heritage tend to be driven by enthusiasts with a passion for the heritage in question, but can lack the skills to scale-up the work required to achieve more for their area. Our selection above reflects our experience of such groups over the years.

### 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?

N/A

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?

It is valuable to have more private sector sponsors of natural heritage and conservation.

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?

Crowd-funding would be useful if there was additionality to the project and it does not displace the applicant's own funding contributions. There is also a need to ensure transparency if crowd funding was being used to fund a project.

## 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

There is real value in the use of digital technology to engage with audiences, but this should not replace direct contact with the environment / heritage. Any digital innovation should have policies around encouraging people, sharing information / best practice and promoting access for all to local and national heritage. Digital technology should also be future-proofed and sustainable as technology evolves quickly. HLF can support organisations to ensure that they have good accessible information on their websites.

- Don't know

b) Increase engagement with heritage

There is real value in digital tools for a variety of audiences as a way of engaging them and encouraging them to get out and about enjoying heritage: for example, young people can be engaged through various social media digital tools such as Instagram. Digital tools can enable people with, for example, visually/hearing impairment, to share the heritage experience. However, it needs to be acknowledged that use of digital tools can also alienate groups who don't have digital skills, for example some older people. It is also important to note that large parts of Wales (especially in rural areas) still lack efficient internet / broadband access and this needs to be acknowledged. Digital tools can also be used to collect data and support wider citizen science projects

Don't know

c) Diversify audiences for heritage

As stated above, digital tools have a value in addressing barriers to experiencing heritage for some groups, for example those with disabilities. They can also be used to provide multi-language options through audio visual (avoiding the need for written material to be produced in many languages). Digital tools can also be used to provide interactive engagement with heritage which can address barriers to participation experienced by children, young people, families and those with, for example, learning disabilities.

Don't know

d) Make heritage more inclusive

Similar to answer (c) above – heritage is more inclusive when audiences are diversified by addressing their barriers – tackling inequity. Heritage projects can ensure good accessibility to information on their websites for various groups such as the disabled, visually impaired, older people, people in areas with poor connection etc. Organisations can ensure that projects have standardised digital tools. Welsh Government Digital Inclusion programme Digital Communities Wales (DCW) which provides support to Third Sector organisations (as well as public and private organisations) which work with those individuals most likely to be digitally excluded to help them improve their lives. HLF could explore ways of supporting projects which use heritage to improve digital illiteracy in Wales. The [National Survey for Wales: 2014-15](#) confirmed that 19% (approximately 473,959) of the Welsh adult population (aged 18 or over) do not regularly use the internet.

Don't know

e) Increase organisational efficiency and resilience

Digital tools are useful in monitoring activity. For example, data gathered through digital questionnaires (on hand-held devices) can be collated and evaluated (at a basic level) digitally, which is resource efficient.

Don't know

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

Fund training and specialist support – provide easy / accessible training linking up with partners in other organisations, e.g. helping more partners link up.

Don't know

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

Give guidance to organisations for archiving project information ensuring that information is still accessible.

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

Through communication campaigns, cross-linking information, e.g. a heritage project could have links to partner sites such as CADW, sharing best practice / knowledge.

## 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

Working with partners to increase more international visitors to UK heritage sites.

Why do you say that?

HLF can work more closely with devolved nations' Tourism Strategies and tourism partners such as Visit Wales, Welsh Government and CADW. Welsh Government's 'Partnership for Growth' – link found [here](#) aims to grow tourism earnings in Wales by 10% or more by 2020. One of the focuses of the strategy will be on more heritage hotels that utilise historic and distinctive buildings. In Wales, the project “870 miles of smiles – The Wales Coast Path” aims to re-launch the Wales Coast Path nationally and internationally as the world's first continuous coastal footpath around a country and as one of the best recreational routes in the world. The project has a good proven track record of partnership working – an exemplar in partnership working with local authorities, charities, Welsh Government and Visit Wales. It also delivers a unique and diverse natural environment experience– rich in biodiversity, landscapes, seascapes and culture.

### 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?

NRW is signed up to the Welsh Government endorsed ‘National Principles for Public Engagement’. They are an overarching set of principles aimed at Public Service organisations across all sectors in Wales. PSB's well-being planning is underpinned by the sustainable development principle which means they must have regard to the importance of engagement and ensuring those persons reflect the diversity of the people of Wales, and specific areas of Wales where the body is functioning.

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

It is important for HLF to recognize that there is already a lot happening in Wales and for HLF to tap into what is already in place through the 19 PSBs. NRW is committed to working on an Area based approach and it would synergistic for HLF to be aligned or plugged into this. Welsh Government support ways of working on co-production, Area statements will be co-produced. NB – Area Statements are going to be broad in scale and cut across natural heritage such as habitats, catchments and landscape character areas.

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				

**Comments from NRW:**

NRW has refrained from commenting on the level of grants that should be considered. NRW believes that HLF needs to be very clear on the degree of decision making they want to involve people in. HLF has a statutory duty and therefore needs to control their funding and be clear on what they require from applicants

## 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 Future<sup>9</sup>.

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

---

<sup>9</sup> <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?

It is useful for HLF to have 'Open programmes' as this makes match funding cycle easier, but it is also important to ensure that HLF aligns its funding procedurally to work better for other organisations including those in the third sector.

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?

In future, there will be more call for HLF funding, and more flexibility is required in the environment sector.

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?

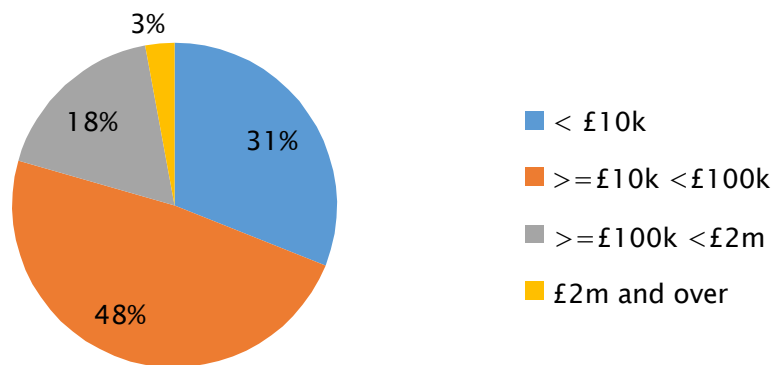
As the guardians of public money there is a case for setting upper limits. This helps to constrain pressures to inflate project or asset costs.

## 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.

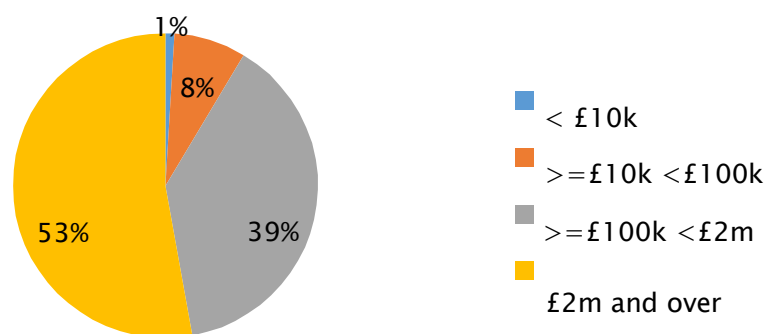
### Number of projects funded

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?

It should be considered that grant size is not always important, but the impact that grant can have, smaller amounts of funding can have a significant impact in certain areas, e.g. a small funded project can instill pride in a community fitting with well-being goals. There should also be encouragement for larger organisations to incorporate where feasible within their project benefits for communities.

### 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?

NRW would welcome a strategic campaign for Wales which was aligned to and supported the role of heritage in wider well-being planning. NRW, and 44 other public bodies in Wales have duties under the Well-being of Future Generations Act to improve the social, economic, environmental and cultural well-being of Wales. The Act also makes the public bodies think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach and do what they do in a sustainable way.

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?

There are benefits in HLF offering fixed rate grants for certain types of project through strategic campaigns. This would clarify and simplify it for the applicant; clarify the potential goal and allow the applicant to focus on what the priorities they can achieve for a £1million. In addition, it will stimulate innovative ideas as applicants compete for funding.

### 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?

The current approach offers equitable distribution, but there should be an expectation / recognition that larger organisations have the capacity to contribute a higher intervention rate to ensure value for more money.

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?

In Wales, there is already a strategic framework because of Welsh Government policy on the environment. It would be valuable for HLF to align its activity with the framework, so Wales can achieve maximum impact through its outcomes.

Open programmes are important for innovation, but this should be for projects that are less than a £1million. Strategic interventions should encourage the involvement of smaller organisations as part of strategic activity.

## 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?

If a project is not environmentally sustainable then it is **unlikely to be sustained**. Since the focus of the Heritage Lottery Fund is to preserve (as far as practically possible) built and landscape features from our shared past, then it should naturally seek to ensure that whatever it funds stands a good chance of being sustained into the future. For some environmental features, climate change and other pressures may mean that “preserving in aspic” is not possible; we must adopt more of an adaptive approach instead. It is important that funding applicants design environmental sustainability into projects from the outset, and take a broad approach that recognizes the full project context. In Wales, and as referred to elsewhere in our response, this context must include the framework set by the Well-being of Future Generations (Wales) Act and the Environment (Wales) Act.

Applicants must recognize that although sustainability is frequently broken down into its environmental, social, economic and (in Wales) cultural components these elements are inextricably woven together and a project will not be sustained unless it satisfies all four conditions. Furthermore, local sustainability cannot be bought at the expense of unsustainable practices imposed elsewhere because of the project's demands. For example, projects should avoid using materials with a high environmental footprint (carbon; water; scarce raw materials), where suitable alternatives with a lower footprint exist. The Carbon Positive Project undertaken by Natural Resources Wales provides a good example of how to consider the full carbon impact of an organisation's activities, and this type of thinking is equally applicable to individual projects. The assessment of sustainability should consider the full life-cycle of the project, including its ongoing operation as well as its initial set-up. See [here](#) for The Carbon Positive Project.

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

The Heritage Lottery funds a wide range of projects, from restoring old steam engines to preserving historic buildings and recreating historic park land. While categories of project may share certain features, no two projects are **identical**. Applicants must show, therefore, that they appreciate fully the features of their projects and the unique context within which it is to be viewed. This unique approach extends to the embedding of environmental sustainability within the project's design. Applicants should identify the various components of their project and demonstrate that they are following best practices for each element – while ensuring that the approach makes sense when considered “as a whole”. Projects should employ a conservation-accredited lead professional advisor, who can exercise that judgement. Information on environmental good practice within this sector is widely available, for example on the web site of the Sustainable Traditional Buildings Alliance. The Welsh Government also offers advice on its web site. Regarding climate adaptation, the Historic Environment Group (HEG), which advises Welsh Ministers, has commissioned a report that summarises the potential impacts of climate change on the historic environment. The HEG Climate Change Subgroup is currently finalising its Historic Environment Sectoral Adaptation Plan (SAP) outlining a wide range of adaptation options that are relevant to Wales. Publication of this SAP is expected within the next six months. Taken together, these two documents should help applicants within Wales to scope out the full range of potential climate impacts and adaptation approaches that are relevant to their projects. Looking more broadly, Planning Policy Wales is currently being reviewed in the light of the well-being goals of the Well-being of Future Generations (Wales) Act 2015. The Future Generations Commissioner for Wales has also published a framework<sup>1</sup> for projects undertaken in Wales; this presents a series of practical questions that applicants could consider when designing their projects to be sustainable.

See links:

[Sustainable Traditional Building Alliance](#)

[Welsh Government](#)

[Climate change and the historic environment of Wales: A summary of potential impacts.](#)

## 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.

- 1 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-
- 3 self- assessment tools and/or checklists to identify 'project readiness' 2
- Tailored advice, such as a telephone helpline and/or online chat facility
- Other, please specify

Why do you give these rankings?

Applicants need guidance documents / notes to help and ensure that there are on the right track.

## 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?

There us a lot of resource time involved in putting together bids for larger grants, so it is therefore important to have an EOI screening stage to ensure that only quality projects are going to be considered. This saves time for both the Funder and the applicants.

## 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?

N/A

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)?

N/A

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

N/A

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?

N/A

## PART 6: Final comments, review and submit

Are there any other comments you would like to make?

The HLF is an extremely important partner in Wales. Our rich culture, long history and natural heritage are a tremendous source of national pride and international acclaim. However much more can be done to secure, explain, engage and instill greater awareness around Welsh heritage of all sorts. Natural Resources Wales can offer evidence, expertise and resources to further HLF priorities to enhance wellbeing for all through our natural heritage. We look forward to working with HLF and other partners to deliver this new Welsh agenda.

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			X	
Disability			X	
Gender reassignment			X	
Marriage and civil partnership			X	
Pregnancy and maternity			X	
Race			X	
Religion or belief			X	
Sex (as in gender)			X	
Sexual orientation			X	

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?

N/A

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?

N/A

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.

---