

Open call for evidence – National Lottery Good Causes: Fund what matters to you

A response by The National Lottery Heritage Fund

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Executive summary

The National Lottery makes life better for people in every nation and region of the United Kingdom. At The National Lottery Heritage Fund, we invest National Lottery players' money in heritage projects that matter to people and to communities.

The Open call for evidence – National Lottery Good Causes: Fund what matters to you sets out an ambition for the contribution of The National Lottery to be shaped by the public and accessible to everyone. We share that ambition and are already playing our part in making this happen.

- **We invest in places for everyone, everywhere in the United Kingdom** – ensuring funding is available in every one of the UK's nations and regions, taking a place-based approach and helping everyone benefit from National Lottery support for heritage.
- **We take decisions close to the communities we serve** – 95% of our decisions are taken directly in the area or nation where a project will benefit from our funding.
- **We let people and communities decide what heritage means to them** – heritage is what people today want to preserve and pass on to future generations. We let people decide what matters most to them. We support communities to bring projects forward and to help them deliver successfully. We stand by them at every stage of the grant journey.
- **We invest in the most deprived places** – everyone deserves to benefit from National Lottery funding for heritage. Our approach means that people living in places experiencing double disadvantage do not miss out.
- **We back investment which creates growth and jobs** – we work with grantees and partners so that the economic and social benefits of heritage are felt in every place, contributing to national renewal and local regeneration.
- **We make access to our funding as easy as possible** – we operate one grant programme with a single front door, listening to our applicants so that it remains fit for purpose.

As an experienced National Lottery distributor, The National Lottery Heritage Fund (Heritage Fund) is well placed to support the ambitions set out in the call for evidence.

1. Introduction

The National Lottery and the Heritage Fund: making life better for people and communities

The National Lottery has transformed the lives of people and communities in every nation and region of the United Kingdom. Since 1994, the impact of investment from National Lottery players has been huge, with nearly £53 billion provided across the good causes. From the start, the Heritage Fund has been part of this success story.

We are the largest funder for the UK's heritage, having invested more than £9.2bn in over 48,000 projects. Using money raised by National Lottery players, we help communities shape, protect and celebrate the heritage that matters to them, strengthening pride in place, belonging and local identity. We know that people value their heritage, and that investing in heritage projects makes life better for people and communities. Our direct engagement with local people across the UK ensures our funding supports places to thrive by driving regeneration rooted in heritage, backing nature recovery, creating skills and opportunities and helping communities build a more resilient future.

We believe that heritage can be anything from the past that people value and want to pass on to future generations. Through our [Heritage 2033 strategy](#), we are investing for the long term through ambitious, locally led projects that connect people with their places and deliver lasting change. We focus our support for the UK's heritage using four investment principles that underpin how we distribute National Lottery funding:

- saving heritage
- protecting the environment
- inclusion, access and participation
- organisational sustainability

We welcome the open call for evidence on National Lottery Good Causes: Fund what matters to you. We share the UK government's commitment to "building on the National Lottery's successes while ensuring good cause funding continues to deliver on the people's priorities for many years to come". We are proud of our part in this success, while recognising that The National Lottery needs to be fit for the future. Our experience and expertise mean we have much to contribute to the call for evidence, and to help respond to future opportunities and challenges. This response is an important part of that, and we will continue to engage positively with the UK government as it acts on the findings from the call for evidence in the coming months.

The UK government has set out three simple beliefs to guide its approach to the future of National Lottery funding for good causes: this funding belongs to you; decisions should be made by you; and your ambition should not be met by red tape. Our response to the call for evidence takes each in turn, demonstrating how we take

account of these, and how our experience and insights can positively inform future development.

- This funding belongs to you: at the Heritage Fund we recognise that we are stewards of public money from National Lottery players and that we invest this on the public's behalf.
- Decisions should be made by you: we agree that decisions need to be legitimate in the eyes of the public, whose insights and knowledge can also help make the best decisions.
- Your ambition should not be met with red tape: we have strived to strip away the bureaucracy that can act as a barrier to people and communities. The information we request is to support an applicant's readiness for investment and project delivery.

We see this response as the first stage in our dialogue with the UK government on the future of The National Lottery.

How we work

We are an arm's length body sponsored by the Department for Culture, Media and Sport (DCMS), responsible for distributing the heritage share of National Lottery funding for good causes across the UK. Our Framework Agreement with DCMS and policy directions for the UK, England, Scotland and Wales – with draft directions for Northern Ireland consulted on in 2022 – set the context for our work.

Our chair and Board of Trustees are public appointments. Additionally, we have six locally based area and nation committees, covering the devolved nations and three areas in England (the North, London and South, and Midlands and East¹), which are appointed through open recruitment and are chaired by a Board member.

Our area and nation teams place staff across the UK, combining specialist heritage expertise with local knowledge to support communities and organisations and inform decision makers. They also sustain strategic partnerships with devolved governments, local authorities, communities and heritage organisations, enabling us to respond to community priorities and changes such as the development of mayoral strategic authorities.

Grant decisions are made at the appropriate level: expert staff in six area and nation teams decide grants under £250,000; area and nation committees decide grants from £250,000 to £5m and advise the Board on larger awards; and the Board of Trustees decides grants over £5m. **Section 3** sets out this model in full.

Our funding is accessed through a single grant programme, National Lottery Heritage Grants, which can support heritage projects from £10,000 to up to £10m.

¹ The North covers the former government office regions of the North East, the North West and Yorkshire and the Humber; London and South the South West, the South East and London; and Midlands and East the West Midlands, the East Midlands and the East of England.

This functions as a single front door for all Heritage Fund support, making access to our funding as simple as possible.

National Lottery Heritage Grants also funds strategic initiatives that address long-standing heritage challenges at scale, support cross-territory approaches and accelerate innovation. The first three years of Heritage 2033 included five strategic initiatives covering thriving places, urban nature recovery, connected landscapes, places of worship and archives. The principal place-based initiatives are detailed in **Section 2**.

Our response

This response explains how we work and is structured around the three priorities for the call for evidence. Additionally, we recognise the UK government has additional priorities relating to public service reform that relate to efficiency and effectiveness that are relevant to the call for evidence. We cover this in a **Section 5**, which sets this in the context of our work across the family of National Lottery distributors and the wider heritage policy area across the UK.

Case studies

Explore a range of case studies which illustrate projects that we have supported which are relevant to the call for evidence:

- [Celebrating women's football heritage in England](#)
- [Shining a light on the untold experiences of female footballers in England](#)
- [Creating a home for Cornwall's archives](#)
- [Bringing new life to Caistor's market place](#)
- [Luton nature engagement project creates paid traineeships for young people](#)
- [Community effort saves historic Suffolk village pub](#)
- [Local people have their say on Stoke-on-Trent monuments receiving repair funds](#)
- [How the Citizens' Jury shaped the future of Birmingham Museums Trust](#)
- [Building heritage skills and community connections in Liverpool City Region](#)
- [Transforming a historic Newcastle almshouse into affordable housing](#)
- [Putting young people at the heart of heritage-led regeneration in Grimsby](#)
- [Cairngorms 2030: people and nature thriving together](#)
- [Preserving a historic fishing boat and maritime skills in Fife](#)
- [Lock 16: Scotland's centre of excellence for canals and traditional skills](#)

- [Revitalising Tylorstown Welfare Hall](#)
- [Inspiring pride in Wales' iconic slate landscape](#)
- [Forging a future at Stori Brymbo](#)
- [Saving a century of Wales' broadcasting history](#)
- [Reconnecting people and nature at Divis and the Black Mountain](#)
- [Bringing women's legacy in Northern Ireland to life](#)

2. Funding what is important to the public

The value of heritage to the lives of people and communities in the United Kingdom

We know that people value heritage. We see this in our work with the communities and the organisations who apply for our funding and who deliver heritage projects. Our experience is backed up by evidence. [Research by the National Trust and Public First](#) found that 79% of respondents valued local history and heritage as a key factor in making their area a good place to live.

Heritage matters to people in the United Kingdom, and it is an important part of their lives. While different data is collected by governments across the UK, it all demonstrates that most people engage with heritage:

- [DCMS's Community and Engagement survey](#) found that 65% of adults in England engaged with heritage physically or digitally in 2025–2026 (62% physical, 25% digital, and 22.2% both). The most commonly visited heritage places were historic parks and gardens (39%), historic towns or cities (36%), historic landscapes or habitats (34%), historic buildings (28%) and archaeological sites or monuments (26%). [The Community and Engagement Survey: Museums and Galleries report](#) found 45% of adults engaged with museums/galleries physically or digitally at least once in the past year (42% physical, 15% digital).
- [The Northern Ireland Department for Communities Continuous Household Survey](#) found that 64% of adults visited a historic site in 2024–2025 and 42% had visited a museum or science centre.
- [The Welsh Government's National Survey for Wales](#) (2022–2023) found that 72% of respondents had attended or participated in arts, culture or heritage activities at least three times in the past year, 31% had visited a museum and 63% had visited a heritage site.
- [The Scottish Government's Scottish Household Survey](#) (2023) found that 88% of adults had attended, visited or participated in a cultural event, place or activity in the past 12 months. This includes 33% of respondents reporting that they visited historic places and 30% visited museums.

We know that engaging with heritage can have positive impacts for people, for society and the economy:

- [Heritage visits support social connection and learning](#): following people's most recent visit, 66% spent time with family or friends, 57% learned about heritage or culture, 40% increased their knowledge and 22% reported improved mental health or wellbeing.
- Natural heritage has major public value: the [Natural Capital Accounts](#) estimate the total annual value of *all* UK ecosystem services (including non-heritage nature) at £41bn in 2023, with recreation and tourism the largest annual-value

service at £10bn and recreation health benefits the largest asset-value service at £508bn.

- Heritage can support connection to place: [research by the University of Glasgow](#) found that the connections people have with historic places and the positive emotions they generate drive economic decisions – where people choose to live, work, spend and invest.
- Heritage provides volunteering opportunities, which can also support employability and progression: the Heritage Fund-supported [Improving Futures: Volunteering for Wellbeing project](#) recruited 230 new volunteers across 10 Manchester heritage venues; more than 30% of participants gained employment or new progression opportunities, and evaluators reported £3.50 in social and economic value for every £1 invested. [Historic England's Inspiring Futures volunteering programme](#), delivered across 10 heritage venues, led to over 75% of participants reporting a significant increase in wellbeing after a year, with almost 60% reporting sustained wellbeing improvement.
- Engaging with heritage can support wellbeing: [research by Historic Environment Scotland](#) found that 76% of people surveyed self-reported that their overall life satisfaction is improved through their engagement with the historic environment. 86% of respondents reported an improvement in their wellbeing, defined as an improvement in at least one of either self-reported happiness, life satisfaction, feeling healthier, a sense of being worthwhile or being less anxious.
- The economic value of heritage is significant: [Historic England research](#) has found that heritage contributes £39.4bn in England alone.
- [Heritage is vital to the UK's visitor economy](#): £12.4bn additional spending by overseas visitors is estimated to be attributable to heritage, £12.5bn from domestic day visits and £4.8bn domestic overnight trips. National Lottery funding contributes directly to the UK's tourism offer – each of the [top 10 most visited attractions in the UK](#) in 2025 has received a grant from the Heritage Fund.

We monitor our strategy's contribution to heritage and its impact on people and communities through [our impact report](#), which sets out which projects benefit from our funding by geography, area of heritage and contribution to our investment principles.

Ensuring we fund the heritage that matters to people and communities

We share the UK government's commitment to ensuring that National Lottery investment supports the priorities of the public. When developing our latest strategy, we engaged with the public and with stakeholders to better understand what mattered to them. In summer 2022, over [4,000 members of the public and stakeholders shared their views on heritage and on our future direction](#). What we

learned from them was embedded in our 10-year strategy, Heritage 2033, which sets the framework for our investment. This consultation showed a wide understanding of what constitutes heritage, a desire for clear funding objectives, an emphasis on heritage at risk and environmental sustainability and ensuring that benefits from heritage investment are felt within local communities.

These findings directly shaped Heritage 2033: a broad interpretation of heritage, four investment principles, partnership and place-based working and a single grant programme through which organisations and communities shape and deliver projects meaningful to them.

We achieve this through our adoption of investment principles, as the criteria we use to make decisions on applications, rather than requiring specific outcomes. This enables applicants to bring forward projects which meet their aspirations and the needs of the heritage they value rather than having to meet a one-size-fits-all framework. Our investment principle, Inclusion, access and participation, further strengthens public voice in the applications brought to us, as it ensures projects involve a diverse range of people, through co-creation, leadership and governance.

We recognise that some places benefit less than others from National Lottery funding, and that some communities may lack capacity to successfully apply. To address this, we act strategically to help under-served places access our funding, to ensure that even more people and communities can see their priorities reflected in the projects we support:

- **Engagement support:** delivered by our local teams who advise applicants on all aspects of grant giving from pre-application support to project completion. Our staff are located in the areas they serve, with 12 offices in Scotland, Wales and Northern Ireland and across the English regions. Working in this way enables our staff to form long-term relationships in place, to engage strategically with local authorities, civil society and other partners and draw on local knowledge and understanding of the heritage and communities. It also supports partnership working in place between National Lottery distributors and other funders.
- **Investing in community capacity:** our grants can fund communities to develop capacity, and we work with applicants to develop their skills and capacity through multiple projects over a long period of time. We have made changes to how grants are allocated so we can better respond to local needs. Where community capacity and confidence are limited, we can work through trusted local partners who have the skills and networks to distribute funding on our behalf through a community grants approach.
- **Targeted investment:** this approach has helped ensure our strategic interventions around place, landscape and nature and places of worship can be responsive to local priorities. Applicants can also come to us with their own initiatives to respond strategically to need, for example building capacity in place through [Heritage Development Trusts](#) and supporting small independent museums and community-based nature organisations.

We know that people living in areas of high socio-economic deprivation are least likely to engage with heritage² and that places with high levels of deprivation and low community capacity tend to be those receiving lower levels of public investment from a range of sources. This can act as a barrier to the public's priorities being supported by National Lottery funding.

We consider our flexible approach, complemented by active support and our approach to place working (see more below), as effective ways to help such places overcome barriers to support. Looking at England (datasets are not strictly comparable between the nations of the UK) we know that our approach supports places experiencing double disadvantage ([as defined by DCMS](#)) to benefit from National Lottery funding for heritage:

- Since 1994, we have awarded 26.5% of National Lottery funding for heritage in England to local authority areas in the 20% most double disadvantaged areas and 25.5% of awarded projects were in these locations.
- During the past decade, 27.6% of National Lottery funding for heritage has gone to these areas and 27% of awarded projects were in these locations.

Funding trends change over time, and we have agreed a key performance indicator with DCMS on the proportion of awards and funding to the 20% most doubly disadvantaged areas in England. We will continue to monitor our investment in these communities and to respond accordingly.

Across our strategic initiatives, data is used to identify places where investment can have the greatest impact and to ensure resources are directed towards areas of greatest need and opportunity. Heritage Places combines evidence on heritage need, historic investment and deprivation with local insight to identify locations for long-term place-based investment. Nature Towns and Cities uses environmental access and deprivation data to target support towards communities with the poorest access to green space, while Landscape Connections provides additional engagement and project development support to landscapes with lower capacity to secure funding (12 small grants have been provided to support organisations with lower capacity to prepare Landscape Connection applications for over £250,000). In each case, data is combined with local knowledge and partnership working to ensure investment is both evidence-led and responsive to local circumstances.

We ensure funding is available across the UK through predominantly per capita allocations, with more than 95% of decisions made by area and nation committees for applications from £250,000 to £5m or delegated to local staff for applications under £250,000.

Alongside these allocations, we retain the flexibility to invest at UK and sector level. A 'nation reserve' for Scotland, Wales and Northern Ireland gives projects fairer

² Socio-economic deprivation affects engagement; physical engagement was 74% in the least deprived areas, compared with 45% in the most deprived. Source: [Community and Engagement Survey 2025–2026 - heritage: report](#)

access to large grants, allowing us to go beyond what smaller national budgets would otherwise permit.

The reserve supports high-value projects of national significance that demonstrate strong quality, value for money and clear potential to deliver Heritage 2033.

Our budget ensures we have flexibility to provide funding for our strategic initiatives and UK-wide projects. Our Board has a budget to cover some of the over £5m grants, strategic initiatives and strategic projects. We can therefore respond to opportunity and ambition where it exists across every part of the UK.

Investment at scale in this way explains variation across years and between nations and areas, where a small number of large-scale capital projects can lead to what might look like major geographic disparities. Per capita allocations have ensured that our funding has not been disproportionately targeted towards London. Over the past 10 years, London received £49 per person in Heritage Fund investment, compared with a UK average of £43 per person, a difference of 14%.

Since the launch of Heritage 2033 in 2023, that gap has narrowed significantly, with London receiving £12 per person compared with a UK average of £11, a difference of 9%. Looking across the lifetime of The National Lottery, London has received £180 per person compared with £133 across the UK, a gap of 35%, showing that funding is now being distributed more evenly than in the past.

Our approach means that all places across the United Kingdom benefit from National Lottery support for heritage. Projects have been supported by the Heritage Fund in every single local authority area in the UK.

Nation/region	Lifetime of The National Lottery per capita	Heritage 2033 per capita	Past 10 years per capita
East Midlands	£107	£8	£39
East of England	£100	£8	£38
London	£180	£12	£49
North East	£180	£19	£67
North West	£114	£7	£31
Northern Ireland	£154	£14	£57
Scotland	£186	£13	£59
South East	£98	£7	£30
South West	£156	£17	£59

Nation/region	Lifetime of The National Lottery per capita	Heritage 2033 per capita	Past 10 years per capita
Wales	£163	£21	£70
West Midlands	£106	£8	£36
Yorkshire and The Humber	£109	£7	£31
UK average	£133	£11	£43

As well as ensuring we meet demand from across UK, we are responsive to the full range of heritage that is important to people and communities. We do not define heritage for our applicants, which would restrict them from saying what matters to them, but we do record our grants against broad heritage types which demonstrates the breadth of heritage we support as well as the public's support for different types of heritage.

Heritage area	Heritage 2033 Award %	Heritage 2033 Projects %	Past 10 Years Award %	Past 10 Years Projects %	Lifetime Award %	Lifetime Projects %
Community, cultures and memories, and intangible heritage	8%	30%	9%	38%	5%	50%
Historic areas, buildings and monuments	42%	30%	39%	19%	35%	15%
Museums, libraries and archives	25%	16%	20%	12%	28%	12%
Landscapes and nature	20%	18%	23%	13%	22%	10%
Industrial, maritime and transport	5%	5%	6%	5%	7%	3%
Other	0%	0%	3%	12%	3%	10%

Taking a place-based approach

Heritage is rooted in the communities, landscapes and localities where people live. Working in place helps us understand distinctive needs, opportunities and ambitions, target support through local partnerships and enable heritage to contribute to pride in

place, regeneration, community cohesion and long-term social and economic wellbeing.

Local people understand the heritage they value and the projects that can best protect it. Our engagement staff therefore maintain long-term relationships, help communities and organisations access funding, co-invest with local authorities and contribute to cultural, regeneration and project-pipeline planning.

Heritage 2033 strengthens this established approach by investing in places as well as individual projects. Our decision making is combined with targeted strategic initiatives that build local capacity, partnerships and resilience while testing and scaling new approaches:

- **Heritage Places** targets investment to locations with high heritage need, lower historic investment and higher levels of deprivation, supporting 15 places across the UK to develop locally led approaches that strengthen pride in place, community engagement and long-term resilience. The Heritage Fund will maintain its relationship with these places for a decade, and up to £200m has been earmarked during this period. The places are across the UK, reflecting a wide diversity of localities, including Glasgow, Medway, Dudley and Neath Port Talbot. While these are strategic interventions on the basis of opportunity and need, these are also demonstrator projects, where the learning can be applied to other place development programmes.
- **Nature Towns and Cities** is a £15m initiative supporting around 40 towns and cities across the UK to improve access to nature and embed nature recovery within local planning and investment. Delivered with Natural England and the National Trust, the programme provides funding, capacity building and expert support to places identified through evidence of green space access and deprivation, helping deliver environmental, health and place-based benefits. Locations include Blackpool, Portsmouth, Bristol, Sunderland, Fife, Neath Port Talbot and Belfast. The Liverpool City Region Mayoral Strategic Authority leads a local partnership.
- **Landscape Connections** is a £150m initiative supporting nature recovery across National Parks and National Landscapes, with dedicated development funding and targeted support to help areas with lower capacity access investment. Together, these initiatives demonstrate how the Heritage Fund uses evidence-based targeting and sustained local partnerships to enable place-based outcomes for communities, heritage and the natural environment.

Designed with local people, these initiatives are evaluated so that we and our partners can adapt and share learning. Early independent evaluation suggests that the Heritage Places' long-term, flexible approach is effective: in the first two years of delivery places reported increased community engagement with heritage and 88% worked directly with communities and voluntary sector organisations and reported improved staff skills, capacity and confidence to work with communities.

These findings show how sustained, locally shaped investment can respond to community priorities and build capacity, offering useful learning for the future of good cause funding.

Place-based working is becoming increasingly important across the UK, and we engage strategically with the UK and devolved governments, local government and other partners to ensure that we are responsive to change and thus effective in our operation. As an expert strategic funder, we are able to invest at scale to help local places and communities make the most of their heritage and are well placed to work in partnership at all spatial levels to respond to the needs of place:

- **Devolution in England** presents opportunities to strengthen our partnerships and impact in place. We are engaging strategically with mayoral strategic authorities (MSAs) to understand their priorities and where there may be joint investment opportunities. We are already co-investing with MSAs, for instance in Sheffield the Heritage Fund and the South Yorkshire Mayoral Strategic Authority are funding the transformation of Canada House into a music education centre for the region. We are engaging directly with the new strategic arrangements MSAs are setting up around culture, including in the West Midlands, North East and West Yorkshire. MSAs will become increasingly important in the successful delivery of heritage projects, with mayoral leadership key over several policy areas that are important to heritage, for instance skills and transport, as well as mayoral strategic leadership for place.
- **We support and work within strategic frameworks established in place.** This can be seen across the Heritage Places strategic initiative and our local teams play a convening role. For example, in the Neath Port Talbot Cultural Partnership, a pioneering cross-sector partnership designed to put culture and heritage at the heart of local development and wellbeing. As part of our support for Neath Port Talbot's designation as a Heritage Place, we commissioned and funded specialist governance support through our Register of Support Services (RoSS) framework (see more below), helping partners establish effective leadership and collaborative working arrangements.
- **Our place-based working builds capacity for the long term.** North Belfast Heritage Cluster grew out of the Heritage Fund's Great Place North Belfast investment, which brought together 13 heritage organisations around a shared vision for heritage-led regeneration. Building on this collaboration, partners have developed a 10-year Place Shaping Plan for Upper Donegall Street, creating a shared framework to use the area's heritage assets to drive economic growth, improve the public realm, strengthen community identity and support climate resilience. [The plan provides a coordinated approach](#) for heritage organisations, communities and public bodies to deliver long-term social, cultural and economic benefits for North Belfast.
- **We work with our partner National Lottery distributors and with other heritage arm's length bodies (ALBs)** to ensure joined up and strategic

support within place. In England this work takes place within Regional Place Partnerships, where the Heritage Fund and its DCMS ALB partners identify opportunities for collaboration. DCMS's ALBs worked together to deliver the Better Places Partnership. Funded by the Ministry of Housing, Communities and Local Government (MHCLG), this provided expert advice on heritage, culture and sport to local authorities funded through the Levelling Up Fund. In Scotland, we work with Historic Environment Scotland on the Heritage and Places Fund.

- **We maintain relationships with local government organisations** so that we engage strategically to support our local partnership with individual local authorities in place. In the last year we have engaged with the Scottish Cities Alliance, the Northern Ireland Local Government Association (NILGA), the Key Cities Group and the Local Government Association (LGA).
- **We work with the UK government so that heritage can contribute to the outcomes for communities that place development programmes seek to deliver.** We worked with Historic England on the [Historic High Streets Heritage HAZ programme](#) – 67 high streets across England were regenerated with £95m provided from MHCLG and DCMS. The Heritage Fund supported a cultural programme across all the locations, ensuring local communities were engaged in the regeneration of the places where they lived. The programme increased local pride and a sense of belonging, improved community cohesion, enhanced wellbeing and increased engagement with heritage.

As a UK-wide distributor, we enable people from all places and communities to find their place in our shared national story. This includes support for local heritage projects that matter deeply to communities, as well as strategic investments that deliver wider national and international impacts.

Our UK-wide model combines local decision making with scale, flexibility and shared learning. We consider the priorities of each nation and work closely with the devolved governments and their arm's length bodies. We respond directly to the policy directions issued by the governments of Scotland and Wales, and while policy directions from the Northern Ireland Executive remain in draft, we also take account of these. While each set of policy directions reflects its own devolved context, many ambitions are shared, including ensuring communities have their aspirations recognised in funding decisions and that heritage contributes to wider social, economic and environmental outcomes.

Our teams in Scotland, Wales and Northern Ireland enable us to respond effectively to the distinct contexts in which we operate and to reflect national priorities in our investment. For example, the policy directions for Wales encourage community use of heritage assets. Our investment in Tylorstown Welfare Hall demonstrates how Heritage Fund investment supports these ambitions in practice. Through a £4.7m grant awarded in 2025, this important listed building has been restored and revitalised in both the fabric of the hall and the professional support needed to

develop a renewed programme of activities and events. This will ensure that the hall remains at the heart of its community for generations to come.

Drawing on more than 30 years' experience across four nations, we transfer successful approaches between places while addressing shared challenges such as climate change, biodiversity loss, digital transformation, workforce skills and sector resilience.

Per capita allocations ensure broad access, while the nation reserve described earlier enables major investments in heritage of national importance aligned with devolved priorities.

This provides the flexibility to support major investments of national significance such as important collections, landscapes, industrial heritage or major visitor destinations. From investing in the restoration and transformation of Rochdale Town Hall, to supporting the Grade I listed National Slate Museum in Gwynedd, transforming Glasgow's historic Burrell Collection and restoring Belfast's iconic Grand Opera House, our approach ensures that funding decisions reflect the significance and impact of a project rather than being constrained by geographical funding allocations alone. These investments demonstrate how a UK-wide funding model enables us to support nationally significant heritage projects across England, Scotland, Wales and Northern Ireland, delivering lasting cultural, social and economic benefits for communities in all four nations.

As one of the few public bodies operating across the whole UK, we can convene partners across borders, deepen collaboration and understanding of shared histories and cultures and operate as a learning network for heritage. Our UK-wide model creates opportunities for knowledge sharing and innovation that would be difficult to replicate through separate funding systems, for example we are already working with Defra, the National Trust, Landscape Wales, the RSPB and Natural England on a strategic response to the devastating wildfires this summer.

Beyond funding individual projects, our role enables us to act as a UK-wide learning network for heritage, where successful approaches developed in one nation can be tested, refined and adapted for use elsewhere. Other examples such as heritage-led town centre regeneration through the Townscape Heritage Initiative, landscape-scale conservation models developed through Landscape Connections and community ownership projects such as the transfer of assets like Bangor Courthouse in Northern Ireland can be tested, refined and adapted elsewhere. Sharing expertise and evidence helps communities build on what works, avoid reinventing solutions, accelerate delivery and share the benefits of successful projects beyond their original location.

Heritage 2033 enables people to tell us what heritage is important to them and requires National Lottery support. As described earlier, our single grant programme and locally based teams help communities access funding, build capacity and develop long-term partnerships.

We also continuously bring in external insight into implementation of our Heritage 2033 strategy. We consulted key stakeholders in developing the current delivery plan and how this should adapt to meet new and emerging challenges.

Participants stressed the importance of meaningful opportunities for young people and of trusting and valuing their voices. Aleena Hussain – who first engaged with heritage through a National Lottery-funded project delivered by Curious Minds in Wigan – reflected:

“Without The National Lottery, I don't think I'd be able to say that I would have ended up where I am today. My work with Curious Minds was only made possible because of The National Lottery and the support from the staff at Curious Minds. Young people often get overlooked and prejudged; however, working with yourselves proved the complete opposite. I felt empowered, trusted, valued and my views respected and genuinely considered.

“Without such opportunities provided by The National Lottery, the gap between young people's interaction and involvement with the heritage sector increases. The heritage sector hasn't always been the most 'young people friendly' or accessible and, without such opportunities, it risks missing the vital contribution of future generations. It is only by giving young people trust within the heritage sector, and recognising the value they bring, that this will be most beneficial.”

Aleena's experience demonstrates the long-term impact that National Lottery investment can have, not only in connecting young people with heritage but also in developing confidence, skills and future leaders who go on to contribute to their communities and the heritage sector.

3. Empowering communities

The Heritage Fund enables people to shape decisions that affect them. Our grant making has evolved through work with communities, organisations and partners, and we welcome further dialogue with the UK government on embedding public voice in good cause funding.

This section focuses on three elements not covered in the earlier account of local working: the formal decision framework, new voices in governance and grant-making approaches that increase community agency. As an established distributor, with a strong track record of collaborating with communities, we have much to contribute to the discussion about the future development of good cause funding. In this section we set out how we make our decisions, how we are introducing new voices into our decision making and how we are adapting our grant making and supporting new ways of working to increase the agency of people and communities.

How we make our decisions

Our National Lottery funding decisions operate within our Framework Document with DCMS. This requires due regard to the Corporate Governance in Central Government Departments Code of Good Practice and compliance with Managing Public Money and relevant Functional Standards, particularly those concerning finance, commercial activity and counter fraud.

Within that framework, decisions draw on expertise, evidence and local insight. The three levels, as set out below correspond to project scale and are complemented by the table's data on the proportion of projects and funding awarded since 2023:

- Expert staff working across the UK and supported by local advisory panels make decisions on grants up to £250,000.
- Area and nation committees take decisions on grants between £250,000 and £5m (and also advise the Board on decisions on grants above £5m).
- The Board of Trustees take decisions on grants over £5m.

Level of grant	Decision maker	Proportion of total projects supported since 2023	Proportion of total funding awarded since 2023
£10,000 to £250,000	Local teams	80%	28%
£250,000 to £5m	Area and nation committees	17%	53%
Over £5m	Board of Trustees	3%	19%

As illustrated above, more than 95% of funding decisions are made locally, by area and nation committees or delegated to staff in area and nation offices. This places decisions close to communities while ensuring budgets can support the ambitions of people, communities and organisations across the UK.

Appointments to the six area and nation committees are made through an open recruitment process. We seek committee members who have knowledge and understanding of the nations and areas that each committee covers, and expert knowledge of specific heritage areas. Committee membership covers a wide range of backgrounds and experiences.

Our Trustees and committee members make up the formal non-executive part of our decision making and governance. Our chair and Board of Trustees are public appointments made by the Prime Minister, following a public appointments process regulated under the Governance Code on Public Appointments. The appointment process is run with the involvement and advice of DCMS as the sponsoring department. Trustees include the chairs of the six area and nation committees.

Board Trustees are appointed for three-year terms, and committee members are typically appointed for four-year terms, which means we have the opportunity to refresh the range of perspectives in our decision making regularly. But this is not the only way we act to ensure our governance is responsive to different voices.

Young people are too often excluded from decisions that affect them, as [Youth Matters: Your National Youth Strategy](#) concludes: “too many young people feel like their voice does not matter”. The Heritage Fund has taken a major step towards giving young people a voice in our governance. [Our Future Heritage Leadership programme](#) is an initiative for young adults aged 18 to 30 who are interested in heritage, regardless of whether they have previous experience in the sector.

The first cohort of Future Heritage Leaders was appointed in February 2026, with 12 participants from across the UK. They are spending 18 months shadowing each of the Heritage Fund's area and nation committees. Participants are not Trustees or formal decision makers, but contribute perspectives to funding discussions, while learning how governance operates. We are committed to learning from this programme and will consider how we might change our approach to future decision making in response. The programme also provides full training and support to the young people.

The Heritage Fund supports projects of many different sizes, so our governance arrangements need to reflect the scale and impact of each request. Larger projects require oversight at UK, area or nation level. Our formal non-executive governance provides that oversight, helping ensure decisions are made at the right geographic level and are informed by committees and staff with local knowledge. It also helps the Board maintain oversight of financial commitments, available budgets and likely future demand, supporting our responsibility as good stewards of public money.

Our grant thresholds sit within this wider decision-making framework.

Before introducing the current approach at the start of Heritage 2033, we reviewed demand for heritage project grants. We set the lower threshold at £10,000 because previous evidence showed this was the minimum level of funding required (although grants awarded through our community grants approach are often smaller than this). This approach was supported during the stakeholder input to the 2026–2029 delivery plan referenced earlier. At the higher threshold (up to £10m), many heritage projects need substantial capital investment to refurbish historic assets, and this continues to be a significant area of demand for our funding.

This demand includes major institutions such as national museums. For example, we recently awarded £9.7m to Royal Museums Greenwich towards the transformation of the Royal Observatory Greenwich. The investment will improve galleries, historic buildings and public engagement facilities at one of the UK's leading national museum sites.

Large-scale investment in major heritage assets also benefits places beyond national institutions. For example, our investment of £15.5m in Birnbeck Pier in Weston-Super-Mare is helping rescue a nationally important coastal landmark, which has been on the Historic England Heritage at Risk Register since 1998. The project will conserve the historic pier, reopen it to the public and support regeneration in this North Somerset coastal town through increased visitor activity and community use.

Greater involvement for communities in the decisions that affect them

Community grants give local people a direct voice while making small and micro grants accessible to grassroots organisations. Trusted local partners receive funding and support to distribute grants in line with our investment principles, bringing decisions closer to communities, reducing barriers and supporting activities that might otherwise be too small or resource intensive to access National Lottery funding directly.

Since the launch of Heritage 2033, the Heritage Fund has made more than 90 awards incorporating community grant programmes within wider projects, including:

- In Glasgow's Sauchiehall Street, community grant funding forms part of our wider Heritage Places strategic initiative investment, enabling local decision making and community-led activity within a broader regeneration programme.
- We awarded £249,900 to the Theatres Trust through its [Resilient Theatres: Resilient Communities project](#). Over three years, the Trust distributed more than £175,000 through community grants to 21 groups caring for or seeking to take over historic theatre buildings. The programme was specifically designed to provide small, accessible grants, helping community groups develop plans, build capacity and shape the future of heritage assets that matter to them.
- The Heritage Fund-supported [Saving Our Rural Heritage programme](#), delivered by RAPID, provides grants of up to £5,000, alongside practical development support, for rural community groups across the Derry and Strabane area. The programme was established specifically to enable local

communities to celebrate, preserve and promote their own heritage, empowering them to identify priorities and deliver projects that reflect local needs and aspirations.

These programmes show how devolved community grants can widen grassroots participation and direct funding towards what local people value while maintaining responsible stewardship.

Other ways in which we have supported communities to participate in funding decisions, built capacity and helped heritage organisations move beyond consultation, include:

- [The Centenary Restoration Fund in Stoke-on-Trent](#), supported through our Heritage Places programme. Local residents were invited to help determine funding priorities through a public vote. More than 600 votes helped identify 24 monuments, memorials, sculptures and historic landmarks to receive a share of approximately £240,000 in repair and conservation funding. The initiative demonstrates how we support partners to entrust decision making to communities, ensuring funding reflects local priorities rather than solely institutional judgments. Community involvement extended beyond voting, with opportunities for residents to learn conservation skills, share local stories and participate in activities connected to the restoration work.
- [Birmingham Museums Citizens' Jury](#), delivered by Birmingham Museums Trust brought together residents reflecting Birmingham's diversity and asked them what local people want from their museums now and in the future, and how the museums should respond. After more than 30 hours of learning, discussion and deliberation, the jury produced 20 recommendations that were presented directly to the Trust's leadership and used to inform future priorities. Recommendations covered accessibility, inclusion, community engagement, promotion and the role museums should play in city life. The project demonstrated how Heritage Fund investment can provide capacity within the heritage sector to move beyond consultation to genuine, shared decision making, placing local people at the centre of shaping cultural institutions and ensuring heritage organisations are accountable to the communities they serve.
- Our £5m investment in the [Architectural Heritage Fund's Heritage Development Trusts programme](#) has helped create locally led organisations that bring together residents, businesses and public partners to shape the future of historic buildings and high streets. This builds the capacity of community-based trusts to acquire, reuse and manage heritage assets. The programme provides a long-term mechanism for local people to influence investment decisions and drive wider regeneration in their communities.
- Historic Environment Scotland and the Arts and Humanities Research Council's Place Programme at the University of Glasgow involved communities in shaping investment in their local heritage through [the development of a Felt Experience Resource Kit](#). This guide provides practical,

adaptable methods for collecting and interpreting emotional and sensory responses to heritage.

Empowering grantees at every stage of the grant journey

As a National Lottery funder, we are aware that how we work with grant recipients is central to successful delivery. We take seriously our responsibility to enable them to deliver the projects that are important to them and their communities, and we support them throughout the grant journey to deliver what they and their communities value.

- Heritage 2033 provides a strategic approach that is enabling and open to people and communities bringing what is important to them for National Lottery funding. Key to this is the direct support provided by our locally based teams.
- Where we identify particular challenges or capacity gaps, we complement our engagement support with regular online webinars and advice surgeries to increase our reach, and we make available a range of [good practice guidance](#) covering generic skills like business planning, evaluation and inclusion, along with heritage-specific issues like conservation and digital preservation.
- We offer specialist consultancy support to the projects we fund through [our Register of Support Services \(RoSS\) framework](#). Consultants provide expert advice to grant recipients, acting as a source of technical expertise, risk management support and project mentoring across areas including heritage and culture construction, project management, business development and management, public engagement with heritage and the natural environment. They help projects manage risks, strengthen delivery, build organisational capacity and achieve successful outcomes.
- As a strategic funder, we play an important role in building sector capacity. From 2022 to 2024, as part of [our Digital Skills for Heritage initiative](#), we funded 17 heritage organisations and partnerships to design and establish new digital volunteering roles and opportunities. This supported organisations to build digital capacity and enrich organisational practice through developing new opportunities for public participation. An expert coordinator was available for guidance, troubleshooting and facilitation of collective learning across all projects, and many projects formed learning partnerships. We are now responding to the next generation of issues facing heritage and those that can benefit from our funding in the future, including [partnering with the Arts and Humanities Research Council \(AHRC\) to deliver a Bridging Responsible AI Divides \(BRAID\) fellowship project](#) to use AI to ensure heritage project proposals identify and mitigate climate risks as part of their delivery and longer-term maintenance planning.

Our approach matters at every scale because both large and small projects reflect the aspirations of people and communities. [Stori Brymbo received an £8.3m grant to transform the former Brymbo Iron and Steelworks near Wrexham](#) into a major heritage attraction, community hub and business space. This major investment

demonstrates that grants at this scale can meet community aspirations and engage local people effectively. The Brymbo Heritage Trust received a development grant in 2017 which enabled the Trust to develop community engagement, strengthen governance and undertake feasibility work, helping to build the foundations for a larger project.

Following this, the Heritage Fund worked closely with the Trust to overcome significant challenges, including land ownership issues, providing advice, consultant support, flexible timescales and additional funding where needed. We also collaborated with partners including Wrexham County Council, Cadw and The National Lottery Community Fund (who provided £1.4m match funding) to coordinate support and help ensure the project could successfully progress to delivery.

Our approach supports the capacity and agency of our grant recipients and their capabilities to engage with the public and communities at all stages of a project. Emerging findings from ongoing research into the long-term impact of our capital investments indicate the value of this approach. It considered 25 projects funded between 2004 and 2020. Analysis to date has found that the non-cash resources (such as support and project monitoring by consultants from our RoSS framework and the support of our local engagement and investment teams), a two-stage development and delivery phase application process and the Heritage Fund's flexibility are highly valued by grantees and considered key to the long-term sustainability of their projects.

Organisations valued being able to respond to changing circumstances and community engagement findings, with Heritage Fund support to navigate complexity. They reported that requirements to widen participation strengthened capital projects. One interviewee said:

“They [the Heritage Fund] are a lifeline in terms of support. One of the best funders we work with. They work with you. They assign people pre-application, and once you are successful, they are with you on the journey.”

Evaluations of Heritage Places, Nature Towns and Cities and previous programmes including Areas of Focus echo these findings.

We consider that such an approach enables and empowers grant recipients through the life of projects and avoids constraining them within inflexible frameworks that may work against communities' priorities.

4. Simplifying access and reducing red tape

Our application process should enable people and communities across the UK to access funding for what matters to them. The process must consider legal and regulatory frameworks, as well as formal governance, which can create barriers to access. The Heritage Fund's experience of awarding National Lottery funding for heritage projects for over 30 years means that we have developed an approach that balances efficient and equitable processes, responsible stewardship of public money and accessible support for applicants.

Reducing the barriers to accessing our funding

We have already taken practical steps to simplify access to funding and improve the applicant experience. We use user research, customer feedback and user-centred design to make our processes accessible, intuitive and proportionate. We also support the principle of 'tell us once', drawing on information from trusted sources such as Companies House and the Charity Commission where appropriate. This reduces duplication for applicants while maintaining robust assurance and due diligence.

The steps we have taken to simplify the grant application process across our programmes, while ensuring that the level of compliance required is proportionate to the size and risk of the grant, include:

- **Simplifying the route into funding.** After operating a wide range of bespoke grant programmes, in 2019 we consolidated our grant making into a single grant programme with four levels of complexity depending on the amount of grant required. Under Heritage 2033, we have gone further by revising and consolidating our grant making into one programme with two main funding levels: £10,000–£250,000 and £250,000–£10m. This gives applicants a single, simpler route into our funding, while allowing us to retain appropriate controls for higher-value and higher-risk projects.
- **A single front door and one application system.** One system for enquiries, applications, live grants and completed projects means customers only need to set up one account and provide their organisation details once. Once the account is confirmed, they can access our services and manage their relationship with us from start to finish through one system.
- **Making compliance proportionate for smaller grants.** For grants up to £250,000, we use a 50/30/20 payment approach, so grantees have funding in place to deliver their projects and support their cash flow. We recognised that many potential applicants cannot bankroll a project and claim money in arrears, so we make controlled upfront payments. This creates some risk for us, but we consider the benefits of supporting a wider range of applicants and grantees outweigh the risks.
- **Proportionate monitoring after award.** We have recently completed work to apply the same proportionate approach to monitoring once grants are

awarded. We request only the information needed to monitor progress, provide support and ensure compliance with grant terms.

- **Continuous improvement through feedback and user-centred design.** We actively listen to customers, including prospective and current applicants and grantees, as well as staff, committee members and Trustees. We use in-house interaction design, content design and user testing skills to ensure that our grant programme and grant services are accessible, intuitive and easy to understand. We apply user-led design principles and aim to ask for information once and at the right time. We test designs throughout development and refine them in response to feedback from applicants and grantees.
- **Learning from wider grant-making practice.** As an experienced grant maker, we benchmark our performance against the Government functional standards and the Government Grants Improvement Assessment Framework. We collaborate with partners and peers to help us improve and share our experience, including the ALB grant-makers' network in DCMS, the Government Grants Management Function and the grants profession.

Taking a proportionate approach to funding

Proportionality is a key driver in how we design and manage our processes. We accept more risk at lower grant levels and tailor our requirements accordingly, rather than applying the same level of burden to every applicant regardless of grant size or organisational capacity.

We must, however, respond to the legal and regulatory framework in which we operate and take account of fraud and cybersecurity risks and the requirements of Managing Public Money, particularly the principle of not paying in advance of need. This can create practical challenges for smaller and less-resourced organisations, where cash flow and upfront costs may be a real barrier to participation. A proportionate approach must be based on effective identification and management of risk, recognising that both likelihood and impact may change over time.

There are also heritage-specific risks to consider, including the potential for damage to heritage or for heritage assets to be misused. These risks mean that some checks and safeguards remain necessary, even where we are trying to make the process as simple and accessible as possible.

In addition, we use our application system to collect data that is essential for learning from and improving the impact of Heritage 2033 and track the contribution of our funding to DCMS's priorities. For example, we ask grantees to report against a small number of demographic, environmental and socio-economic questions (for example, the numbers of jobs and volunteers).

5. Delivering effectively and efficiently and in partnership

The Heritage Fund is one of 12 National Lottery distributors, and funding for the heritage good cause sits within the wider UK heritage policy landscape. The three objectives of the call for evidence must therefore be considered within this wider context. This includes collaboration with other distributors, the UK and devolved governments and other heritage arm's length bodies. This wider context shapes the opportunities and constraints for improving our efficiency and effectiveness, something all public services must consider, especially given the ambitions set out in the recent [Rewiring the State Cabinet statement](#).

Collaboration across the National Lottery family

We work closely with other National Lottery distributors, the National Lottery Promotions Unit (NLPU), DCMS and the operator, Allwyn, to improve the efficiency, effectiveness and impact of National Lottery funding. Through the Finance Directors' Forum and regular partnership meetings, distributors share intelligence on financial performance, forecasting assumptions and emerging risks. This collaboration has strengthened distributors' collective understanding of the overall National Lottery funding position, improved forecasting capability and enabled greater challenge, learning and transparency across the distribution family.

While opportunities exist for closer alignment, this is constrained by differences in distributors' statutory remits, funding models and risk appetites. Distributors must also maintain prudent reserves to manage income uncertainty and meet existing commitments, particularly multi-year capital investments. Distributors remain accountable for their own balance sheets and funding decisions, rather than for the collective performance of The National Lottery distribution system as a whole.

Distributors already collaborate and share resources in several areas. We make our RoSS framework available to Arts Council England to support its capital programmes. We work with The National Lottery Community Fund to improve efficiency and value for money, including sharing procurement best practice, approaches to financial management, risk, compliance and audit.

We also collaborate extensively to increase public awareness and understanding of National Lottery funding. Working with the NLPU, we coordinate campaign activity throughout the year and support initiatives such as National Lottery Open Week, which provides opportunities for National Lottery players across the UK to engage directly with projects they have funded. We encourage heritage organisations of all sizes to participate, helping local communities connect National Lottery investment with places and organisations they know and value.

We also support National Lottery Awards activity and have worked closely with Allwyn and the NLPU since 2024 to strengthen the availability of locally-relevant stories and case studies that can support targeted marketing and media activity. For example, we helped showcase heritage projects during Allwyn's Big Night of

Musicals and highlighted the impact of National Lottery funding in Manchester and the wider region.

Through the National Lottery Communications Forum, we identified opportunities to reduce costs through shared communications services. Since 2026, the Heritage Fund has participated in a shared contract with Allwyn for a media monitoring and press cutting service, and other distributors are looking to join as their contracts come up for renewal.

The National Lottery Forum is a key mechanism for collaboration, bringing together distributors, Allwyn, the NLPU and other members of the wider National Lottery family. The Forum enables organisations to share emerging issues, provide mutual support and develop a shared strategic direction. A key priority is to develop a One National Lottery Data Strategy. We strongly support the ambition to create a more joined-up and consistent approach to data collection, management and sharing across distributors. This includes work to establish a common grants data taxonomy, a shared recipient identity solution, a consistent location model, improved visibility of re-granting activity and standardised awards and commitments data.

Within the Heritage Fund, we have invested significantly in our own data capability, including modernising data infrastructure, expanding the use of data in decision making and impact evaluation, developing our [open data viewer](#) (a data visualisation tool) and providing [high-quality grants data](#) to DCMS, the National Lottery Grants Database, the Government Grants Information System and 360Giving.

However, further investment across the distribution family – above the existing administration cap – will be required to ensure all distributors can operate to a consistent standard, implement a shared data strategy and respond to technological change and cybersecurity risks. A shared data strategy would deliver significant benefits, but implementation will require strong collective leadership and an approach that improves the quality and usefulness of data while avoiding disproportionate burdens on applicants and grant recipients. A common taxonomy of terms, as advocated by the National Lottery Forum's work on a single data strategy, may help address data consistency, but will not eliminate the need for appropriate tailoring.

There may be further opportunities to align application systems, but this needs to be balanced against the benefits of systems designed for specific funding approaches. Alignment is already driven by the Government Grant Standard, which applies to all ALBs and encourages coordination of approaches, terminology and standards.

Greater alignment may improve efficiency, but it will not necessarily simplify the customer experience. There are barriers to full standardisation because distributors operate with different policy objectives, operating environments, risk appetites and funding models. We experienced this challenge when we moved in 2023 to a single UK-wide programme for all types of heritage, which had to work across different heritage sectors, devolved administrations, legal requirements and applicant types. Each funding area also uses its own terminology. For example, the heritage sector uses language such as conservation, preservation and restoration, which differs from

the terminology used in sport, arts and community funding. Funders need to use language that their customers understand, and generic terminology is not always accessible to applicants.

Partnership and collaboration with other heritage ALBs

Heritage funding operates within a wider policy and delivery environment. The Heritage Fund must therefore work effectively across the wider heritage policy environment. This includes our work with the UK and devolved governments, local authorities and mayoral strategic authorities in England. The ALBs sponsored by the UK and devolved governments play an important part in heritage and our work with them is essential to the delivery of our strategy and in advancing the wider public purpose of heritage. We also work in partnership with other heritage and cultural arm's length bodies to deliver programmes that support wider UK government priorities and maximise public value. For example:

- We work closely with Arts Council England, providing expert advice on applications to the Museum Estate and Development Fund (MEND), helping to inform strategic investment decisions across the museums sector.
- Through the [Museum Futures programme](#), we work with Museums Galleries Scotland and the Scottish Government, delivering a £4m Scottish Government-funded initiative that supports museums to become more resilient, sustainable and collaborative. We contribute expertise and coordinate delivery to achieve the programme's objectives and support the long-term sustainability of Scotland's museums.
- Through the Nature Towns and Cities strategic initiative, we are partnering with Natural England, NatureScot, Natural Resources Wales and the Northern Ireland Environment Agency to support nature and natural heritage in towns and cities, bringing together expertise, joint decision making and coordinated support to achieve environmental, community and place-based outcomes across the UK.
- We work with partners at place level, not just on individual projects. The Heritage Fund works closely with Historic Environment Scotland through the [Heritage and Place Fund](#), helping to deliver long-term, place-based regeneration of historic areas across Scotland. While the fund is administered by Historic Environment Scotland, we align our funding programmes, application timetables and guidance to help applicants secure complementary investment. This partnership enables larger-scale support for historic buildings, skills development and community engagement, demonstrating how heritage organisations collaborate to deliver shared outcomes for place, communities and local regeneration.
- In England, regional place partnerships and the delivery of support to local authorities through the Better Places Partnership and the Historic High Streets Action Zone programme provide further examples of strategic, place-based collaboration.

- We collaborate with other ALBs to maximise the impact of major events and anniversaries. This has included UK City of Culture and UK Town of Culture, the Birmingham Commonwealth Games, and in Northern Ireland we worked with other ALBs, government departments and community development organisations on the Northern Ireland Decade of Centenaries as well as the EU Year of Culture funding programme.
- We provide strategic advice to partner ALBs where this adds value. Examples include participating in Historic England's National Grants Panel to share insight, particularly around places of worship and heritage at risk capital funds, and developing UK Heritage Pulse, a research panel to gain regular insight on sector issues, working in partnership with Historic England and DCMS. In Scotland, we have partnered with NatureScot on their Facility for Investment Ready Nature (FIRNS) programme to explore new ways of driving private investment in nature.
- We also work directly with the UK and devolved governments. During the COVID-19 pandemic, we worked with Historic England to distribute £140m through the Culture Recovery Fund for Heritage, part of the UK government's wider cultural rescue package. While funding criteria were set by DCMS, the Heritage Fund led the application process, assessment, decision-making coordination and grant management, ensuring rapid and effective support reached heritage organisations across England. We have also delivered the Species Survival Fund on behalf of Defra and the Local Places for Nature programme with the Welsh government, which provided small grants to communities to get them more actively involved in local nature.

Working more efficiently

We are actively reducing administrative overheads by simplifying processes, improving workflow and reporting and making better use of automation where it can remove routine manual effort. We are identifying, assessing and implementing new technological opportunities through our Technology Roadmap, which is governed by a corporate programme board providing oversight of strategic change. Digital transformation is central to this work, including the implementation of a new HR ecosystem and the replacement and improvement of our finance systems. This will support more efficient ways of working, reduce duplication, improve access to reliable management information and create a stronger platform for future service improvement.

In April 2023, we completed a major data migration project to move all grant data to our new in-house Salesforce grant management system. Prior to this, inefficiencies existed, with staff having to manage caseloads on two legacy third-party systems and the new Salesforce grant management system. This migration created a single source of truth for grant data, improved the user experience for customers and staff and reduced costs by allowing two legacy systems to be retired.

We recognise the potential for similar investment in technology to drive further improvement, but further investment may be constrained by the administration cap.

We remain open to opportunities to share corporate services where there is a clear business case and demonstrable value for money. We have considered opportunities for collaboration with other distributors for our corporate functions and actively share knowledge, networks and procurement opportunities where beneficial. In practice, progress is constrained by differences in organisational size, operating models, technology platforms, governance arrangements and business requirements. While shared services across distributors can generate efficiencies, they can also reduce flexibility, create additional complexity and limit our ability to tailor services to our organisation and the heritage sector. Addressing these issues would require investment beyond what current administration caps allow to strengthen system integration, data quality and change management so that technology delivers lasting efficiency gains.

Adopting new technologies and AI

The Heritage Fund is moving to a structured, organisation-wide programme of responsible adoption. We published AI guidance for the heritage sector in 2023 and have organised and contributed to AI events and consultations. We have built capability through sector research, a UK Heritage Pulse AI survey, staff training, pilots and the publication of internal and external AI transparency statements. We have a cross-organisational AI working group which meets every month. AI governance is being formalised through our three-year AI Action Plan, with oversight from the Technology Programme Board and a senior responsible owner. An AI Innovation Manager is being recruited.

Early activity has already shown value in areas such as text analysis, drafting support, knowledge search, coding and workflow improvement. Staff access to AI tools is strictly limited to Microsoft Copilot to ensure cyber and data security, and adoption has so far developed through staff-led experimentation.

The Action Plan will help us move to a more structured approach, focused on improving the grant journey, developing AI-supported services for staff and customers, unlocking insight from historic data and supporting the wider heritage sector. Our new HR and finance systems will also be AI-enabled, strengthening the foundations for automation through better workflows, reporting, data quality and self-service. The main barriers to scaling are governance, data protection, information security, staff confidence and skills and quality assurance.

We have undertaken practical AI pilots, particularly in the areas of grants and data. These include AI-assisted tagging of more than 30 years of investment data, tagging of image archives and staff trials of Microsoft 365 Copilot.

The principles behind our AI Action Plan inform its design, outlining how we will respond to AI adoption, not just what we will deliver. Its three-year length reflects the pace of AI development and the time required to achieve meaningful organisational change.

The plan's key principles are:

- Responsible adoption in a public sector context – ensuring human decision making remains at the heart of our grant-making processes, while exploring and scaling benefits.
- Alignment with legal and regulatory frameworks – embedding AI oversight within existing governance arrangements.
- Alignment with the UK government's AI Playbook approach – introduction of a tiered decision-making framework, which matches governance requirements to the level of risk involved.
- Capability, not just technology – prioritising staff confidence and organisational maturity over rapid tool rollout.
- Evidence-led experimentation – a test-and-learn model based on pilots, structured evaluation, documented success criteria and explicit adopt/adapt/stop decisions.
- Public value, openness and collaboration – a commitment to learning and sharing.

More widely, we are [partnering with UKRI's BRAID programme on a fellowship](#) that will produce a prototype environmental impact mitigation tool to help applicants and assessors better understand climate impacts, adaptation measures and long-term sustainability considerations. The tool is intended to improve heritage project outputs and increase public value.

The Heritage Fund is also taking a leadership role by establishing and chairing a new AI and Innovation National Lottery Funders Group, with the first meeting held in September 2026. The purpose is to share learning on AI governance, staff support, innovation, responsible adoption and to identify opportunities.

6. Next steps

At the Heritage Fund we see the call for evidence as an opportunity for every stakeholder in the National Lottery to have their say in the future of good causes funding. We trust that our response is useful in showing how we work in relation to the distribution of funding for the heritage good cause, and that our insights and experience can inform future change.

We support the ambitions set out in the call for evidence – that The National Lottery supports the public's priorities, that people have a say in National Lottery funding and that we reduce red tape that blocks people's access to investment. We have been committed to continuous improvement to deliver against these ambitions throughout our history, and we believe that our experience can make a valuable contribution to future reform.

We will continue to work with the UK government, our partners, the organisations and communities we support and our fellow National Lottery distributors to ensure that good cause funding is fit for the future. Over the next few months, we will identify new ways of working that can support the priorities of the call for evidence. We look forward to developing this work with our partners and across the National Lottery family.