

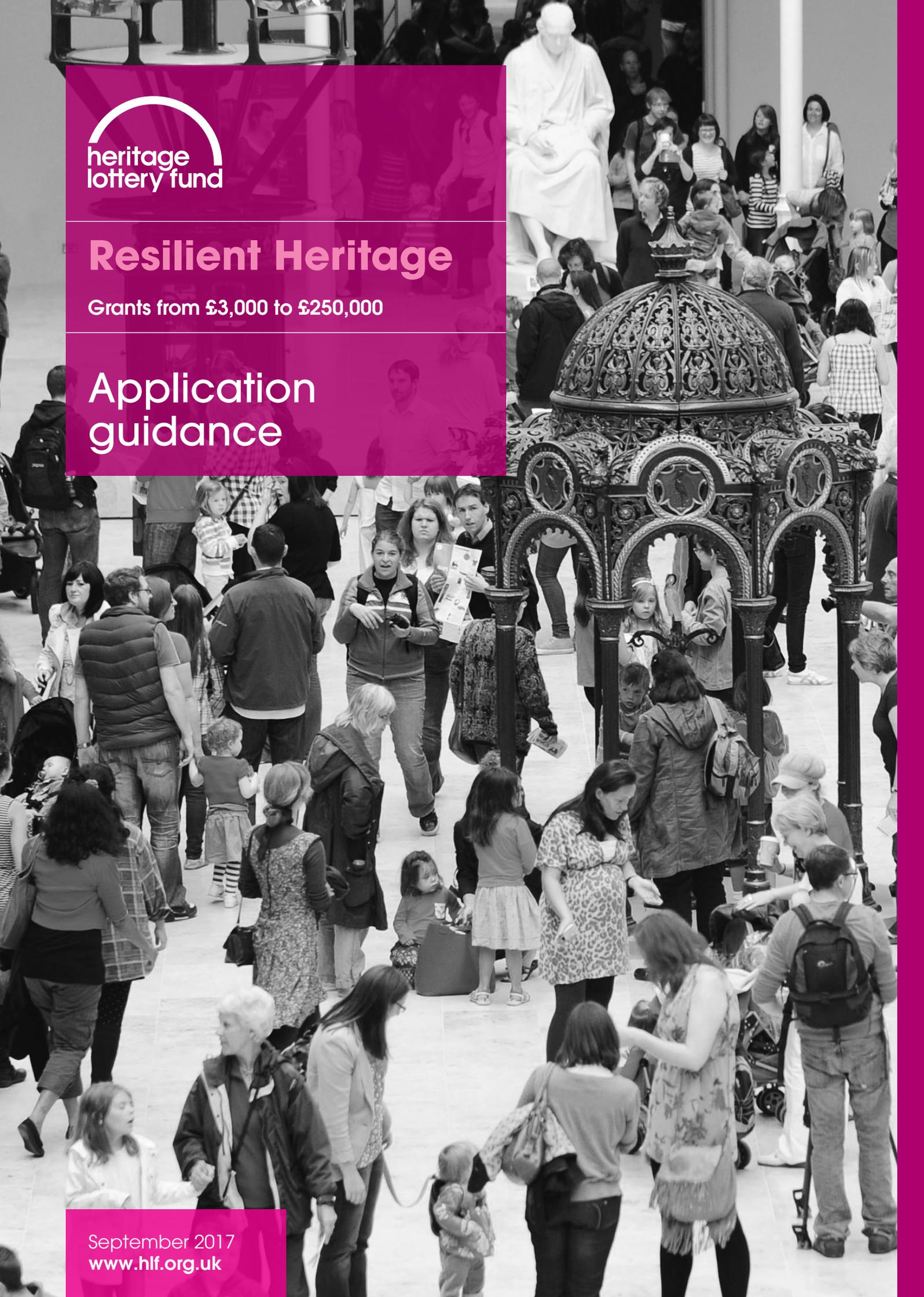


# Resilient Heritage

Grants from £3,000 to £250,000

## Application guidance

September 2017  
[www.hlf.org.uk](http://www.hlf.org.uk)



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# Part one: Introduction

## Welcome

Resilient Heritage grants are available to organisations in the UK who want to build their capacity or achieve significant strategic change. This is to be achieved through acquiring new skills or knowledge, or new models of governance, leadership, business and income – in order to improve management of heritage for the long term.

You can apply at any time for a grant of between £3,000 and £250,000 and we will assess your application in eight weeks. There are two levels of funding under this programme: £3,000-£10,000 and £10,000-£250,000. If you are applying for a grant of £10,000 or less the application, assessment and monitoring process will be simpler than for grants over £10,000.

This guidance will help you decide whether Resilient Heritage is the right programme for you, and provide you with the information you need to plan your application.

## What we fund

Through Resilient Heritage funding we support activities that:

- are defined at the outset;
- have not yet started;
- will usually take no more than 18 months to complete (maximum two years); and
- will contribute to achieving the outcomes we describe.

The assessment process is competitive and we cannot fund all of the good quality applications that we receive.

You can apply for funding for projects that will help you increase your organisational resilience by helping you to adapt to changing and challenging circumstances, withstand threats and respond to opportunities. We want to support organisations and groups to build their capacity through adopting new ways of working, testing out ideas, increasing skills of staff and trustees and becoming more financially sustainable.

Resilient Heritage is a flexible programme and can support a wide range of activities. It is up to you to make a strong case for the activity you want to undertake and what difference you expect this funding to make. Following your Resilient Heritage project, you will be able to show that your organisation is in a better position for the future as a result of the changes you have made, and that your project has helped you towards the long-term goals of the organisation.

If your organisation or heritage is based in Wales, or is designed to benefit people in Wales, we expect you to make appropriate use of the Welsh language when you deliver your activities.

## What we mean by heritage

Heritage includes many different things from the past that we value and want to pass on to future generations, for example:

- archaeological sites
- collections of objects, books or documents in museums, libraries or archives;
- cultural traditions such as stories, festivals, crafts, music, dance and costumes
- historic buildings
- histories of places and events
- the heritage of language and dialects
- natural and designed landscapes and gardens
- people's memories and experiences (often recorded as 'oral history')
- places and objects linked to our industrial, maritime and transport history
- natural heritage including habitats, species and geology

## Examples of activities that we can support

Resilient Heritage can support individual organisations, partnerships or consortia to deliver a wide range of activities that will achieve the programme's outcomes (see page 7 for more information). These include (but are not limited to):

- activities to support a group taking on new responsibility for heritage, such as working with a local authority on an asset transfer process
- conducting a viability appraisal or feasibility study looking at transforming the use of a historic building or other heritage asset
- investigating and trialling new approaches to fundraising, trading or other income generating activities
- conducting research into how you engage with existing and potential audiences and customers, and identifying improvements that can be implemented

- paying for specialist support to undertake a review of governance and an audit of trustee skills, and implement changes
- getting advice and support from a professional to review your business and operating model, develop a new business plan for the organisation and implement the key stages
- exploring alternative income streams and testing new approaches, which might include improving how your organisation demonstrates its social impact in order to attract a wider range of investors
- identifying opportunities to reduce negative environmental impacts and make efficiency savings
- providing short-term staff cover to release senior personnel from some of their duties, to increase their capacity to work on activities critical to organisational development
- identifying and paying for training for staff, volunteers and trustees to support the organisational changes you are aiming for
- providing support for networking and mentoring activity to enable the organisation to increase its reach and impact
- ensuring your organisation is prepared to take on a future capital project through undertaking specialist work such as condition surveys and initial planning to demonstrate long-term financial sustainability
- exploring options for winding down or merging with another organisation, including getting support in passing on responsibility for a heritage asset to ensure it is well managed in the long term
- exploring options on behalf of a group of organisations, for example, around the establishment of more formal networks or partnerships, and developing new strategic plans and approaches to looking after shared heritage

- umbrella organisations or partnerships between heritage organisations and service providers can apply for funding for activities such as training and capacity building for organisations with responsibility for managing heritage

You may have other ideas and we are open to applications including different types of activities. You will need to make a good case that these activities will meet the strategic needs of your group or organisation, and the heritage you are responsible for or are preparing to take into your management.

You can apply to the Resilient Heritage programme more than once. For example, you may apply for a grant of under £10,000 to review your current operation and identify the best options for your future development, and look to apply for a larger grant for implementation. Please note that receiving one HLF grant does not guarantee future support.

For organisations applying to undertake a project to deliver significant organisational change, we may require you to submit regular progress reports as you undertake these strategic changes. If this is the case we will discuss this with you first.

## Who we fund

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Under this programme, we fund applications from:

- not-for-profit organisations
- partnerships or consortia led by not-for-profit organisations

If you are applying as a partnership, you will need to nominate a lead applicant. The lead applicant should provide a signed partnership agreement showing the involvement of each partner and how the project will be managed.

If private individuals or for-profit organisations are involved in a project, public benefit must outweigh private gain.

Here are some examples of the types of organisation we fund:

- charities or trusts
- community, voluntary or friends of groups
- companies limited by guarantee
- community or parish councils
- community interest companies
- local authorities
- other public sector organisations, such as nationally funded museums
- social enterprises

We expect the lead applicant's constitution to include the following (unless the lead applicant is a public organisation or Registered Charity):

- the name and aims of your organisation
- a statement that prevents your organisation from distributing income or property to its members during its lifetime
- a statement which confirms that, if your organisation is wound up or dissolves, the organisation's assets will be distributed to another charitable or not-for-profit organisation and not to the organisation's members

If you are not the legal owner or leaseholder of the heritage asset that is the focus of your application, for example if you are undertaking an asset transfer, you will need the owner's written permission to apply.

If you have previously received HLF funding we will take into account the value of any work delivered with the previous grant(s). We will take into account the extent to which those achievements are now at risk, and how your Resilient Heritage project will protect our previous investment.

## New organisations

If you have not yet formed your organisation and want to use Resilient Heritage funding to help you do that, or you do not yet have a bank account and constitution, you will need to ask an existing not-for-profit organisation to make the application and accept the funding on your behalf on condition that it will be used by them to fund the creation of your organisation. This 'sponsoring' organisation could be (for example):

- your local authority
- your local community or voluntary council
- your parish or town council
- another local community, voluntary or 'friends of' group that has a constitution

You should help the 'sponsoring' organisation to make sure that the answers in the application form relate to the activities that will be undertaken with the grant, in particular the work that will be involved that will help you form your organisation.

Please note that we would not expect to award grants of over £10,000 for projects focused on setting up a new organisation.

## Help we offer

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### Project enquiry service

We strongly encourage you to tell us about your idea by submitting a project enquiry form online. Staff in your local HLF office will get in touch within 10 working days to let you know whether your project fits this programme and to provide support with your application. Information submitted as part of a project enquiry is not used in the assessment of an application.

Resilient Heritage funding can support organisations in difficulty and we encourage you to talk to us openly and as early as possible if this is the case.

We recommend that you read Parts one and two of this Resilient Heritage application guidance before sending us your project enquiry.

### Online diagnostic tool

If you are an established organisation, that has been operating for more than two years, we strongly recommend that you include a diagnostic stage as part of your project-planning using the online Resilient Heritage strength checker. This will help you to analyse how your organisation currently works and areas of strength and weakness, to help identify what you need to address as part of your project. The tool will produce a report once you have answered the questions. You should then submit the report along with your project enquiry, or application, as a supporting document.

The tool can be found at [www.resilientheritagechecker.org.uk](http://www.resilientheritagechecker.org.uk)

The Resilient Heritage strength checker website also contains links to other organisations and further reading to help you develop your Resilient Heritage project.

## The difference we want to make

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We describe the difference we want to make to heritage, people and communities through a set of outcomes. These outcomes are drawn directly from our research into what HLF-funded projects have actually delivered.

Applications for Resilient Heritage should contribute to all three of these outcomes. We expect your achievements to be proportionate to the level of grant being applied for.

We recognise that making these changes to your organisation and the way you work takes time and that your project may not yield its benefits immediately. In planning and delivering your project, you should consider its longer term

impact, how outcomes will be sustained, and how the work you undertake will be adopted by your organisation.

We provide detailed descriptions of these outcomes in the '**Application Form Help Notes**' document. These tell you what changes we want to bring about with our funding, and include some suggestions of how you can measure them. You will need to show how your project will achieve the outcomes we are looking for.

### Outcomes for heritage

With our support, heritage will be:

- better managed

### Outcomes for people

With our support, people will have:

- developed skills

### Outcomes for communities

With our support:

- your organisation will be more resilient

## Costs we can cover

### Direct project costs

Your application should include all costs that are directly incurred as a result of the project.

Here are some examples of direct project costs:

- new staff posts to deliver the project
- extra hours for existing staff to deliver the project
- the cost of filling a post left empty by moving an existing member of staff into a post created for the project
- training and development costs
- professional fees
- equipment and materials
- evaluating your project

Please read about our requirements for buying goods, works and services in **Part three: Receiving a grant.**

### Support from a mentor

You can include the cost of appointing a mentor in your request for a grant, to provide you with some external support in delivering your project. You can either find someone appropriate through your own networks or advertisements, or we can provide a list of HLF-approved mentors. For more information, please read about mentors in **Part three: Receiving a grant.**

### Indirect project costs – Full Cost Recovery

For voluntary organisations, we can also accept part of an organisation's overheads (sometimes called 'core costs') as a part of the costs of the project. We expect our contribution to be calculated using Full Cost Recovery. We cannot accept applications for Full Cost Recovery from public sector organisations, such as government-funded museums, local authorities or universities – see **Existing running costs** below.

Your organisation's overheads might include overall management, administration and support, or premises costs that relate to the whole organisation.

Under Full Cost Recovery we can pay a proportion of these overheads, commensurate with the time or resources used for your project. We can also cover a proportion of the cost of an existing member of staff, as long as they are not working exclusively on the HLF-funded project (please see **Buying goods and services** on page 13 if you are creating a new post to work exclusively on your project).

Recognised guidance on calculating the Full Cost Recovery amount that applies to your project is available from organisations such as the Association of Chief Executives of Voluntary Organisations (ACEVO) ([www.acevo.org.uk](http://www.acevo.org.uk)) and Big Lottery Fund ([www.biglotteryfund.org.uk](http://www.biglotteryfund.org.uk)). You will need to show us how you have calculated your costs, based on recent published accounts.

You will then need to tell us on what basis you have allocated a share of the costs to the Resilient Heritage project you are asking us to fund, and we will assess whether this is fair and reasonable.

## Existing running costs

If you are not eligible to claim Full Cost Recovery, under Resilient Heritage you can still apply for:

- some costs of existing staff time for the duration of your project
- some existing organisational costs, including short-term revenue support while you are undertaking project activity

These must be essential to sustaining your organisation during the project and should be proportionate to the other activities covered by the grant that are designed to deliver a strategic change. You will need to explain why they cannot be funded from other sources. Voluntary organisations should apply for a proportion of existing organisational costs or existing staff time using Full Cost Recovery (see above).

## What we do not fund

Under this programme we cannot fund activities that are focused on producing documents that would normally be completed as part of the development phase of another HLF programme, such as Conservation Plans or Activity Plans.

We do not expect your Resilient Heritage proposals to include the costs of buying heritage items or sites, conservation or capital works or new building works.

We do not expect applications to include costs for the production of digital outputs, by which we mean products in a digital format, designed to give access to heritage and/or to help people engage with and learn about heritage.

## Your contribution

### For applications of between £3,000-£10,000 and £10,000-£100,000

You do not have to make a cash contribution to the costs of your Resilient Heritage project. Whether or not you are able to offer a cash contribution, we encourage you to gain support for your project in the form of non-cash contributions and volunteer time. This is particularly important if you are asking for a grant above £10,000.

### For applications of above £100,000

For applications above £100,000 we ask you to make a contribution of 5% towards your project. We describe this as 'partnership funding' and it can be made up of cash, volunteer time, non-cash contributions, or a combination of all of these. Some of your partnership funding must be from your own organisation's resources. Please read about non-cash contributions and volunteer time in the glossary of the **Application Form Help Notes** document.

## Other information about your application

### Freedom of information and data protection

We are committed to being open about the way we will use any information you give us as part of your application. We work within the Freedom of Information Act 2000 and the Data Protection Act 1998. When you submit your declaration with your application form you are confirming that you understand our obligations under these Acts.

### Complaints

If you want to make a complaint about HLF, we have a procedure for you to use. This is explained in Making a complaint, a document available on our website. Making a complaint will not affect, in any way, the level of service you receive from us. For example, if your complaint is about an application for funding, this will not affect your chances of getting a grant from us in the future.

# Part two: Application process

## Making an application

When you send in your application online, we will let you know that we have received it. If we have any points of clarification, then we will contact you. Otherwise, you are unlikely to hear from us until we have made a decision.

We will assess your application in eight weeks and your application will be discussed at the next available monthly advisory meeting at your local HLF office following the eight-week assessment period. Following this meeting, a decision on your application will be made by the head of your local HLF office or, for applications above £100,000, by a Deputy Director of Operations.

For further information about the decision-making timetable, please contact your local office.

## What we need to know about your project

When you apply, you will need to know enough detail about your Resilient Heritage project to be able to provide us with realistic costs, and to demonstrate how your project will contribute to the required outcomes for heritage, people and communities.

You will need to tell us how your group or organisation has arrived at your current position and how you have identified the need for your Resilient Heritage project.

The list below gives you the level of information we need to be able to make a judgement about the outcomes that your project will achieve.

You will need to be able to tell us:

- your outline plan for the Resilient Heritage project, which will help you to detail the costs of any additional resources such as equipment, materials, venue hire, communications, publicity and evaluation
- the extent of specialist support for different areas of activity that you expect to commission (number of days, or length of a time-limited contract)
- if you are requesting a mentor, the number of days' support you want to include in the grant, the area of work you want them to support and their day-rate
- if you intend to seek advice from a professional to help with your project we will need a copy of the brief you will use to commission the work
- the full costs of salaries of any additional members of staff you are recruiting to enable existing staff to work on the Resilient Heritage project (including recruitment costs)
- your calculation of any core costs you are asking us to contribute to, based on audited accounts
- if you are working in a consortium or partnership we will need to see a copy of your signed partnership agreement

For further information on the application process, please see the **Application Form Help Notes** document that is relevant to the level of grant you are requesting.

## How we assess applications

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When we assess your application, we will consider:

- the heritage focus of your Resilient Heritage project;
- the need or opportunity that the Resilient Heritage project is responding to;
- why the Resilient Heritage project needs to go ahead now and why Lottery funding is required;
- the extent to which the activity you undertake will achieve quality in the three outcomes for heritage, people and communities;
- the current position of your organisation and the circumstances that have led you to this point;
- the extent to which your Resilient Heritage project offers value for money;
- how capable your organisation is of carrying out the project;
- the extent to which your proposals are well planned and financially realistic; and
- the extent to which outcomes will be sustained after the project.

If you have received HLF funding in the past, we will additionally consider:

- the impact achieved with HLF's original grant; and
- the extent to which those achievements are now at risk.

# Part three: Receiving a grant

## Terms of grant

If you are awarded a grant, you will need to comply with our terms of grant. You can see our standard terms of grant on our website. The terms of the grant will last for the duration of your project with the following exception:

If your project involves any capital work, the terms of the grant will last from the start of the project until five years after project completion.

## Promotion of your National Lottery Grant

As part of your grant contract you commit to acknowledging your HLF grant and promoting the National Lottery. Please give us an overview of the steps you will take to do this during the delivery of your project and after its completion.

Your answer should provide an outline of how, where and when you will feature the joint Heritage Lottery Fund/National Lottery branding at your project and on your website. You should also provide an overview of how you plan to promote National Lottery funding of your project in the media e.g. through local press/broadcast coverage, online and through regular social media activity; at project events and openings.

More ideas on acknowledgement and promotion, and the branding we expect to be featured, can be found on our website in the running your project section.

## Images

If you are awarded a grant, you will also need to send us images of your project. These can be high-resolution digital images, hard-copy photographs or transparencies. You give us the right to use any images you provide us with. You must get all the permissions required before you use them or send them to us.

## Mentoring

We encourage you to consider commissioning support and guidance from a professional when you are carrying out your Resilient Heritage project. You can either find someone appropriate through your own networks or advertisements, or we can provide a list of HLF-approved mentors.

If you wish to appoint an HLF-approved mentor, please contact development staff in your local HLF office to find out how much budget to include for this.

If you receive a grant, you will be responsible for managing your relationship with your mentor and ensuring that they are paid. An HLF-approved mentor can support you through the process and give you advice on general issues relating to how you carry out the Resilient Heritage project, such as ensuring there is good communication with stakeholders, choosing consultants and contractors or managing your budget.

In some circumstances, we may choose to appoint a mentor to work with you on your project, if you receive funding. We will notify you if this is the case.

## Permission to start

If you are awarded a grant, you will need to have our written permission before you start any work. In order to grant you permission to start, you will need to provide us with:

- your bank account details
- proof of ownership/leasehold requirements, if relevant
- details of statutory permissions required and obtained

## Grant payment

### Grants up to £10,000

We will give you 100% of your grant up-front.

### Grants over £10,000

We will pay your grant in three instalments.

1. We will give you 50% of the grant up-front.
2. Once you have spent the first half of your total eligible project costs, we will give you the next 40%.
3. We will pay the final 10% of your grant when you have finished your project and sent us a final completion report.

We will ask to see evidence that you have spent your grant, in the form of receipts and invoices.

## Payment percentage

If your grant is up to £100,000, we can fund up to 100% of your total project costs. For grants over £100,000 you will need to contribute 5% of your project costs. For any size of grant, if you or another organisation is contributing cash to the project, then we will be granting you less than 100% of the project costs. We describe this percentage as the 'payment percentage.'

Here's an example, where the payment percentage is 90%.

Total project costs	£50,000
Your cash contribution	£5,000
Your HLF grant	£45,000
Payment percentage	90%

We will pay you the 'payment percentage' of the total amount you spend on the project.

If you spend less on the project than you were expecting, then we will not pay you the full grant, or you may need to pay back some of the grant. If you spend more on the project than you were expecting, then we will be unable to give you more than the grant we awarded you.

Here's an example, where the total amount spent on the project was less than expected:

Total project costs in the application form	£50,000
Payment percentage	90%
Total amount spent on the project	£45,000
Total amount we pay	£40,500 (90% of £45,000)

## Buying goods, works and services

Procedures to recruit consultants and contractors must be fair and open and keep to the relevant equality legislation. In all applications regardless of level of funding we will ask you to give us details of the procurement (buying), tendering and selection process for all parts of your project.

If you are unsure about your obligations, we advise you to take professional or legal advice. If you have already procured goods, works or services, you will need to tell us how you did it. We cannot pay your grant if you have not followed the correct procedure.

You must get at least three competitive tenders or quotes for all goods, work and services worth £10,000 or more (excluding VAT) that we have agreed to fund.

For all goods, works and services worth more than £50,000 (excluding VAT), you must provide proof of competitive tendering procedures. Your proof should be a report on the tenders you have received, together with your decision on which to accept. You must give full reasons if you do not select the lowest tender.

Where you are a central government contracting authority for the purposes of the UK Public Procurement Regulations 2015, and you intend to advertise a contract with a value in excess of £10,000 (excluding VAT), then you must also advertise the opportunity and publish a contract award notice in respect of the opportunity on the Government Procurement Portal Contracts Finder. You must provide evidence of this with your Progress Report. If you are using a framework agreement, you do not have to advertise the opportunity as you will be going to a closed list of suppliers.

The same applies if you are a sub-central contracting authority and intend to advertise a contract with a value in excess of £25,000 (excluding VAT), that is, if you do anything to put the opportunity in the public domain or

bring it to the attention of service providers generally. An opportunity is not considered to be 'advertised' where it is available only to a number of particular service providers (for example where a framework is used or the organisation directly invites a limited number of providers to submit a tender).

Your project may be covered by European Union (EU) procurement rules if it exceeds certain thresholds. This will require that all services for both fees and construction will need to be tendered through Tenders Direct, previously known as Official Journal of the European Union (OJEU).

If you are a non-public body, and your HLF grant exceeds 50% of the estimated cost of a contract, or the HLF grant together with other public funding exceeds 50% (e.g. ERDF, local authority, or other lottery distributors), and exceeds the EU thresholds, you must adhere to EU Procurement Regulations. The applicable thresholds can be found on the Cabinet Office website. Thresholds are reviewed annually in January. If you are a public body, different thresholds apply, and you will have to comply with those that are already relevant to you.

The thresholds apply to all individual consultant appointments (or to the aggregate fee as a single appointment) and to construction works.

All staff posts must be advertised, with the following exceptions:

- if you have a suitably qualified member of staff on your payroll that you are moving into the post created by your HLF project. You will need to provide a job description for this post
- if you have a suitably qualified member of staff on your payroll whose hours you are extending so that they can work on the project. In this case we will fund the cost of the additional hours spent on the project and you will need to tell us about the role they will undertake
- if you are a voluntary organisation and are including a proportion of a staff member's time in your Full Cost Recovery calculation

## State Aid

State Aid is a European Community term which describes forms of assistance (usually financial) from a public body given to undertakings on a discretionary basis with the potential to distort competition and affect trade between member states of the European Union. State Aid rules prevent undue competition arising when organisations have a significant economic advantage by having all or some funding provided from state resources to the detriment of other organisations who can only use their own private funding.

The Heritage Lottery Fund is a public funder and our grants are subject to State Aid rules. If we awarded a grant that was subsequently found to be in breach of State Aid rules, we would be required to reclaim those funds from the grantee.

In most cases, projects supported by the Heritage Lottery Fund are not State Aid because they:

- Are not considered to be economic activity; and/or
- Are considered non-selective in that the main beneficiary is the general public; and/or
- Would not have a measurable effect on intra EU trade

These projects are considered “no aid” as they fall under the Notice on the Notion of State Aid (NoSA).

HLF grants towards land acquisition and natural heritage projects generally (including under the Landscape Partnerships programme) are normally considered “no aid” as their primary objective is about conservation and/or restoration of landscapes, habitats and species for the benefit of biodiversity.

In some instances where projects are of a significantly large scale, economic in nature and therefore could attract commercial challenge, Article 53 of the 2014 General Block Exemption Regulation (EC) No. 651/2014 (GBER) allows for aid towards the capital costs of a cultural or heritage project for up to €100m and operating costs of up to €50m subject to the demonstration of suitable funding gaps in each case. These projects can be supported under a block exemption.

It is an applicant’s responsibility to check whether State Aid clearance is required. Applicants should seek independent legal advice if they are unsure whether a project will require clearance.

For more information about State Aid please visit: [www.gov.uk/guidance/state-aid](http://www.gov.uk/guidance/state-aid)

## Evaluation

You will be asked to write an evaluation of your project in your own format and attach it to your final completion report.

The evaluation should consider lessons learned around project delivery, as well as the extent to which it has contributed to meeting the required programme outcomes.

We also carry out our own programme evaluation and may ask you for additional information on your project as part of our work.

## What to read next

We strongly recommend that you read the **Application Form Help Notes** document, relevant to the level of grant that you are applying for (either £3000-£10,000 or £10,000 -£250,000).