

The National Lottery Heritage Fund

Assessment of local authority
heritage priorities and support needs



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1 Executive summary

Overview

The National Lottery Heritage Fund (“The Fund”) invests in projects that connect people and communities to the local, regional and national heritage of the UK.

Local authorities represent a key place-based stakeholder for The Fund, and deliver a wide range of heritage functions for their place. They have undertaken a critical leadership role for their areas in response to COVID-19 and are at the forefront of developing plans for the recovery of their places from the pandemic.

The Fund wanted to hear more from local authorities as it considers how to best resource and support local areas to deliver resilient heritage, and long-term improvements to places and communities. This led The Fund to commission Golant Innovation to gather insights from local authorities across the UK to help inform its approach.

This research was informed by seventeen interviews conducted in March 2021 with local authority stakeholders across the United Kingdom. This was supplemented by desk-based research and a workshop to explore initial findings with key staff from The Fund.

Key findings

Local authority context

- Local authorities are key heritage stakeholders, with a range of ways of structuring their engagement with heritage.
- Prior to COVID-19, local authorities were already operating in a challenging financial climate, with significant impacts on their heritage functions.
- Heritage is increasingly being linked to wider local policy priorities, such as health and wellbeing, inclusion, and economic growth.

Impacts of COVID-19

- COVID-19 has increased the financial strain on local authorities. There is a possibility of further spending cuts which could come at the expense of heritage and culture.
- It has deeply affected the provision of heritage services and the management and protection of heritage assets by local authorities, including through:
 - Temporary closures of physical sites and services
 - A shift to digital engagement
 - Increases in use of parks and natural heritage sites
 - Loss of earned income due to closures
 - Reassignment of staff and shifts to working from home.
- More widely, COVID-19 has accelerated existing societal shifts, and innovation work around these, including:
 - Changes in usage of high streets, leading to vacant property and challenges around protecting heritage assets
 - A rise in working from home and a shift to localism

- Exacerbated social and economic inequalities
- Opportunities to reimagine tourism in the context of a temporary decline.

Heritage as part of local recovery

- The pandemic has changed the way that local authorities value heritage. There is now an expectation that it can and should deliver against wider policy goals, whether generating employment, skills, tourism, health and well-being, environmental sustainability or strengthening communities.
- Heritage has become a central part of recovery planning in many areas.
- There are challenges coordinating plans across multiple spatial levels and local authority boundaries. There is an opportunity to facilitate and catalyse cooperation across this 'fragmented landscape.'
- Emerging practice and innovation is in evidence in terms of digital engagement, urban planning for active travel and wellbeing, and community and larger-scale collaboration.

National support: needs and experiences

- Local authorities face issues around awareness, resource and availability of match funding when seeking heritage funding.
- There is an appetite for funding to be used as a strategic resource multiplier.
- Gaps in knowledge and resources may be creating a two-tier system when it comes to seeking funding.
- Local authorities are looking for funders to help them develop a high-level, strategic view of the issues they face, both within authority boundaries and across regions
- The Fund's investment is valued for its developmental role – raising expectations around best practice – and the credibility it offers when seeking further support or funding for projects.
- Knowledge about The Fund's new place initiatives is relatively low. There is a desire for engagement from The Fund that acknowledges the importance of local authorities as strategic stakeholders.

Opportunities

As the findings above suggest, a range of opportunities exist for The Fund to support local authorities in their use of heritage to drive local recovery. These include:

Funding

- Support legacy and impact of projects funded through project funding by considering ways to:
 - Offer pre- and post-project funding – to develop strategic alignment, work on business models and legacy planning, and build partnerships.
 - Demonstrate willingness to fund core costs within projects.
- Work with other funding sources from the public, trusts and foundations and private sectors to develop new financial models that can use NLHF funding as a resource multiplier to de-risk investment opportunities and catalyse other investment (particularly match funding).

- Conduct research with people in a range of roles in local authorities to better understand what they need to make it easier for them to apply for funding.
- Explicitly align area-based and place-based guidance with similar schemes/funding from other funders (such as the support that Arts Council England gives to Cultural Compacts, Creative Scotland's Place Programme).

Offering support, guidance and knowledge

- Create or aggregate guidance and/or best-practice on how culture and heritage supports council priorities such as economic growth, tackling socioeconomic inequality, health and wellbeing, education, and EDI (equality, diversity and inclusion).
- Support local authorities where possible to coordinate heritage work and heritage projects both within and across their borders.
- Utilise and develop local authority knowledge among engagement and investment officers and encourage them, where appropriate, to play a developmental 'critical friend' role in their relationships with local authorities.
- Embed officers within local authorities to assist with project delivery – and encourage secondment of local authority staff to work on projects.
- Support local authorities to address heritage as part of wider digital transformation work and to pursue place-based digital collaborations both within and across their boundaries.

Stakeholder engagement

- Communicate with local authorities and bodies such as Local Enterprise Partnerships, City Region Deals, Business Improvement Districts and partnerships involving them (such as creative or cultural boards/compacts) as significant stakeholders in strategy and decision-making – as partners, co-funders and policymakers rather than just as funding applicants.
- Use collective bodies of local authorities – such as the LGA and the Local Government Information Unit – as partners and channels to increase the reach and engagement with The Fund's communications, guidance and support.
- Raise awareness in local authorities of existing funding programmes that are well suited to their work (for example, Area-Based Schemes).
- Raise government awareness of the role of heritage in supporting local recovery, including with the Ministry of Housing, Communities and Local Government

Strategic development

- Convene a group of local authorities and representative bodies (such as the LGA and COSLA) to consider where and how The Fund can play a catalyst role through investment in strategic work.
- Develop capabilities and capacity for Area and Country Directors to participate in wider strategic conversations including with senior officers and elected members with remits beyond that of heritage or culture.
- Directly support 'cultural compacts' and similar examples of local partnerships to ensure that heritage is well represented in these, liaising with Arts Council England to align with and complement their approach, entering into MoUs with individual partnerships where appropriate, and encouraging them to bid for suitable funding such as Area-Based Schemes.

- Contribute to the current independent review of Destination Management Organisations to influence how heritage is featured and supported by their activities.
- Recognise that relevant wider strategic conversations will in many cases not be framed in terms of 'heritage,' but in terms of visitor economy, creative economy, culture, wellbeing, environment, regeneration, recovery or 'levelling up.' Consider which of these The Fund is best placed to contribute to and how it can make the case for heritage in supporting these agendas.

2 Introduction

The National Lottery Heritage Fund (“The Fund”) invests in projects that connect people and communities to the national, regional and local heritage of the UK. The Fund’s priorities and activity reflect the significant role of heritage in communities and places across the UK.

Across the UK, local authorities play a significant role in managing and preserving local heritage and realising its potential impact – whether as owners, occupiers, managers, planners, or simply as key players in local and community life. This includes those local authorities with (direct or indirect) responsibility for delivering heritage services, including museums, archives and parks. Their heritage roles fit into wider economic and social plans and strategies, including cultural and creative economy strategies.

In its principal role as a project-based grant funder, The Fund wanted to hear more from local authorities as it considers how to best resource and support local areas to deliver resilient heritage, and long-term improvements to places and communities. This has become an imperative task in the context of the COVID-19 pandemic, in which heritage is increasingly recognised as an important contributor to local recovery.

Therefore, The Fund commissioned Golant Innovation (a part of The Audience Agency Group) to create this report. Desk research provided background information, but the body of the report is informed by seventeen interviews conducted in March 2021 with local authority stakeholders across the United Kingdom.

Interviewees were selected to ensure representation across nations, regions, local authority types and relevant job roles. Most of these interviews were one-on-one. They were conducted anonymously to ensure that stakeholders felt able to speak freely. Where information in this report is not cited, it is derived from the interviews.

Initial findings were tested in a workshop with staff from The Fund with responsibilities for relevant policy and programme areas.

Our work has also been informed by previous research we have conducted for Arts Council England¹ and the National Lottery Heritage Fund on sectoral resilience,² for the British Council on people-centred approaches to cultural heritage for inclusive growth,³ and for the Local Government Association on how councils can support their local creative economy (including arts, culture and heritage).⁴

¹ <https://www.artscouncil.org.uk/publication/what-resilience-anyway-review>

² Unpublished.

³ Unpublished.

⁴ <https://local.gov.uk/publications/creative-places-supporting-your-local-creative-economy>

3 National Lottery Heritage Fund policy context

Place is central to the work of the National Lottery Heritage Fund. Its Strategic Funding Framework for 2019–2024 includes a strategic objective that The Fund will “demonstrate how heritage helps people and places to thrive.”⁵

A pause in project funding in 2020 allowed for emergency responses to COVID-19, including the Cultural Recovery Fund. Now that project funding has reopened, The Fund’s refocused priorities for 2021-22 retain an emphasis on place – and specifically on support to build back local economies, places and communities. Over the 2021-22 funding period, priority outcomes include:

- economy including job creation: ‘the local economy will be boosted’
- local areas: ‘the local area will be a better place to live, work and visit’⁶

Prior to the pandemic, The Fund was working closely in partnership with other funders to deliver programmes focusing on place-based outcomes. These include the Great Place Scheme (in England delivered in partnership with Arts Council England),⁷ Future Parks Accelerator (in partnership with the National Trust),⁸ and High Streets Heritage Action Zones (in partnership with Historic England, with The Fund supporting the cultural programme).⁹

These programmes have continued through the pandemic, while The Fund has invested in further place-based activity to respond to the impacts of COVID-19.¹⁰

National policy context: heritage and recovery planning

- In January 2021, DCMS published its new **framework for valuing of heritage and culture** which provides arguments for funding services as a means of valuing and preserving cultural and heritage assets.¹¹
- Bids were invited for the **Towns Fund** from 101 areas in England, with £1 billion of funding awarded to 45 towns at the 2021 Budget. It is understood that explicit references to heritage and culture only featured in a minority of applications.
- The **Levelling Up Fund** will make £4.8 billion available for investment in infrastructure including town centre and high street regeneration, local transport projects, and cultural and heritage assets. A specific investment theme for 2021-22 is cultural investment.

⁵ The National Lottery Heritage Fund, [Strategic Funding Framework 2019–2024](#), p. 14.

⁶ The National Lottery Heritage Fund, [Priorities for National Lottery Grants for Heritage 2021-2022](#), p. 3. New [local area](#) and [local economy](#) guidance has been released that helps applicants for National Lottery Grants for Heritage understand how to meet the latter outcome. There is also funding specifically for [area-based schemes](#).

⁷ <https://www.artscouncil.org.uk/funding-finder/great-place-scheme>

⁸ <https://www.heritagefund.org.uk/our-work/landscapes-parks-nature/future-parks>

⁹ <https://historicengland.org.uk/services-skills/heritage-action-zones/regenerating-historic-high-streets/>

¹⁰ For example, the [15-Minute Heritage Grants](#) developed in partnership with Cadw.

¹¹ [Valuing culture and heritage capital: a framework towards informing decision-making](#)

- The **Community Renewal Fund** will make £220 million available to pilot new approaches to funding delivery. The fund's prospectus explicitly mentions the role of heritage in its section on investment in communities and place.
- The Community Renewal Fund has been positioned as a precursor to the **UK Shared Prosperity Fund** which will replace EU Structural Funds and is due to be rolled out in 2022.
- The **Community Ownership Fund** will enable community groups to bid for funds to bring important local assets into community ownership.

4 Local authority context

4.1 As heritage stakeholders

Local authorities are key heritage stakeholders. Their heritage functions include:

- Delivering services with a heritage focus, including parks and green spaces; museums and archives; arts and culture; archaeology; and leisure and tourism
- Owning and/or managing heritage assets, which includes the built environment and natural heritage
- Supporting intangible heritage practices
- Managing change and protecting heritage assets as the local planning authority
- Investing in capital assets and regeneration
- Providing funding and/or strategic support to the wider heritage sector
- Promoting and advocating for heritage and its benefits
- Facilitating economic development/recovery and place-making through the use of heritage.

Each local authority structures its engagement with heritage differently. In many authorities, responsibility for heritage sits within their economic development or regeneration units. In others, it is viewed as part of culture, leisure and tourism – or culture is grouped with the creative industries or creative economy.

In some local authorities, responsibility for managing heritage assets and delivering services has been moved to independent trusts. This has often happened in response to challenging financial circumstances (see below).

4.2 The financial context and consequences for heritage

Prior to COVID-19, local authorities were already operating in a challenging financial climate. Between 2010 and 2020, councils in England lost almost 60p in every £1 of central government funding.¹²

These funding challenges had significant impacts for the heritage functions of local authorities. Spending on culture and related services in English local authorities reduced by 45% between 2009/10 and 2018/19¹³, with staffing expenditure in cultural and related services falling by 41% over the same period.¹⁴ Responses to budgetary shortfalls included:

- Reduced opening hours for heritage sites and services and/or closure of facilities
- Reduced staff numbers and/or recruitment freezes – in some places this means that many members of staff are nearing retirement age
- Reductions in maintenance and repair work

¹² Local Government Association, [Debate on local government funding briefing](#) (2019)

¹³ Local Government Association, [Leisure under lockdown: how culture and leisure services responded to COVID-19](#) (2020)

¹⁴ <https://local.gov.uk/publications/re-thinking-public-finances>

- Putting off long-term investment in less visible work like collections management or the fabric of buildings
- Adopting new approaches to managing heritage, including setting up independent trusts¹⁵
- Exploring new ways of commissioning and delivering services
- Focusing on income generation (with varying degrees of success).

As local authority services have been withdrawn or rationalised due to budgetary constraints, this has sometimes affected the context in which heritage assets are protected and used.

One interviewee from a big city commented on the difficulties they faced when a library was moved as part of a consolidation of services: “now we have a listed building that I need to find a new use for.” Another, from a district council centred on a small city, asked “if government offices withdraw from the heritage buildings in my city, what will I do?”

One interviewee from a mid-sized city in England felt that their independent trust was on the brink. It had, they said, successfully responded to immediate imperatives but at the cost of long-term sustainability:

For a range of reasons, we've prioritized public facing work, to drive footfall and generate income, but also because we feel really strongly about inclusivity and wellbeing... But there comes a point where the system buckles if there isn't support for the [longer-term] management of resources. It's a bit like a coal mine: if you're digging everything out, but you're not managing the props, the whole thing collapses.

4.3 Emerging linked agendas

Local authorities are increasingly linking heritage to wider policy priorities and associated outcomes. As an interviewee from a county council commented, “you have to tick the agendas of multiple partners, addressing wellbeing, skills and employment at the same time.” These agendas include:

- **Economy.** The threat to high streets from out-of-town shopping centres and the growth of e-commerce is well understood.¹⁶ Local authorities are increasingly involving heritage in their work to revitalise high streets.
- **Digital.** As local authorities develop digital services to meet user expectations their heritage services are similarly embracing digital approaches. In many cases this is separate to wider digital transformation programmes. Local authorities will have priorities around digital transformation and digital inclusion to which heritage may be able to contribute.
- **Inclusive growth.** Recognising that prioritising undifferentiated ‘growth’ or ‘regeneration’ risks leaving some behind, some local authorities are turning to

¹⁵ For example, [Birmingham Museums Trust](#) and [Hampshire Cultural Trust](#).

¹⁶ See, for example:

<https://heritagecalling.com/2013/07/23/the-changing-face-of-the-high-street-decline-and-revival/>
Heritage 2020, [Heritage in High Streets: Review of Existing Activity](#) (2018).

approaches such as inclusive growth or community wealth-building.¹⁷ Cultural heritage is now recognised as playing an important role in driving inclusive growth.¹⁸

- **Environment and the climate emergency.** Over 300 local authorities have declared a climate emergency.¹⁹ Climate change is recognised as a major threat to the historic environment.²⁰ Equally, heritage has a major role to play in addressing climate change. The importance of protecting natural heritage is obvious. Local authorities are also looking at restoring buildings, rather than demolishing and rebuilding them, due to their embodied carbon footprint.²¹
- **Wellbeing and social prescribing.** Heritage is starting to be included in local health and wellbeing strategies.²² Access to open spaces and to cultural assets is seen as vital to addressing public health.

¹⁷ <https://www.thersa.org/reports/heritage-inclusive-growth>

<https://cles.org.uk/community-wealth-building/what-is-community-wealth-building/>

¹⁸ https://www.britishcouncil.org/sites/default/files/bc_chig_report_final.pdf

<https://www.thersa.org/reports/heritage-inclusive-growth>

¹⁹ <https://www.climateemergency.uk/blog/list-of-councils/>

²⁰ English Heritage, *Climate Change and the Historic Environment* (2007).

²¹ Historic England, "[Buildings Must Be Recycled and Reused to Help Tackle Climate Change.](#)" (26 February 2020)

²² For example, Norfolk County Council: <https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/partnerships/health-partnerships/health-and-wellbeing-board/strategy>

5 Impacts of COVID-19

5.1 Introduction

COVID-19 has impacted every aspect of life in the UK. As of 8 April 2021, nearly 150,000 people have died of COVID-19.²³ The pandemic has caused the biggest drop in the UK's economic output for more than three hundred years.²⁴ In December 2020, UK GDP was 6.3% lower than in February 2020.²⁵

More than a year since the first lockdown began in the UK, the country is beginning a phased reopening which will not be complete until 21 June 2021 at the earliest.

As local authorities plan for recovery, their approaches will be shaped by the local impacts of COVID-19. This section of the report explores impacts of COVID-19 which are of particular relevance to local authorities and the delivery of their heritage roles. It covers the key impacts of the pandemic on local government finances, local authority heritage functions, and local communities.

5.2 Impacts on local government finances

With local authorities already facing financial challenges, the impact of COVID-19 has been sweeping. Decreases in tax and non-tax income have combined with increasing spending on adult and child social care, public health and provision for the homeless.

Funding pressures from COVID-19 in the 2020/21 financial year remain significant despite additional support via the Local Government Finance Settlement. In February 2021 the Local Government Association estimated that "a further £2.6 billion will be needed to cover the cost pressures and non-tax income losses due to COVID-19 in 2020/21." ([Final Local Government Finance Settlement briefing](#), Local Government Association, 2021)

The government is understood to be preparing for a multi-year Spending Review in the autumn of 2021, but currently local authorities are working on annual budgets. CIPFA estimates show the income/expenditure gap for English local authorities significantly widening in 2021/22.²⁶

The 2020 Spending Review and the 2021/22 local government finance settlement means that many local authorities believe that they will manage to get through the 2021/22 financial year without significant changes, but councils are currently unable to plan for 2022/23 onwards. Many fear they will be forced to make further across-the-board spending cuts and would have to prioritise statutory services, which could come at the expense of cultural and heritage offers.

²³ <https://coronavirus.data.gov.uk/details/deaths>

²⁴ <https://www.ft.com/content/96e19afd-88b3-4e8d-bc3e-a72bd1f60d3c>

²⁵ [Coronavirus and the impact on output in the UK economy: December 2020](#)

²⁶ Jeffrey Matsu and Philip Woolley, "[How local authorities can prepare for coming challenges](#)" (CIPFA, 24 September 2020)

5.3 Impacts on local authority heritage functions

5.3.1 Introduction

COVID-19 has deeply affected the provision of heritage services and the management and protection of heritage assets by local authorities. In many cases, this has accelerated changes that were already happening. This section surveys some of the major themes that were identified by interviewees.

5.3.2 Closures

Closures of physical heritage sites and services, such as museums, archives and historic houses, have been the most immediately visible impact of the pandemic. Physical access to many types of heritage – but not all – has been sharply reduced during lockdowns. Closures have also affected the working lives of local authority employees, as many have been reassigned to support the COVID-19 response or shifted to working from home.

5.3.3 Shift to digital engagement

Responding to the closure and restriction of physical sites, many organisations have been more visible than ever online, with significant increases in activity and visits by the public. Prioritisation of digital engagement as a result of the pandemic has resulted in shifts across many aspects of organisational work: communications and marketing, events and activities, collections access, web presence, learning and participation, and more.

While other digital shifts and accelerations are likely to have taken place during the pandemic, interviewees tended to focus strongly on digital engagement.

Several interviewees felt that while a rapid pivot to digital engagement techniques had been appropriate in the early stages of the COVID-19 lockdowns, it would be hard to sustain in the future. Some interviewees felt that demand for some forms of digital engagement had peaked with audiences tiring of the novelty. They also felt that staff need further skills development and will have less time to focus on digital engagement as they return to something approximating 'business as usual.'

As lockdown lifts, many local authorities will be looking to create a 'blended approach' combining digital engagement methods with more traditional approaches. This will require an investment in technology, skills and a willingness to embrace evolving digital engagement techniques.

5.3.4 Issues around reopening

As of April 2021, most local authorities were making plans for reopening. However, there was significant uncertainty about how quickly visitors and other users of heritage services might return. This poses planning challenges and increases budgetary uncertainty. A rapid return will bring its own challenges around management of visitor numbers and other COVID-19 precautions.

5.3.5 Increased demand

Not all heritage sites and services have experienced decreased visitor numbers due to COVID-19. Parks and natural heritage sites have seen major increases in use, as people seek green space and opportunities for recreation.

Increased demand has meant a significant burden of management and maintenance that has not always been met. For instance, littering in parks has been the subject of many recent news stories,²⁷ and verges have been worn out when paths were not wide enough to allow for social distancing.

As other heritage sites reopen, they may face comparable issues around management of visitor flows and related COVID-19 precautions. Smaller local authorities were more likely to foresee issues arising from this – both in terms of knowledge and capacity.

5.3.6 Loss of revenue

Loss of heritage revenue has been significant and multifaceted. Areas of revenue impact include:

- Commercial services such as weddings, sports pitches, etc
- Rental income (including room hire)
- Income from fees and admission charges for heritage assets such as museums, galleries, buildings and libraries
- Concessions such as cafes
- Events and activities
- Sponsorship
- Car parking (though in some areas revenue from car parks has increased).

Parks saw major decreases in earned income due to the suspension of outdoor events, sponsorship, sports bookings and other income-generating facilities. Research by The Fund and the LGA showed that while the forecast loss was only 5.7% in **Nottingham**, it was around 30% in **Plymouth, Walsall and Watford** – and as high as 87% in **Rugby**.²⁸ This research showed that council parks services that were more reliant on commercial opportunities were most affected by COVID-19, demonstrating the importance of blended finance models.

Some smaller local authorities rely on revenue generation from council-owned properties. The closure of heritage assets due to COVID-19 removed a large (or, in some cases, the sole) source of income for many of these authorities. Research conducted early in the first lockdown highlighted that over one hundred town and parish councils estimated a first quarter loss of between £25,000 and £500,000 in 2020-21.²⁹

²⁷ <https://www.timeout.com/london/news/after-one-day-of-sun-londons-parks-are-covered-in-garbage-shame-033121>

²⁸ Local Government Association, *Financial impact of COVID-19 on parks 2020-21 - case study key findings* (November 2020).

²⁹ [Summary results of survey on financial impacts of the coronavirus on local councils](#), National Association of Local Councils (2020)

Other local authorities that have tried to create financial efficiencies by devolving their heritage services to a cultural trust with revenue targets have also found that those trusts have come nowhere close to meeting them during the pandemic.

5.3.7 Redundancy, reassignment and furlough

COVID-19 has resulted in significant decreases – so far mostly temporary – in staff resource to support local authority heritage functions:

- Some members of staff – parks and museums staff in particular – were redeployed to other tasks dealing with the impact of COVID-19 and supporting vulnerable people.³⁰
- Although seemingly uncommon, redundancies have occurred in some authorities.
- Furlough is not an option for staff in direct local authority employment, but it has been used extensively by independent trusts.
- Volunteering also appears to have decreased, due to closures and the difficulty of ensuring COVID-safety.

Obviously there has been a decrease in requirement of public-facing staff due to closures of heritage sites. However, this squeeze on resourcing has affected other heritage functions, such as curation and maintenance.

Interestingly, several relatively senior interviewees were positive about the effects of the COVID-19 lull on their own work. They said that it gave them additional time to refresh existing strategies and think about addressing long-term problems. This should be viewed less as a ‘benefit’ of the pandemic and more of a comment on the burden of the ordinary day-to-day operation of heritage services.

5.4 Impacts on wider communities

5.4.1 Introduction

COVID-19 has driven wider shifts in work, leisure, business and society that affect the way heritage is managed and protected, and the role it has to play in delivering outcomes for people and communities. As with the specific experiences of the heritage sector, in many cases this has accelerated changes within local areas that were already happening.

5.4.2 Working from home and a shift to localism

The shift to working from home means that many people are now spending more time in their local communities as opposed to city/town centres. This means that they can get to know their community’s heritage in more depth than previously. While many heritage sites and services were closed, people still had access to natural heritage and built heritage assets that can be appreciated as part of a streetscape and/or local area.

This phenomenon was noted by several interviewees. As one stakeholder in a large city observed, “our major heritage assets, those which are predominantly central features of

³⁰ <https://www.local.gov.uk/leisure-under-lockdown-how-culture-and-leisure-services-responded-covid-19-full-report#frontline-responses>

the visitor economy, have been closed... but the pandemic has created the conditions for local discovery to be much, much more widespread.”

5.4.3 Social needs

Alongside a growing recognition of the role of heritage in meeting social needs (for more, see below), there is a consciousness in many local authorities about the vastly increased scale of those needs. One interviewee described the social impact of the pandemic as ‘incalculable.’

Heritage is inseparable from the social and cultural fabric of places. Hence a threat to one will affect the other. One interviewee from a city in a devolved nation with a vibrant recent history reported that the pandemic had a major impact on intangible heritage in their city: it meant that community groups were unable to gather in large numbers to celebrate their traditions in person.

One interviewee from a mid-sized city in central England was previously evangelical about using culture and heritage to drive inclusive growth. Now they doubt both whether small-scale interventions are adequate and whether funders have the financial resources to deliver directly on the necessary scale. Their conclusion is that more strategic work is the only way forward:

Twelve months ago, I would agree completely that relatively modest interventions can help deliver those sorts of place-based outcomes. But the scale of devastation of Covid to city centres is beyond anything that we would have thought. I do worry that putting all your eggs in the basket of those small interventions won't be enough.

[And what The Fund is setting out to do] is really ambitious. I wonder whether the scope and scale of place-based interventions are strategic enough and whether some of that ambition needs to just be refocused a little bit, so that you maximize the benefits.

5.4.4 Tourism

Due to the pandemic, inbound tourism to the UK declined by 76% in 2020.³¹ Domestic tourism also declined sharply.³² As a result, visitor numbers at UK visitor attractions (many of which are heritage sites) dropped by 66%.³³

The impact of this has varied dramatically between local authorities, depending on their existing dependence on tourism. For some local authorities, tourism is their lifeblood; for others, it is not a primary consideration for their work with heritage, or is only just becoming one.

For example, before the pandemic, **Edinburgh** was grappling with over-tourism: a report published by Edinburgh World Heritage in 2019 warned that “the Royal Mile is at risk of

³¹ Visit Britain, [2021 Tourism Forecast](#) (28 January 2021).

³² Visit Britain, [2021 Tourism Forecast](#) (28 January 2021).

³³ Association of Leading Visitor Attractions, [HUGE FALL OF 66% IN VISITOR NUMBERS AT UK ATTRACTIONS IN 2020](#) (31 March 2021).

becoming a tourist ghetto.”³⁴ But in 2020, visitors at tourist attractions dropped by 76%. During the January lockdown, city centre retail sales fell by 95% and hospitality sales by 97%.³⁵

By contrast, an interviewee commented that their English city in the Midlands was just beginning to develop a destination management programme: “all the hotels during the week are full of people, but they're all business people.”

As a result of uncertainty about the return of tourism, some local authorities have chosen to shift their focus towards serving the needs of local communities. There has been a consequent need to downsize, scale back, and think again about the role of heritage services. In some places, the pandemic has allowed residents to engage with and appreciate their local heritage in new ways.³⁶

5.4.5 Reimagining high streets

High streets have for some time been at the nexus of a complex set of changes in society and leisure, including the shift in how people undertake the functional task of shopping.³⁷ PwC estimates that during 2020, 48 chain stores closed every day across Great Britain.³⁸ Consumer expectations and behaviour – and hence the retail and hospitality market – have changed, requiring an agile response. These changes have arisen from both longstanding trends in consumer habits and rapid changes due to social distancing and increased working from home.

Vacant commercial space in historic neighbourhoods is an area of concern when it comes to the management and protection of heritage. With their commercial incomes reduced due to COVID-19, financial difficulties are making it challenging for some private owners of built heritage to put resources into existing programmes and/or partnerships.

In the past, many local authorities have been relatively hands-off when it comes to engaging with private owners of built heritage, but one stakeholder from a large city council noted that “we’ve lost assets because it was believed the market would deal with that.” There is now coming to be more of a recognition that local authorities must intervene early to protect assets from market failure. This might involve finding ‘meanwhile’ (if not more permanent) re-uses for them, and building partnerships to ensure that they are managed effectively in the future.

Whatever the exact mix that will provide solutions for a particular locality, there is a need for local authorities and The Fund to support innovation from all sectors to come up with new combinations of services and experiences in these spaces. And for heritage to be seen as part of a wider spectrum of arts and culture which can animate high streets to provide a more unique experience.

³⁴ <https://ewh.org.uk/wp-content/uploads/2019/07/Perceived-authenticity-of-the-Royal-Mile-Edinburgh-Report.pdf>

³⁵ <https://www.scotsman.com/news/opinion/columnists/edinburghs-tourism-industry-is-serious-jeopardy-and-needs-more-help-to-survive-donald-emslie-3154366>

³⁶ <https://www.theguardian.com/travel/2020/jul/12/edinburgh-empty-novelist-ian-rankin-locals-see-city-through-tourists-eyes>

³⁷ <https://www.powertochange.org.uk/blog/what-next-for-the-uks-high-streets/>

³⁸ <https://www.pwc.co.uk/industries/retail-consumer/insights/store-openings-and-closures.html>

6 Heritage as part of local recovery

6.1 Recovery planning

Local authorities across the United Kingdom are planning for recovery. These plans are being made at multiple spatial levels simultaneously, often sitting alongside the recovery planning led by Local Enterprise Partnerships, (Regional) Growth Deals and City (Region) Deals.

Aligning and co-ordinating these various recovery plans is a significant task. With the recognition that investment in cultural and heritage regeneration needs to serve multiple agendas it will be important to ensure that its voice doesn't get lost.

6.2 Role of heritage

The pandemic has changed the way that local authorities value culture and heritage – particularly in relation to economic and social renewal. Heritage is clearly moving up the policy agenda for many local authorities where it has become an integral part of recovery plans. In other places, it is being integrated into ongoing planning processes.

This represents a pivotal moment for local authority heritage functions. As one interviewee pithily commented: “we’re on the cusp of a renaissance. If we can demonstrate the value that culture and heritage plays in society, now is the time to step into the arena. If we balls this up, we will never get this chance again.”

This shift of focus places new demands on heritage. Previously it might have been preserved or conserved ‘for its own sake’. There is now an expectation that it should deliver against other outcomes as well: whether generating employment, skills, tourism, health and well-being, environmental sustainability or strengthening communities. Due to the range of linked policy agendas and local priorities, different local authorities vary in which of these outcomes they prioritise.

Key stakeholders in **Gloucester** created a ‘Culture and Visitor Economy Recovery Group’ (alongside other groups addressing the economy and wellbeing) which brings together key players across culture, sport, retail, heritage and the Business Improvement District (BID). This has improved communications and ensured better collaboration across the city. Key achievements include the Looking Up programme that ‘brought together many of the city’s heritage organisations together to cross-promote each other’s sites and engage with diverse communities.’³⁹

6.3 Regeneration and economic recovery

Inclusive growth and regeneration are at the centre of the heritage agenda in many local authorities. As an interviewee from a large English county council commented: “there is a strong feeling in the county that heritage assets and services will be prioritised because they are vital to economic recovery and wellbeing.”

³⁹ [Gloucester Culture and Visitor Economy Recovery Action Group report](#), November 2020

Another interviewee, who works within a planning department, eloquently described the focus of their mid-sized English city on economic recovery:

What is most important in [my city] at the moment is recovery and helping businesses. We've got an absolute focus on businesses, because that's the way to help boost employment. What we've been trying to do through the heritage strategy is to avoid making heritage a single issue – because when it is, it's very nice for a certain section of society, but businesses and developers say, "so what?" My job is about making heritage mainstream. Heritage helps businesses and growth. And heritage particularly helps small and independent businesses, which is exactly what we should be doing as an authority, it should be about small, local, independent.

In England, Local Enterprise Partnerships (LEPs) are increasingly taking a lead in heritage planning and funding. One interviewee from a city council in a large English city commented that "LEPs are streets ahead in terms of ambition and policy for Cultural Action Zones. LEPs have secured funding to invest in capital projects and this has replaced local authority funding." City Regions in Scotland are also pursuing similar work.

The Data-Driven Innovation (DDI) initiative is a cluster of innovation hubs that are part of the **Edinburgh and South-East Scotland City Region Deal**. It aims to "deliver benefits for citizens, services, and businesses" across five areas, including developing skills in the workforce and encouraging entrepreneurial start-ups. One area of focus is tourism and festivals, aiming to "use information on activity and events to improve our visitors' experiences and help businesses adapt to challenges."⁴⁰

In June 2020, the **Tees Valley Combined Authority** launched a sector-led task force aiming to create the conditions for growth beyond recovery. It includes several funds aimed at stimulating recovery in the heritage and cultural sectors: The Cultural Development and Innovation Fund, Festivals 2021 Scoping Fund and Great Place Tees Valley - Reconnecting Communities.⁴¹

The **East Sussex LEP** created the 'East Sussex Reset' recovery plan in September 2020 which listed six 'missions' to support the East Sussex economy and livelihoods. Support for heritage organisations features in the 'Fast-Forwarding Business' mission.⁴²

6.4 Local visitor economies

Culture and heritage was almost universally seen as integral to revitalising local visitor economies, although the importance of the local visitor economy to recovery varies widely by local authority.

A few places in the United Kingdom were embroiled in debates around over-tourism prior to the pandemic. One of the effects of the massive drop in visitor numbers has been to

⁴⁰ <https://ddi.ac.uk/sectors/tourism-festivals/>

⁴¹ <https://teesvalley-ca.gov.uk/culture-tourism/visitor-economy-and-culture-industries-covid-19-recovery-programme/>

⁴² <https://www.eastsussex.gov.uk/media/16783/item-5-economy-recovery-plan.pdf>

shift the terms of this debate. One interviewee commented that “now you've got virtually everyone in that sector furloughed, and no idea how many of them are going to come back, the ‘jobs first’ position has probably got more traction, although [the side that viewed high levels of tourism as damaging to the city] had very significant traction previously.”

Many local authorities are investing in their tourism offer and aligning it to wider priorities:

- A large English city has recently recruited a tourism officer to work on the visitor destination plan which will be focused on a festivals and heritage offer with a major events programme based around the city’s built heritage.
- A smaller English city has brought the city’s tourism service in-house and is basing its offer on programmes and events celebrating the city’s heritage. The council is working with the local BID and developers working on regenerating the built environment.
- A northern district council has recently recruited a Director for Culture and Visitor Economy to make up for a lack of investment in the visitor economy in recent years.

Cardiff Council have developed a new corporate plan for 2021-24 – ‘Delivering Capital Ambition’ – which reflects the impacts of COVID-19 and the council’s ambitions for recovery. It incorporates a priority to *support the recovery of the cultural sector and major events programme*, setting out commitments including the development of a Cultural City Compact approach by March 2022. Key performance indicators for this priority include the number of staying visitors, total visitor numbers and total visitor days.⁴³

International guidance on tourism management and heritage management plans encourages alignment between them.⁴⁴ Examples of tight integration between heritage and tourism include **Canterbury** where positioning the city as a first class cultural heritage destination is the core objective of the Destination Management Plan.⁴⁵ The UNESCO UK National Commission overview of the 32 World Heritage sites in the UK demonstrates how such designations are used to drive tourism and visitors.⁴⁶

Destination Management Organisations (such as Visit Kent, Visit Liverpool) vary as to their organisational status – some sit within a local authority but they can often be separate entities.

Local authorities will often deliver work on their visitor economy in partnership with their local Destination Management Organisation (DMO). The current independent review of DMOs provides a rare opportunity for The Fund and local authorities to influence how heritage is featured and supported by their activities.⁴⁷

⁴³ <https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Corporate-Plan/Documents/Corporate%20Plan%202021-2024.pdf>

⁴⁴ https://link.springer.com/chapter/10.1007/978-981-15-5370-7_12_in_a_sustainable_way
<http://whc.unesco.org/sustainabletourismtoolkit/guides/guide-3-developing-effective-governance>

⁴⁵ <https://www.canterburybid.co.uk/wp-content/uploads/2018/10/Canterbury-Destination-Management-Plan-2018-2024-FINAL.pdf>.

⁴⁶ <https://unesco.org.uk/world-heritage-sites/>
See for example <https://www.newlanark.org/> or <https://visitbath.co.uk/members/about-us/>

⁴⁷ <https://www.gov.uk/government/publications/independent-review-of-destination-management-organisations-dmos>.

6.5 Cooperation and collaboration

Recovery planning is happening at multiple spatial levels, presenting an imperative for cooperation and coordination across boundaries. Local authorities are doing their best to coordinate heritage work within their own boundaries, although even here many feel that they could use additional support.

A great deal of work is also happening between and across local authority boundaries. Two interviewees from Northern Ireland, one from a city council and one from a district council, described working closely with organisations in the Republic of Ireland including the tourism office and the Heritage Council of Ireland. One commented that “NLHF need to know our work is beyond the UK.” While NLHF cannot fund activity outside the UK, this is still an important strategic consideration in working with local authorities on the border.

Despite this collaboration, heritage is still perceived as a “fragmented landscape” by some individuals within local authorities in strategic roles. Responsibilities are spread across multiple funders and stakeholders. There is a general view that more work needs to be done to coordinate strategy between different stakeholders and across councils.

6.6 Emerging practice and innovation

6.6.1 Introduction

A side effect of pandemics is that they drive innovation by accelerating pre-existing trends. This has been particularly evident in the local authority heritage sector during 2020-21. Almost all the interviewees described how their heritage services had swiftly pivoted to engage audiences no longer able to come to them. They used a variety of approaches, both digital and physical.

6.6.2 Digital engagement

Many interviewees described a rapid uptake in the use of digital engagement techniques to connect with audiences with some standout successes. Interviewees described a range of ‘digital’ engagement techniques including creating content using images, text, audio and video as well as moving talks and meetings online, making a greater use of email and social media, and contemporary collecting of born digital materials.⁴⁸ Some local authority heritage services used digital technologies to interact with residents by enabling them to design educational or other content, as well as distributing this digital content to residents.

Local authorities whose cultural and/or heritage services were an ACE National Portfolio Organisation (NPO) found it easier to manage the pivot to using digital engagement techniques to connect with their audiences, perhaps because of the expectation put on NPOs for the last two funding rounds that they create ‘digital plans’. This meant that they already had a roadmap for developing staff skills and for making the necessary technology choices.⁴⁹

⁴⁸ <https://collectionstrust.org.uk/resource/contemporary-collecting-toolkit/>

⁴⁹ <https://www.artscouncil.org.uk/our-investment/national-portfolio-2018-22>

In 2020, the **Gloucester History Festival**⁵⁰ moved online in response to the pandemic and significantly increased its audiences. In previous years, talks had reached an audience of around a thousand attendees, but the online events attracted an audience of 10,000 people including attendees from overseas. A new Spring Festival was delivered in April 2021 which was also held online.

6.6.3 Non-digital heritage delivery approaches

Many councils also responded to lockdown and the closure of their culture and heritage services using non-digital approaches designed to deliver art and culture to their residents. Although these projects had different titles ('Art Parcels', 'Museum in a Box' or 'Creative Wellbeing Packs') and in some cases built on previous initiatives, they were significantly ramped up in response to the lockdowns. The intent of the various projects was similar: to ensure that disadvantaged communities and children being home-schooled continued to have access to art and culture.

The **Norfolk Museums** service created several different digital and non-digital outreach programmes including 10,000 activity booklets and 6,000 'Art Parcels'⁵¹ to families across the county, these included an Egyptian board game invented by young people on the council's long-running Kick the Dust programme.

Other innovative practices included commissioning outdoor festivals and events, by using staff with experience of designing and delivering indoor events to create outdoors events instead.

The **Gloucester Culture Trust** commissioned the '**Bright Nights**' festival between December 2020 and February 2021,⁵² creating light installations which attracted people to explore and experience the city centre in different ways. They plan to follow the same approach in 2021/22.

6.6.4 Urban planning

Heritage is being linked to urban planning for active travel and wellbeing. It is seen as having an important role to play in building cohesive, appealing local communities.

The 'fifteen-minute city' or 'twenty-minute neighbourhood' is the idea that a person should be able to find most of what they need in their daily life within a relatively short walk or cycle journey of where they live.⁵³ A core principle of the fifteen-minute city is that there are green spaces for everyone to enjoy.⁵⁴

⁵⁰ <https://www.gloucesterhistoryfestival.co.uk>

⁵¹ [Norwich Museums Update: September to November 2020, Norwich Area Museums Committee](#)

⁵² <http://brightnights.info>

⁵³ <https://www.tcpa.org.uk/event/conference-the-20-minute-neighbourhood>

⁵⁴ https://www.c40knowledgehub.org/s/article/How-to-build-back-better-with-a-15-minute-city?language=en_US

It is gaining traction in many local authorities – including **Edinburgh**,⁵⁵ **Ipswich**,⁵⁶ and **Newham**.⁵⁷ Many London boroughs who implemented Streetspace schemes in 2020 at the start of the pandemic see this approach as complementary.

In **Edinburgh**, the City Council's Adaptation and Renewal Programme introduces the twenty-minute neighbourhood principle as part of the city's Sustainable Economic Recovery. This incorporates an aspiration to develop a new model for libraries that aligns with the twenty-minute neighbourhood concept and improve affordable leisure services that residents can use.⁵⁸

6.6.5 Community collaboration

Local authorities are taking a pragmatic approach to working with community groups on the ownership and management of heritage assets. Most councils interviewed were keen to work with community groups on both collections and larger assets such as buildings. The only consistent theme that emerged was that there is no one-size fits all methodology. Councils are flexible and will adopt the most appropriate approach for the service, locale or asset.

These approaches range from devolving the management of local heritage assets and using them to deliver services to local community groups, to more ad-hoc or informal collaborations with community groups to co-produce smaller-scale, agile and imaginative events with smaller budgets.

The flexibility of local authorities is illustrated by **Kirklees Council**, which has put historic buildings at the centre of their regeneration plans for two of the towns in the borough. While they are collaborating with others to deliver both projects, the partnerships take different forms. In **Dewsbury**¹, they have bought the run-down Grade 2 listed Arcade and plan to devolve the management to a community interest company. In **Huddersfield**², the council has bought the George Hotel and will work with Huddersfield University and the Rugby League to turn it into a museum dedicated to the game.

Government funding initiatives may also be prompting councils to think again about the use of heritage assets not owned by the council. A respondent from a northern city, where the majority of heritage assets are in the local authority's control, said the council had accelerated conversations about how they might work with heritage assets in private control because of the requirements of the Towns Fund.

Currently formal arrangements with community groups to manage assets and deliver services seem to be common in areas with lower population density where it is necessary to combine different services in smaller communities. However, skills and knowledge gaps in rural communities can mean that services and assets are not always run to their maximum utility. While private sector involvement is seen as advantageous, in rural and remote areas the private sector can itself be small and lacking in skills.

⁵⁵ <https://www.edinburgh.gov.uk/adaptation-renewal-programme/20-minute-neighbourhood/1>

⁵⁶ <https://www.flipsnack.com/allaboutipswich/ipswich-vision-2021-2025/full-view.html>

⁵⁷ <https://www.newham.gov.uk/downloads/file/3035/towards-a-better-newham-strategy>

⁵⁸ [Adaptation and Renewal Programme – The City of Edinburgh Council](#)

Not all trends are in the direction of greater devolution of control and management from local authorities to others in the community. At least one county council museums service is beginning to think about whether it will have to acquire orphan collections from independent museums that are no longer in a financial position to care for them.

In **Cornwall**, the County Council has formed a partnership with the 'Real Ideas Organisation' to run the Liskeard Library on a 125-year lease.⁵⁹

Ad-hoc collaboration or commissioning can take a number of forms and be used to deliver cultural and heritage events using formats such as street theatre, pop-up art installations or outdoor community music events.

The **Gloucester Culture Trust** created a partnership between a community group, its museum service and local artists to design and deliver 1,500 'Creative Packs' to children, teens and older adults in February 2021. By creating a partnership each partner was able to bring their particular strength to the project. The community group handled the distribution, the museum service provided an online platform and artists developed the creative activities.⁶⁰

Derry City and Strabane District Council worked with local animation and theatre companies to create the Inside Out festival celebrating St Patrick's Day in March 2021. The local groups created a programme of outdoor events using installations around the city centre which proved very popular with the city's residents.⁶¹

6.6.6 Larger-scale collaboration

Many councils, especially where heritage plays a key role in economic regeneration, have partnership arrangements where cultural and heritage services engage with other local private and public stakeholders. For example, Arts Council England's "Cultural Compacts" model has been designed to 'support the local cultural sector and enhance its contribution to development, with a special emphasis on cross-sector engagement beyond the cultural sector and the local authority.'⁶²

These approaches to collaboration extend to the third sector. Many councils have formed successful partnerships with large independent bodies or charities, such as the creation of nature reserves by bodies such as the RSPB on council-owned land.

Councils are using their convening power to bring together the assets of local organisations to present their local heritage in a unified way. This approach takes different forms in different places. In Wales, a City Council is planning to bring together collections from different owners to create a unified cultural and heritage offering in their high street.

⁵⁹ <https://realideas.org/our-spaces/no-2-pike-street/>

⁶⁰ <https://gloucesterculture.org.uk/story/creative-wellbeing-packs-for-gloucester-residents/>

⁶¹ <https://www.derrystrabane.com/Business/Recovery/Inside-Out>

⁶² <https://www.artscouncil.org.uk/publication/review-cultural-compacts-initiative>

Where councils have devolved the management of cultural and heritage (and in some cases wider leisure) services to trusts there have been mixed outcomes. In some cases, trusts are seen as more fleet of foot and agile and the value of working with them outweighs the value of returning assets to the local authority. Other local authorities have experienced negative outcomes and had to bring assets back into council control when trusts failed.

7 National support: needs and experiences

7.1 What support is needed?

7.1.1 Funding

After over a decade of austerity, followed by the financial impact of the pandemic, local authorities – including their heritage services – are facing severe financial constraints.

While they have done remarkable things with limited resources, some feel they are reaching the limits of what is possible. One interviewee described a “hollowing-out” of heritage capacity – neglect of long-term investment in less visible work like collections management and the fabric of buildings – in favour of delivering visitor-focused outcomes.

Examples of the limitations that local authority funding pressures have placed on their heritage functions include impacting their ability to:

- Offer match funding, which has been a major obstacle for local authorities seeking funding for heritage projects.
- Continue to provide match or in-kind support as part of the budget for community projects.
- Provide seed funding for independent trusts seeking to take on responsibility for heritage assets.

Naturally there is a recognition that funders also have limited resources. One interviewee questioned whether NLHF really had the resources to deliver place-based outcomes on the necessary scale to meet the need. “Just in our midsized city,” they noted, “looking at the need for capital development in culture and heritage, it’s probably around £100m.”

Comments such as this point towards the need for the use of limited funding as a strategic resource multiplier. One interviewee said that the NLHF putting funds into place-based schemes “gives the council credibility and a seat at the table” when applying for wider levelling-up or regeneration funding.

7.1.2 Knowledge and skills

The Fund’s investment influences the approach of local authority heritage functions. One interviewee commented that “the initiatives [that NLHF] put forward do change behaviour in local authorities,” citing best practice around procurement and risk management. Another recalled that the impetus for their local authority developing a heritage strategy was “feedback that we got from the Heritage Lottery Fund and Historic England about how some of our applications weren’t strategically put together.”

Parks – often managed separately from other heritage in local authorities – were sometimes cited in our interviews as lagging in terms of heritage best practice. Programmes like the Future Parks Accelerator are helping to develop skills and knowledge here.

Gaps in knowledge and resources may be creating a two-tier system when it comes to applying for funding. Several interviewees worried that complicated funding applications reward local authorities or institutions that are used to applying for them – and by implication excludes those that don't. Applications are a major ask for local authorities with limited resources. One interviewee in a district council reported that failed applications “do demoralise staff” and make it more challenging to justify an allocation of resources to future applications.

One innovative approach to capacity-building might be secondment into local authorities. In 2018, Sustrans seconded its Director of Urbanism to the **Edinburgh City Council** to lead its city centre transformation programme. This was highlighted as a model that could potentially be of value to heritage funders, allowing knowledge transfer and capacity building.

7.1.3 Strategic development

Local authorities are looking for funders to help them develop a high-level, strategic view of the issues they face, so they can deal with the way that the places they represent are changing. An interviewee from a city council in a devolved nation commented:

Our focus will need to be on recovery for a period. We don't know what the fallout will be. We need continued adaptability and flexibility across all sectors, with support to audit, analyse and assess the impact.

A range of possible strategic interventions that The Fund could develop were highlighted by interviewees, with varying levels of actionability. These include:

- Creating a strategic relationship with council leaders and chief executives
- Convening or catalysing the development of regional heritage strategies, so that projects that straddle borders can be addressed
- Developing a joint approach with other funders – particularly national arts councils and historic environment bodies – and particularly aligning forms, criteria and timescales for applications whenever possible
- Creating Service Level Agreements with local authorities for delivery of heritage-related outcomes
- Creating a resource bank of best practice, advice and guidance around strategic work
- Embedding officers to support strategic work.

Prior to the pandemic, **Cornwall County Council** developed a Memorandum of Understanding (MoU) with the National Lottery Heritage Fund, Arts Council England, and the Local Enterprise Partnership.⁵⁰ This brought together all the major investors in culture and heritage in the county to ensure that all the organisations would work together to support and promote Cornwall's cultural distinctiveness. The MoU is credited with unlocking over £4.5m in funding from various sources.

7.2 What are local authorities' reflections on working with The Fund?

Experiences of working with the National Lottery Heritage Fund have been generally positive.

The developmental effect of The Fund's expectations around strategic thinking in applications and best practice in project delivery have already been discussed. Sometimes this leads to frustrations. One interviewee from a city council in a devolved nation, where The Fund has given substantial support to a major regeneration project, commented that it had taken five years to get from their original bid to a Round 2 award. They described the application as "very drawn out and subject to a level of scrutiny doesn't always appear within other funding sources."

However, in general there is a positive view of relations with The Fund. Another interviewee described its funding structure as "responsive and flexible."

Knowledge about The Fund's new initiatives around place was relatively low. Most interviewees were not aware of the new local area guidance, although they were positive after having been informed about it. One interviewee from a district council said that they had received minimal information from The Fund and were concerned that local authorities were not treated as important stakeholders – including reflecting where they are co-funders alongside The Fund. In general there was a desire for greater communication and engagement.

8 Opportunities

The COVID-19 pandemic has prompted local authorities to rethink the role of culture and heritage in the communities they serve. This often includes the reframing or prioritisation of heritage within wider cultural initiatives, the creative economy, or other agendas such as “levelling up” or “building back better.” While these broader roles for heritage were being advanced in many areas prior to COVID-19, the pandemic has accelerated and expanded these approaches.

As The Fund recognises, “the resumption of project funding marks a return to our core business, but it is not a return to business as usual.” It will need to continue adapting to meet the challenges of its role as the largest dedicated funder of heritage in the UK.

The opportunities identified here will require The Fund to reconsider the way it distributes funding, provides leadership and support, and advocates for the value of heritage. In some cases, The Fund has already explored new approaches through strategic programmes such as Future Parks Accelerator.

The areas set out below highlight opportunities to expand these approaches to the rest of The Fund’s work with local authorities.

Funding

- Support legacy and impact of projects funded through project funding by considering ways to:
 - Offer pre- and post-project funding – to develop strategic alignment, work on business models and legacy planning, and build partnerships.
 - Demonstrate willingness to fund core costs within projects.
- Work with other funding sources from the public, trusts and foundations and private sectors to develop new financial models that can use NLHF funding as a resource multiplier to de-risk investment opportunities and catalyse other investment (particularly match funding).
- Conduct research with people in a range of roles in local authorities to better understand what they need to make it easier for them to apply for funding.
- Explicitly align area-based and place-based guidance with similar schemes/funding from other funders (such as the support that Arts Council England gives to Cultural Compacts, or Creative Scotland’s Place Programme).

Offering support, guidance and knowledge

- Create or aggregate guidance and/or best-practice on how culture and heritage supports council priorities such as economic growth, tackling socioeconomic inequalities, health and wellbeing, education, and EDI (equality, diversity and inclusion).
- Support local authorities where possible to coordinate heritage work and heritage projects both within and across their borders.
- Utilise and develop local government knowledge among engagement and investment officers and encourage them, where appropriate, to play a developmental ‘critical friend’ role in their relationships with local authorities.

- Embed officers within local authorities to assist with project delivery – and encourage secondment of local authority staff to work on projects.
- Support local authorities to address heritage as part of wider digital transformation work and to pursue place-based digital collaborations both within and across their boundaries.

Stakeholder engagement

- Communicate with local authorities and bodies such as Local Enterprise Partnerships, City Region Deals, Business Improvement Districts and partnerships involving them (such as creative or cultural boards or compacts) as significant stakeholders in strategy and decision-making – as partners, co-funders and policymakers rather than just as funding applicants.
- Use collective bodies of local authorities – such as the LGA and the Local Government Information Unit – as partners and channels to increase the reach and engagement with The Fund’s communications, guidance and support.
- Raise awareness in local authorities of existing funding programmes that are well suited to their work (for example, Area-Based Schemes).
- Raise government awareness of the role of heritage in supporting local recovery, including with the Ministry of Housing, Communities and Local Government

Strategic development

- Convene a group of local authorities and representative bodies (such as the LGA and COSLA) to consider where and how The Fund can play a catalyst role through investment in strategic work.
- Develop capabilities and capacity for Area and Country Directors to participate in wider strategic conversations including with senior officers and elected members with remits beyond that of heritage or culture.
- Directly support ‘cultural compacts’ and similar examples of local partnerships to ensure that heritage is well represented in these, liaising with Arts Council England to align with and complement their approach, entering into MoUs with individual partnerships where appropriate, and encouraging them to bid for suitable funding such as Area-Based Schemes.
- Contribute to the current independent review of Destination Management Organisations to influence how heritage is featured and supported by their activities.
- Recognise that relevant wider strategic conversations will in many cases not be framed in terms of ‘heritage,’ but in terms of visitor economy, creative economy, culture, wellbeing, environment, regeneration, recovery or ‘levelling up.’ Consider which of these The Fund is best placed to contribute to and how it can make the case for heritage in supporting these agendas.