

**NATIONAL
HERITAGE
MEMORIAL
FUND**



2013 Business Plan

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1 INTRODUCTION

1.1 This Plan focuses on our use of resources in 2013-14 to achieve the aims set out in the Heritage Lottery Fund's Strategic Framework 2013-18. This Plan covers the first year of our five-year Strategic Framework.

1.2 The Plan covers both the Heritage Lottery Fund (HLF) and the National Heritage Memorial Fund (NHMF).

2 AIMS, VALUES AND CORPORATE PRIORITIES

Aims

2.1 NHMF was established by Parliament in 1980. In 1993, NHMF was appointed as the distributor of the share of the Lottery proceeds devoted to the heritage. This Plan sets out the way in which we will use Government grant in aid and National Lottery resources to meet the aims of the two Funds, which are set out below.

National Heritage Memorial Fund

2.2 As a memorial to those who have died for the United Kingdom, the National Heritage Memorial Fund defends the most outstanding parts of our national heritage which are at risk.

Heritage Lottery Fund

2.3 Using money raised through the National Lottery, the Heritage Lottery Fund gives grants to sustain and transform our heritage through projects with a lasting impact on people and places.

2.4 HLF is the UK's leading advocate for the value of heritage to modern life; working with partners, we speak up for and demonstrate the value of heritage to modern life.

Our organisation

2.5 We have four departments: Communications, Finance & Corporate Services, Operations and Strategy and Business Development. Scotland, Wales, Northern Ireland and each English region has a dedicated local team within Operations providing advice and support to applicants, assessment and monitoring services and local accountability.

Values

2.6 As an organisation we strive to achieve economy, efficiency and effectiveness in all that we do. In addition clarity, prioritisation, judgement, responsible authority and accountability are core principles for us as an organisation. They inform our approach to funding, and how we work with customers and colleagues. We aim to be recognisable wherever we work through consistent practice and presentation while retaining the flexibility to respond to differences and needs through our local teams across the UK.

Key challenges

2.7 Set out below are the key challenges that we face in 2013-14. Most are externally driven, but all require us to focus our organisational skills, knowledge and resources to deliver the best possible outcomes for heritage, people and communities.

- The impact of the continuing fiscal crisis, and in particular reductions in public expenditure and other sources of funding which may
 - threaten the delivery of heritage projects;
 - put at risk heritage projects completed in earlier years;
 - lead to the loss of skills, expertise and leadership resulting in risks to the heritage;

- lead to increased sectoral, media and opinion-former scrutiny of our funding decisions.
- To respond flexibly to the unpredictability of Lottery income, for example in the light of changes in Lotto ticket pricing.
- To be responsive locally.
- To embed our new Strategic Framework, which starts in April 2013.
- To share our experience and knowledge in ways appropriate to stakeholder needs.
- To provide clear leadership throughout the organisation, to help maintain staff morale in difficult times for the public sector and ensure that staff are properly equipped to deliver our new Strategic Framework.
- To manage the increasing and changing workload while having to meet caps on Lottery processing and total operating costs.

Corporate priorities

2.8 Subject to refinement in the light of experience our corporate priorities, in no order of priority, are to

- 1 Promote access to our funding.
- 2 Continue to implement our fourth Strategic Framework, whilst continuing dialogue with stakeholders and maintaining responsiveness to challenges and opportunities.
- 3 Deliver our grant programmes in accordance with the Strategic Framework and NHMF Funding Agreement, whilst responding quickly and effectively to changing demands from applicants, potential applicants and grantees; and being ready to rapidly advise and help those projects and potential projects facing difficulty.
- 4 Communicate the value of heritage, the impact of our funding and the role of the Heritage Lottery Fund and the National Heritage Memorial Fund.
- 5 Evaluate the implementation of the Strategic Framework in order to demonstrate the outcomes achieved for heritage and people, make improvements to delivery and protect our investment.
- 6 Show leadership to the sector through advocacy, funding and strategic activity.
- 7 Share our learning from 19 years of Lottery funding.
- 8 Make progress against agreed targets for increasing diversity in grant giving, governance and the workforce.
- 9 Communicate effectively internally.
- 10 Continue to operate within the 5% and 8% caps on Lottery processing and total operating costs.
- 11 Maintain provision of efficient and reliable IT and knowledge management systems and appropriate accommodation.

12 Provide high quality relevant training and a fair rewards package.

3 RESOURCE ALLOCATION

3.1 This section describes the resources likely to be available to us in 2013-14 to award to heritage projects and the way in which we propose to allocate them:

- across the United Kingdom; and
- between major, large and smaller grants.

National Heritage Memorial Fund

3.2 In the 2010 Comprehensive Spending Review the Government announced that the grant in aid to NHMF would be £20m over the four years 2011-15.

3.3 The demand for our help to defend the most outstanding parts of our national heritage at risk remains high. We will be ready to commit around £5m to new awards in 2013-14.

Heritage Lottery Fund

3.4 Capital projects, particularly larger ones, draw down funds over a considerable period. When we agree to support a larger project we are therefore committing ourselves to expenditure spread over many years to come. Because of this long lead time to the draw down of our funds, and the flow of cash from the National Lottery Distribution Fund, we have committed substantially more to new grants than we have received in income. We have been able to commit income that we have not yet received because the heritage has a guarantee of Lottery funding. By the end of 2012-13 we expect to have committed to heritage projects around £763m more than we had available in the National Lottery Distribution Fund.

3.5 The Department for Culture, Media and Sport project that our share of Lottery ticket sales and investment income over the next five years will be:

£m	2013-14	2014-15	2015-16	2016-17	2017-18
Income	£372.8	£376.0	£379.2	£381.6	£381.6

3.6 We also expect a return from the Olympic Lottery Distribution Fund. In 2013-14 we will be ready to commit around £400m to new heritage projects.

3.7 Our income has unexpectedly increased in recent years. That means that in the short term the balance HLF holds in the NLDF will rise: as the NAO said in its report of 2004, it is inevitable that there will be a time lag between the receipt of more income than expected and the draw down of funds by projects to which we make awards. Committing more to new projects than we receive in income is the proven way to reduce the balance in the NLDF or, in the present circumstances, to limit the increase in the NLDF balance that will inevitably be caused by the unexpected increase in our income.

3.8 By 31 March 2014 we expect to have committed to heritage projects £805m more than we have available in the National Lottery Distribution Fund (NLDF). By that date our balance in the NLDF should be around £488m.

3.9 We will review regularly the amount available for new commitments in the light of actual income and spending patterns, making any necessary changes in Business Plans for future years.

National and regional budgets

Grants over £2,000,000 determined on a UK-wide basis

3.10 Of the total commitment of around £400m in 2013-14, £204m will go to grants of £2m and over.

Grants under £2,000,000 delegated to the English Regions, Northern Ireland, Scotland and Wales

3.11 The allocations to the English Regions, Northern Ireland, Scotland and Wales are set out below. The allocations exclude Townscape Heritage (£14m), Skills for the Future £15m), Catalyst Endowments (£7.5m) and Catalyst Umbrella (£3m), which are UK-wide programmes.

	Heritage Grants	GPOW	Our Heritage	Young Roots	Sharing Heritage	WW1
Scotland	£8.129	£2.603	£1.844	£0.335	£0.42	£0.084
Wales	£4.704	£1.506	£1.067	£0.194	£0.24	£0.048
Northern Ireland	£2.780	£0.890	£0.631	£0.115	£0.14	£0.029
England		£25.000				
East Midlands	£6.959		£1.578	£0.287	£0.36	£0.072
East of England	£8.976		£2.036	£0.370	£0.46	£0.093
London	£12.549		£2.846	£0.517	£0.65	£0.129
North East	£3.987		£0.904	£0.164	£0.21	£0.041
North West	£10.826		£2.455	£0.446	£0.56	£0.112
South East	£13.257		£3.007	£0.547	£0.68	£0.137
South West	£8.120		£1.842	£0.335	£0.42	£0.084

	Heritage Grants	GPOW	Our Heritage	Young Roots	Sharing Heritage	WW1
West Midlands	£8.600		£1.951	£0.355	£0.44	£0.089
Yorkshire & the Humber	£8.112		£1.840	£0.335	£0.42	£0.084
	£97.000	£30.000	£22.000	£4.000	£5.000	£1.000

Programme Allocations

3.12 The grant programmes listed below form HLF's portfolio for 2013-14. We offer a combination of open generic grant programmes, through which we expect to make the majority of our awards, and initiatives targeted at particular areas of heritage or themes.

Generic Programmes

Heritage Grants

3.13 The Heritage Grants Programme offers grants over £100,000 for projects that make a lasting difference for heritage, people and communities in the UK. It caters for all types of heritage and a wide range of projects, including the very largest and most complex. We expect to receive applications relating to:

- archaeological sites;
- collections of objects, books or documents in museums, libraries or archives;
- cultural traditions such as stories, festivals, crafts, music, dance and costumes;
- historic buildings;
- histories of people and communities;
- histories of places and events;
- the heritage of languages and dialects;
- natural and designed landscapes and gardens;
- people's memories and experiences (often recorded as 'oral history');
- places and objects linked to our industrial, maritime and transport history; and
- natural heritage including habitats, species and geology.

3.14 We describe the difference we want to make to heritage, people and communities through a set of outcomes drawn directly from our research into what HLF-projects have actually achieved. These are:

Outcomes for heritage:

With our investment, heritage will be:

- better managed
- in better condition
- better interpreted and explained
- identified/recorded

Outcomes for people:

With our investment, people will have:

- developed skills
- learnt about heritage
- changed their attitudes and/or behaviour
- had an enjoyable experience
- volunteered time

Outcomes for communities:

With our investment:

- environmental impacts will be reduced
- more people and a wider range of people will have engaged with heritage
- your local area/community will be a better place to live, work or visit
- your local economy will be boosted
- your organisation will be more resilient

3.15 To receive a grant, projects requesting less than £2million must achieve at least one outcome for each of heritage, people and communities; projects requesting £2million or more should achieve more than one outcome for each.

3.16 We expect to make Heritage Grants totalling around £258m in 2013-14, including Catalyst Endowments, Catalyst Umbrella and Skills for the Future.

Our Heritage

- 3.17 Our Heritage takes the place of the Your Heritage programme and supports all types of heritage projects. We have increased the maximum grant available through a single-round application process to £100,000. This is to respond to demand for support for small and medium-sized capital projects (for example, smaller parks and green spaces, community buildings, museum collections and archives), as well as for activity projects exploring language, cultures and memories. Transition funding is also available through this programme. To receive a grant, projects will need to achieve at least one outcome for heritage and one outcome for people – see paragraph 3.14 above.
- 3.18 We expect to make Our Heritage grants totalling £22m in 2013-14.

Sharing Heritage

- 3.19 We are introducing a new Sharing Heritage programme for the smallest grants of £3,000 to £10,000. This new grants programme is for any not-for-profit group wanting to explore, share and celebrate their community's heritage. Activities we can support include events, exhibitions, festivals and celebrations, or producing local history publications, conservation of individual heritage items, volunteer training and support. Start-up grants are also available through this programme. To receive a grant, projects will need to achieve at least one outcome for people – see paragraph 3.14 above.
- 3.20 We expect to make Sharing Heritage grants totalling £5m, including Catalyst Small Grants, in 2013-14.

Targeted initiatives

Grants for Places of Worship Scheme

- 3.21 The Grants for Places of Worship Scheme offers grants of £10,000 to £250,000 for urgent structural repairs and works to encourage greater community use and engagement. Whilst the scheme is now fully administered by HLF, English Heritage continues to provide technical advice on projects in England, and Historic Scotland partner with us in grant-making in Scotland. The initiative primarily helps us to help conserve and sustain heritage at risk.
- 3.22 We expect to make grants for Places of Worship totalling around £30m in 2013-14.

Heritage Enterprise

- 3.23 The Heritage Enterprise programme offers grants of between £100,000 and £5,000,000 for the conservation and adaptation of historic buildings for an end-use that actively contributes to sustainable development. The programme will enable us to support projects that seek to bring back historic buildings into active commercial use, helping to improve the local built environment whilst at the same time stimulating economic growth in under-performing areas across the UK.
- 3.24 We expect to make Heritage Enterprise grants totalling £25m in 2013-14.

Parks for People

- 3.25 Parks for People offers grants between £100,000 and £5,000,000 and supports projects related to historic parks and cemeteries throughout the UK. The programme supports schemes that make a difference to heritage, people and communities through nine outcomes, and involve the local community in activities and the management of the park or cemetery.
- 3.26 We expect to make Parks for People grants totalling around £24m in 2013-14. The Big Lottery Fund has also committed £10m for Parks for People projects in England during 2013-14.

Landscape Partnerships

- 3.27 This programme offers grants between £100,000 and £3,000,000 and is for schemes led by partnerships of local, regional and national interests which aim to conserve areas of distinctive landscape character throughout the UK. Landscape Partnerships contribute to heritage conservation as an integral part of rural and peri-rural regeneration, aiming to create a holistic and balanced approach to the management of landscape heritage, and how people connect with it. The programme aligns with the UK's commitment to the European Landscape Convention.
- 3.28 We expect to make Landscape Partnerships grants totalling £20m in 2013-14.

Townscape Heritage

- 3.29 The Townscape Heritage programme offers grants between £100,000 and £2,000,000 for projects aimed at the revitalisation of the historic environment in towns and cities led by partnerships of local, regional and national interests. It seeks to enhance historic urban areas by repairing the buildings and other key features that make up the special architectural character of these townscapes, as well as encouraging under-used historic buildings to be brought back into viable economic use. Projects should involve and benefit the wider community as well as those directly concerned with grant-aided properties. The initiative primarily helps us to promote heritage conservation as an integral part of urban and rural regeneration, as well as being a key component in creating a wider strategy to improve the quality of the built environment and to provide a unique sense of place.
- 3.30 We expect to make Townscape Heritage grants totalling £14m in 2013-14.

Young Roots

- 3.31 The Young Roots grant programme is for young people aged 11–25 years old who want to explore their heritage and develop skills. Grants of between £3,000 and £50,000 are available for organisations working with young people, for example youth and community groups, to develop projects which are led by young people and enable them to become actively involved in the heritage. All projects must either offer new opportunities for young people from a range of backgrounds to volunteer in heritage, or new opportunities for young people to gain skills in identifying, recording, interpreting or caring for heritage. They must be delivered in partnership between youth and heritage organisations.

3.32 We expect to make Young Roots grants totalling £4m in 2013-14.

First World War: then and now

- 3.33 This new programme will offer grants between £3,000 and £10,000 for projects which engage young people and communities with the Centenary of the First World War. Projects will offer opportunities for communities to explore, learn about and share their First World War heritage. The programme aims to leave a legacy of First World War community heritage to mark the Centenary.
- 3.34 We expect to make First World War: then and now grants totalling £1million in 2013-2014. This is in addition to the First World War projects we are likely to support through our other grant programmes.

4 SERVICE DELIVERY

This section sets out the resources we expect to use in delivering our objectives and programmes in the period of the plan focussing on operational delivery of grant programmes.

Assessment workload

- 4.1 In 2012-13 we received an average of 260 applications each month, an increase of 35% over the previous year. To encourage applications the process of applying is easier and less costly for our applicants and we have added further flexibility to reflect the difficult public expenditure situation. And our Development Teams continue to help organisations in those parts of the UK and in those communities that have received little funding from us to make applications and to give those who apply to the Fund assistance where they need it. As the largest funder of the heritage in the UK, with increasing rather than reducing funds, it is not surprising that demand for our funding has increased substantially.

Monitoring projects in progress

- 4.2 In addition to assessing new applications a large proportion of staff time is spent on monitoring around 4,050 projects that are underway but have not yet been completed. We ensure that public funds are being spent in the way we expected and ensure that projects deliver the benefits from our funding which grantees have set out to achieve.

Contract compliance and evaluation

- 4.3 We also monitor what is happening after a project has been completed to ensure that the contractual terms of our grant are being met and the benefits continue. And we continue to systematically evaluate the impact of our support and the outcomes that projects have achieved. Samples of projects funded through the programmes we directly manage are evaluated against our strategic aims. Key findings are fed back to inform future decision making and best practice. We commission evaluation of targeted programmes in order to assess the impact and benefits of our funding and to inform policy and improve the decision making processes. This is a task which is growing in significance as the number of completed projects increases every year.

Learning and Development

- 4.4 As an accredited Investor in People we recognise that effective training and the continuous development of our staff are integral to achieving the priorities of NHMF. We build into our annual planning cycle a corporate requirement that training needs are identified and pursued. This leads to the central planning and provision of a range of development activities, whilst each department/team also identifies development activity as part of its own annual operating plan. Managers are required to review and evaluate the benefits of development activity at team and department level, and provide feedback on costs and effectiveness to senior management.
- 4.5 For 2013-14, our learning and development strategies will address the corporate priorities set out in section 2.8 above, by supporting staff in the following critical areas of performance:
- enhancing our communications with applicants, grantees and other stakeholders;
 - maintaining/improving customer service and satisfaction;

- building up and applying relevant skills, knowledge and expertise of staff in all teams/departments; and
- operating to high standards of public administration and accountability.

4.6 All learning and development activity will be assessable against at least one of the above critical measures.

4.7 In 2013-14 we will also be working towards reaccreditation of our Investors in People standard and ensuring appropriate learning and development strategies and processes are in place to support this.

Information Technology

4.8 To improve efficiency and provide a more flexible platform we will be making some IT infrastructure improvements including rolling out Windows 7, Office 2010 and SharePoint 2010 in 2012-13. We will also be undertaking work in preparation for a refresh of the Heritage Lottery Fund website.

Risk Management

4.9 The Fund's well established risk management strategy is designed to make more explicit the need for management to consider risk (including the risk of failing to make the most of opportunities) as part of their daily managerial responsibilities. We will continue to build upon our experience in order to better understand and manage the risks the organisation faces. The 2013 Risk Register can be found as annex 2.

Staffing

4.10 The allocation of permanent staff (full time equivalent) by department is set out below.

Operations	Finance & Corporate Services	Strategy & Business Development	Communications
169.4	35	25.8	19

Administrative expenditure

4.11 NHMF keeps its running costs under constant pressure and has implemented a successful efficiency programme which reduced running costs in real terms. Since 2003-04 NHMF has made a real terms reduction in its running costs of 35.2 per cent.

4.12 The Secretary of State has set a target that total Lottery operating costs may not exceed 8% of expected Lottery income (see 3.5 above). The financial resources required by NHMF to meet its priorities in 2013-14 are set out below and are well within the target.

Operating costs	Budget 2012-13 £000	Budget 2013-14 £000

Employment	10,120	10,624
Accommodation	1,974	1,806
Travel & subsistence	432	436
General expenses	2,716	2,954
Depreciation	803	349
Office equipment	235	235
Professional fees	3,018	3,279
Total operating costs	19,298	19,683
Net Lottery operating costs*	19,203	19,544
% of expected income	5.2%	5.2%

ie excluding Exchequer funded activities

- 4.13 The Secretary of State has also set a target to reduce Lottery processing costs to no more than 5% of expected Lottery income. A definition of processing costs has been agreed which will be used by all Lottery distribution bodies to measure their costs against the 5% target. Lottery processing costs are expected to be 3.8% of income in 2013-14.

2013-14 Lottery processing costs	£000
Total Lottery operating costs	19,826
Recovered from other bodies	465
Outreach work	2,866
Information and advice	958
Research and evaluation	932
Total Lottery processing costs	14,605
% of income	3.9%

Annex 1

SERVICE DELIVERY STANDARDS 2013-14

We will publish in our Annual Report a wide range of measures of our performance. We have also set targets in our Strategic Framework to deliver timely and satisfactory services to our customers, as follows.

Heritage Lottery Fund

The decision on an application will normally be taken at the next available decision meeting following assessment in:

Heritage Grants first round	12 weeks
Heritage Grants second round	12 weeks
Heritage Grants Major Batch second round	12 weeks
Heritage Enterprise first round	12 weeks
Heritage Enterprise second round	12 weeks
LPS second round	16 weeks
GPOW first round	12 weeks
GPOW second round	16 weeks
Skills for the Future second round	8 weeks
THI second round	12 weeks
Catalyst umbrella grants second round	8 weeks
First World War	8 weeks
Our Heritage (including transition funding)	8 weeks
Sharing Heritage (including Start-up grants), Young Roots	

A number of our grant programmes have published application deadline and decision dates. We will meet those deadlines.

Grant payments will be made to the grantee within 9 working days from receipt by HLF of the payment request.

We will undertake a survey of successful and unsuccessful applicants and aim to maintain customer satisfaction with our assessment processes at no less than 80%.

We will undertake a similar survey of those to whom we have awarded grants and aim to maintain customer satisfaction with our monitoring and post-award processes at no less than 85%.

The proportion of applicants that find the HLF website easy to use will be at least 87%.

National Heritage Memorial Fund

The decision on an application will normally be taken at the next available decision meeting following assessment in:

Urgent acquisitions 3 months

Other projects 6 months

Grant payments will be made to the grantee within 15 working days from receipt by NHMF of the payment request

Annex 2 - 2013 RISK REGISTER

Risk	What are we already doing to mitigate the risk?	Likelihood*	What more do we need to do?	Owner
<p>Memorial Fund</p> <p>Resources are insufficient to rescue outstanding parts of our national heritage which are at risk.</p>	<ol style="list-style-type: none"> 1. Careful financial management and planning 2. Encouraging pre-application contact 3. Taking high quality advice 4. Monitoring the external environment 5. Working with partners to influence relevant policy to safeguard heritage 6. Promoting the distinctive nature of the Fund 7. Encouraging more lottery applications for acquisitions and consulting on our lottery policy on acquisitions 	<p>Medium</p>	<ol style="list-style-type: none"> 1. Promote and raise awareness of the Fund. 2. Explore other sources of public funding for NHMF, particularly the devolved authorities for acquisitions in Scotland, Wales and Northern Ireland. 3. Establish whether items acquired with the support of the Fund are still on display. 4. Ensure the Fund's contribution is acknowledged by the grantee. 	<p>Carole Souter</p>
<p>Governance</p> <p>That the high number of changes to the membership of the Board, or delays in the process of appointment, undermines the Board's ability to provide effective governance and/ or robust decisions on grant applications.</p>	<ol style="list-style-type: none"> 1. Working closely with DCMS officials and ministers to plan ahead for recruitment campaigns across the UK and in Northern Ireland in 2013. 	<p>Medium</p>	<ol style="list-style-type: none"> 1. Explore with DCMS potential for reappointments in order to lengthen the period over which a large number of trustees would be due to stand down. 2. Ensure effective and comprehensive induction for new trustees. 	<p>Carole Souter</p>

Risk	What are we already doing to mitigate the risk? (Risk control strategy)	Likelihood*	What more do we need to do?	Owner
<p>Grant delivery:</p> <p>Applications and projects fail to meet our strategic objectives.</p> <p>Customer demand [pre-app, live, post-completion], and the scale of procedural change from SP3 to SF4, exceeds operational capacity to respond</p>	<ol style="list-style-type: none"> 1. Targeting development work for all grants programmes, ensuring quality applications and/or managing demand. 2. Ensure grant applications are assessed against our strategic objectives. 3. Moderation of assessments to ensure quality and consistency. 4. Deploy mentoring and monitoring resources in proportion to the level of project risk and to maximise effectiveness. 5. Ensure grants reflect broad heritage interest and sectors. 6. Monitor and respond to the external environment in order to manage the impact on applications, projects in delivery and completed projects through Projects Operations Report. 7. Delivering relevant and targeted training programme for staff and decision takers. 8. Ensure Committee decisions reflect strategic objectives, and within designated grants budget. 9. Monitor workload to inform effective use of operational resources. 10. Increasing staffing following a review of assessment and monitoring workload. 	<p>Low</p>	<ol style="list-style-type: none"> 1. Develop and embed culture which ensures staff have skills and confidence to manage and deliver projects in a rapidly changing environment 2. Deliver new initiatives and programmes 3. Keep Management Board, Trustees and Committees informed of practical impact of a changing environment on grant applications and delivery. 4. Manage expectations and ensure applicants understand the reasons for rejection. 5. Review development activity. 6. Ensure development staff are equipped to help applicants navigate the different programmes on offer. 7. Further consider post completion evaluation, starting with Parks for People. 	<p>Bob Bewley</p>

Risk	What are we already doing to mitigate the risk? (Risk control strategy)	Likelihood*	What more do we need to do?	Owner
<p>Strategic:</p> <p>That our strategy fails to keep pace with the needs of the heritage and changes in the external environment and therefore is not supported by our stakeholders.</p>	<ol style="list-style-type: none"> 1. Responding flexibly to emerging need e.g. with new programmes/amended processes where necessary. 2. Keeping in touch with stakeholders across UK. 3. Monitoring press and public affairs developments. 4. Implemented our strategy for 2013-18. 	<p>Low</p>	<ol style="list-style-type: none"> 1. Develop closer dialogue with sponsor team in DCMS and relevant colleagues in devolved administrations. 2. Build on knowledge and contacts of Trustees, Committee members and staff. 3. Implement SF4 to agreed schedule, adjusting as monitoring indicates. 4. Further consider plans for on-going dialogue with stakeholders. 	<p>Judy Cligman</p>
<p>Procedural:</p> <p>Failure to set and follow efficient procedures thereby giving rise to the risk of inefficiency, fraud or of making decisions open to challenge.</p>	<ol style="list-style-type: none"> 1. Ensuring that each area of business has a manual of procedures. 2. Checking that procedure manuals are followed (e.g. through internal audit; memoranda of representation). 3. Regularly reviewing and updating procedure to ensure efficiency of process. 4. Sharing best practice and coordinating approaches. 5. Ensuring that Internal Audit review changes in procedure as appropriate. 6. Auditing the operation of improvements made to the 	<p>Low</p>	<ol style="list-style-type: none"> 1. Implement changes to procedure required by the new Strategic Framework. 2. Implement records management. 	<p>Steve Willis</p>

Risk	What are we already doing to mitigate the risk? (Risk control strategy)	Likelihood*	What more do we need to do?	Owner
	oversight of delegated decision making.			
Staffing: Failure to recruit and retain and motivate appropriately skilled staff.	<ol style="list-style-type: none"> 1. Maintaining a recruitment and retention policy that meets NHMF's needs. 2. Maintaining a learning and development programme that enables staff to meet NHMF's objectives and to improve NHMF's performance. 3. Increasing staffing where increasing workloads make that necessary, mindful of the 5% and 8% targets. 	Medium	<ol style="list-style-type: none"> 1. Communicate to staff the benefit of being able to increase staffing, while most public bodies are downsizing. 2. Communicate to staff the benefits of working for NHMF. 	Steve Willis

Risk	What are we already doing to mitigate the risk? (Risk control strategy)	Likelihood*	What more do we need to do?	Owner
<p>Communications: recognition</p> <p>Risk that that the benefits of heritage investment are not understood and valued by stakeholders across the UK</p> <p>Communications: reputation</p> <p>Risk of increased sectoral, media and opinion-former scrutiny of our past and current awards in current economic and political conditions with potential for adverse response.</p>	<ol style="list-style-type: none"> 1. Actively promote the breadth of heritage, the benefits of investing in it and the opportunities it presents for society 2. Promote HLF’s role in sectoral progress and resilience 3. Encourage grantee acknowledgement by effective joint working 4. Ensure Ministers and elected representatives across the UK are kept informed of HLF investment and the difference it makes <ol style="list-style-type: none"> 1. Ensure careful handling planning around announcements and other developments 2. Ensure we continue to develop our intelligence of local and UK context for all our work 	<p>Medium</p>	<ol style="list-style-type: none"> 1. Develop advocacy plan based on HLF’s unique facilitating and cross sectoral role <ol style="list-style-type: none"> 1. Improve joint working across the UK on handling issues 	<p>Louise Lane</p>

* Likelihood – there is a “high”, “medium” or “low” likelihood that the risk will occur following the imposition of the risk control strategy. A “high” likelihood means that in the short term (which is at least one year) the risk, as designated in the first column of the register, is expected to occur. Conversely, “low” likelihood means that the risk is not expected to occur in the short term.