

Broadening the Horizons of Heritage

The Heritage Lottery Fund Strategic Plan 2002 – 2007



Heritage
Lottery Fund



The Ondaatje Wing, National Portrait Gallery, London
Visitor figures at the National Portrait Gallery have increased by 20% since the new wing, supported by the Heritage Lottery Fund, opened in May 2000.

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Foreword

The heritage of the United Kingdom is a profound source of pleasure to millions but still marginal to the way others see their lives. It is the task of the **Heritage Lottery Fund** not only to seek to persuade more people to share the passionate enthusiasm of those who love our great works of art, spectacular landscapes and irreplaceable buildings, but also to listen carefully to the changing ways in which an evolving society values the past.

Foreword

Heritage, in some guise or another, matters to the quality of all our lives. We can all value it for different reasons, for the pleasure of familiar memory, for pride in ancient lineage, for its own intrinsic beauty or grandeur, or to answer a still more universal need - for the essential clues to what came before, what made us what we are, the roots of our identity.

This is the extra dimension of 'heritage' - those pieces of the past which have value and meaning for us today. It is more than just beauty or rarity or grandeur. It is the special quality which makes people literally weep for pleasure at seeing familiar treasures restored, emblems of dereliction and failure turned to symbols of new life, the pride that returns with something beautiful or significant put back the way it should be. The lives of individuals and of communities can be changed by it, not least in those very places where poverty or decay are paramount.

The United Kingdom today is facing big questions - about its role in a global society, about our identity as a nation, as communities, as individuals. Our once rigid social and cultural groupings are dissolving. Our demographic mix is being transformed. 'Who do we think we are?' becomes an insistent question for our future which cannot be properly answered without access to the heritage of our past.

Sometimes, public perceptions of 'heritage' are still disappointingly narrow, but the great strength of the Heritage Lottery Fund is its remit to turn its hand to the whole range of places, objects and activities that people value as a special legacy from the past.

In the natural environment projects range from vast wildernesses to small but strategic bits of heathland, historic parks, and all kinds of fragile habitats. Buildings can be great Victorian museums or mud-walled Irish cottages, canals or court houses, churches or village streets. We can support county archives or oral history, Welsh slate mines, black culture or Scottish art collections. The remit is as wide as the heritage of the United Kingdom. Some of it is in urgent need of rescue, other parts need support and encouragement so they can be enjoyed to the full by present and future generations.

In preparing this framework for the next five years we have learned from our own experience and from a huge and valuable consultation exercise. Both taught us that the key priorities of the last Plan - **conservation, access and education** - were still the right ones but also that there was a need for something more, for new thinking about the definition of heritage itself, who values it and why.

In response we have drawn attention to the theme of **involvement**, engaging more people not just in the enjoyment of heritage but also in the process of identifying which buildings, objects, places or activities represent meaning and value from the past of their own towns, villages or communities and how they should be looked after and managed.

Three benefits will, we hope, flow from this: the boundaries of 'heritage' will expand to take in a richer mix; the spread of money will be more equitable; and, as more people see their own search for meaning and worth reflected in that heritage, its economic and physical future will be more secure.

Investing millions of pounds in the repair and conservation of the nation's heritage carries with it the responsibility to ensure that the projects we fund are sustainable into the future. Building a constituency which will take on that responsibility in the years ahead because it is clearly seen to enhance the quality of people's lives is an essential part of our duty.

Broadening the 'heritage constituency' will not be an easy aim to fulfil. We will tackle it in various ways including easing some requirements for partnership funding, simplifying all our forms and procedures, and funding training for volunteers. Above all we will physically devolve our organisation so that decisions about heritage value and priority can be made by people who live and work in the places concerned. Opening up the agenda in this way will inevitably add somewhat to competition for resources. It will be important to hold a balance between safeguarding established standards of quality and engaging with new ideas about heritage value.

Interest in the past - whether on television or in the oral and family history projects springing up across the land - is burgeoning. Free access to national museums and galleries - just when many of them have finished inspiring programmes of renewal and reinvention - has families queuing round the block. Thousands are walking the countryside every weekend. The Biodiversity Action Plan has captured the imagination of the nation. A new sense of the value of heritage pervades regeneration plans. The fruits of HLF investment since its inception are beginning to show in evident change and renewal all over the country. There will be hard choices to make in the next five years but never a better time to demonstrate that heritage matters.

A group of children and adults are gathered around a large, ornate fountain in a park. The fountain is wrapped in brown paper, and the children are actively unwrapping it. The background shows a large tree and a building. The scene is bright and sunny.

communities

Clapton Square, London Borough of Hackney

Local children unwrap the newly restored turn of the century fountain in Clapton Square. An HLF grant also helped to replace ornamental railings, plant trees and shrubs and restore footpaths.

Executive summary

We have identified three broad heritage aims:

- to encourage more people to be involved in and make decisions about their heritage;
- to conserve and enhance the UK's diverse heritage; and
- to ensure that everyone can learn about, have access to, and enjoy their heritage.

(Paragraph 3.1.1.)

One further aim relates to our role as a Lottery funding body:

- to bring about a more equitable spread of our grants across the UK.

(Paragraph 3.1.4.)

We have made some changes in policy. These will be reflected in our application materials and include

- encouraging *training elements* within applications;
- supporting projects which increase access to and learning about *heritage in private ownership*;
- being prepared to support the *acquisition of heritage objects and material*, including works of art and archives created, or largely containing material from, no less than ten years ago;
- extending our backing for nature conservation to include direct *support for 'priority species' that are listed in the UK Biodiversity Action Plan*; and
- producing guidance on how to write *maintenance plans* and more rigorously monitoring contract compliance in this area.

(Paragraph 4.2.3.)

We will prioritise our development resources in favour of those communities which have to date received least funding and fewest grants from us, and which are in areas of high social and economic deprivation. We will use our powers of solicitation as necessary.

(Paragraph 4.4.6.)

In order to deliver this improved service to applicants and potential applicants we have to enhance our own capacity. We are therefore in the process of establishing

- regional offices in England as bases for assessment and monitoring in order that we can operate closer to applicants and grantees; and
- development teams in those offices to work with a wider range of partners and encourage more applications.

(Paragraph 4.4.7.)

We have simplified our procedures and our documentation by:

- merging our capital and revenue grant streams;
- clearly setting out three generic grant programmes for large, medium and small grants, retaining or introducing special funding initiatives only where necessary;
- reducing the amount of information requested to the minimum appropriate to the grant applied for; and
- simplifying our monitoring documents.

(Paragraphs 4.5.2. and 4.5.6.)

We have reduced the minimum level of partnership funding required for grants:

- up to £50,000, no minimum is required, only what can be supplied either in cash or in kind;
- £50,000 - £1million, 10% of the project costs are required; and
- £1million and more will have to supply 25% of project costs as partnership funding.

(Paragraph 4.5.3.)

We have lengthened the maximum period of support for revenue projects from three years to five.

(Paragraph 4.5.4.)

We aim to speed up the time taken to assess applications. The goal should, however, be seen in the context of increasing our support for applicants, which may in some cases lengthen the assessment process.

(Paragraph 4.5.5.)

We are seeking to reduce the balance of funds held on our behalf in the National Lottery Distribution Fund. We will take steps to help projects get off to a quicker start and thereby deploy Lottery money faster.

(Paragraph 6.1.4.)

We expect to:

- maintain our current level of spend through Awards for All, increasing it if necessary in order to meet demand;
- treble the number of grants distributed through the Your Heritage programme between 2002-3 and 2006-7. This increase will be funded by switching resources from our Heritage Grants Programme;
- allocate around 50% of our funds to grants of less than £1million through budgets managed by our regional and country teams; and
- allocate not more than 25% of our funds on a UK-wide basis to applications requesting over £5 million.

(Paragraph 6.2.2.)

Based on the decision to allocate 50% of our funding through grants of less than £1million, the sums of money to be distributed by the Board will be roughly the same as those to be distributed in Scotland, Wales, Northern Ireland and the English regions by our committees and staff. In this context the budget for each country and region will be based on their share of the UK population.

(Paragraph 6.3.2.)

Stac Pollaidh, Highlands of Scotland

One of the sites where the Footpath Trust is using an HLF award to repair eroded footpaths and, in this case, create a new circular walk.

appreciation



1 Introduction

1.1 This strategic plan sets out how HLF will distribute Lottery funding for the heritage over the next five years (1 April 2002 until 31 March 2007).

1.2 The plan sets out what we hope to achieve through our funds in this period and the programmes and activities we will use to deliver this. The plan will provide us with a framework within which we can manage our resources and provide our applicants, advisers and other partners with a context for our shared aims. It has been informed by widespread consultation with organisations and individuals across the UK. We will report on our progress over the five years in our Annual Reports, reviewing its effectiveness and delivery each year when we agree our Annual Business Plan.

1.3 This is our second strategic plan, and it follows on from the first plan, which ends on 31 March 2002. We believe that a longer planning period, five years rather than three, will provide us with a realistic focus for action and reporting, and enable others to develop projects which meet our aims. It will also enable the impact of our funding to be evaluated in advance of the review of Lottery Good Causes in 2009.

1.4 The plan has been produced at the request of the Secretary of State for Culture, Media and Sport in accordance with Section 25C of the National Lottery Act, 1993 as amended. It has been submitted to the Secretary of State; the Minister for Tourism, Culture and Sport in Scotland; the Minister for Culture, Sport and Welsh Language in Wales, and the Minister for Culture, Arts and Leisure in Northern Ireland. The plan will be laid before the UK and Scottish Parliaments and the Welsh and Northern Ireland Assemblies in May 2002.

2 The strategic context

2.1 Introduction

2.1.1 HLF has an extensive remit. We support all aspects of heritage from archives to nature conservation to oral history, in all parts of the UK. We support community activity projects requesting £500 as well as multi-million pound development projects with benefits to match. Providing both capital and time-limited revenue funding, we work with a wide variety of grant recipients and partners in order to ensure that the funds at our disposal benefit the heritage and improve the quality of life for communities of all kinds.

2.1.2 In developing a framework for our funding for the next five years, we have taken account of a range of factors:

- our achievements in the period of our first strategic plan (1999-2002);
- the powers provided in our legislation and the policy directions received from Government;
- our understanding of the needs of the heritage, informed by both research and consultation;
- our partners' strategies for the heritage, culture and the environment, where they exist;
- the outlook for the heritage market, based on current levels of visitation and use;
- the levels of funding we are likely to receive from the National Lottery over the next five years and the likely availability of funding for the heritage from other sources;
- the requirement for our funding to be additional to core public funding; and
- the views of our stakeholders, in particular the findings of the extensive consultation exercise conducted over the summer of 2001.

2.2 The context set by Government

2.2.1 The Heritage Lottery Fund was established under the National Lottery Act, 1993, to distribute money from the National Lottery to heritage projects across the United Kingdom. It is administered by the National Heritage Memorial Fund under powers given to it through the National Heritage Acts of 1980 and 1997, and through the National Lottery Acts of 1993 and 1998. We must work within this framework.

2.2.2 In spending money from the National Lottery the Trustees of the National Heritage Memorial Fund are required to take into account policy directions issued by the Secretary of State for Culture, Media and Sport, and any separate directions issued by ministers in Scotland, Wales and Northern Ireland with respect to devolved matters.

2.2.3 Our current directions require us, in distributing money from the Lottery, to take into account:

- the needs of the heritage;
- the need to ensure that all parts of the UK have access to our funding;
- the scope for reducing economic and social deprivation;
- the need to promote access for people from all sections of society to heritage, in particular to develop an interest in heritage amongst children and young people;
- the need to further the objectives of sustainable development;
- the need to ensure that the projects we support are financially viable, and that the grants we give are for a specific time-limited purpose and promote the public good or charitable purposes and are not intended primarily for private gain;
- the requirement for an element of partnership funding;
- the desirability of working in partnership with other organisations; and
- the possibility of soliciting applications in order to pursue strategic objectives.

2.2.4 The full text of our policy directions can be found in Annex 2.

2.3 Our achievements to date

2.3.1 Since 1995 we have supported over 10,000 projects with £2 billion, which has levered in a further £2.2 billion for the heritage. These figures encompass a wide range of projects seeking to conserve the most important parts of the past for the benefit of communities across the UK. We have:

- helped 1,197 nature conservation projects to get under way, 24 of which have achieved 72% of the UK Biodiversity Action Plan targets for lowland heathland restoration;
- supported improvements to 235 historic parks in towns and cities;
- revitalised 573 separate museums and collections with extensions, refurbishments or acquisitions, including all of the 10 most visited museums;
- supported 5,000 local and community-based projects, including 123 oral history projects;
- committed funds for the restoration of historic fabric in 100 historic townscapes since 1998, over half of which are in some of the most deprived areas of England;
- helped to ensure the future use of 1,082 places of worship;
- awarded 487 grants supporting the UK's documentary heritage in archives and special libraries; and
- supported 431 projects relating to industrial, maritime and transport heritage.

2.3.2 We are increasingly in a better position to report on the evident benefits of our grantmaking. We are witnessing the successful completion of many projects to which we gave grants in our early years, adding value to what others have made it possible to achieve. By the end of March 2002 this amounted to nearly 4,700 completed projects. We are tracking the achievements of completed projects through our evaluation programme, and will report on this in due course.



involvement

**Calder and Hebble Heritage Project,
West Yorkshire**

*With the aid of a Young Roots grant,
Environment Concern explored the local
industrial heritage in a project which also
helped young people develop self-
confidence and improve their social skills.*

2.3.3 During the current strategic plan period, from April 1999 until the end of March 2002, we have been able to commit over £983 million to more than 5,900 projects. These figures show a significant increase since 1999 in our support for local heritage and community-based projects. Around 60% of the grants we have awarded since 1995 are for sums below £50,000.

2.3.4 We have achieved this through developing programmes designed for applications requesting small sums of money. We:

- were a key partner in extending the joint Lottery Distributor Awards for All programme (for grants between £500 and £5,000) across the UK;
- launched our Local Heritage Initiative (for grants between £3,000 and £25,000) in England in partnership with the Countryside Agency. It is now being piloted in Wales and plans are in place to pilot it in Scotland and Northern Ireland; and
- launched our Your Heritage programme, thereby introducing a simpler application form for projects requesting up to £50,000.

2.3.5 Building on our experience in Scotland, Wales and Northern Ireland, we set up committees in each of the English regions. Their members are drawn from local communities, and they have very successfully helped us to recognise and respond more closely to the distinctive needs of particular areas of the country, in addition to bringing decision-taking closer to the places where the decisions will have most impact. We will develop this approach over the five years of the plan.

2.3.6 On the other hand, despite funding many excellent projects, we have found it difficult to ensure a more even distribution of our grants below £1million across the UK on a per capita basis. There have also been fewer bids than we would have wished for revenue-oriented activity schemes, which involve more people in heritage. We have looked hard at these issues in working out our priorities and delivery mechanisms for 2002–7.

2.4 The needs of the heritage

2.4.1 It is unfortunate that a comprehensive and costed assessment of heritage needs does not yet exist in order to inform the strategic deployment of funding. Our first strategic plan identified this as an important undertaking, and we have worked with appropriate agencies to fill some of the main gaps, in particular in the areas of museums and urban parks, where we felt the work was most urgent. We are pleased that Resource and English Heritage are continuing with this work, which is more properly the responsibility of the heritage agencies across the UK. We have also supported work in the transport heritage sector, which is not covered by any single agency.

2.4.2 Estimating the different needs of the heritage is not easy; trying to compare them is virtually impossible. Nonetheless, the available evidence¹ suggests that the sums required for capital investment to put the UK's heritage in good order are very considerable:

- £1.2 billion over the next ten years to deliver UK biodiversity action plans to restore priority habitats and species to sustainable levels;
- £400 million to bring Grade I and II* historic buildings at risk into repair in England alone;
- £800 million for improvements to museums and galleries;
- £1 billion to restore historic public parks; and
- £480 million over the next ten years to address the most important needs of historic archives.

2.4.3 Some of the figures above are simply conservation costs; others include costs related to improving the quality of public access and the visitor experience. Moreover, the figure for historic buildings does not acknowledge either the needs of Grade II buildings, which represent around 92% of historic building stock in England, or the needs of historic buildings in Scotland, Wales and Northern Ireland, which also remain uncoded. Nonetheless, the figures do give an indication of the scale of capital need, which clearly outstrips the resources likely to be available to heritage agencies and through the Lottery for many years to come.

2.4.4 Sustaining and managing heritage infrastructure effectively, even with capital improvements, is a continual challenge for many organisations. Indeed, the needs of the heritage cannot just be expressed in terms of capital or infrastructure requirements. Ongoing needs include the maintenance of historic buildings, the recovery and sustainable management of the countryside, and the continuation of conservation and craft skills. They also include the renewal of exhibitions, enhancing the educational potential of heritage resources, marketing, and the development of new audiences from those parts of the community which are currently under-represented as visitors, volunteers and managers. Our role is rightly limited by our inability to provide long-term revenue support, although we are able to offer time-limited project funding for particular activities.

2.4.5 In forming a view on the needs of the heritage we must also reflect the evolving debate about heritage. A very strong thread in our recent consultation was the need to give greater value and support to a wider perception of what people consider to be 'their' heritage. This could include small but much-loved historic landmarks and spaces, community recollections, traditions, minority languages and dialects, which are integral components of cultural identity. These are simply examples, and the scale of their needs has barely been identified let alone costed. Making progress in this area will require us and others to engage actively with the UK's diverse communities in order to find out their priorities.

¹ The figures in this paragraph come from research commissioned by a variety of bodies, often in partnership with HLF. *UK Biodiversity Group Tranches 1 and 2 Action Plans Cost Estimates: A Summary Report (2000)*, *English Heritage Register of Buildings at Risk (2001)*, *HLF Museum Needs Assessment: Interim Report (2000)*, *Public Park Assessment (2001)*, communication with the National Council on Archives and Resource.

A vibrant, crowded celebration in Nancledra, Cornwall. The scene is filled with people, many wearing traditional costumes and holding large, colorful flags (blue, green, red, yellow). The atmosphere is festive and celebratory. The word "celebration" is overlaid in white text in the center of the image.

celebration

Nancledra, Cornwall

The village of Nancledra, Cornwall, celebrates its school's 75th anniversary with a procession, Cornish dancing and linked heritage workshops funded with an Awards for All grant.

2.4.6 Meeting these extensive needs requires a long-term and systematic approach to funding, with resources from the Lottery providing only part of the solution. We welcome the wider view taken by the Government in *The Historic Environment: A Force for Our Future*. The statutory agencies, with funding from central and local government, have a central and continuing role to play in terms of maintaining the heritage. We will look for co-operation with them at national, regional and local levels where possible, in order to achieve mutual aims, but our funding must continue to be additional to core public funding, and be available for projects or project elements which could not otherwise be undertaken.

2.5 The market context

2.5.1 It is impossible to quantify the extent of informal participation in heritage. Millions take pleasure in what they have inherited from the past as they go about their daily life. Qualitative research undertaken as part of our consultation for this plan revealed a widespread appreciation of heritage amongst members of the public and community leaders. This supports data from the 2000 MORI survey on Attitudes Towards the Heritage, which found that 76% of the people surveyed agreed that their lives were richer for having had the opportunity to visit and see examples of the country's heritage. Over 95% of the same sample thought heritage was important for teaching them and their children about the past.

2.5.2 It is difficult even to establish the number of visits to formal heritage sites and attractions. Available data suggests that this is likely to be upwards of 150 million visits a year in 2000.² Annual visits to historic urban and country parks may amount to as much as 400 million.³ In addition around 20 million holiday trips and 1.4 billion leisure day visits are made to the UK countryside each year.⁴

2.5.3 Notwithstanding these impressive figures, we need to bear in mind:

- the levelling off, and even decline in, visitor numbers in recent years at many heritage attractions;
- the fact that the majority of heritage attractions are small or even micro-businesses;
- the pressure on local authority budgets;
- the long-term impact on tourism of foot and mouth disease and the terrorist attacks on the USA; and
- the under-representation of minority ethnic groups, disabled people, young people and low-income households in the visitor profile at many heritage sites.

² This estimate is extrapolated from figures in *Sightseeing in the UK (2000)*, *The Heritage Monitor (2000/2001)*, *The Digest of Museum Statistics (1999)*, *the Heritage Railways Association Annual Report 2001*, *Archives at the Millennium (1999)*.

³ *Public Park Assessment (2001)*

⁴ *UK Travel Survey (1999)*, *Leisure Day Visits Survey (1998)*.

2.6 Funding issues

2.6.1 Although Government has promised us the same share of money from the National Lottery for the period of this plan, there is inevitable uncertainty about the income from ticket sales over that period, and we have borne this in mind in estimating our resources and determining our aims.

2.6.2 We are also aware that demand for our funds will be affected by the availability of funding for heritage projects from other sources, a factor which will also affect the potential of applicants to raise partnership funding. We have planned on the basis of no significant increase in funding for the heritage from Government, local authorities, Europe and the private sector in the foreseeable future. Indeed, the position may become more difficult if the UK economy slows down.

2.7 The conclusions from consultation

2.7.1 Over the summer of 2001 we canvassed a wide range of opinion as to our future direction, receiving 315 responses to a consultation document and taking the views of nearly 600 people at workshops, seminars and focus groups.

2.7.2 Participants were overwhelmingly supportive of our proposed areas of activity, and we have drawn nine key messages from the consultation:

- we should adopt a broad understanding of heritage, one which recognises the wide range of things that people consider to be their heritage;
- we should acknowledge that how heritage is identified and managed (the process) can be as important as the objects being cared for - community engagement and decision-taking is vital to the long-term sustainability of heritage;
- the primary purpose of our funding should be to conserve heritage and make it more accessible to the public;
- the projects we support should demonstrate how they might appeal to the widest possible audience;
- we should not ring-fence funding for particular sections of the community, but should actively encourage applications from communities and areas of the country which have received little funding from us to date;
- we should involve a wider range of organisations as partners, in particular to encourage a larger number of applications from the voluntary and community sector;
- we should improve our service to applicants, in particular through establishing offices in the English regions, simplifying our application materials, and helping applicants to raise their capacity to submit bids for funding;
- we should review the levels of partnership funding required from applicants; and
- we should aim to build a broader support for heritage in the UK by raising the profile of heritage and demonstrating the value of supporting heritage projects.

2.7.3 A more detailed version of the results of the consultation can be found in Annex 3.

National Railway Museum, York
Work being carried out on the Winston Churchill locomotive can be viewed at the new conservation workshop at the National Railway Museum.

A black and white photograph of a steam locomotive in a workshop. The locomotive is the central focus, with its large smokestack and boiler visible. In the foreground, a large fire of sparks is burning, creating a bright, glowing effect. The background shows the industrial structure of the workshop, with various pipes and beams. The overall scene is one of active conservation work.

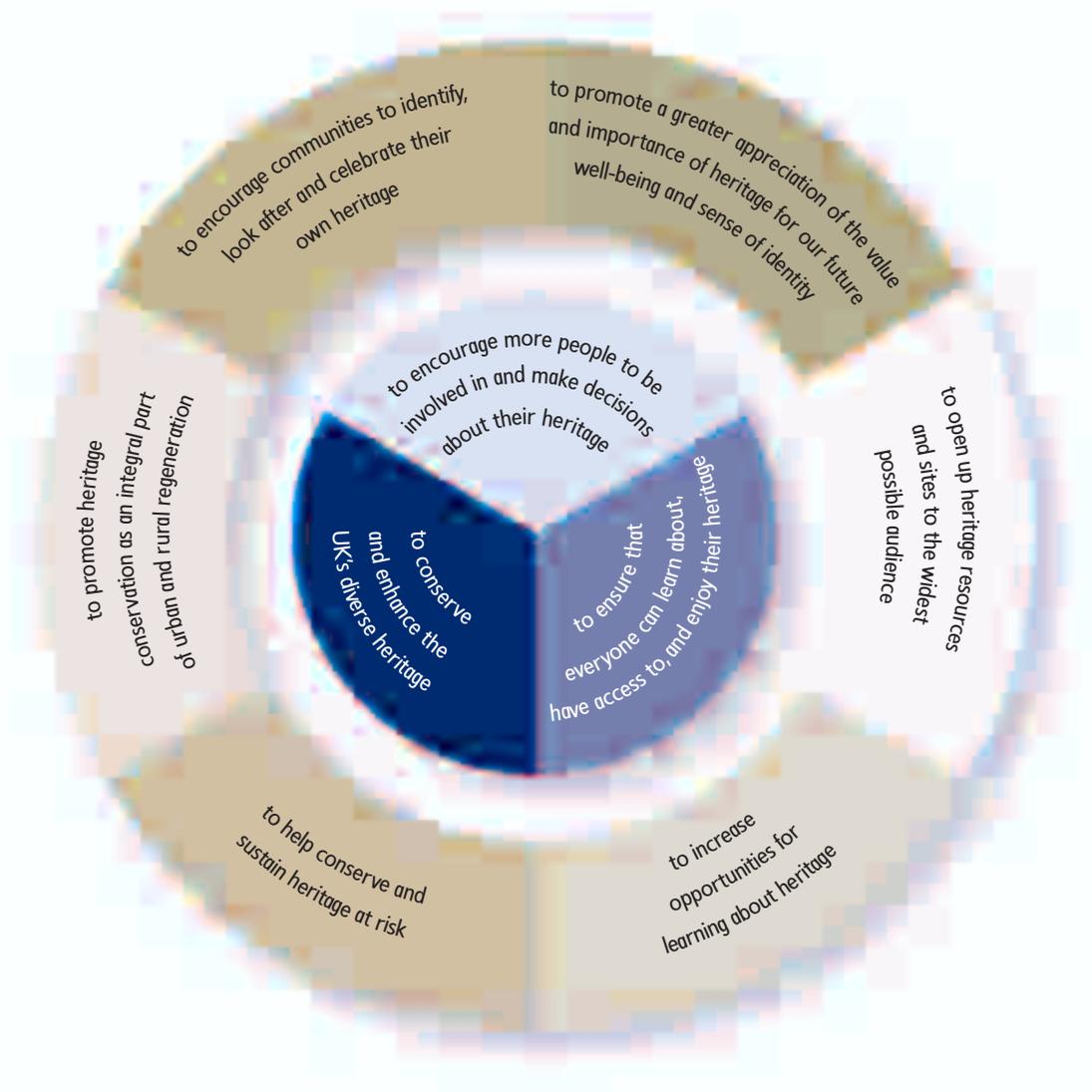
conserving

3 What we want to achieve

3.1 Our aims 2002–7

3.1.1 Through this review of the strategic context of our business we have identified what we believe the Heritage Lottery Fund should concentrate on for the period of this strategic plan. This can be expressed in three heritage aims, which define in broad terms what we are trying to achieve in terms of the heritage and, flowing on from these, six subsidiary purposes on which our grantmaking and other activities will focus during 2002–7. These connections are shown below.

Figure 1. Our heritage aims 2002–7



3.1.2 Each of the three central sectors on the chart, of course, has a bearing on the others. A larger number of people taking an active interest in and responsibility for looking after their heritage will increase the likelihood of those parts of the past which people hold most dear being better safeguarded. This in turn will enable objects, places and traditions to be appreciated and enjoyed by present and future generations. In the context of a multi-cultural society increasing people's access to and knowledge of their heritage will help to generate a more widespread commitment to heritage, which will contribute to its long-term survival. We see our funding and other activities as a way of achieving this virtuous circle, thereby helping to improve the quality of life in the UK.

3.1.3 Similarly, many of the projects we support will help deliver against more than one aim or subsidiary purpose, and our grant programmes will reflect this. This approach will provide a framework in which our committees in Scotland, Wales, Northern Ireland and the nine English regions can interpret the aims. In this way they will help to ensure that our funding responds to local priorities and meets the needs of the different countries and regions.

3.1.4 We have one further aim, which is not reflected in figure 1, as it relates to our role as a Lottery funding body rather than as a heritage organisation. No less important than the others, however, the aim is **to bring about a more equitable spread of our grants across the UK**. In other words, we intend to make a larger number of grants to those parts of the UK and those communities which have to date received little funding from us. Our strategies for achieving this aim, detailed in section 4, will underpin our ability to meet our other aims.

3.1.5 Our four aims, and our interpretation of them through our subsidiary purposes, policies, programmes and other activities, together cover all our policy directions from Government.

3.2 Achieving greater involvement

3.2.1 The aim **to encourage more people to be involved in and make decisions about their heritage** reflects the importance of building a large and active constituency for heritage in the UK. It means bringing about a better understanding of and commitment to heritage conservation by policy-makers and members of the public alike. We want to help communities to engage with those parts of the past which have meaning and value for them, and to stimulate debate about the value of heritage and its contribution to society. The role of young people as custodians of tomorrow's heritage will also be important.

3.2.2 In seeking **to encourage communities to identify, look after and celebrate their own heritage** we intend our funding to enable communities to be more in touch with their heritage. Over the years we have resisted offering a definition of heritage, and will continue to challenge others to tell us what is important to them. We want heritage of all types to be better understood and enjoyed, as responsibility for its care is shared by a broader section of society than at present.

3.2.3 In order to achieve this we will support projects which aim to

- support heritage which is important to the fabric and identity of local and other communities;
- provide opportunities for people to offer their services as volunteers in caring for the heritage; and
- provide opportunities for individuals and communities to make decisions about their heritage.

3.2.4 In seeking to **promote a greater appreciation of the value and importance of heritage for our future well-being and sense of identity** we intend to make a contribution to raising the profile of heritage in the UK amongst members of the public, the media, and other opinion formers. We want to expose some of the problems and issues which the heritage currently faces, and to demonstrate the value, in environmental, cultural, social and economic terms, of investing in heritage.

3.2.5 In order to achieve this we will:

- enhance our press and public relations strategy based on our grantmaking;
- increase the amount of advocacy work we do at national and regional levels;
- undertake research into what completed projects have achieved and publish the results, promoting examples of best practice; and
- undertake research into issues facing the heritage and publish the results.

3.3 Supporting conservation

3.3.1 The aim to **conserve and enhance the UK's diverse heritage** reflects the importance of addressing the enormous backlog of neglect and decline faced by so much of the UK's heritage. It also recognises that the UK's heritage takes many forms and is perceived differently by different communities. The aim is based on the assumption that without funds being available for conservation, there will be no heritage for people to enjoy.

3.3.2 In seeking to **help conserve and sustain heritage at risk** we intend our funding to contribute to the viable future of historic buildings, landscapes and sites by helping to put them in a better state of repair. We also want to secure the long-term future of all kinds of objects and collections important to the UK's heritage by assisting with their management, and we want to make inroads on UK Biodiversity Action Plan targets. In addition, we want to ensure the survival of valued cultural traditions and other forms of non-physical heritage such as language heritage, drawing on our research conducted in Wales, Scotland, Northern Ireland and England.

3.3.3 In order to achieve this, we will support projects which aim to:

- conserve and restore historic buildings, objects and collections;
- improve the storage and environmental conditions in museums, archives and other repositories of heritage material, such as industrial and transport sites;
- undertake focused programmes of nature conservation;
- preserve heritage which is 'intangible', such as community recollections; and
- provide opportunities for training people in conservation skills.

3.3.4 In seeking **to promote heritage conservation as an integral part of urban and rural regeneration** we intend our funding to make a contribution to economic prosperity and social well-being through combating dereliction. We also aim to secure the preservation and enhancement of landscapes of scenic value and importance to our heritage.

3.3.5 In order to achieve this, we will support projects which aim to:

- bring run-down or underused historic buildings, townscapes and parks, particularly those in deprived areas, into fuller economic and social use; and
- conserve, restore and open up key features of important landscapes, thereby enhancing the historic integrity of the countryside.

3.4 Enhancing access and learning

3.4.1 The aim **to ensure that everyone can learn about, have access to, and enjoy their heritage** reflects the importance of people being able to take pleasure in and benefit from aspects of the past which have contributed to the identity of the places and communities in which they live and work. We want to help to break down the barriers which currently exist in order that people can take advantage of the wealth of opportunities available.

3.4.2 In seeking **to open up heritage resources and sites to the widest possible audience** we intend our funding to enable more people to enjoy the UK's heritage and for the quality of that enjoyment to be higher. We also want to see a broader participation in heritage, with visitor profiles at supported sites better reflecting the local or national population, whichever is appropriate for the site.

3.4.3 In order to achieve this we will support projects which aim to

- improve physical and other forms of access to resources and sites;
- make available for viewing or use material that is currently inaccessible;
- improve the quality of presentation and interpretation; and
- develop new audiences from under-represented and socially excluded groups, bearing in mind in particular the needs of children and young people.

3.4.4 In seeking **to increase opportunities for learning about heritage** we intend our funding to bring about a greater understanding of the significance of heritage sites or resources, and their contents. We also want to increase people's understanding of heritage, such as customs and traditions, which may not be located at any specific site.

3.4.5 In order to achieve this we will support projects which aim to:

- increase the amount and quality of educational activity at heritage sites;
- enable people to investigate their heritage; and
- make good use of information and communications technology.

A photograph of a man in a wheelchair being pushed by a woman. The man is wearing a plaid shirt and a red blanket. The woman is wearing a brown sweater. They are outdoors, and other people are visible in the background. The word "opportunities" is written in white text across the middle of the image.

opportunities

Norfolk Coast Millennium Access

The Norfolk Coast Project aims to increase access, and awareness, and provide better opportunities for everyone to enjoy this area of outstanding natural beauty.

4 Changes in policy and practice

4.1 Introduction

4.1.1 The crystallisation of what we want to achieve with our funding between 2002 and 2007 and the desire for a more equitable spread of our grants have led us to make important changes to our policies and practices. The new developments will support a more inclusive view of heritage and improve our service to applicants and potential applicants, both being key messages from our consultation. They will affect our grant programmes, which remain, of course, the principal means for giving focus to applications and for deploying our resources, and will significantly change the way we go about our business.

4.1.2 What we can promise and deliver is determined by two features of our situation. These are

- what people consider to be their heritage; and
- our dependence on projects initiated by others.

4.1.3 Although we are charged with deploying our funds in a strategic manner, we must remain a responsive organisation. We are not an executive body undertaking our own projects, but an enabling one, achieving our goals through the projects of others and with the support of a wide range of organisations. The outcomes identified in this plan are not therefore our sole responsibility.

4.1.4 We need to work closely with potential applicants in order to ensure a compatibility between their aims and ours. We must also work with heritage agencies, grass roots networks within and outside traditional heritage areas, and many other bodies, in order to encourage new applications and secure advice on matters relating to, for example, conservation methodology, technical feasibility and financial viability. We will work with other distributors of Lottery money in areas where there is overlap between their business and ours and where there are real benefits to be obtained.

4.2 Broadening our support for heritage

4.2.1 Despite our investment to date the funding required to put traditional heritage resources in good order remains enormous. This level of need will undoubtedly generate many requests for our support, and the funds provided by the Lottery are significant but finite. But it is clear that for the population of the UK heritage has many different facets. There was strong support from those who participated in the consultation process for our proposal to relax some of our restrictions, thereby enabling a larger number of people to be more closely involved in deciding what they consider to be important and taking action on this basis. This is often a valued aspect of people's local environment, which has a bearing on their quality of life.

4.2.2 We will therefore support projects based on heritage such as locally valued structures and wildlife sites which have not been designated by statutory agencies, but where those heritage assets contribute to the character and overall heritage value of an area. We will also support projects based on heritage (such as oral history and traditions) which is intrinsically intangible or ephemeral, where there is a genuine heritage component to the project. We believe this new direction opens up an approach to heritage where Lottery funding can make a real difference. Neither of these areas receives anything like adequate funding from other sources.

4.2.3 We have made other changes in what we will fund. These will be reflected in our application materials and include:

- Encouraging *training elements* within applications, including support for volunteer training and apprenticeship placement costs on projects, in order to increase our contribution to the retention and development of conservation skills. We are also prepared to support suitable partners to deliver projects to promote the importance of such skills.
- Supporting projects which increase access to and learning about *heritage in private ownership*, in order to enable people to increase their understanding and enjoyment of heritage. If applying alone, private owners can receive grants of up to £50,000, although if in partnership with not-for-profit organisations their portion of the grant may exceed that sum.
- Changing our policy on supporting *the acquisition of heritage objects and material*, in order to be able to respond better to what people regard as heritage. Our current restriction applies to works of art and archives created within the last 20 years, but we are reducing this to ten years. In addition we will support the acquisition of collections which may include contemporary items, but which in the main consist of works more than 10 years old.
- Extending our backing for nature conservation to include direct *support for 'priority species'* that are listed in the UK Biodiversity Action Plan, whose needs cannot normally be met through traditional habitat management techniques.
- Producing guidance and support on how to write *maintenance plans* and more rigorously monitoring contract compliance in this area, in order to raise the profile of the importance of maintaining heritage.

4.3 Spreading the word

4.3.1 To encourage people to take an active interest in heritage and develop projects we will stimulate debate about why heritage matters and demonstrate the wider benefits of supporting it with Lottery funding, such as economic regeneration and an enhanced sense of community and cultural identity.

4.3.2 Persuading those outside the current circle of heritage supporters to become active participants in the debate about what is important will require an extensive programme of work based on internal and external research. We will therefore

- market the availability of our funding vigorously and widely;
- use the media at national, regional and local levels to promote the benefits of heritage funding;

- stimulate thinking about heritage through lectures, seminars, workshops and other meetings at national, regional and local levels;
- publish the findings of our research programme;
- publish the findings of our evaluation programme; and
- provide best practice guidance and case studies based on successful projects.

4.3.3 Much of the evidence we will use to raise the profile of heritage will come from our evaluation programme, which will measure not only the achievement of projects against their aims and ours, but also the broader impact of those projects. We will consider the cumulative effect of individual grants in meeting the applicants' objectives and our priorities. We will also look at the impact of our grant programmes over time. In addition we will look at the contribution our grants have made in response to our policy directions from Government.

4.3.4 In order to inform our work we will track perceptions of HLF and heritage in its widest sense.

4.4 Increasing our support for applicants

4.4.1 This is the area of our business where we propose greatest change. Ensuring equality of access to our grants within the policy framework set by the Board of Trustees is a vital principle for HLF as a distributor of money from the Lottery. It is, moreover, part and parcel of our purpose to help communities identify, look after and celebrate their heritage.

4.4.2 It is not enough simply to have funds available for projects. We need to address the reasons why some communities and certain parts of the country, often areas of social and economic deprivation, have not submitted many applications to date, and we must empower organisations representing these communities and areas, especially in the community and voluntary sector, to do so. We also want to give those who do apply to HLF assistance where they need it, in order that good ideas become good projects, and therefore successful applications.

4.4.3 We have done a substantial amount of work to identify the barriers to making applications, examining our current applicant base and carrying out research with successful and unsuccessful applicants. We also looked at this issue in consulting on this plan. In the light of this we reviewed our policies and practices to ensure that they did not discriminate against particular communities, except on the basis of open and transparent strategic priorities.

4.4.4 We want to help potential applicants to raise their capacity to put together applications. Our staff will be readily available to do so through the provision of pre-application advice, best practice guidance, and support for certain types of pre-application costs.

4.4.5 We will also help grantees to raise their capacity to manage and deliver projects by providing simple additional guidance on a range of good practice.

4.4.6 We will prioritise our development resources in favour of those communities which have to date received least funding and fewest grants from us, and which are in areas of high social and economic deprivation. Our country and regional committees will each identify five local authority areas to be targeted for this support. We will use our powers of solicitation as necessary.

4.4.7 In order to deliver this improved service to applicants and potential applicants we have to enhance our own capacity. We are therefore in the process of establishing

- Regional offices in England as bases for assessment and monitoring in order that we can operate closer to applicants and grantees. Offices will be open by May 2002 and the transfer of staff completed by April 2005.
- Development teams in those offices to work with a wider range of partners and encourage more applications. These will be set up by October 2002.

4.4.8 We are also committed to ensuring that our skilled and dedicated staff receive the training and development which will equip them to deliver the aims set out in this plan, and in particular enable them to improve our service to applicants and potential applicants.

4.4.9 Marketing the availability of funds and helping to raise the capacity of potential applicants are important areas where the different distributors of Lottery money can work together. Much is already happening on the ground, but our new development staff and a regional presence in England will add significantly to our ability to work in this way. There are already a number of examples of good practice, such as regional funders' forums and joint distributor workshops, designed to provide easy access to advice across all distributors. We will build on this at a regional level as well as continuing to welcome joint applications in appropriate cases.

4.5 Making it easier to get a grant

4.5.1 We have revised our grant programmes and application materials to make them easier to understand, more helpful, and as simple as possible. Our simpler Your Heritage pack was produced in May 2001. The new Heritage Grants application pack will be launched by June 2002.

4.5.2 The views expressed during consultation on this plan about this area of our business focused on the importance of continuity, the problems of complexity, and the usefulness of having broad, flexible grant programmes which allow applicants to submit applications for projects which may meet several of our priorities. Reflecting on these concerns we have simplified our processes in three significant ways. We have:

- merged our capital and revenue grant streams;
- clearly set out three generic grant programmes for large, medium and small grants, retaining or introducing special funding initiatives only where necessary; and
- reduced the amount of information requested to the minimum appropriate to the grant applied for.

4.5.3 We have decided to reduce the minimum level of partnership funding required for projects requesting up to £1million. This will also enable projects to get under way more quickly. Applicants seeking up to £50,000 are now asked to supply only what partnership funding they can, either in cash or in kind. Applicants seeking between £50,000 and £1million now have to supply only 10% of the project costs in partnership funding. Those seeking more than £1million will still have to supply 25% of the project costs in partnership funding, as we believe that the existence of other stakeholders is important in securing the long-term future of large projects. We will, however, keep the position under review.

4.5.4 We have also lengthened the maximum period of support for revenue projects from three years to five, in order to give projects more time to deliver benefits after the development stage.

4.5.5 We aim to speed up the time taken to assess applications. The introduction of the simpler Your Heritage programme for grants between £5,000 and £50,000 and raising the threshold for the requirement of a two-stage application process from requests for more than £500,000 to requests for more than £1million will help us to achieve this aim. The goal should, however, be seen in the context of increasing our support for applicants, which may in some cases lengthen the assessment process.

4.5.6 We have simplified the monitoring documents which enable us to check on the expenditure of our money and help grantees to deliver successful projects within the funds available.



*An Creagan Visitor Centre,
Omagh, Northern Ireland
Schoolchildren learn about their
local environment at an exhibition
of the area's archaeology and
natural history.*

learning

A place where
is part of the p...

5 Our grant programmes

5.1 Introduction

5.1.1 The grant programmes and initiatives listed below form our portfolio of programmes for 2002-7. The list represents a combination of generic grant programmes, through which we expect to make the majority of our awards, and initiatives targeted at particular areas of heritage or themes. We expect to run all these programmes for the full period of the strategic plan. We may introduce new initiatives if we judge that it will help us to make better progress against our strategic aims, but in doing so we will bear in mind the time it takes to develop a programme and evaluate the results in terms of awarded grants.

5.1.2 The indicated number of grants we expect to make through each programme or initiative reflects the balance we expect to maintain for the lifetime of this plan. It also takes into account the likelihood of declining resources. The actual allocation of resources to programmes from 2002 until 2007 will be decided on an annual basis, when a more accurate estimate of the next year's income is available.

5.2 Generic Programmes

5.2.1 Heritage Grants

This programme offers grants of £50,000 or more to organisations seeking to look after and enhance the UK's heritage, to increase participation in heritage activities, and to improve access to and enjoyment of heritage. It caters for a wide range of projects, including the very largest and most complex. Principally we expect to receive applications relating to nature conservation, historic buildings, museum collections, archive collections, spoken history records, cultural traditions, and objects and sites relating to the UK's industrial, transport and maritime history.

5.2.2 At present we expect to support around 400 projects through this programme in 2002-3, declining to around 300 in 2006-7. The programme will primarily help us to

- help conserve and sustain heritage at risk;
- open up heritage resources and sites to the widest possible audience;
- increase opportunities for learning about heritage.

5.2.3 In addition we will introduce Project Planning Grants to help in the early planning of projects which may lead on to an application for a Heritage Grant. These grants (between £5,000 and £50,000) will help organisations to: produce an access plan; produce a conservation management plan; carry out research into audience development; or (for volunteer-led organisations) employ a project officer to help in planning the project.

5.2.4 Your Heritage

This recently developed programme offers grants of between £5,000 and £50,000 for projects which either care for heritage or increase people's understanding and enjoyment of it. Projects should also make it easier for people to gain access to heritage and be of benefit to the community and the wider public. The programme will be the principal vehicle through which we will increase our support for a broader range of heritage, and the application form is significantly simpler than that for Heritage Grants.

5.2.5 We hope to support around 400 projects through this programme in 2002-3, rising to around 800 in 2004-5 and 1,200 in 2006-7. The programme will primarily help us to

- encourage communities to identify, look after and celebrate their own heritage;
- help conserve and sustain heritage at risk;
- open up heritage resources and sites to the widest possible audience; and
- increase opportunities for learning about heritage.

5.2.6 Awards for All

This programme, set up in partnership with other Lottery distributors and with a very simple application form, is designed for modest projects undertaken by small organisations and community groups. Through it we offer grants of between £500 and £5,000 to projects which enable local people or people with a shared interest to become involved in heritage activities. To date 85% of the applicants we have supported under this scheme have not received a Lottery grant of any kind before.

5.2.7 Because the programme has moved to being a properly joint scheme in England, all participating distributors will support projects with a heritage component, just as our contribution will also partly support other distributors' priorities. On this basis, and taking into account Scotland, Wales and Northern Ireland, we expect that around 1,700 projects each year will have a heritage component. The programme will primarily help us to

- encourage communities to identify, look after and celebrate their own heritage;
- open up heritage resources and sites to the widest possible audience; and
- increase opportunities for learning about heritage.

5.3 Targeted initiatives

5.3.1 Townscape Heritage Initiative

This initiative is for projects aimed at the regeneration of the historic environment in towns and cities led by partnerships of local, regional and national interests. It seeks to repair the buildings which make up the special architectural character of historic urban areas, with a view to bringing derelict and under-used historic buildings back into viable use. Projects should involve and benefit the wider community as well as those directly concerned with grant-aided properties. We will continue to prioritise applications for townscapes in areas of social and economic deprivation.

5.3.2 At present we expect to support around 20 projects a year through this initiative. The initiative will primarily help us to promote heritage conservation as an integral part of urban regeneration.

5.3.3 Public Parks Initiative

We will continue to run our very successful Urban Parks Programme, in order to respond to the substantial need identified in the research we funded in 2000. We will, however, extend the programme to encompass historic country parks. This rebranded initiative assists the restoration and regeneration of historic parks and gardens wherever they are, including urban squares and cemeteries. Projects should also enhance public access and may involve improving facilities. We will continue to prioritise applications which serve communities which are socially and economically deprived.

5.3.4 At present we expect to support around 30 main projects a year through this initiative. We will in addition continue to award grants for restoration plans. The initiative will primarily help us to:

- promote heritage conservation as an integral part of urban and rural regeneration; and
- open up heritage resources and sites to the widest possible audience.

5.3.5 Repair Grants for Places of Worship

This is a replacement for the Joint Places of Worship Scheme, which operated only in England in order to manage the enormous demand for our funds in this area of heritage. The new scheme will focus on urgent repairs and bring about a better balance between funding and conservation priorities across the UK. We aim to deliver the scheme with the help of English Heritage, Historic Scotland, Cadw in Wales and the Environment and Heritage Service in Northern Ireland.

5.3.6 It is difficult to anticipate levels of demand for this new initiative, but at present we hope to support around 150 projects a year through it. The initiative will primarily help conserve and sustain heritage at risk.

5.3.7 Landscape Partnerships

This new initiative, based on our current support for landscape 'area partnership' schemes, enables partnerships representing a range of heritage and community interests to address the needs of landscapes, whose various elements may be in different ownership. It caters for applications based round a portfolio of projects which combine to provide a varied package of benefits to an area, its communities, and its visitors. Areas must have a strong landscape identity recognised by the communities which live, work and visit there.

5.3.8 It is difficult to anticipate levels of demand for this new initiative but to start with we hope to support around 10 projects a year through it. The initiative will primarily help us to promote heritage conservation as an integral part of rural regeneration.

5.3.9 Local Heritage Initiative

This initiative helps local groups to investigate, explain and care for their local landmarks, landscape, traditions and culture. Through grants of between £3,000 and £25,000 the scheme exists to help grantees undertake a portfolio of small-scale projects. With the assistance of specialist advisers in relevant fields, projects are developed in three stages: mapping local heritage assets, developing an overall plan for their conservation, carrying out the identified works or activities. The scheme is run on our behalf by the Countryside Agency in England and is being piloted in other countries by partnerships led by Scottish Natural Heritage and the Countryside Council for Wales. We will make a decision on extending it into towns and cities in 2002, with a view to rolling out the scheme in 2003.

5.3.10 At present we expect to support around 300 projects a year through this initiative in England. It is too early to estimate the likely uptake in other countries. The initiative will primarily help us to:

- encourage communities to identify, look after and celebrate their own heritage;
- help conserve and sustain heritage at risk;
- open up heritage resources and sites to the widest possible audience; and
- increase opportunities for learning about heritage.

5.3.11 Young Roots

Young Roots promotes the involvement of young people of 13–20 years old in their heritage. The evaluation of a pilot scheme in the Yorkshire and Humber region in February 2002 demonstrated that Young Roots grants reached new applicants and audiences supporting exciting and innovative projects, attuned directly to the needs and interests of young people. We will develop Young Roots as a UK-wide scheme with grants between £5,000 – £25,000, launching it in the autumn of 2002 with the first deadline for applications in April 2003. Young Roots is the first HLF grant programme targeted at a beneficiary group.

5.3.12 We expect to support around 240 projects in 2003–4, rising to around 290 projects in 2006–7. This initiative will primarily help us to:

- increase opportunities for learning about heritage; and
- promote a greater appreciation of the value of heritage for our future well-being and sense of identity.

The image shows a richly decorated Gothic Revival interior. A large, ornate chandelier hangs from the ceiling. Below it, a painted frieze depicts a scene with several figures. To the right, a large, ornate fireplace mantel is visible, featuring a central shield and a large painting above it. The architecture is highly detailed with Gothic arches and intricate carvings.

Cardiff Castle, Cardiff
Urgent conservation work on the internationally renowned Gothic Revival interiors, created by William Burges between 1867 and 1881, is being supported by an HLF grant.

sustaining

6 Resource projections and the allocation of funds

6.1 Resource projections

6.1.1 Our income, from which we pay out grants and cover our administration costs, comes from National Lottery ticket sales. For the period of this plan we will continue to receive 4.67 pence of each pound spent on Lottery tickets.

6.1.2 Table 1 shows our total expected income. The figures represent a cautious estimate and we will review them on an annual basis as part of the business planning process. They are based on the medium forecast income from ticket sales, supplied by the Department for Culture, Media and Sport, supplemented by our estimate of the income to be received on deposits held at the National Lottery Distribution Fund. These balances represent funds already committed to individual projects, which are waiting to be drawn down. We will, however, use the investment income to fund further awards.

Table 1. Projected income by year

Year	Projected income
2002-3	£300 million
2003-4	£287 million
2004-5	£279 million
2005-6	£267 million
2006-7	£262 million

6.1.3 The availability of funds for grantmaking over the next five years will be affected by the resources we will be investing in our new programme of capacity building in order to encourage new applicants and applications from those parts of the country which have received little funding to date. This programme will result in an increase in both our staff numbers and our administration costs by around 30%. Allowing for this, we will continue to commit funds to new grants at the level of our expected annual income. Once committed against the budget of the year in question the funds will remain available to be drawn down when needed for the project by the grantee.

6.1.4 We are seeking to reduce the balance of funds held on our behalf in the National Lottery Distribution Fund. We will take a number of steps to help projects get off to a quicker start, and thereby deploy Lottery money faster:

- we have introduced Your Heritage (grants of £5,000 - £25,000) with a much simpler assessment process which provides applicants with a decision in only three months;
- in these low-risk projects we are prepared to advance a proportion of funding to help deal with early cash flow;
- we aim to treble the number of Your Heritage grants over the next five years, all of which will be able to start drawing down our funds three months earlier;
- we have doubled to £1million the threshold for single-stage applications which provide applicants with a decision in six months instead of the previous eighteen months;
- we have significantly relaxed partnership funding requirements for projects with grants under £1million, which will save time fund-raising;
- we have lengthened the maximum period of support for revenue projects from three years to five; and
- we will set a time of 12 months on project start-up to encourage grantees to draw our funds faster.

6.2 Allocation of funds

6.2.1 The allocation of resources to programmes will be decided as part of the corporate planning process and will be reviewed on an annual basis in the light of a better estimate of the coming year's income and progress against our strategic aims and subsidiary purposes. We expect, however, to maintain the current balance of commitment between our individual grant programmes and initiatives unless progress against our aims suggests otherwise.

6.2.2 Our three generic grant programmes lend themselves to applications relating to a wide range of projects. For this reason they will remain the vehicle for delivering most of our funding. In this context, and taking into account the forecast decline in our income, we expect to:

- maintain our current level of spend through Awards for All, increasing it if necessary in order to meet demand;
- treble the number of grants, and therefore amount of money, distributed through the Your Heritage programme between 2002-3 and 2006-7, as the work of our development teams produces results. This increase will be funded by switching resources from our Heritage Grants Programme;
- allocate around 50% of our funds through grants of less than £1million through budgets managed by our regional and country teams; and
- allocate not more than 25% of our funds on a UK-wide basis to applications requesting over £5 million, which in England will be managed by a special team set up for this purpose. Applications requesting over £5 million in Scotland, Wales and Northern Ireland will continue to be assessed in those countries.

6.2.3 Our strategic plan for 1999-2002 set out indicative allocations for the different heritage sectors. Whilst a useful guide for applicants from traditional sectors, it has not proved a helpful tool for management, given the overlap between sectors, the fact that many projects involve benefits to more than one sector, and the fact that many projects do not fit within the traditional sectors. Given our aim to support heritage in all its manifestations, as defined by what individuals and communities consider to be important legacies of the past, we propose not to set out indicative allocations on a sectoral basis in this plan. We will, however, continue to commit our funding to meet demand across the whole range of heritage and will monitor and report annually on our expenditure in individual sectors.

6.3 Decision-taking and delegations

6.3.1 We have already delegated significant funding decisions and budgets to our committees in Scotland, Wales, Northern Ireland and the English regions, and to our staff. During the period of this plan we will review the levels listed below and examine the case for further delegation.

- Country and regional joint Lottery distributor panels decide on Awards for All grants, in order to maintain a quick turn-around of applications in the context of a joint scheme.
- Staff in our country and regional teams decide on other grants below £50,000, also on the grounds that processing times should be as short as possible, especially for applicants requesting relatively small sums of money.
- Our country and regional committees decide on grants between £50,000 and £1million, with the exception of Townscape Heritage Initiative applications, as decision-taking should be informed by local knowledge and priorities. These committees also advise the Board on applications from their country or region on which the Board makes decisions.
- The Board decides on grants above £1million, on the grounds that major heritage resources are unevenly distributed across the UK and that it is important to have a strategic view of the more expensive applications coming to HLF.
- The Board decides on grants through the Townscape Heritage Initiative and grants above £5 million, as decisions on these projects are taken in batches on account of demand.

6.3.2 Based on the decision to allocate 50% of our funding through grants of less than £1million, the sums of money to be distributed by the Board will be roughly the same as those to be distributed in Scotland, Wales, Northern Ireland and the English regions by our committees and staff. In this context the budget for each country and region will be based on their share of the UK population.

*Shree Mandhata Youth and Community Association,
East London and Essex*

*This group used their award to stage a Gujarati cultural
festival at which they held workshops to teach traditional
dance and song.*

enjoyment



7 Measuring performance

7.1 In order to ascertain the extent of their success in achieving our aims, we will monitor the progress of our grantmaking and measure the performance of our support programmes. This will involve four forms of measurement.

Table 2. Performance measurement 2002-7

Data to be collected	Rationale	Reports
Number of grants made through each programme	To measure the contribution of each grant programme to meeting aims and subsidiary purposes	Annually - targets in Table 3
Success of support activities	To measure the effectiveness of our development activities in finding new applicants and achieving a more equitable spread of grants	Annually - targets in Table 4
Data on supported projects	To measure the anticipated contribution of projects to our desired outcomes	Annually
Evaluation of programmes and completed projects	To measure the actual outputs and outcomes of programmes and projects	When appropriate

7.2 Table 3 sets out the proposed targets for our grant programmes and initiatives in terms of the number of grants to be delivered through each programme and initiative on an annual basis. It is likely that each supported project will deliver against a number of our aims and subsidiary purposes, although the mix will vary from project to project and across sectors.

7.3 Table 4 sets out the key targets for our programme of change, which will help us monitor our progress in achieving a more equitable spread of grants and encouraging applications from new applicants. This will help us to gauge the effectiveness of our development work. The performance indicators for our day-to-day service delivery form part of our business plan.

7.4 We will collect information to show the anticipated contribution of supported projects to our aims through the kinds of desired outcomes indicated in 3.2 to 3.4. Reports will include data on

- the number of historic buildings and landscapes which will be conserved or restored;
- the anticipated contribution of supported projects towards meeting Biodiversity Action Plan targets;
- the amount of heritage material which will become accessible to the public; and
- the anticipated number of volunteering opportunities which will be generated.

7.5 In due course we will report through our evaluation programme on the actual achievements of completed projects against our aims (see 4.3.3), although in the case of larger projects meaningful data will not be available for a number of years.

Table 3. Performance targets for grant programmes

Programme	Purposes to which the programme or initiative primarily contributes	Measure and target
Heritage Grants	to help conserve and sustain heritage at risk to open up heritage resources and sites to the widest possible audience to increase opportunities for learning about heritage to promote heritage conservation as an integral part of urban and rural regeneration	* Between 370 and 430 projects to be supported in 2002- 3 * Between 330 and 380 projects to be supported in 2004- 5 * Between 270 and 330 projects to be supported in 2006- 7
Your Heritage	to help conserve and sustain heritage at risk to open up heritage resources and sites to the widest possible audience to increase opportunities for learning about heritage to encourage communities to identify, look after and celebrate their own heritage	* Between 370 and 430 projects to be supported in 2002- 3 * Between 750 and 850 projects to be supported in 2004- 5 * Between 1,100 and 1,300 projects to be supported in 2006- 7
Awards for All	to open up heritage resources and sites to the widest possible audience to increase opportunities for learning about heritage to encourage communities to identify, look after and celebrate their own heritage	* Between 1,500 and 1,800 projects with heritage components to be supported each year

Initiative	Purposes to which the programme or initiative primarily contributes	Measure and target
Townscape Heritage Initiative	to promote heritage conservation as an integral part of urban and rural regeneration	* Between 17 and 25 townscapes to be supported each year
Public Parks Initiative	to promote heritage conservation as an integral part of urban and rural regeneration to open up heritage resources and sites to the widest possible audience	* Between 25 and 35 parks to be supported each year
Repair Grants for Places of Worship	to help conserve and sustain heritage at risk	* Between 130 and 170 places of worship to be supported each year
Landscape Partnerships	to promote heritage conservation as an integral part of urban and rural regeneration	* Between 8 and 12 landscapes to be supported each year
Local Heritage Initiative	to increase opportunities for learning about heritage to encourage communities to identify, look after and celebrate their own heritage	* Between 270 and 330 projects to be supported each year in England
Young Roots	to increase opportunities for learning about heritage to promote a greater appreciation of the value of heritage for our future well-being and sense of identity	* Between 220 and 260 projects to be supported in 2003- 4 * Between 270 and 310 projects to be supported in 2006- 7

Table 4. Performance targets for support activities

Activity	Aims and purposes to which the activity primarily contributes	Measure and target
Capacity-building and outreach	to encourage communities to identify, look after and celebrate their own heritage to bring about a more equitable spread of our grants across the UK	<ul style="list-style-type: none"> • Between 370 and 430 projects to be supported in 2002–3 • Percentage of applications through small grants programmes from first-time applicants under that programme (Awards for All – 50–70%, Your Heritage – 30–50%) • First time applicants to small grants programmes to be no less successful than other applicants to those programmes, based on the in-year UK-wide success rate • Number of applications from the five local authority areas targeted for special development work in each country and region to reach the annual per capita average for the country or region by April 2007 • Applications from the areas targeted for special development work to be no less successful than other applications, based on the in-year UK-wide success rate
Advocacy	to promote a greater appreciation of the value and importance of heritage for our future well-being and sense of identity	<ul style="list-style-type: none"> • Increased volume of positive media coverage at national and regional levels generated by HLF about heritage issues • Improved awareness of and support for heritage amongst opinion leaders • Deliver three public events a year which facilitate debate on heritage issues

8 Conclusion

The Heritage Lottery Fund's Strategic Plan is called *Broadening the Horizons of Heritage* because we want to extend the range and scope of our work. We are 'broadening' from a known and familiar position. Our first plan laid down a solid platform and we have not departed in any radical way from its strategic priorities. They can be expressed in brief as 'conservation, access and education'.

Our new heritage aims are interconnected. They are focused on the balance between the needs of conservation and the needs of people - the heirs and custodians of heritage, from the casual or first-time visitor to the experienced volunteer or professional. We believe that heritage that has been conserved and enhanced can captivate and motivate everyone and also that engaging a wider public is the best safeguard of Britain's heritage in the long term. With our new theme of involvement to the fore, we can confidently progress into a new phase of Lottery funding.

Our funding comes from millions of Lottery players up and down the land. Its return is in 'heritage capital' - the outcome of thousands of projects, delivered by committed people and organisations, for public benefit, enjoyment and understanding. This work will lay new foundations for the care of these places, objects, stories, rare and precious things, valued for our own time and handed on for the delight of generations to come.

Annex 1

A summary note on the Heritage Lottery Fund

The key pieces of legislation which govern HLF's activities are:

- the National Heritage Act, 1980, which brought about the creation of the National Heritage Memorial Fund as a funding body for the heritage;
- the National Lottery Act, 1993, which allotted money from the National Lottery to the heritage and identified the Memorial Fund as the body to distribute it;
- the National Heritage Act, 1997, which extended the types of project the Fund could support; and
- the National Lottery Act, 1998, which enabled the Fund to delegate its powers of decision-making and to solicit applications in order to meet its strategic objectives.

Responsibility for policy-making and the setting of strategies is vested in a Board of Trustees, which also makes decisions on the largest awards. Decision-making on medium sized and smaller awards has been delegated to committees in Scotland, Wales, Northern Ireland and in each of the English regions, and also to members of staff. The Director is the Accounting Officer responsible to Parliament for the proper expenditure of funds. The Fund's activities are subject to external audit by the National Audit Office.

From April 2002 we will have offices in Belfast, Birmingham, Cardiff, Cambridge, Edinburgh, Exeter, Leeds, London, Manchester, Newcastle and Nottingham. This means one office in Scotland, Wales, Northern Ireland, and each of the Government Office regions of England. Teams dealing with business in the South East and London, as well as the corporate headquarters, will remain in London.

Our country and regional teams encourage, receive and assess applications for funding. Applications for project funding are currently made under one of eight grant programmes and are assessed against published criteria, after which recommendations are put to the appropriate decision-making body. HLF also has an important role in monitoring the draw-down of grant money in order to ensure that funds are being used for approved purposes, that costs are in line with budget, and that projects are successfully delivered.

We are committed to delivering a high-quality service to our applicants, grantees and other partners, making best use of our skilled and dedicated staff. Four principles or values guide our day-to-day business:

- providing equality of opportunity to applicants within the framework of our policies;
- providing a high standard of customer care;
- running our assessment, grantmaking and monitoring processes in an efficient and effective manner; and
- securing value for public money through our grantmaking and administration.

The support available from the Heritage Lottery Fund complements that available from its parent body, the National Heritage Memorial Fund, which acts as a fund of last resort to defend the most outstanding and important parts of our national heritage.

List of Trustees (as at 1 April 2002)

Liz Forgan (Chair)	Susan Palmer
Professor Chris Baines	Professor Tom Pritchard
Earl of Dalkeith	Giles Waterfield
Nicholas Dodd	Primrose Wilson
Sir Angus Grossart	James Wright
Derek Langslow	
Patricia Lankester	Director
Mike Phillips	Anthea Case

Annex 2

Policy Directions from the Secretary of State for Culture, Media and Sport

Directions issued to the Trustees of the National Heritage Memorial Fund under section 26 (1) and (2) of the National Lottery etc. Act 1993

The Secretary of State for Culture, Media and Sport, in exercise of the powers conferred on him by section 26(1) and (2) of the National Lottery etc Act 1993, hereby gives the following directions to the Trustees of the National Heritage Memorial Fund:

- 1** In these directions any reference to a section is a reference to a section of the National Lottery etc. Act 1993
- 2** The Trustees of the National Heritage Memorial Fund shall take into account the following matters in determining the person to whom, the purposes for which and the conditions subject to which they distribute money under section 25(1) or the purposes for which and the conditions subject to which they apply money under section 25(4):
 - A** The need to ensure that money is distributed under section 25(1) or applied under section 25(4) for projects which promote the public good or charitable purposes and which are not intended primarily for private gain.
 - B** The need to ensure that they consider applications which relate to the complete range of activities falling within section 22(3) as defined in section 44(1) and in respect of which they have the power to distribute or apply money, taking into account.

- i** their assessment of the needs of the national heritage and their priorities for the time being for addressing them;
 - ii** the need to ensure that all parts of the United Kingdom have access to funding;
 - iii** the scope for reducing economic and social deprivation at the same time as creating heritage benefits.

- C** The need to promote access, for people from all sections of society, to heritage objects and collections, to the built and natural heritage and to projects which relate to the history, natural history and landscape of the United Kingdom.

- D** The need to promote knowledge of and interest in the heritage by children and young people.

- E** The need to further the objectives of sustainable development.

- F** The need for money distributed under section 25(1) or applied under section 25(4) to be distributed or applied to projects only where they are for a specific, time-limited, purpose.

- G** The need:
 - i** in all cases, for applications to demonstrate the financial viability of the project for the period of the grant;
 - ii** where capital funding or setting up costs are sought, for a clear business plan beyond the period of the grant incorporating provision or associated running and maintenance costs; and
 - iii** in other cases, for consideration to be given to the likely availability of other funding to meet any continuing costs for a reasonable period after completion of the period of the Lottery award, taking into account the size and nature of the project, and for the Lottery funding to be used to assist progress towards viability beyond the period of the grant wherever possible.

- H** The need to require an element of partnership funding and/or contributions in kind from other sources, commensurate with the reasonable ability of different kinds of applicants, or applicants in particular areas to obtain such support.

- I** The desirability of working with other organisations, including other Lottery distributors, where this is an effective means of delivering elements of the strategy.

- J** The need to ensure that its powers to solicit applications under section 25 (2A) are used in connection with the pursuit of strategic objectives.

- K** Such information as it considers necessary to make decision on each application, including independent expert advice when required.

3 August 1998

Annex 3

The results of consultation

In preparing this new plan, we asked for views on how we should focus our resources from 2002 until 2007. We wanted to take a broad range of soundings and achieved this through:

- a consultation document, *The Horizons of Heritage*, which contained a series of questions about our draft future priorities and the means of delivering them;
- workshops in Scotland, Wales, Northern Ireland and the English regions with key heritage and non-heritage bodies;
- workshops in London with England-wide partners and potential partners, heritage and non-heritage alike;
- a telephone survey of community leaders;
- focus groups with community leaders;
- focus groups with members of the public;
- sessions with our committee members, expert advisers and staff; and
- speaking at appropriate conferences and seminars across the UK.

Between May and August 2001 we received 315 responses to the consultation document. The workshops and focus groups were attended by nearly 500 people, with a further 100 community leaders taking part in the survey. We are very grateful for all contributions, which have helped to make this a more considered plan. This section outlines in broad terms the views of those who participated in the process. It details our response only in those areas which are not covered in the main body of the plan.

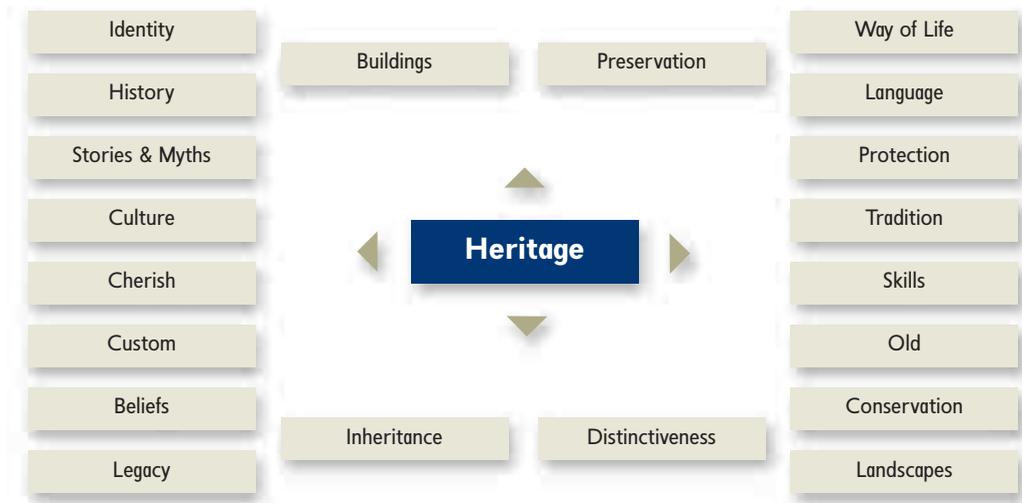
Those who took part were clear that heritage is a vital factor in determining cultural identity. It has an important role in building social cohesion, and looking after heritage is fundamental to the process of enjoying it and benefiting from it. In this context, heritage embraces a great many things, and perceptions of what it consists of may vary between different communities. The different views are perhaps best summed up in the figures below, which derive from the focus groups with community leaders.

Figure 2. Perspectives on heritage

Three perspectives on heritage

Traditional Conservers	Diversity Celebrants	Grass Roots Activists
Heritage is about protecting tradition	Heritage must reflect multi-cultural diversity of UK	Heritage is about people, community & lifestyle
Buildings and historic landmarks of prime importance	Want to retain contemporary traditions & cultures	Hunger for representation and action
Want to 'pass on' traditions & culture to next generation	Heritage can bring communities together	Focus should be on 'ordinary people's heritage'
Hesitant about a broader definition of heritage	Concern about lack of involvement of disadvantaged and excluded groups	Demand for bottom up approach
Wary of free access		Support for free access

Figures 3 and 4. Perceptions of heritage



The consultation document proposed three draft funding priorities for 2002 until 2007: **supporting conservation, broadening the range of heritage, and increasing access, education and social inclusion**. Responses to the document and in the workshops were strongly supportive of all three areas of activity.

In terms of conservation, it was clear that the key priority for our support should be **heritage which is at risk** of being lost. Supported projects should contribute to social and economic **regeneration** where possible. We should also become involved, although to a lesser degree, in helping to address the **training** needs of the sector and in helping with **maintenance**, the best way forward for us on the latter being as yet unclear.

Many believed we should take proper account of **sustainable development** in our grantmaking, but few thought it should become an assessment criterion. The majority view was that it would be difficult to assess and monitor; it would place excessive burdens on small organisations; and inevitably tensions would arise between sustainable development and heritage needs or statutory obligations. Views on our support for **endowments** were similarly ambivalent, and we have decided to retain our powers in this area for use only under exceptional circumstances.

In terms of access and education, the key areas of interest were increasing the **physical accessibility** of heritage sites, and increasing understanding of and learning about heritage (through better interpretation, enhanced educational provision, and greater use of ICT). A third theme was increasing and broadening **participation** in heritage, through activity projects and volunteering opportunities, and by encouraging a wider range of applicants.

Most people believed we should not privilege organisations which gave **free access** to members of the public, but should ensure that the sites and attractions we supported had good access policies and strategies, including charging policies, which sought to **benefit all sections of the community**. There was support for targeting a limited number of appropriate programmes on **areas of social and economic deprivation**, but few backed the approach of ring-fencing **funding for particular sections of the community**.

In this context it was reckoned we should offer funding for projects based on a **broad range** of heritage and not limit ourselves to supporting only heritage which has been designated by statutory agencies. This should include supporting the **acquisition of objects** created in the last twenty years, which have heritage value. Applicants should be able to justify their bids for funding 'undesigned' heritage by explaining the project's contribution to community distinctiveness and, where appropriate, by referring to historic asset surveys, characterisation studies and local history publications. In this context, **community engagement** and decision-taking were seen to be vital to the sustainability of heritage.

People thought that, bearing in mind the level of resources available to us, and the width of our remit, we should play a **more strategic role** in terms of enhancing people's understanding of heritage. In particular we should build a broader support for heritage amongst opinion formers and the public, encourage joined-up thinking and a partnership culture in the sector, and help to raise standards in the sector by supporting training and by publicising best practice examples.

People also commented on our **application materials**. The key recommendations were for clarity, simplicity and flexibility. As a result we decided to streamline our grant programmes, simplify our Major Grants application pack, and lower the partnership funding requirement for applications requesting less than £1million. There was a strong plea for **giving applicants more help** through a variety of seminars and surgeries, by offering funding for the development of applications, and by arranging mentoring by successful applicants. Our proposal to set up regional offices in England to complement those in Scotland, Wales and Northern Ireland was widely welcomed.

People were supportive of the proposal that our **research programme** should concentrate on evaluating the achievements of projects and measuring the social and economic impact of our grantmaking. At the same time, they were interested in receiving best practice case studies and conservation plans, and more advice on how to produce good applications. It was thought that we could make better use of our website, heritage and voluntary sector email networks, and seminars and conferences.

To order more copies of *Broadening the Horizons of Heritage*, the Heritage Lottery Fund Strategic Plan 2002–2007, please phone 020 7591 6042. Textphone 020 7591 6255 or visit our website www.hlf.org.uk.

The Strategic Plan is also available in large print and in Welsh.

Heritage Lottery Fund regional offices

East of England
Kett House
Station Road
Cambridge CB1 2JT
Phone: 01223 224870
Fax: 01223 224871

South West
Trinity Court
Southernhay East
Exeter EX1 1PG
Phone: 01392 223950
Fax: 01392 223951

West Midlands
Bank House
8 Cherry Street
Birmingham B2 5AL
Phone: 0121 616 6870
Fax: 0121 616 6871

North West
9th Floor
82 King Street
Manchester M2 4WQ
Phone: 0161 831 0850
Fax: 0161 831 0851

North East
St Nicholas Building
St Nicholas Street
Newcastle upon Tyne
NE1 1TH
Phone: 0191 255 7570
Fax: 0191 255 7571

Yorkshire and the
Humber
Carlton Tower
34 St. Pauls Street
Leeds LS1 2QB
Phone: 0113 388 8030
Fax: 0113 388 8031

East Midlands
Chiltern House
St Nicholas Court
25-27 Castle Gate
Nottingham NG1 7AR
Phone: 0115 934 9050
Fax: 0115 934 9051

South East of England
and London Teams
7 Holbein Place
London SW1W 8NR
www.hlf.org.uk
Phone: 020 7591 6000
Fax: 020 7591 6001

Heritage Lottery Fund



Head Office
7 Holbein Place
London SW1W 8NR
www.hlf.org.uk
Phone: 020 7591 6000
Fax: 020 7591 6001

Northern Ireland
51-53 Adelaide Street
Belfast
BT2 8FE
Phone: 028 9031 1570
Fax: 028 9031 0121

Scotland
28 Thistle Street
Edinburgh
EH2 1EN
Phone: 0131 225 9450
Fax: 0131 225 9454

Wales
Hodge House
Guildhall Place
Cardiff CF10 1DY
Phone: 029 2034 3413
Fax: 029 2034 3427