

# Heritage 2033 delivery plan: 2023–2026

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Explore how much we'll invest and how we'll deliver the aims of our 10-year strategy, Heritage 2033, over the first three years.

Attachment	Size
<a href="#">Heritage 2033 delivery plan 2023–2026 – year 2</a>	1.25 MB
<a href="#">Treftadaeth 2033 cynllun cyflwyno 2023–2026 – blwyddyn 2</a>	1.88 MB

**Last updated: Autumn 2024**

Porchester Castle, Hampshire © Sadé Elufowoju/National Youth Theatre.

## Context

### Purpose of the delivery plan

The National Lottery Heritage Fund’s 10-year strategy, [Heritage 2033](#), sets out our ambitions to make a decisive difference for people, places and communities as we invest an anticipated £3.6billion raised for good causes by National Lottery players over the next decade.

Our long-term strategy is supported by three-year delivery plans, setting out how the aims of the strategy will be delivered. They will allow us to take a flexible approach, adapting to heritage sector needs and responding to external events or opportunities over the 10 years.

Our 2023–2026 delivery plan sets out the key milestones and how we will deliver National Lottery investment for the first three years, as well as how we have transitioned to our new strategy in 2023–2024. This plan is updated annually as part of our business planning processes.

### Our vision

Our vision is for heritage to be valued, cared for and sustained for everyone, now and in the future.

### Our investment principles

Our four [investment principles](#) guide all our decision making:

- Saving heritage: conserving and valuing heritage, for now and the future.
- Protecting the environment: supporting nature recovery and environmental sustainability
- Inclusion, access and participation: supporting greater inclusion, diversity, access and participation in heritage.
- Organisational sustainability: strengthening heritage to be adaptive and financially resilient, contributing to communities and economies.

**We ask projects we fund to take all four investment principles into account in their applications.**  
[Further details for applicants can be found on our website.](#)

## **Our values**

Our [values and behaviours](#) are fundamental to the way we work. They are embedded across our strategic and business planning and our leadership and management. Our four values are:???

- **Inclusive**?of all aspects of heritage, people and communities.?
- **Ambitious**?for our people, communities and heritage.?
- **Collaborative** by working and learning together.?
- **Trusted**?for our integrity, expertise and judgement.

## **The role of The National Lottery Heritage Fund**

[As the largest funder for the UK's heritage](#), The National Lottery Heritage Fund (Heritage Fund) has the privilege of investing money raised by National Lottery players into heritage across the UK, in collaboration with a wide range of statutory bodies, as well as other National Lottery distributors. We award 20% of the good causes income raised by National Lottery players and deliver grant programmes on behalf of the UK and devolved governments that align with our vision and investment principles.

We are a non-departmental public body accountable to Parliament via the Department for Culture, Media and Sport (DCMS). Our decisions about individual applications and policies are entirely independent of the government. The majority of funding decisions are taken by our six area and nation committees using local knowledge and expertise and supported by our teams across the UK. The Trustees of the National Heritage Memorial Fund is our legal body for the administration and supervision of all funds vested in us. It was set up by the National Heritage Act 1980 to administer the National Heritage Memorial Fund.

## **The role of the National Heritage Memorial Fund**

[The National Heritage Memorial Fund](#) (NHMF) was set up in 1980 to save the most outstanding parts of our national heritage, in memory of those who have given their lives for the UK.

As a fund of last resort, NHMF provides financial assistance towards the acquisition, preservation and maintenance of some of the UK's finest objects and landscapes. These range from historic houses and works of art, to trains, boats and ancient landscapes. NHMF has helped create a world-class collection that belongs to the people of the United Kingdom, forever.

This delivery plan details how we will deliver National Lottery investment.

## **Our plan for 2023–2026**

### **Delivering Heritage 2033**

Our priority in 2023–2024 was to implement our new strategy and transition from the Strategic Funding Framework 2019–2024 to the aims and four new investment principles set out in Heritage 2033.

In this first year we established and streamlined our funding processes as we transitioned to assessing funding applications under the four investment principles, as well as mapping the development of our strategic initiatives and partnerships. This implementation programme included updating our guidance, application forms and process, and development work to review the way we monitor and evaluate the impact of our grants. In the second year we will continue this work and review the impact of the transition on grant

applicants and staff as part of our continuous improvement programme.

Our funding approach will continue to be open, responsive and devolved, using local knowledge and expertise to support heritage projects at the heart of locally led visions for change. We will:

- deliver a place-based approach through our investments, strategic initiatives and partnerships
- establish new partnerships and long-term collaboration to meet identified sector needs
- use research, analysis and insight to support a shared long-term vision for heritage and improve our delivery
- champion innovation to find new solutions to heritage challenges
- grow digital leadership and confidence across UK heritage
- collaborate with partners in governments, arm’s length bodies, the other National Lottery distributors and independent trusts and foundations to shape new initiatives to meet identified needs for heritage
- be an inclusive, accessible and equitable funder

**Investment plans and budgets**

Our three-year investment and delivery plans are set out below. Budgets are indicative, based on National Lottery income forecasts provided by the Gambling Commission. Forecasts may be subject to change and will be updated as part of the annual review process for the delivery plan. Budget plans will be reviewed throughout the three years and updated as necessary to meet strategic priorities.

As detailed below, we also distribute non-Lottery funding, including from governments, to support UK heritage.

**Total projected National Lottery investment**

Programme	Year 1	Year 2	Year 3
	2023–2024	2024–2025	2025–2026
Total National Lottery investment	£415million	£417million	£438million
Open programme investment	£408m	£372m	£371m
National Lottery strategic initiatives	£7m	£45m	£67m

**Other funding programmes investment**

- £52.95million

**National Lottery programme activities**

**National Lottery Heritage Grants (previously National Lottery Grants for Heritage)**

Our open programme for all types of heritage projects in the UK.

**Year 1 (2023–2024):**

- Revise National Lottery Grants for Heritage in line with Heritage 2033.

- Change grant thresholds to £10,000–£10m and undertake scoping work to continue to deliver grants under £10,000 through other organisations and initiatives.\*
- Review and streamline our applications, assessment and monitoring processes.
- Manage and support customers through the application transition from the Strategic Funding Framework 2019–2024 (SFF) to Heritage 2033:
  - last applications for development grants between £10,000 and £10million under SFF: November 2023
  - last applications for grants up to £10,000: December 2023
  - first applications for grants between £10,000 and £10million under Heritage 2033, with new guidance and application forms: January 2024
- Work with partners, including DCMS and statutory agencies, in developing our approach to skills and children and young people.

#### **Year 2 (2024–2025):**

- Complete the transition to deliver National Lottery Heritage Grants under the four Heritage 2033 investment principles.
- Make the first awards up to £250,000 under Heritage 2033.
- Make the first awards over £250,000 under Heritage 2033.
- Continue to scope and deliver grants under £10,000 through other organisations and initiatives where there is strategic demand and evaluate.
- Continue to streamline our application, assessment and post award processes.
- Decide on approaches to support projects to engage children and young people in heritage and provide routes into skills development through National Lottery Heritage Grants.

#### **Year 3 (2025–2026):**

- Continue to evaluate our new processes and measure the initial impact of National Lottery Heritage Grants under Heritage 2033.
- Deliver grants under £10,000 through other organisations and initiatives and evaluate.

\*Grants above £10m can be awarded in exceptional circumstances to deliver Heritage 2033 ambitions.

### **Strategic initiative: Heritage Places**

Helping to transform the heritage in 20 different places, put heritage at the centre of local approaches to boost pride in place, revitalise local economies and improve people's connection to where they live, work and visit.

#### **Year 1 (2023–2024):**

- Nine locations identified for strategic investment using data about heritage, society and investment levels, alongside local intelligence.
- Understand local needs of selected locations, support capacity to plan ahead and engage audiences.
- Project planning and development grants.

#### **Year 2 (2024–2025):**

- Grants available for the delivery of projects.
- Identify the next round of places.
- Set up processes for evaluation.

**Year 3 (2025–2026):**

- Announce the next round of places.
- Initiative will continue over the lifetime of the 10-year strategy.

**Strategic initiative: Nature Towns and Cities**

Partnership to deliver urban nature recovery through thriving historic parks and green spaces.

**Year 1 (2023–2024):**

- Develop partnerships to design and deliver initiative.
- Understand local needs, design and capacity building.

**Year 2 (2024–2025):**

- Initiative design being developed in partnership with the National Trust, Natural England and statutory nature agencies from Scotland, Wales and Northern Ireland.
- Launch of partnership initiative and grant programme.

**Year 3 (2025–2026):**

- Grants available for the delivery of projects.
- Monitoring and evaluation.
- Grant funding to continue beyond 2025–2026.

**Strategic initiative: Landscape Connections**

Landscape-scale nature recovery across UK national landscapes, providing better connections for people and nature.

**Year 1 (2023–2024):**

- UK-wide stakeholder engagement to develop the initiative.
- Initial investment to support project planning.

**Year 2 (2024–2025):**

- Launch of our £150m fund to support around 20 projects to enhance and protect the UK's world-class landscapes.

**Year 3 (2025–2026):**

- Grants available for development and delivery of projects.
- Community of practice established.
- Monitoring and evaluation.
- Initiative will continue over lifetime of our 10-year strategy.

**Heritage in Need**

Identifying gaps in support to the heritage sector, particularly where there is heritage at risk and in need of conservation.

**Year 1 (2023–2024):**

- Research and development and working with strategic partners across the UK to identify the initial focus for support, including for places of worship.

**Year 2 (2024–2025) and year 3 (2025–2026):**

- Use data and insight to set out our overall approach to prioritising heritage in need.
- Places of worship: strategic investment in projects to build capacity and fill gaps in current support for heritage at risk and target promotion of our support for repair and conservation needs.
- Maritime heritage: use our research insights to help define our investment priorities in this area for National Lottery funding.

**Year 3 (2025–2026):**

- Framework in place and future initiatives identified.
- Investment in projects to fill gaps in support for places of worship and maritime heritage at risk and in need of conservation.

**Opportunities**

Responding swiftly, and acting when necessary, to address unique situations, opportunities and events.

**Year 1 (2023–2024):**

- Eurovision Liverpool 2023.
- City of Culture.
- New to Nature programme (expansion).
- National Lottery 30th birthday preparation.

**Year 2 (2024–2025):**

- City of Culture delivery.
- National Lottery 30th birthday celebration.
- Archives Revealed.
- Respond to further opportunities.
- New to Nature evaluation and next steps.

**Year 3 (2025–2026):**

- City of Culture delivery ends.
- Respond to further opportunities.

**Existing programmes and collaborations**

Ongoing initiatives that support new ways of working, innovative investment and resilience.

**Year 1 (2023–2024):**

- Heritage Innovation Fund.
- Arts & Culture Impact Fund.
- Heritage Impact Fund.
- Facility for Investment Ready Nature in Scotland.
- National Churches Trust: Cherish programme.
- Architectural Heritage Fund: Heritage Development Trust Initiative.
- Levelling Up Fund (sector support).
- Museums Estates and Development (MEND) Fund.

**Year 2 (2024–2025) and year 3 (2025–2026):**

- Heritage Innovation Fund.
- Arts & Culture Impact Fund and our collaboration and support for establishing Figurative, incorporating Arts and Culture Finance, Nesta into an independent organisation, driving impact, innovation and investment in culture.
- Heritage Impact Fund.
- Facility for Investment Ready Nature in Scotland.
- National Churches Trust: Cherish programme.
- Architectural Heritage Fund: Heritage Development Trust Initiative.
- Museums Estates and Development (MEND) Fund.

**Year 3 (2025–2026):**

- Planned multi-year programmes continue and new opportunities identified.

**Other funding programme activities**

We also distribute non-Lottery funding, including from governments, to support heritage across the UK.

The current portfolio of agreed programmes is set out below.

**Programmes delivered in partnership with Department for Environment, Food and Rural Affairs (Defra) – £25m:**

- Species Survival Fund.
- Green Recovery Challenge Fund.\*
- Trees Calls to Action Fund.\*

**Programmes delivered in partnership with Welsh Government – £27.44m:**

- Local Places for Nature.\*\*
- Local Places for Nature Breaking Barriers.
- The Woodlands Investment Grant.\*\*
- The Woodlands Investment Grant Tiny Forests.
- Nature Networks.\*\*

**Programme delivered in partnership with Department for Culture, Media and Sport (DCMS) – £550,000, awarded 2022–2023:**

- Know Your Neighbourhood (through Historic England High Street Heritage Action Zone Cultural Programme).\*

All funding programmes are subject to business case agreement by the Heritage Fund's Executive team.

\*Programmes have awarded available grants and projects are being delivered.

\*\*Programmes part funded by National Lottery.

[Further information on the individual funding programmes can be found on our website.](#)

## Income and costs

We receive and award 20% of the National Lottery's good causes income and set our budgets for investment annually depending on the amount raised by National Lottery players across the UK. At any time, we have an active delivery priority of c.2,500 live projects, which is set out in the cash reserves and liabilities in our financial accounts.

In addition to National Lottery income, we receive annual UK government income for the National Heritage Memorial Fund of £5.3m, comprising £5.2m for grants and £0.1m for administration costs. We also receive income from governments and other bodies such as DCMS, Defra, the Northern Ireland Executive and Welsh Government to distribute grants.

For the first three years of Heritage 2033, we aim to award over £1bn (see table opposite) with a portfolio comprising National Lottery Grants for Heritage as well as strategic initiatives and partnerships.

<b>Projected investment</b>	<b>2023–2024*</b>	<b>2024–2025</b>	<b>2025–2026</b>	<b>Total</b>
Lottery income	£355m	£361m	£361m	£1,077m
Operating costs	-£28m	-£28m	-£28m	-£84m
Investment ratio balancing**	£88m	£84m	£105m	£277m
Total available for Lottery investment	£415m	£417m	£438m	£1,270m

\*2023–2024 show actual figures.

\*\*A change in the total investment to National Lottery Distribution Fund balance ratio has allowed for additional commitments over this planning period.

Our total National Lottery operating costs are set by DCMS and should not exceed 7.75% of annual National Lottery income over a three-year rolling period.

This is a living delivery plan that will be managed flexibly and will adapt over time to respond to external events and opportunities and as we develop our thinking with our stakeholders and partners.

## Delivery priorities for 2024–2025

### 1: Grant funding delivery

Attract and invest in heritage projects that reflect our four investment principles and the ambitions set out in Heritage 2033, working with partners to increase the impact of support and funding for heritage in the UK. Successfully manage the pipeline of c.2,500 active National Lottery projects and wider grant in aid programmes.



## **2: Strategic initiatives**

Develop and deliver the strategic initiatives established in Heritage 2033, being responsive to opportunities and events that help deliver the ambitions set out in our strategy.

## **3: Collaboration, partnerships and engagement**

Advocate for Heritage 2033 and our distinctive role in driving impact for heritage, building relationships and collaborations with stakeholders across the UK which help deliver the strategic aims in Heritage 2033 and successfully launch, and communicate the impact of, new partnerships.

## **4: Impact and improvement**

Continue to improve our organisational delivery, embedding the right skills, capabilities, resources, systems and culture to successfully deliver and measure the impact of Heritage 2033.

Alongside the core delivery of Heritage 2033 and support for the heritage sector, underpinning our work and departmental plans is a commitment to –

### **Embedding environmental sustainability in our National Lottery investment portfolio and internal operations:**

- working collaboratively to learn from and share best practice across nature recovery, climate justice and climate adaptation
- reducing our environmental impact and working towards two net zero carbon ambitions:
  - deliver a decarbonisation plan to reach our medium-term goal of net zero carbon before 2030 for our operations, decarbonising our offices, travel, waste and purchases
  - reaching net zero by 2050 for our investments and grants (science-based target in line with the 2015 Paris Agreement)

We report on our environmental impact as part of our [Annual Report and Accounts](#).

### **Equality, diversity and inclusion (EDI) in our investment and operations:**

- ongoing implementation of our 2021 EDI Review actions, addressing improvements across our workforce, governance and organisational culture
- developing partnerships and collaborative working to ensure equitable access to our funding for projects led by people under-served by heritage

We will effectively and efficiently use our resources to distribute National Lottery and government funding for heritage.

## **Governance and decision making**

### **Board, committees and decision making**

We are governed by a Board of Trustees who lead on strategy development, with day-to-day management delegated to the Chief Executive and Executive team. The Board makes final funding decisions on grant applications over £5m and holds a central investment budget for strategic initiatives and UK-wide programmes.

We have six grant making committees in Scotland, Wales, Northern Ireland and in three areas of England – North, Midlands and East, and London and South – which make decisions on grant requests between £250,000 and £5m. We continue to delegate the majority of our decision making to these six area and nation committees and operational employees across the UK (for decisions below £250,000).

We retain a ‘country reserve’ for Scotland, Wales and Northern Ireland for grants that cannot be accommodated in delegated per capita budgets.

For grants above £5m, our Board retain oversight and decision making, drawing on local expertise and recommendations from the area and nation committees.

Allocated on a per capita basis, grant making committees receive the following percentages of delegated budgets:

<b>Area/nation</b>	<b>Budget</b>
Northern Ireland	2.9%
Wales	4.8%
Scotland	8.4%
England, North	23.7%
England, Midlands and East	25.2%
England, London and South	35%

The [processes for grant applications, decision making and monitoring are set out on our website](#).

## **Managing risks**

Our risk register is regularly reviewed by the Executive team, the Board and the Audit and Risk Committee. Our risk appetite is reviewed and approved by the Board once a year.

Our main risks and mitigations for the second year of the delivery plan, 2024–2025, at the date of publication are:

### **Strategic**

Implementation of new strategy slower than planned or fails to deliver against the four investment principles. We will manage this through:

- staff and committee training
- management information to inform delivery and refocus of activity as needed
- implementation and reporting on impact through introduction of formal Impact Framework
- oversight by Board and Executive teams

Insufficient data, insight and expertise to track and understand the strategic impact of Heritage 2033. We will manage this through:

- active improvement of data sources and tracking of delivery progress through development of our investment management system
- delivery of new Impact Framework to measure and respond to evidence of our impact
- recruitment and development of staff members with appropriate skills

Impact on Heritage Fund pipeline if existing projects incur major problems or fail, or new applications do not come forward due to economic risks. We will manage this through:

- active monitoring of projects in line with our guidance and building relationships with grantees to identify issues early
- targeted use of external experts to better inform award decisions
- improving understanding of funding landscape and individual project risks by both assessors and decision makers
- active marketing and engagement planning

## **Economic**

Fluctuations in the external environment lead to different funding and policy priorities for the heritage sector. We will manage this through:

- close working relationships with stakeholders including DCMS sponsor team to demonstrate the contribution of investment in heritage
- reinforce our approach to devolved engagement and decision making
- ensure our strategy is flexible and adaptable through three-year delivery plans and budgeting with annual reviews

Sustained material fall in National Lottery income means we cannot fund key projects to deliver our strategy. We will manage this through:

- joint working with National Lottery Promotions Unit to strengthen good causes marketing
- scenario planning for a range of financial options
- collaborative working with the National Lottery operator through the National Lottery Forum to share insight

## **Operational**

Failure to attract and retain diverse and skilled workforce leads to reduction in key knowledge and reduces delivery, capability and effectiveness. We will manage this by:

- continuing to improve recruitment processes including widening recruitment channels, staff induction and onboarding processes
- developing relevant staff training and learning opportunities
- developing our employee value proposition

Major sustained outage of systems or functions, compromise of data security. We will manage this through:

- preventative access controls and detection tools
- monitoring and reporting software activity
- business continuity and critical incident plans in place
- staff training and awareness programme
- data security and policies in place and reviewed regularly

## **Transparency**

We recognise our obligations to National Lottery players and taxpayers in explaining how we use their money, and funding working in compliance with relevant laws and the Framework Document with DCMS.

As a public-facing body, we are committed to making information readily available and easy to understand. [For more information, please see the Transparency section of our website.](#)

Our award data is published through [GrantNav](#), which is an open data standard, [on our website](#) and through DCMS and Cabinet Office statistical releases. We publish details concerning individual grant awards which may be considered to be [subsidies](#) to comply with the transparency requirements in the Subsidy Control Act 2022.

We also publish on our website the following:

- [our Annual Reports and Accounts](#) which include senior staff salaries
- [our Board and committee decisions on grant applications](#)
- [our governance structures and details of our trustees, committee members and senior staff](#)
- our 10-year strategy, [Heritage 2033](#)
- [opportunities for jobs and working with us](#) including committee membership and trustee vacancies when they arise
- [workforce equality information](#) to comply with equality legislation
- [details of all grant programmes with guidance on how to apply](#), requirements and links to our online portal for submitting applications
- how we work with you to deliver your project and outcomes
- other corporate information

Tenders worth £30,000 (inclusive of VAT) or more where we are seeking suppliers/business partners to help us deliver our business are advertised on [Contracts Finder](#). Tenders over the Public Contracts Regulations 2015 thresholds are also advertised on the [Find a Tender service on the government website](#). Contracts awarded for services and support where we have let those contracts are published (redacted) on Contracts Finder.

## Impact and performance

### Assessing the impact of our investment

[Heritage 2033](#) describes the changes we want to achieve by 2033 across our four investment principles.

During the transition year (2023–2024), we started to design a new Impact Framework that will allow us to evaluate and assess our impact over the next 10 years.

Our Board has agreed a framework to evaluate impact on **pride in place, revived heritage and the economy**, linked to our four investment principles:

- Saving heritage: heritage is revitalised and its condition is improved.
- Protecting the environment: natural heritage is in recovery.
- Inclusion, access and participation: more people can access and connect to heritage.
- Organisational sustainability: organisations we fund are more skilled and financially secure.

Over 2024–2025 and 2025–2026 we will introduce qualitative and quantitative measures to understand if we are delivering against each of these statements and to respond accordingly. We are particularly interested in demonstrating how the Heritage Fund is impacting pride in place, revived heritage and the economy.

[We will continue to make all our research, insight and evaluation available via our website](#) to enable a full assessment of our impact for heritage. We will continuously improve our approach to measuring and monitoring the impact of our investments.

### Measuring our performance

We will continue to produce and review operational indicators to measure our performance through our reporting to our sponsor department, DCMS. These indicators sit alongside the longer-term Impact Framework. Our current operational indicators are:

- a reduction in heritage assets considered to be ‘at risk’ as a direct result of Heritage Fund investment
- the proportion of grant applications processed within the published timeframe
- the proportion of the public who engage with heritage, museums and galleries recorded in DCMS’s Participation Survey
- the amount and proportion of funding to the 20% most deprived local authority areas

We will be making improvements to how we collect data on the impact of projects so we can also monitor and report the number of jobs and volunteers directly supported by Heritage Fund investment.

## **Our service standards**

We have set targets for the delivery of services to our applicants and grantees.

### **Application decisions**

Decisions will normally be taken at the next available decision meeting following assessment as follows –

National Lottery Heritage Grants over £250,000:

- Expression of Interest response: 20 days
- development/delivery grant application: 12 weeks

National Lottery Heritage Grants up to £250,000:

- from application: eight weeks

### **Grant payments**

Grant payments will be made to the grantee within nine working days from our receipt of the payment request.