

## Tailored review implementation plan – November 2017

*The Heritage Lottery Fund has agreed with DCMS the following responses for the recommendations in the Tailored Review that it has responsibility for delivering.*

*This plan may be updated and amended.*

### EFFECTIVENESS

#### Strategy

Recommendation	Next steps	Timeframe  <b>Immediate</b> – 3 months <b>Short term</b> – 3-6 months <b>Medium term</b> – 6-12 months <b>Long term</b> – 12 months+
5. In its next strategic framework, HLF should:  a. assess and clarify its relationship with, and strategic remit in relation to, other government-sponsored public bodies and National Lottery Distributors. This should include consideration of how HLF can collaborate with, and take account of, the priorities of other bodies to ensure funding for the sector is as effective as possible.  b. clarify its own strategic priorities, explain how those priorities are identified and illustrate how evaluation and research are used to inform them	We will address this in our next strategic funding framework, which will be published in late 2018.	Medium term

Recommendation	Next steps	Timeframe  <b>Immediate</b> – 3 months <b>Short term</b> – 3-6 months <b>Medium term</b> – 6-12 months <b>Long term</b> – 12 months+
<p>c. articulate its strategy for reaching underrepresented groups and geographical ‘Priority Development Areas’</p> <p>d. outline how it responds to priorities in Scotland, Wales, Northern Ireland and England, within the UK-wide framework</p>		
<p><b>6.</b> Building on successful examples to date, HLF should identify further opportunities to develop joint funding partnerships to ensure that funding for the sector is efficiently and effectively distributed.</p>	<p>We will investigate opportunities for joint funding partnerships in the lead up to our next strategic funding framework.</p>	<p>Medium term</p>
<p>[As above]</p>	<p>We will develop a MoU with Arts Council England by 1 April 2018.</p>	<p>Short term</p>
<p><b>7.</b> HLF should take steps to ensure that its vision and priorities are better understood by grant applicants, the heritage sector and more widely; and that its value and impact is communicated more clearly to National Lottery players.</p>	<p>We will actively promote the consultation and launch of the strategic funding framework, with a focus on vision and priorities.</p>	<p>Immediate</p>
<p>[As above]</p>	<p>We will develop benchmarks for awareness and reputation amongst grant applicants, stakeholders and the public, building on recent work with political stakeholders, to enable targeted awareness improvements.</p>	<p>Medium term</p>

Recommendation	Next steps	Timeframe  <b>Immediate</b> – 3 months <b>Short term</b> – 3-6 months <b>Medium term</b> – 6-12 months <b>Long term</b> – 12 months+
[As above]	We will continue to fully support and participate in joint working with Lottery bodies to improve public and National Lottery player understanding of impact.  See also recommendation 10.	Immediate
8. HLF's next strategic framework should set out clear, assessable targets for the impact it hopes to achieve through its funding.	The next strategic funding framework will set out clear targets for impact.	Medium term
9. HLF should continue to ensure that skills training for its operational and strategic staff, as well as its grant decision-makers, and is consistent and regularly refreshed. HLF should focus its learning and development offer on supporting the delivery of its priorities as identified in its next strategic funding framework, and on supporting the sustainability of the sector through skills in areas such as	We will build in training and development to our planning for the strategic funding framework ensuring the skills, knowledge sets identified are built into Learning and Development Plans for 2018/19 onwards.	Medium term

Recommendation	Next steps	Timeframe
commercial, financial, digital, inclusion, and intellectual property, so that staff can encourage and support successful projects.		<b>Immediate</b> – 3 months <b>Short term</b> – 3-6 months <b>Medium term</b> – 6-12 months <b>Long term</b> – 12 months+

### Communications

Recommendation	Next steps	Timeframe
10. HLF should work with and through funded organisations and with partners (including governments of the UK) to better showcase how National Lottery funding delivers successful heritage projects, including in ongoing communications after projects launch.	We will develop strategic communications plans to better showcase funded projects. These will build on existing progress in this area, such as the cross-distributor <i>#ThanksToYou</i> campaign and HLF's <i>Changing Lives</i> series. There will be a greater emphasis on project milestones, achievements and impact of our investment.	Short term
11. HLF should further strengthen acknowledgment and publicity requirements for grant recipients to ensure that the National Lottery is credited appropriately, working with appropriate partners including other National Lottery distributors and the National Lottery Promotions Unit.	We will implement acknowledgment and publicity plans, and continue to work with other National Lottery distributors and the National Lottery Promotions Unit on joint initiatives.	Short term
[As above]	We will review our approach for the new funding framework.	Long term

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
12. NHMF should improve communications around the Memorial Fund, articulating what the Fund is used for and who is eligible to apply, showcasing how the Fund has been used for the public benefit.	We will build on very recent improvements, including the new NHMF Instagram account and develop a NHMF-specific communications plan from 2018.	Short term
[As above]	This will enable us to work towards the 40 <sup>th</sup> anniversary of NHMF in 2020.	Long term

### International Engagement

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
13. HLF should support the projects and organisations it funds to promote themselves and the sector internationally, as well as engage further with the GREAT Britain campaign and tourism campaigns led by the devolved nations.	We will implement measures to support organisations to promote themselves and the sector internationally and to engage with tourism campaigns as part of the next strategic funding framework.	Long term

### Evaluation

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
14. HLF should better and more consistently embed learning from project and programme evaluations into the organisation, using lessons about successes and failures to inform programme design, strengthen the advice given to applicants and ensure decision-making is focused on building a sustainable sector.	We will continue to deliver our evaluation strategy for 2017-18 which includes plans to more consistently embed learning by: <ul style="list-style-type: none"> <li>• improving feedback across HLF</li> <li>• improved evaluation training for operational staff</li> <li>• revised evaluation guidance.</li> </ul>	Short term

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
[As above]	For the new strategic funding framework we will embed learning from evaluations into programme design, assessment and decision taking in order to build a more sustainable sector.	Medium term
15. HLF should develop robust targets for its outcomes, and should work with partners across and beyond the sector to establish a robust methodology to evaluate the short, medium and long term impact of its grants in order to target future funding effectively for maximum benefit.	We are already undertaking work to simplify our outcomes framework and use this to underpin our new strategic funding framework.	Short term
[As above]	We will set up an Evaluation and Data Advisory Panel with members from organisations such as other National Lottery distributors, think tanks, DCMS, Office for National Statistics, and academia to advise on establishing a robust methodology to evaluate the short, medium and long term impact of our grants in order to target funding effectively for maximum benefit.	Medium term

## Data

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
16. HLF must prioritise better understanding its data including designing and implementing a strategy for collecting, analysing and managing data.	We will produce a data strategy for the collection, use and publication of our data.	Short term
17. HLF should make its data available as Open Data and its research as Open Access so that those within the sector	We will engage with leaders in Open Data to learn from their experiences and develop	Medium term

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
and beyond (e.g. academic researchers) can access the information that HLF collects.	a plan to make our data available as Open Data where appropriate and our research as Open Access	

## **Research**

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
18. HLF should clarify its research strategy externally, working with other government-sponsored public bodies, National Lottery distributors, research institutions and heritage sector organisations to determine how HLF's research relates to that conducted by others.	We will develop and communicate our forward looking research strategy working with relevant partners.	Medium term

## **Accessibility and Diversity**

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
19. Building on learning to date, HLF should develop a cohesive strategy for engaging underrepresented groups with heritage, to ensure that National Lottery money benefits as wide and diverse an audience as possible. HLF should capitalise on the benefits of digital tools to achieve this aim of broadening access.	As part of the next strategic funding framework we will articulate our strategy for continuing to engage under-represented groups.	Medium term
20. HLF should ensure that funded projects collect audience data to ensure it is fully aware of who is currently engaging with the projects it funds and to assess its progress in broadening and diversifying audience participation.	As part of the next strategic funding framework we will strengthen and clarify our requirements.	Medium term

Recommendation	Next steps	Timeframe
21. HLF should further take steps to improve the diversity of its workforce through activity such as advertising vacancies widely, designing job descriptions with diverse applicants in mind, and seeking external expertise on how to attract diverse applicants where necessary.	We will change the way we advertise and promote opportunities to continue to improve the diversity of our workforce.	Medium term

## Digital

Recommendation	Next steps	Timeframe
22. HLF should work strategically to support: <ul style="list-style-type: none"> <li>a. the delivery of digital heritage projects and the use of digital in all types of heritage projects</li> <li>b. The digital capability of organisations working in the heritage sector and those with heritage assets.</li> <li>c. the preservation of digital content to ensure its longevity</li> <li>d. the effective use of digital technology by organisations it funds</li> <li>e. access to National Lottery funding for digital projects</li> <li>f. the digital literacy of its staff (including operational, strategic and decision-making staff as well as the executive, Board and Committees)</li> </ul>	We will develop and implement a plan to support greater and more effective use of digital technology in heritage as recommended. We will collaborate with the DCMS Digital Culture project. See response to recommendation 9	Long term
23. HLF should consider how it could better showcase projects which have successfully used digital tools to	We will develop joint approaches to better showcase projects that have successfully	Medium term

enhance the impact of National Lottery funding, working with other National Lottery distributors where appropriate.	used digital tools, as part of our 2018 Communications plan	
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### Grant Making and Grant Administration

Recommendation	Next steps	Timeframe
24. HLF should complete its in-depth review of grants processes, engaging with sector stakeholders on opportunities to simplify and increase the efficiency of the application process both for applicants and HLF staff.	We have completed the first stages of our business process review and are commencing new process design to be in place for the start of the next strategic funding framework.	Medium term
25. HLF should explore whether alternative options to pure grant giving would support the sustainability of the sector. DCMS, DEFRA, DCLG and the devolved administrations should work with HLF as alternative fundraising mechanisms are developed, to support the take-up of new options where appropriate.	We will investigate alternative options as part of our next strategic funding framework.	Medium term

### EFFICIENCY

#### General

Recommendation	Next steps	Timeframe
26. HLF should use its upcoming Business Transformation Programme to set robust and challenging targets for efficiency savings, with clear timescales and benefits realisation plans by March 2018.	We will ensure the transformation programme has clear objectives, and targets associated with those objectives. Targets and benefits (financial and non-financial) will be agreed as part of the HLF business planning round, completed by end March.	Immediate

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
27. HLF should complete the ongoing internal efficiency review of its corporate services by March 2018.	We will complete the review by March 2018.	Short term
28. While HLF's Register of Support Services (ROSS) is a valuable tool for the organisation and has a positive impact on the success of funded projects, HLF must ensure that this service is delivered more cost-effectively in order to distribute the maximum amount of its National Lottery allocation in grants to the heritage Good Cause. Quality performance measures should be in place for ROSS consultants to provide assurance over the quality of support provided for recipients of HLF funding.	Procurement of new Register of Support Services is underway, and cost and efficiency are key components of the tender process – new ROSS to be in place by April 2018. The framework manager will provide oversight on function and costs ensuring quality outcomes.	Short term

## **Estates**

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
29. HLF should reduce the size of its estate over the coming years, as lease renewals and other factors allow.	We will review the estates footprint and efficiency of use/cost of the estate as part of our Corporate Strategy and Business Transformation planning. We will look at the opportunities of lease renewals as and when they occur.	Medium Term
30. The UK government's Industrial Strategy, announced in January 2017, commits to reviewing the location of government agencies and cultural institutions to ensure they support growth and local communities. HLF should engage with this review, including by moving its corporate and executive staff to alternative offices outside central London	We will engage with the Industrial Strategy, continue to increase the number of jobs based outside of London and seek to reduce the cost of our London estate whilst always considering value to the National Lottery player.	Medium term

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
where this contributes to local growth across the UK and can offer acceptable value and risk to National Lottery players.	We will continue to contribute to regional and local growth through grants invested annually across the UK through its various programmes (over £7.7bn since our creation).	

## **GOVERNANCE**

### **General**

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
31. As HLF's government sponsor, DCMS should attend at least one HLF Board of Trustees meeting per year, in an observer capacity.	We will schedule this by the end of the 17/18 financial year.	Short term
32. HLF should review the role of the Board to achieve a better balance between decision making and the need to provide robust oversight of and challenge to the organisation.	We will review changes made to date with the Board in February 2018 and discuss future options, alongside development of strategic funding framework and business transformation	Immediate
a. In order to allow its Board more time for strategic oversight, HLF should review its scheme of Financial Delegation, and examine whether an alternative or simplified system could be designed.	We will consider Financial Delegations in the light of planning for the next strategic funding framework	Medium term
b. HLF should ensure that its Board is sufficiently skilled to carry out this role, particularly in areas such as financial management, commercial, and digital.	Current recruitment is focusing on these areas.	Immediate
33. The HLF Board should monitor the organisations' performance against more challenging strategic KPIs and against its implementation of the strategic framework, using	The Board will monitor KPIs in the business plan 2018/2019 from 1 April 2018	Medium term

Recommendation	Next steps	Timeframe
the strengthened data management that HLF will develop to do this robustly.		
[As above]	The Board will monitor KPIs in the next strategic funding framework from 1 April 2019.	Long term
34. HLF should extend annual performance appraisals to its country and regional Committees, as well as the Board of Trustees.	We will discuss with committee chairs and roll annual performance appraisals out for 2018/19	Short term
35. In future recruitment for Board positions, HLF and DCMS should aim to improve the diversity of Trustees. In future recruitment for Committee positions, HLF should ensure it follows the same standards.	This is being addressed within current board recruitment; success will be evaluated and further measures identified for the future.	Immediate
36. HLF's Audit and Risk Committee plays a crucial role in providing independent challenge and scrutiny to HLF's approach to countering fraud; HLF should continue to build on recent appointments to the Committee, which have gone some way to strengthening its skills in this area.	We will look to work with Cabinet Office and DCMS to improve our approach to counter fraud.	Short to medium term
38. HLF should look to achieve early 'Cyber Security Plus' certification, and fully adopt the standards of good practice identified by GCHQ's National Cyber Security Centre (NCSC).	We will aim to achieve Cyber Security Plus accreditation.	Short term

<b>Recommendation</b>	<b>Next steps</b>	<b>Timeframe</b>
<p>39. In order to show its commitment to openness and transparency, HLF should:</p> <p>a. consider how it can best provide a forum for HLF to hold itself accountable to stakeholders, for example with an open annual general meeting</p>	<p>We will explore cost effective options for 2018/19 to provide a forum for stakeholders to engage with our work and strategy and will repeat this annually.</p>	<p>Medium term</p>
<p>b. adopt the government transparency threshold of £500</p>	<p>We will publish details of all spend over £500.</p>	<p>Short term</p>
<p>c. proactively publish and update the register of executive staff interests in so much as they relate to heritage and the wider role of HLF</p>	<p>We will action this.</p>	<p>Short term</p>
<p>40. HLF should develop a detailed stakeholder engagement plan to ensure clear communications and consultation on any significant changes to HLF or its funding streams.</p>	<p>We will develop a more co-ordinated, organisation-wide approach to stakeholder engagement, with improvements in the short term supported by longer term work as part of business transformation.</p>	<p>Medium term</p>
<p>41. HLF should strengthen the enforcement of the staff Code of Conduct, by including this within its employment Terms and Conditions.</p>	<p>We will amend employment Terms and Conditions to reflect the Code of Conduct.</p>	<p>Short term</p>