Heritage Lottery Fund brings in new measures to help applicants in tough times

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Carole Souter, Chief Executive of HLF, said: “This is our second set of measures to help organisations cope with the current and forthcoming economic challenges.There will be more money on offer for applicants who are finding it hard to raise funds elsewhere and new ways of protecting HLF’s past investment.

“We will be working even more closely with partners to ensure the UK’s heritage does not suffer unduly during these difficult times. We know heritage has a valuable role to play in helping the economy back onto its feet. As well as helping new applicants, any project already underway which is facing difficulties as a result of the current economic conditions should contact their case officer, as we want to help.”

HLF is making the following changes with immediate effect:

• **Reduced match funding requirements**
The minimum financial contribution (‘match funding’) applicants to our main Heritage Grants programme must raise for grant requests over £1m has been reduced from 25% of the total project costs to 10%. Now only 10% of the overall grant will be required from other partners and HLF will be able make up all of the remainder. This will help if a local authority or other local investors are not able to provide sufficient financial support to a project.

For grant requests under £1m, the minimum match funding requirement has been reduced from 10% to 5% of the project costs, in cash or kind, with some contribution coming from the applicants’ own resources.

For our joint programmes, such as Parks for People which is run with the Big Lottery Fund (BIG), similar changes will apply. The minimum match funding contribution required for grant requests over £1m has been reduced from 25% to 10%. For grant requests under £1m, the minimum match funding contribution required has been reduced from 25% to 5%. Furthermore, the requirement for applicants to contribute 5% in cash has also been dropped. Match funding contributions can be in cash or kind, as long as there is some contribution from the applicant’s own resources. Future management and maintenance will continue to count as an in kind contribution from the applicant.

• **Management and maintenance costs included in match funding**
Heritage Grants applicants are currently required to prepare a management and maintenance plan for all projects with capital works costing over £200,000. These projects will now be able to count their projected additional management and maintenance costs as a contribution to match funding. Applicants will still need to make a contribution from their own resources, above and beyond this future commitment.

• **More accessible grant increases**
We will be more willing to consider requests for grant increases arising as a result of current pressures on existing projects as a means of protecting money already invested and ensuring a successful outcome.

- **Protecting our investment**
  We will consider requests for short-term revenue funding from past grant holders where the current economic climate is putting the achievements of a project we have previously funded at risk. This is intended to give these organisations the opportunity, with some secured income and professional mentor support, to re-examine how they deliver their business and build resilience for the future.

In all cases, applicants will still need to have explored other sources of funding and ensure their project offers good value for money. All these measures are time limited to the end of this strategic plan period to April 2013.

Previous measures

HLF announced in August other changes to help support major transformational projects (HLF grants of £5m and over). These were to increase HLF's allocation for major projects from £20m pa to £30m pa from 2011 onwards, and allowing flexibility in second-round deadlines so that applicants can work to their own timetables.

HLF is currently looking at other ways it can assist with the challenges facing the heritage sector following the recent Spending Review and will be making decisions on future funding priorities over the coming months.

Notes to editors

Using money raised through the National Lottery, the Heritage Lottery Fund (HLF) sustains and transforms a wide range of heritage for present and future generations to take part in, learn from and enjoy. From museums, parks and historic places to archaeology, natural environment and cultural traditions, we invest in every part of our diverse heritage. HLF has supported 33,900 projects, allocating £4.4billion across the UK.

Further information

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