

gifted®

YOUR GUIDE TO

The National Lottery Heritage Fund

A new approach

Exceptional fundraising partnerships

Introduction

Since the National Lottery was launched 25 years ago, the Heritage Lottery Fund has distributed more than £8 billion of funding to a vast array of heritage projects across the United Kingdom. Throughout this time the HLF (as we've come to know it) has been the heritage sector's primary funder and the catalyst for many successful and rewarding capital campaigns.

In 2019, following extensive consultations not only with people involved in heritage but also with National Lottery players, the National Lottery Heritage Fund (as it will now be known) has published its new Strategic Funding Framework for the next 5 years.

Focussed on people rather than buildings

In our Spring 2019 Newsletter, we advised that the most significant change is that the Fund is now very clearly focussed on outcomes for people rather than buildings and that all funded projects must clearly demonstrate that the results of their investment will not just see heritage restored. Of far greater importance to the Heritage Fund are the wider benefits that will result. These include developing skills and improving wellbeing, boosting local economies and creating jobs, sustaining biodiversity and encouraging a sense of identity and belonging.

Inclusion is everything – from the early stages of planning a project using broad consultation through to involving as many people as possible, from diverse communities, in its delivery.

A simplified process

At the same time, the Heritage Fund has recognised that it should offer a more straightforward and simple application process, particularly for smaller grants. More decisions will also be taken at a regional rather than national level. These changes should be warmly welcomed by people involved in heritage across the country.

Unsurprisingly, however, applying to the Heritage Fund remains a daunting process. At Gifted we are committed to working with our clients to deliver exceptional fundraising partnerships that deliver positive results. That's why we think that is so important for us to explain to existing and potential clients how the new Heritage Fund strategy will work, what you will need to consider when thinking about making an application and how you can shape your application to have the best possible chance of success.

On the back page of this summary we also list the key sections of the Heritage Fund's extensive website where you can find comprehensive and well-written guidance notes.

KEY CHANGES

There used to be 14 outcomes. There are now 9

Potential applicants must complete an online self-assessment quiz

Every application must involve a wider range of people in heritage, with a particular focus on under-represented groups

All capital projects must provide real benefits for nature

Greater wellbeing is now a desirable outcome for people

There is only one grants programme – National Lottery Grants for Heritage

80% of the budget will be allocated to applications under £5,000,000

20% of the budget will be reserved for UK-wide campaigns or major projects of national significance

There are 4 streams of grant funding : £3k - £10k; £10k - £100k; £100k - £250k; £250k to £5,000,000

Applications up to £250,000 are now made through a single phase application process (up from £100,000)

Applicants can now seek funding for Community Investment Grants as part of their applications

Expressions of interest must now be made for all applications over £250,000. You can then only apply if invited to do so

National priorities for heritage funding are: Landscapes & Nature and Community Heritage

Decisions on all grants up to £5,000,000 will now be made by regional boards (up from £2,000,000)

Three regional boards in England (The North, The Midlands and London & the South)

Increased focus on building capacity, skills and resilience across the heritage sector

Use of Lottery funding to make loans, repayable grants and other forms of social investment

All about the outcomes

The Heritage Fund judges all applications against both its organisational strategic objectives and, most importantly, how a project will meet its key outcomes. Under the old system, HLF actually had 14 different specified outcomes. These have now been reduced to 9. On the one hand, this should make it easier to focus on what a project can achieve. However, we also believe that this will require every applicant to offer more compelling evidence of the impact that a project can have.

HERITAGE FUND'S STRATEGIC OBJECTIVES

OUTCOMES

MANDATORY OUTCOME

We will ensure that heritage is inclusive

A wider range of people will be involved in

ADDITIONAL OUTCOMES

We will continue to bring heritage into better condition

Heritage will be in better condition

We will inspire people to value heritage more

Heritage will be identified and better explained

We will support the organisations we fund to be more robust, more enterprising and forward looking

The funded organisation will be more resilient

We will demonstrate how heritage helps people and places to thrive

People will have developed skills

People will have learnt about heritage, leading to change in ideas and actions

People will have greater wellbeing

The local area will be a better place to live, work and visit

We will grow the contribution that heritage makes to the economy

The local economy will be boosted

Every project must achieve the mandatory inclusion outcome 'A wider range of people will be involved in heritage'. In particular the Heritage Fund wants all projects to 'take steps to reach out to new people, to share heritage beyond their organisation and to embed inclusive practice in a way that is proportionate to the size of the grant and appropriate to for the type of project'.

So, whether you are seeking Heritage Fund support for a building that is at risk; an archive that needs digitisation; a community project aimed at promoting social cohesion; or a natural landscape that needs to be revitalised, you must consider from the outset how you can involve the most diverse audience and, in particular, how you can engage with people with disabilities, young people, people from minority ethnic or LGBT+ communities and people from lower socio-economic backgrounds.

WHAT IS MEANT BY HERITAGE AT RISK?

Support for heritage which is at risk has always been a pillar of HLF funding and it remains so within the new strategic framework. The Heritage Fund's understanding of what might be considered as 'at risk' is broad but ordinarily includes:

- Heritage that is likely to be lost, damaged or forgotten.
- Heritage that has been formally designated as 'at risk'.
- Physical heritage sites that are decaying or neglected.
- Heritage at risk due to financial difficulty.
- Intangible heritage and cultural practices that might be lost.
- Important habitats and species in decline.

PRIORITIES FOR HERITAGE FUNDING

Landscapes & Nature

Landscapes can be urban or rural and have always been important to the Heritage Fund. However, the new framework emphasises the need for projects to result in positive benefits for nature. The need to incorporate sustainable, environmentally friendly elements into your project has never been greater.

Community

The focus on community projects is as much about local heritage in whatever form rather than buildings alone. A simplified application process for smaller grants should enable smaller community groups to access heritage funding simply and quickly. Larger grant applications may also now include a request for funding for a Community Grants Scheme for small-scale conservation and activity grants.

A streamlined approach to funding

Until 2018, the HLF offered grants under a number of headings. Those days have now gone and all applications will be considered under one heading 'National Lottery Grants for Heritage'. The Heritage Fund claims that this will enable them to 'respond flexibly to high-quality proposals of all kinds, from all parts of the heritage sector and from the widest range of applicants.'

This flexibility comes from the introduction of new tiers of funding and, most importantly, a much quicker decision-making process for all grants up to £250,000. Previously any application for more than £100,000 required the applicant to go through a two stage and lengthy process. In effect this meant that it would take well over a year, and normally longer, for a decision to be reached. By increasing the limit for single-round applications, it is highly likely that more small and medium-sized organisations will be encouraged to apply for funding.

Whereas before all applicants were required to submit a Project Enquiry Form, now these are optional and offered as a mechanism for opening an initial dialogue with the Heritage Fund about a potential project.

Of course, many of our clients will be seeking more than £250,000 from the Heritage Fund. For them, the Fund has replaced the old pre-application system with a more robust Expression of Interest Stage. This is based on a brief project proposal and should reduce the levels of competition and financial risk. On the other hand, it will require organisations who are seeking bigger funding to have developed a strong initial proposal - one powerful enough to ensure that they will be invited to submit a formal application.

If invited to submit a full application for funding in excess of £250,000, organisations will still be required to go through a two stage process, just as before, and therefore it could still take as long as two years, possibly longer for a final decision to be reached.

Regional decision making

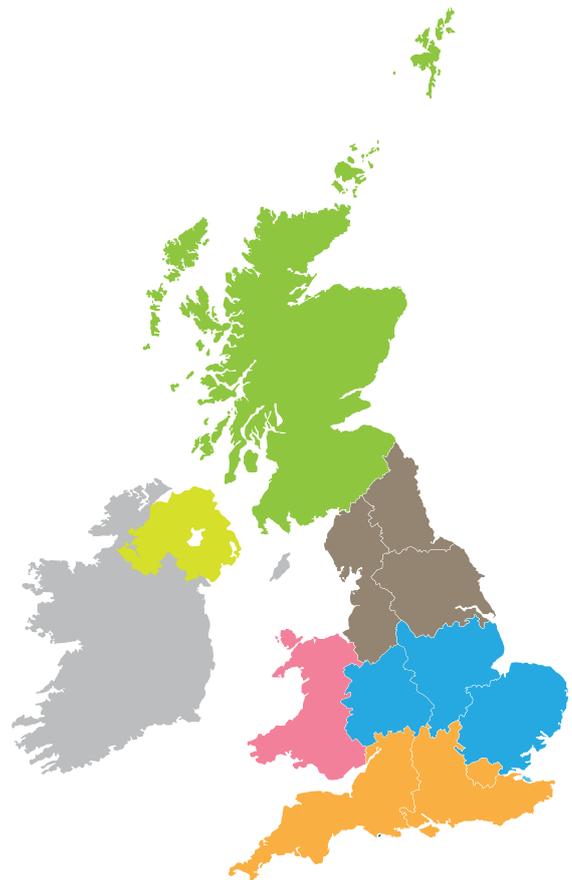
The responsibility for making decisions about applications up to £5,000,000 in Scotland, Wales and Northern Ireland remains with the national committees in those countries.

However, in England, the new system offers greater regional influence over decision making. Previously all grant applications up to £2,000,000 were taken at regional level and were therefore only competing against local opposition. However, any application above £2,000,000 was considered by a national board. As a result, whilst the regional HLF might have considered a project to be the most important within that region, it was judged against applications from across the country.

The new system offers a slight improvement for future applications with the formation of 3 regional committees in England who will have the authority to decide on all applications up to £5,000,000.

These new English regions are:

- London & the South
- The Midlands
- The North



GRANT AMOUNT	NUMBER OF STAGES	APPLICATION DEADLINE	DECISION TIME	EXPRESSION OF INTEREST	NATIONAL OR REGIONAL
3,000 – 10,000	1	NONE	8-10 WEEKS	NO	REGIONAL
10,000 – 100,000	1	NONE	8-10 WEEKS	NO	REGIONAL
100,000 – 250,000	1	QUARTERLY	3-4 MONTHS	NO	REGIONAL
250,000 - 5,000,000	2	QUARTERLY	STAGE 1: 3-4 MONTHS	YES	REGIONAL

What hasn't changed

There may have been a change of name, a streamlined grants system and a fresh emphasis on inclusion and the environment, but certain aspects of the Heritage Fund process have not changed.

- All applications are made through the Heritage Fund's Online Portal.
- Large applications will still go through a two-stage process and will still take some time from start to finish.
- These applications will still have a Development Phase.
- Partnership funding is still required for all applications in excess of £100,000.
- There will still be a strong requirement for applicants to have consulted broadly with stakeholders and the community.
- The need to provide ample opportunity for volunteer involvement remains strong.
- Competition for funding will still be extremely fierce and only the best applications will succeed.
- Organisations considering an application to the Heritage Fund will still need to allocate some money towards the development of the project.
- Making an application is still an involved and, sometimes complicated, process. Using experienced consultants will improve your chances of success.

Resources and guidance

The Heritage Fund's website is highly informative with a wealth of downloadable resources and guidance notes. Finding what you are looking for, however, is not always that straightforward. Below, we provide directions to key webpages and resources that you might find useful as you consider your Heritage Fund application.

TOPIC	LINK
Application guidance	https://www.heritagefund.org.uk/funding/national-lottery-grant-heritage
Community Grants	https://www.heritagefund.org.uk/publications/community-grants-guidance
How to apply	https://hlf-live.axis12.com/funding/how-apply
Inclusion	https://www.heritagefund.org.uk/publications/inclusion
Organisational resilience	https://www.heritagefund.org.uk/publications/organisational-resilience-guidance
Nature and landscapes	https://www.heritagefund.org.uk/publications/nature-and-landscapes-guidance
Skills & Training	https://www.heritagefund.org.uk/publications/skills-and-training-guidance
Volunteering	https://www.heritagefund.org.uk/publications/volunteering-guidance
Wellbeing	https://www.heritagefund.org.uk/publications/wellbeing-guidance
What and who can be funded	https://hlf-live.axis12.com/funding/check-what-we-fund

Gifted Philanthropy would be delighted to have a no-obligation conversation with you about your heritage project and how we might help you to achieve Heritage Fund success. Either get in touch with one of our directors or contact us via our website.

Amy Stevens - 0113 350 1337	https://www.giftedphilanthropy.com/amy-stevens
Chris Goldie - 020 3627 3437	https://www.giftedphilanthropy.com/chris-goldie
Andrew Day - 01926 674137	https://www.giftedphilanthropy.com/andrew-day