



Heritage Lottery Fund

National Heritage Memorial Fund

Lottery Distribution Account

For the year ended 31 March 2008



Heritage Lottery Fund

National Heritage Memorial Fund

Lottery Distribution Account
For the year ended 31 March 2008

Annual Report

This annual report is presented in accordance with section 34(3) of the National Lottery etc. Act 1993 by the Secretary of State for Culture, Media and Sport.

Annual Accounts

This statement of accounts, and report thereon by the Comptroller and Auditor General, are presented in accordance with section 35(5) of the National Lottery etc. Act 1993.

Ordered by the House of Commons to be printed 16 July 2008
Laid before the Scottish Parliament by the Scottish Ministers 17 July 2008
Laid before the Northern Ireland Assembly 1 September 2008

© Crown Copyright 2008

The text in this document (excluding the Royal Arms and other departmental or agency logos) may be reproduced free of charge in any format or medium providing it is reproduced accurately and not used in a misleading context.

The material must be acknowledged as Crown copyright and the title of the document specified.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

For any other use of this material please write to
Office of Public Sector Information, Information Policy Team,
Kew, Richmond, Surrey TW9 4DU or e-mail: licensing@opsi.gov.uk

CONTENTS

	Page
Annual Report	2
Management commentary	2
Remuneration report	8
Statement of Trustees' and Chief Executive's responsibilities	11
Statement on Internal Control	12
The Certificate and Report of the Comptroller and Auditor General	14
Income and expenditure account	16
Balance sheet	17
Cash flow statement	18
Notes to the accounts	19
Policy directions	29
Corporate performance	33
Strategic plan targets	33
Corporate performance indicators	35
Progress on projects over £5 million	38
Grants awarded over £100,000	41
Employment monitoring	53

ANNUAL REPORT

Management commentary

Background information

The National Heritage Memorial Fund (NHMF) is vested in and administered by a body corporate known as the Trustees of the National Heritage Memorial Fund, consisting of a Chair and not more than 14 other members appointed by the Prime Minister. The Fund was set up on 1 April 1980 by the National Heritage Act 1980 (the 1980 Act) in succession to the National Land Fund as a memorial to those who have given their lives for the United Kingdom. The powers of the Trustees and their responsibilities were extended by the provisions of the National Lottery etc. Act 1993 (the 1993 Act), the National Heritage Act 1997 (the 1997 Act) and the National Lottery Act 1998 (the 1998 Act).

Under the 1993 Act, Trustees of the National Heritage Memorial Fund became responsible for the distribution of that proportion of the National Lottery proceeds allocated to the heritage. Trustees of the National Heritage Memorial Fund have to prepare separate accounts for the receipt and allocation of grant-in-aid and for their operation as a distributor of National Lottery funds. Trustees have chosen to refer to the funds as the National Heritage Memorial Fund for sums allocated under the provisions of the 1980 Act and the Heritage Lottery Fund for the receipts from the 1993 Act.

Under section 21(1) of the 1993 Act a fund known as the National Lottery Distribution Fund (NLDF) is maintained under the control and management of the Secretary of State for Culture, Media and Sport. All sums received from the licensee of the National Lottery under section 5(6) are paid to the Secretary of State and placed by him in the NLDF. Trustees of the National Heritage Memorial Fund apply to the NLDF for funds to meet grant payments and administration expenses.

Under section 22 of the 1993 Act, the Secretary of State for Culture, Media and Sport shall allocate 20% of the sum paid into the NLDF for expenditure on, or connected with, the national heritage. Section 23(3) establishes the Trustees of the National Heritage Memorial Fund as distributors of that portion. The percentage allocation was subsequently reduced to 16 ²/₃ % in October 1997 following the Government's creation of the New Opportunities Fund (now the Big Lottery Fund).

These accounts have been prepared in a form directed by the Secretary of State for Culture, Media and Sport with the consent of HM Treasury in accordance with section 35(3) of the 1993 Act.

Principal activities

Under section 3 of the 1980 Act, Trustees of the National Heritage Memorial Fund may make grants and loans out of the Fund for the purpose of acquiring, maintaining or preserving:

- (a) any land, building or structure which in the opinion of the Trustees is of outstanding scenic, historic, aesthetic, archaeological, architectural or scientific interest;
- (b) any object which in their opinion is of outstanding historic, artistic or scientific interest
- (c) any collection or group of objects, being a collection or group which taken as a whole is in their opinion of outstanding historic, artistic or scientific interest.

Section 4 of the 1993 Act extends the powers of Trustees to improving the display of items of outstanding interest to the national heritage by providing financial assistance to construct, convert or improve any building in order to provide facilities designed to promote the public's enjoyment or advance the public's knowledge.

Under the 1997 Act, Trustees are now also able to assist projects directed to increasing public understanding and enjoyment of the heritage and to interpreting and recording important aspects of the nation's history, natural history and landscape. Following consultation with potential applicants, advisers, and other bodies, further new initiatives - dealing with revenue grants (to widen access in general to the heritage), as well as in the fields of archaeology, townscapes, information technology, and education - were set up. The 1998 Act gave Trustees the power to delegate Lottery grant decisions to staff and also to committees containing some members who are not Trustees.

Aims

We have three core aims for the Heritage Lottery Fund, which define in broad terms how we are trying to improve quality of life through the heritage and, flowing on from these, six subsidiary purposes on which our grant-making and other activities focus. The core aims are:

- to encourage more people to be involved in and make decisions about their heritage;
- to conserve and enhance the UK's diverse heritage; and
- to ensure that everyone can learn about, have access to, and enjoy their heritage.

The subsidiary purposes are:

- to encourage communities to identify, look after and celebrate their own heritage;
- to promote heritage conservation as an integral part of urban and rural regeneration;
- to help conserve and sustain heritage at risk;
- to increase opportunities for learning about heritage;
- to open up heritage resources and sites to the widest possible audience; and
- to promote a greater appreciation of the value and importance of heritage for our future well-being and sense of identity.

Financial Instruments

Financial Reporting Standard 13, Derivatives and other Financial Instruments, requires disclosure of the role which financial instruments have had during the period, in creating or changing the risks the Heritage Lottery Fund faces in undertaking its role.

Liquidity risk – in 2007-08, £200,394,000 (92%) of the Heritage Lottery Fund's income derived from the National Lottery. The remaining income derived from investment returns from the balance held with the National Lottery Distribution Fund £15,396,000 (7%), bank interest and sundry income £1,174,000 (1%). The Trustees recognise that their hard commitments (i.e. signed grant contracts) exceeded the value of funds in the NLDF at 31 March 2008. However, Trustees consider that the Heritage Lottery Fund is not exposed to significant liquidity risks as they are satisfied that they will have sufficient liquid resources within the NLDF and the bank to cover all likely grant payment requests in the coming years. DCMS has assured Trustees that they will continue to receive a share of the National Lottery until 2019.

Interest rate risk – the financial assets of the Heritage Lottery Fund are invested in the National Lottery Distribution Fund, which invests in a narrow band of low risk assets such as government bonds and cash. The Trustees have no control over the investment of these funds. At the balance sheet date the market value of our investments in the NLDF was £567.4 million. Funds at the NLDF earned on average 6.05% in the year. However, following the change in the way that investment income is allocated by DCMS (see below), the average return to HLF on these investments was around 2.8%. Cash balances, which are drawn down from the NLDF to pay grant commitments and operating costs, are held in instant access variable rate bank accounts, which on average carried an interest rate of 5.4% in the year. The cash balance at the year end was £11,000. Trustees recognise that their return on their balances at the NLDF was significantly less than that obtained from their bank accounts. However, investment of Lottery funds is under the control of DCMS which states that the long term-rate of return of the NLDF should be higher than that of a bank account. The Trustees consider that the Heritage Lottery Fund is not exposed to significant interest rate risks.

Foreign currency risk – the Heritage Lottery Fund is not exposed to any foreign exchange risks.

Cash flow, price and credit risk – Trustees consider that the Heritage Lottery Fund is not exposed to anything other than immaterial risks in these areas

Future developments

In April 2008, Trustees issued their third Strategic Plan covering the period 2008 to 2013.

This is a crucial time in the life of the Heritage Lottery Fund, as funds available to make new awards have declined over recent years and will further decline to £220m in 2008-09, and to £180m per annum from 2009.

In February 2008, a statutory instrument was passed by Parliament requiring the transfer of up to £1,085m from the National Lottery Distribution Fund to the 2012 Olympics. This comprised £410m as originally envisaged when the Government decided to support the bid and a further £675m arising from a subsequent budget review. The Heritage Lottery Fund was required to provide £71m in the original bid, and the statutory instrument requires another £90m. The first transfer of funds is expected in February 2009, which will cost HLF up to £11m.

Trustees recognise that the activities of HLF will not decline in line with falling grant budgets. There is no reason to believe that grant applications will decline in number; we will continue to offer pre-application advice to any organisation that requests it and we will continue to monitor and make payments to the many thousands of grant-aided projects that have yet to be completed.

In order that potential applicants are not put off by the reduced chances of obtaining a grant, HLF has made its application process more straightforward and initial decisions will be made on applications earlier in the assessment process. This will mean applicants need do less work before being given an indication as to whether they stand a chance of success and will find out sooner. This also means that they could receive financial assistance in completing their full application at an earlier point in the cycle. In addition, we will fund mentors who will assist some grantees work up their full application.

Employee consultation

The nature of the operations of the Fund means that grant application processing staff work closely with Trustees. Staff are involved in project evaluation and applicant visits with Trustees. Many members of staff attend meetings of Trustees, which enables them to be aware of thinking about the development of the Fund and its operations. Additionally, senior management ensures, through summaries of Management Group meetings in the weekly Newsletter, face-to-face meetings and a high level of personal accessibility, that matters of concern to staff can be readily addressed. It is essential that all staff are given the opportunity to contribute to the development of the Fund as well as achieving their own potential through regular consultation and discussion. To this end, a Staff Council is in existence. Comprising representatives from each department, it discusses matters of interest to staff with representatives from management. It meets nine times a year.

Equal opportunities

As an employer, the National Heritage Memorial Fund abides by equal opportunities legislation. It does not discriminate against staff or eligible applicants for job vacancies on the grounds of gender, marital status, race, colour, nationality, ethnic origin, religious belief, disability, age or sexual orientation. Every possible step is taken to ensure that staff are treated equally and fairly and that decisions on recruitment, selection, training, promotion and career management are based solely on objective and job related criteria. It does not tolerate any form of discrimination, harassment or victimisation. The Fund welcomes job applications from people with disabilities, and currently around 4% of our workforce are people with disabilities. All staff are required to co-operate in making this policy work effectively.

Creditors

The National Heritage Memorial Fund adheres to the Government-wide standard on bill-paying and the CBI Better Payment Practice Code, which is to settle all valid bills within 30 days. In 2007-08, the average age of invoices paid was 12 working days. Over 91% of invoices were paid within 30 calendar days.

Pension liabilities

The Fund makes contributions to the pension schemes of staff. Other than making these payments, the Fund has no pension liabilities with the exception of three former members of staff. Trustees consider that the balance sheet provision, made for paying the pension of these former members of staff, is sufficient. Further information is available in the notes to the accounts.

Register of interests

As a matter of policy and procedure, the Trustees declare any direct interests in grant applications and commercial relationships with the National Heritage Memorial Fund and exclude themselves from the

relevant grant appraisal, discussion and decision processes within the National Heritage Memorial Fund. In their contacts with grant applicants, Trustees seek to avoid levels of involvement or influence that would be incompatible with their responsibilities as a Trustee of the National Heritage Memorial Fund. There are corresponding arrangements for staff to report interests and avoid possible conflicts of interest. The Register of Trustees' Interests is available for public inspection by contacting the Secretary to the Trustees, 7 Holbein Place, London SW1W 8NR.

Appointment of auditors

The National Heritage Act 1980 provides for the annual accounts of the National Heritage Memorial Fund to be audited by the Comptroller and Auditor General. The National Lottery etc. Act 1993 extends this to the lottery activities of Trustees.

Key Stakeholders

The main stakeholder of the Heritage Lottery Fund is the Department for Culture, Media and Sport, which also controls the National Lottery Distribution Fund that invests the money received from the National Lottery. Other key stakeholders are those bodies that carry out assessment processing on our behalf for certain grant programmes. They are the Big Lottery Fund (Awards for All programme) and English Heritage (Repair Grants for Places of Worship programme).

Post balance sheet events

There were no events that occurred after 31 March, up until the date the Accounting Officer signed these accounts, that need to be brought to the attention of the reader. The Accounting Officer authorised the accounts for issue on 4 July, which was the date the accounts were certified by the Comptroller and Auditor General.

Chair and Trustees of the National Heritage Memorial Fund

CHAIR:	Dame Liz Forgan #
TRUSTEES:	Dan Clayton Jones
	Madhu Anjali
	Mike Emmerich
	Catherine Graham-Harrison #
	Tristram Hunt
	Brian Lang
	Derek Langslow* (left 18 February 2008)
	Mike Phillips (left 31 December 2007)
	Matthew Saunders
	Richard Wilkin #
	Ronnie Spence *
	Kathy Gee
	Doug Hulyer *
	Christopher Woodward
	Yinnon Ezra (from 4 February 2008) *
	Alison McLean (from 18 February 2008)

CHIEF EXECUTIVE: Carole Souter #

* member of Audit Committee

member of Finance & Investment Committee

Chief Executive

Carole Souter

Chair

Dame Liz Forgan

1 July 2008

Financial Review

The National Heritage Memorial Fund (the Fund) operates two funds – the Heritage Lottery Fund and the National Heritage Memorial Fund. It is required, by the accounts directions of the Secretary of State for Culture, Media and Sport, to account for its activities separately and so no consolidated accounts are prepared. This review discusses solely the activities of the Heritage Lottery Fund.

The Fund receives applications from thousands of organisations across all communities of the United Kingdom and awards grants on the basis of its aims. Since the Lottery started in 1994, HLF has made over 31,000 awards and dealt with over 45,000 grant applications. During the year, over 4,000 grant applications were received, which is a 14% increase on last year. This shows that our work to encourage and facilitate more applications has been successful and it is gratifying that many of the applications are from smaller organisations.

During the course of 2007-08, Trustees made new soft commitments totalling £283.9 million (soft and hard commitments are defined in note 1 to the accounts). This was less than last year because Trustees have had to reduce levels of awards to take account of reduced income in the year and in the future and because they cannot continue to commit to more awards than they have funds. Income for the year was £200m, with an additional £15m in investment income earned by the National Lottery Distribution Fund (NLDF) on our behalf.

The balance of HLF funds at the NLDF fell to £567 million at the end of the financial year – a fall of £93 million in the year. Ticket sale income was slightly below the projection supplied by DCMS in February 2007, by £6 million, whilst investment income was in line with their projection. In April 2007, DCMS changed its method by which NLDF investment income was allocated. The result of this change was that we no longer receive investment income based upon the level of our funds at the NLDF, but upon our standard percentage allocation of 16.67%, with the result that our investment income fell significantly.

Trustees continue to recognise that the balance at the NLDF should fall further. The commitment of awards in excess of income is the main method by which Trustees expect to reduce the balance at the NLDF. To this end, the grant award budget for 2008-09 is £220 million, far in excess of anticipated income of around £208 million, including anticipated NLDF interest. At the end of the financial year, HLF had committed £448 million more than it had in the NLDF – well over two year's expected income. The balance of contractual liabilities exceeded the HLF's net assets during the year and there was a net deficit on the balance sheet of £94.1 million at 31 March 2008. The accounts have been prepared on a going concern basis as required by the Secretary of State's accounts direction and because Trustees have been assured that they will receive income from the National Lottery until at least 2019.

The table below illustrates the soft commitments made and also the conversion of soft commitments in previous years into hard commitments in 2007-08. Soft commitments are converted to hard commitments when there is a signed contract with the grant recipient.

Over half of the decisions made in the year (£167.6 million) were for stage one passes under the two-stage decision process. The remainder (£116.3 million) were for grant awards in the year. During the year, contracts were signed for grants of £294.3 million – i.e. new hard commitments.

£m	Stage one pass	Grant awards	Hard commitments	Total decisions
At 1 April 2007	279.0	120.7	679.4	
Trustees' decisions in the year	167.6	116.3	-	283.9
Converted in the year	(140.8)	140.8	-	
Converted in the year	-	(294.3)	294.3	
De-commitments	(31.9)	(2.6)	(14.0)	
Grant payments	-	-	(299.4)	
At 31 March 2008	273.9	80.9	660.3	

Staff costs rose by 4% in the year due mainly to the increased cost of contributing to the Principal Civil Service Pension Scheme. However, as HLF is running the Parks for People programme in conjunction with the Big Lottery Fund (BLF), it has received a contribution of £653,000 (2006-07: £740,000) from BLF towards the cost of administering the scheme. The net effect of these receipts along with other efficiency measures is that administrative costs have fallen by 1% even though the BLF contribution has fallen by 12%. Trustees applaud the work done by management and staff in reducing costs. The average number of staff fell by 6 in the year. Trustees recognise that falling income from the National Lottery in the run-up to the London Olympics must be met by a fall in administrative costs through efficiency savings and natural wastage of staff. For more details on staff numbers see note 3 to the accounts.

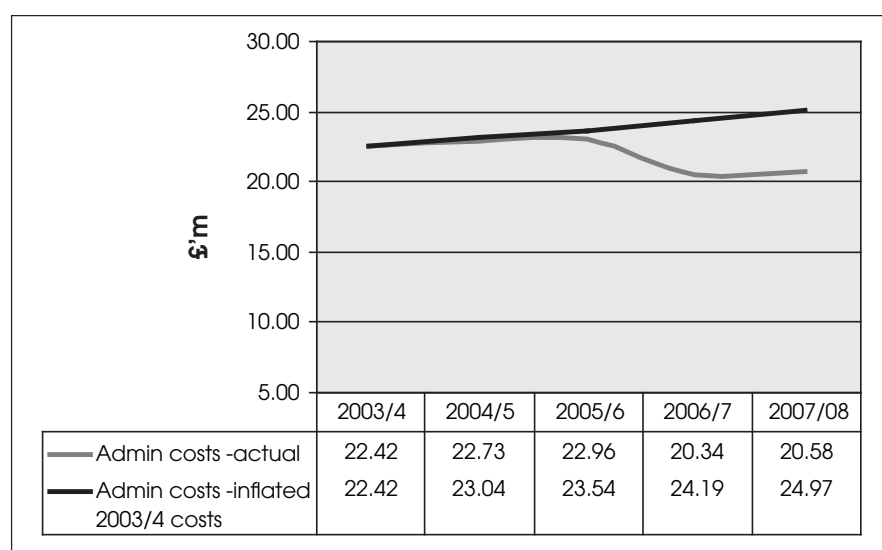
Trustees recognise that greater efficiencies in the costs of administration should not be achieved at the expense of service to our stakeholders. They are pleased to report that the achievement of service level targets for both applicants and grantees has again improved during the year. Further information on our service level targets is available elsewhere in this document.

The Trustees considered the risks faced by the Heritage Lottery Fund in the year and reflected their considerations in a register of those risks. There is concern about the impact of the loss of the money diverted to support the London Olympics and NHMF will work towards mitigating the effect over the coming year. Other than that, Trustees do not believe there to have been a significant change in the risk environment during the year. The principal risks are discussed further in the Statement on Internal Control.

Key performance indicator

The Heritage Lottery Fund has a reputation as an efficient distributor of Lottery funds. The graph below sets out our administration costs in each of the last five years – the pale line. The dark line shows the value of administration costs incurred five years ago when increased in line with the Treasury's GDP deflator – an estimate of the general level of inflation in the UK economy. Trustees are pleased to note that administration costs in 2007-08 are £4.4 million (or 17.5%) lower than inflation since 2003-04 would have suggested – representing a significant real terms reduction in administration costs.

Actual Administration Costs vs Inflated 2003-04 Costs



Personal data

The HLF has had no incidents where personal data was inadvertently disclosed to a third party. The HLF will continue to monitor and assess its information risks in order to identify and address any weaknesses and ensure continuous improvements of its systems.

Remuneration Report

Remuneration of the Chair and Trustees

All Trustees were entitled to receive an annual salary for the time spent on the activities of the National Heritage Memorial Fund. In addition, the National Heritage Memorial Fund reimbursed travel expenses of certain Trustees from their homes to their office of employment in London, Edinburgh, Cardiff or Belfast. The Fund met the tax liability on these expenses.

The remuneration of those Trustees that received payment, including re-imbusement of taxable expenses and the tax thereon, falls into the following bands.

Audited information	2007-08 £000	2006-07 £000
Dame Liz Forgan (Chair)	40 - 45	40 - 45
Richard Wilkin	10 - 15	5 - 10
Primrose Wilson	0	0 - 5
Nicholas Dodd	0	5 - 10
Dan Clayton Jones	20 - 25	20 - 25
James Wright	0	5 - 10
Giles Waterfield	0	0 - 5
Mike Phillips	0 - 5	5 - 10
Derek Langslow	5 - 10	5 - 10
Catherine Graham-Harrison	5 - 10	5 - 10
Madhu Anjali	5 - 10	10 - 15
Tristram Hunt	5 - 10	5 - 10
Matthew Saunders	5 - 10	5 - 10
Ronnie Spence	20 - 25	20 - 25
Kathy Gee	5 - 10	0 - 5
Doug Hulyer	10 - 15	5 - 10
Christopher Woodward	5 - 10	0 - 5
Yinnon Ezra	0 - 5	0
Alison McLean	0 - 5	0
Brian Lang	20 - 25	20 - 25
Mike Emmerich	5 - 10	10 - 15

All Trustees have three-year appointments, potentially renewable for a second term. They are appointed by the Prime Minister. They are not members of the pension scheme utilised by the National Heritage Memorial Fund. No contributions were made by the Fund to a pension scheme on the Trustees' behalf. All Trustees' remuneration was allocated between the Heritage Lottery Fund and the National Heritage Memorial Fund on the basis of 99%:1%. The total remuneration of Trustees in 2007-08 was £227,946 (2006-07 £239,470). The pay and contracts of Trustees are discussed and set by the Department for Culture, Media and Sport.

Remuneration of employees

The remuneration of directors was as follows:

Audited information	Salary including performance bonus 07/08	Salary including performance bonus 06/07	Real increase in pension and lump sum	Total accrued pension at 60 and lump sum	Cash Equivalent Transfer Value (CETV) at 31-3-08	Cash Equivalent Transfer Value (CETV) at 31-3-07	Real increase in CETV funded by NHMF
	£000	£000	£000	£000	£000	£000	£000
Carole Souter <i>Chief Executive</i>	120-125	120-125	0-2.5 plus 2.5-5 lump sum	40-45 plus 120-125 lump sum	776	649	25
Stephen Johnson <i>Director of Operations</i>	20-25	100-105	0-2.5	n/a	n/a	1,038	8
Bob Bewley <i>Director of Operations</i>	65-70	n/a	5-7.5 plus 15-17.5 lump sum	20-25 plus 70-75 lump sum	457	289	117
Judy Cligman <i>Director of Policy & Strategy</i>	85-90	80-85	0-2.5 plus 2.5-5 lump sum	20-25 plus 70-75 lump sum	431	348	27
Steve Willis <i>Director of Finance & Corporate Services</i>	105-110	100-105	0-2.5 plus 2.5-5 lump sum	45-50 plus 140-145 lump sum	1006	853	30

The Cabinet Office, which provides the pension information in the above table, has informed us that due to certain factors being incorrect in last year's CETV calculator there is a difference between the CETV at 31 March 2007 compared with that disclosed in last year's accounts.

Stephen Johnson retired during the year and was replaced by Bob Bewley.

The accrued pension quoted is the pension the member is entitled to receive when they reach 60, or immediately on ceasing to be an active member of the scheme if they are already 60.

Cash Equivalent Transfer Values – A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the civil service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

Real increase in CETV – This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

All senior employees had permanent contracts of employment and were ordinary members of the PCSPS. Their costs were allocated between the Heritage Lottery Fund and the National Heritage Memorial Fund on the basis of 99%: 1% (2006-07: 99%: 1%). The pay and contracts of senior employees are discussed and set by the Finance & Investment Committee. (Membership of this committee is disclosed on page 5.) The remuneration of senior managers is performance-related. The sum is based on performance against individual objectives and on overall contribution to corporate strategy and goals. Individual objectives for the Chief Executive are set by the Chair of the Board of Trustees, and the Chief Executive in turn agrees personal objectives with the 3 function directors. Objectives reflect the strategic and operational goals of the Fund and the contribution expected of each individual senior manager to achieving the goals. The Fund has a performance management system and performance is reviewed in line with this. Performance is reviewed annually in March/April and rated on a scale of 4 different levels of achievement. There is a bonus scheme for the directors which takes into account the Finance & Investment Committee's view of the individual's contribution towards the wider success of the organisation, with particular reference to their management of their own department and their impact on other areas; the individual's impact on Trustees and their effectiveness; and any exceptional contribution or achievement during the year which was not reflected in the key objectives for the year. This policy is expected to continue in future years. Senior management are appointed on open-ended contracts with notice periods of no more than 6 months. In the event of considering termination payments, the Fund would adhere fully to the rules of the Civil Service Compensation Scheme and any associated guidance from Treasury or DCMS.

Chief Executive

Carole Souter

1 July 2008

Statement of Trustees' and Chief Executive's Responsibilities

Under section 34(1) of the National Lottery etc. Act 1993, the Trustees of the National Heritage Memorial Fund are required to prepare a statement of accounts for each financial year on their lottery distribution activities in the form and on the basis determined by the Secretary of State for Culture, Media and Sport with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the Fund's state of affairs at the year end, of its recognised gains and losses and of its income and expenditure and cash flows for the financial year.

In preparing the accounts Trustees of the National Heritage Memorial Fund are required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Fund will continue in operation.

The Accounting Officer of the Department for Culture, Media and Sport has appointed the senior full-time official, the Chief Executive, as the Accounting Officer for the Fund. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances, for the safeguarding of the Fund's assets and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officers' Memorandum, issued by the Treasury and published in Government Accounting.

So far as the Accounting Officer is aware, there is no relevant audit information of which our auditors are unaware. The Accounting Officer has taken all steps that she ought to have taken to make herself aware of any relevant audit information and to establish that our auditors are aware of that information.

Chief Executive

Carole Souter

Chair

Dame Liz Forgan

1 July 2008

Statement on Internal Control

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the National Heritage Memorial Fund's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

I work closely with the Trustees of the National Heritage Memorial Fund (NHMF) who share a responsibility to:

- Give leadership and strategic direction;
- Define control mechanisms to safeguard public resources;
- Supervise the overall management of NHMF's activities; and
- Report on the stewardship of public funds.

This responsibility is enacted through regular meetings of Trustees with senior management to set policy for the NHMF and make decisions in line with policy. In addition, sub-committees of Trustees, particularly the Finance & Investment Committee and the Audit Committee, oversee the activities of management and provide support. All policy setting and grant decision making is informed by the risk management culture of the NHMF. In particular, the Audit Committee regularly discusses the risk reports produced by management and questions them about the methods by which they mitigate risk. In addition, the NHMF is a member of the Lottery Forum Risk Management Group. This group, comprising representatives of Lottery distributors, has created a common risk framework.

The annual operating plan of the NHMF – the Business Plan – is discussed with our sponsor department, the Department for Culture, Media and Sport (DCMS). DCMS has also set Policy and Financial Directions with which we have to comply in our Lottery activities (and from April 2008, the Welsh Assembly has also issued some policy directions). We also operate in line with an agreed Management Statement and Financial Memorandum based upon a template devised by the Treasury. This includes regular meetings with senior officers of DCMS and with fellow Lottery distributors.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the NHMF's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Fund for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

Capacity to handle risk

The Senior Management Team, comprising the most senior managers of the NHMF, takes the lead on all aspects of risk management. It appoints risk owners and charges them with the creation and application of strategies to mitigate the risk under their control.

The Audit Committee, which comprises three Trustees, regularly discusses the risk management process and reports back to the main body of Trustees on the management of risk. Furthermore, both internal and external audit review the risk management processes as part of their work and can provide the benefit of their experience of other organisations' risk management activities.

Staff, from middle management upwards, have received training in risk management techniques.

The risk and control framework

Management Group devised a risk management statement that details how the NHMF identifies, monitors and controls risks and opportunities. This statement is reviewed regularly. On an annual basis, risks are categorised by considering the likelihood of occurrence should no risk mitigation activity occur and the impact should the risk happen. The risks where the potential impact is deemed high form the NHMF risk register. The Senior Management Team then assigns to senior managers (the risk owners) the task of putting procedures in place to monitor and, where possible, mitigate the risk. The Senior Management Team reviews the effectiveness of their work on a quarterly basis. The Audit Committee also regularly reviews and questions the activities of risk owners.

In 2007-08, the NHMF considered the following to be the most significant areas of risk:

- decline of our income beyond expectations;
- failure of awarded grants to meet our strategic objectives;
- failure of our strategy to keep pace with the needs of the heritage and changes in the external environment, and therefore lack of support for it by our stakeholders;
- failure to set and follow efficient procedures correctly or consistently for the current and future Strategic Plan periods giving rise to the risk of fraud or of making perverse decisions open to challenge in law;
- failure to recruit and retain staff of sufficient calibre;
- lack of adequate acknowledgement of the HLF/NHMF contribution by grantees;
- that support and influence lessens as a result of low awareness and understanding of our contribution by stakeholders and the Lottery-playing public; and
- changes to membership and delegations of Board and Committees leads to confusion and inconsistency in decision making.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and senior management within the NHMF who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I receive guidance from both the Board of Trustees and the Audit Committee, which sees reports from both the internal and external auditors, and a plan to address weaknesses and ensure continuous improvement of the internal control system is in place.

All reports of the internal auditors are discussed by the Audit Committee with senior members of staff in attendance. Heads of departments that have failings identified by the internal auditors are required to devise a corrective action and set a completion date for that action in consultation with the internal auditors. I receive regular reports from the auditors notifying me of the progress my department heads have achieved in clearing up points raised by both internal and external auditors.

As a result of the above, there is nothing of which I am aware that leads me to believe that our systems for detecting and responding to inefficiency, for preventing conflicts of interest, for preventing and detecting fraud and for minimising losses of grant-in-aid and Lottery grant are not adequate.

Chief Executive

Carole Souter

1 July 2008

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

I certify that I have audited the financial statements of the National Heritage Memorial Fund's Lottery Distribution Activities for the year ended 31st March 2008 under the National Lottery etc. Act 1993 (as amended). These comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement, Statement of Total Recognised Gains and Losses, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Trustees, Chief Executive and auditor

The Trustees and Chief Executive (as Accounting Officer) are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the National Lottery etc. Act 1993 (as amended) and directions made thereunder by the Secretary of State for Culture, Media and Sport, with the consent of HM Treasury, and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of the Trustees' and Chief Executive's Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the National Lottery etc. Act 1993 (as amended) and directions made thereunder. I report to you if, in my opinion, the Management Commentary, included in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the National Heritage Memorial Fund has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the National Heritage Memorial Fund's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the National Heritage Memorial Fund's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises all sections of the Annual Report except for the Management Commentary. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Trustees and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the circumstances of the Lottery distribution activities of the National Heritage Memorial Fund, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the National Lottery etc. Act 1993 (as amended) and directions made thereunder by the Secretary of State for Culture, Media and Sport, with the consent of HM Treasury, of the state of the National Heritage Memorial Fund's Lottery Distribution Activities as at 31st March 2008 and of its net operating costs, recognised gains and losses, and cashflows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the National Lottery etc. Act 1993 (as amended) and directions made thereunder by the Secretary of State for Culture, Media and Sport, with the consent of HM Treasury; and
- information which comprises the Management Commentary included within the Annual Report, is consistent with the financial statements.

Audit Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

T.J. Burr

Comptroller and Auditor General

National Audit Office, 151 Buckingham Palace Road, London, SW1W 9SS

4 July 2008

Income and Expenditure Account

for the year ended 31 March 2008

	Notes	£'000	2007-08 £'000	2006-07 £'000
Proceeds from the National Lottery	9		200,394	201,031
NLDF investment income	9	15,396		37,933
Loss on the revaluation of investments at NLDF		–		(7,925)
			15,396	30,008
			215,790	231,039
Interest receivable		936		493
Sundry income	2	238	1,174	181
Total income			216,964	231,713
New hard commitments	11	(294,330)		(332,574)
Hard de-commitments	11	14,002		13,183
			(280,328)	(319,391)
Staff costs	3	(10,271)		(9,888)
Depreciation	7	(280)		(337)
Other operating charges	4	(10,030)		(10,115)
			(20,581)	(20,340)
Total expenditure			(300,909)	(339,731)
Operating deficit			(83,945)	(108,018)

All figures shown relate to continuing activities.

Statement of Recognised Gains and Losses

for the year ended 31 March 2008

	Note	2007-08 £'000	2006-07 £'000
Movement of revaluation reserve	17	1,248	–

The notes on pages 19 to 28 form part of the accounts.

Balance Sheet

for the year ended 31 March 2008

	Notes	£000	2007-08 £000	2006-07 £000
Fixed assets				
Tangible fixed assets	7		821	986
Current assets				
Investments - balance at the NLDF	9	567,428		660,257
Debtors	8	931		1,212
Cash at bank and in hand		11		8,137
			568,370	669,606
Creditors: amounts falling due within one year				
Grant commitments due in one year	10 11		(2,823) (290,347)	(2,499) (329,517)
Net current assets			275,200	337,590
Total assets less current liabilities				
			276,021	338,576
Grant commitments due in more than one year	11		(370,020)	(349,899)
Provisions for liabilities and charges	6		(98)	(77)
Total assets less liabilities			(94,097)	(11,400)
Represented by:				
Revaluation revenue	17		1,248	-
Income and expenditure account brought forward		(11,400)		96,618
Movement in one year		(83,945)	(95,345)	(108,018)
Income and expenditure account carried forward			(94,097)	(11,400)

The notes on pages 19 to 28 form part of the accounts.

Chief Executive
Carole Souter

Chair
Dame Liz Forgan
1 July 2008

Cash Flow Statement

for the year ended 31 March 2008

	Notes	2007-08 £000	2006-07 £000
Operating activities			
Cash drawn down from the NLDF	9	309,867	367,196
Cash from other sources	2	238	181
Cash paid to and on behalf of employees		(10,225)	(9,839)
Cash paid to suppliers		(9,408)	(10,865)
Cash received from loan recipients		-	298
Cash paid to grant and loan recipients	11	(299,377)	(339,071)
Net cash (outflow)/inflow from operating activities	13a	(8,905)	7,900
Returns on investment and servicing of finance			
Interest received on bank accounts		894	529
Capital expenditure and financial investment	13b	(115)	(136)
(Decrease)/increase in cash		(8,126)	8,293
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash in the period		(8,126)	8,293
Changes in net funds	13c	(8,126)	8,293
Net funds at 1 April 2007		8,137	(156)
Net funds at 31 March 2008		11	8,137

The notes on pages 19 to 28 form part of the accounts.

Notes to the Accounts

for the year ended 31 March 2008

1. Statement of Accounting Policies

a) Accounting convention

These accounts are drawn up in a form directed by the Secretary of State for Culture, Media and Sport and approved by the Treasury. They are prepared under the modified historic cost convention. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 1985, generally accepted accounting practices in the United Kingdom (UK GAAP) and the disclosure and accounting requirements contained in the Financial Reporting Manual (Frem), so far as those requirements are appropriate. The National Lottery Accounts' Direction issued to NHMF in October 2002 by the Secretary of State specifically excludes the preparation of consolidated accounts. The accounts have been prepared on a going concern basis as DCMS has assured Trustees that they will continue to receive funds from the National Lottery until at least 2019. Copies of the National Lottery Accounts' Directions may be obtained from the Secretary to the Trustees, 7 Holbein Place, London SW1W 8NR.

b) Fixed assets

Depreciation is provided on a straight line basis on all tangible fixed assets, including those held under finance leases, at rates calculated to write off the cost or valuation of each asset over its expected useful life. These lives are as follows:

short leasehold property	–	the life of the lease.
IT equipment	–	4 –10 years
office fittings	–	4 –10 years

c) Allocation of costs

The operations of the National Heritage Memorial Fund are split into two funds - the National Heritage Memorial Fund and the Heritage Lottery Fund - reflecting the two sources of income. The National Heritage Memorial Fund incurs indirect costs which are shared between activities funded by grant-in-aid and activities funded by the National Lottery. The National Heritage Memorial Fund is required to apportion these indirect costs in accordance with the Fees and Charges Guide issued by the Treasury. This cost apportionment seeks to reflect the specific proportion of time and expenses committed to each fund. At the end of the financial year, the proportion of joint costs apportioned to the Heritage Lottery Fund was 99%. The results of the National Heritage Memorial Fund are reported in a separate set of accounts.

d) Taxation

No provision is made for general taxation as the National Heritage Memorial Fund is statutorily exempt. The National Heritage Memorial Fund is unable to recover Value Added Tax charged to it and the VAT inclusive cost is included under the relevant expenditure heads.

e) Pension

The regular cost of providing benefits is charged to the income and expenditure account over the service lives of the members of the scheme on the basis of a constant percentage of pensionable pay. Staff are members of PCSPS and the percentage of pensionable pay is notified by the Cabinet Office at the start of each financial year. One member of staff, now retired, is not in PCSPS. A separate provision is maintained for his pension payments. The NHMF has not followed FRS17 with regard to obtaining an actuarial valuation of this person's pension liabilities. This is due to the cost of obtaining such a valuation.

f) Leases

The annual rentals on operating leases are charged to the income and expenditure account on a straight-line basis over the term of the lease.

g) Balances at the National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the control of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to the Trustees of the National Heritage Memorial Fund is as shown in the accounts and, at the balance sheet date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the Trustees in respect of current and future commitments.

h) Grant Commitments

Soft commitments, as defined by the Accounts' Direction of the Secretary of State for Culture, Media and Sport, represent positive decisions made by Trustees subject to the successful completion of a contract. When the contract is signed by both parties, the commitment is described as hard. Soft de-commitments occur when an award or part award is not converted into a hard commitment – normally because the grantee decides not to undertake their project. Hard de-commitments occur when the project being funded does not require all the money set aside for it under the contract. All grant commitments are payable immediately upon receipt of valid payment requests.

i) Loans

Trustees are entitled to make loans to heritage bodies under the Financial Directions of the Secretary of State for Culture, Media and Sport. Interest rates and repayment terms are at the discretion of Trustees.

2. Sundry income

	2007-08 £000	2006-07 £000
Repayment of grants	238	181

3. Staff costs and numbers

	2007-08 £000	2006-07 £000
Salaries	7,875	7,611
Employer's NI payments	533	562
Payments to pension scheme (see note 6)	1,493	1,415
Temporary staff costs	370	300
	10,271	9,888

The average number of employees during the year was as follows:

2007-08	Grant applications	Finance & Administration	Policy & Research	Public Relations	Total
Permanent staff	170	36	14	18	238
Secondees, temps & contract staff	15	3	1	3	22
Total	185	39	15	21	260

2006-07	Grant applications	Finance & Administration	Policy & Research	Public Relations	Total
Permanent staff	176	38	15	18	247
Secondees, temps & contract staff	10	4	3	2	19
Total	186	42	18	20	266

4. Operating deficit

The operating deficit is stated after charging the following:

	2007-08 £000	2006-07 £000
Auditor's remuneration	36	34
Payments under operating leases -		
Leasehold premises	1,353	1,233
Hire of office equipment	25	16

An analysis of other operating charges, including the above items, is as follows:

	2007-08 £000	2006-07 £000
Accommodation	2,147	2,056
Postage and telephone	383	384
Office supplies, print and stationery	164	163
Travel, subsistence and hospitality - Trustees	120	108
Travel, subsistence and hospitality - staff	387	434
Professional fees - grant related	3,535	4,009
Professional fees - non-grant related	1,496	1,411
Public relations and communications	1,250	1,038
Office equipment	292	234
Staff training	200	161
Sundry expenses	56	117
	10,030	10,115

5. Recharged costs

As disclosed in note 1 to these accounts, the National Heritage Memorial Fund is required to apportion its costs to the Heritage Lottery Fund. At the end of the financial year, the proportion of joint costs apportioned was 99%. From 1 April 2002, all activities of the National Heritage Memorial Fund were transferred to Holbein Place, London. Consequently, the costs of operating all other offices are fully recharged to the Heritage Lottery Fund.

6a. Pensions

Pension benefits are provided through the Civil Service pension arrangements (PCSPS). Since 30 July 2007, new staff without any previous membership of PCSPS are able to join Nuvos. This is a high quality, index linked defined benefit pension scheme. This currently has a 3.5% member contribution rate and will provide a defined benefit pension with a pension age of 65.

Staff who joined before 30 July 2007, or who have qualifying previous PCSPS membership on joining since that date, remain in one of three statutory based final salary defined benefit schemes (classic, premium, and classic plus). The schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Retail Prices Index.

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as in classic.

The alternative pension scheme arrangement is a Stakeholder Pension known as a Partnership Pension Account. The partnership pension account is a stakeholder pension arrangement with an employer contribution. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to PCSPS to cover the cost of centrally-provided lump sum risk benefit cover (death in service and ill health retirement). There are currently seven members of staff with a partnership pension account. No members of staff retired early on health grounds during 2007-08.

Further details about the Civil Service pension arrangements, which prepare their own scheme statements, can be found at the website www.civilservice-pensions.gov.uk

Although the schemes are defined benefit schemes, liability for payment of future benefits is a charge to the PCSPS. Departments, agencies and other bodies covered by the PCSPS meet the cost of pension cover provided for the staff they employ by payment of charges calculated on an accruing basis. For 2007-08, employer's contributions of £1,439,316 (2006-07: £1,415,106) were paid to the PCSPS at the rates set out in the table below. Employer contributions are to be reviewed every four years following a full scheme valuation by the scheme actuary. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. The employer's payments were calculated on the basis of salary banding, as follows:

Salary in 07-08	% in 07-08
£19,000 and under	17.1%
£19,501 – £39,000	19.5%
£39,001 – £66,500	23.2%
£66,501 and above	25.5%

In 2005-06, the one member of staff who had remained a member of the Joint Superannuation Services (JSS) scheme retired. JSS had provided the Fund with details on the expected provisions that the Fund would be required to make each year so as to enable the Fund to meet the pension liabilities that will accrue under the scheme. The last time such advice was given was 31 March 1998. The scheme is a defined benefit scheme. Pension payments made to this former employee will be met from the Fund's cash resources, and not through the JSS, which has no assets. Whilst the pensioner is receiving his pension payments, NHMF has yet to reimburse the PCSPS pension administrator (who are operating the scheme on behalf of JSS) as they have yet to ask for the funds. New employees of the National Heritage Memorial Fund do not join the JSS, but instead join the PCSPS. In addition, during 2007-08 two members of staff took early retirement. NHMF is paying the cost of early retirement until those people reach the age of 60 and PCSPS takes over the pension cost.

6b. Provisions for liabilities and charges

	2007-08 £'000	2006-07 £'000
Provision at 1 April 2007	77	77
Early retirement provision	54	-
Pension payments made	(33)	-
Provision at 31 March 2008	98	77

7. Tangible fixed assets

	Improvements to Short Leasehold Property £000	IT Equipment £000	Office Fittings £000	Total £000
Cost at 1 April 2007	2,073	2,077	734	4,884
Additions	-	115	-	115
Disposals	-	(665)	(676)	(1,341)
at 31 March 2008	2,073	1,527	58	3,658
Depreciation at 1 April 2007	1,339	1,828	731	3,898
Charge for the year	181	97	2	280
Adjustment on disposal	-	(665)	(676)	(1,341)
at 31 March 2008	1,520	1,260	57	2,837
Net book value at 31 March 2007	734	249	3	986
at 31 March 2008	553	267	1	821

The Trustees have considered the value of the fixed assets and are satisfied that their value, at 31 March 2008, was not less than their net book value shown in the accounts. No assets were held under finance leases. The value of fixed assets represents a proportionate split of the assets used by the National Heritage Memorial Fund and the Heritage Lottery Fund. A review of the current cost values of fixed assets, at 31 March 2008, revealed no material difference to historic cost values. Therefore, no adjustment has been made in these accounts to reflect current cost values. The improvements to short leasehold property consist of adaptation and refurbishment costs at the premises of the National Heritage Memorial Fund, which are held under operating leases.

8. Debtors

	2007-08 £000	2006-07 £000
Prepayments and accrued income	878	1,160
Staff advances	53	52
	931	1,212

There were no balances due after more than one year. Of the above sums, £253,000 was owed by central government bodies and £67,000 by local authorities. At the year end, 58 members of staff had outstanding payroll advances (at 31-3-07 there were 62).

9. Investments

Movement in balances at the National Lottery Distribution Fund:

	2007-08 £'000	2006-07 £'000
Current cost at 1 April 2007	660,257	796,414
Income received from the National Lottery	200,394	201,031
Funds drawn down	(309,867)	(367,196)
Investment return	15,396	37,933
Unrealised gain on investment	1,248	(7,925)
Current cost at 31 March 2008	567,428	660,257

There is no liability to taxation on gains realised by the NHMF. Investment of this money is carried out by the Department for Culture, Media and Sport who delegate management to the Commissioners for the Reduction of the National Debt, who add their return to the balance held. Trustees of the NHMF have no control over investment policy. The statement of accounting policies contains further information on this matter.

10. Creditors: amounts falling due within one year

	2007-08 £'000	2006-07 £'000
Operating creditors	1,252	1,359
Other creditors including taxation and social security	332	349
Accruals and deferred income	1,239	791
	2,823	2,499

None of the liabilities of the Heritage Lottery Fund was secured.
The operating creditors' balances can be analysed as follows:

	2007-08 £'000	2006-07 £'000
Balances owing to central government	222	365
Balances owing to local authorities	73	54
Balances owing to public corporations	-	-
Balances external to government	957	940
	1,252	1,359

11. Grant commitments

Hard commitments

	2007-08 £'000	2006-07 £'000
Brought forward at 1 April	679,416	699,096
Transfers from soft commitments	294,330	332,574
De-commitments	(14,002)	(13,183)
Commitments paid	(299,377)	(339,071)
Carried forward at 31 March	660,367	679,416

Soft commitments

	2007-08	2006-07
	£'000	£'000
Brought forward at 1 April	399,710	459,206
Soft commitments made	283,973	285,425
Soft de-commitments	(34,553)	(12,347)
Transfers to hard commitments	(294,330)	(332,574)
Balance carried forward at 31 March	354,800	399,710

The balance at the year end represents amounts due to applicants in the following periods:

Hard commitments

	2007-08	2006-07
	£'000	£'000
in one year	290,347	329,517
in two to five years	370,020	349,899
in more than five years	-	-
	660,367	679,416

The hard commitment balance at the year end represents amounts owing as follows:

	2007-08	2006-07
	£'000	£'000
Balances owing to central government	64,827	54,353
Balances owing to local authorities	317,647	326,120
Balances owing to public corporations	17,583	13,588
Balances external to government	260,310	285,355
	660,367	679,416

12. Commitments

Annual commitments of the Heritage Lottery Fund under operating leases are as follows:

	2007-08	2006-07
	£'000	£'000
Short leasehold property		
Expiring within one year	54	35
Expiring in years two to five	1,166	1,149
Expiring thereafter	154	145
	1,374	1,329
Other operating leases		
Expiring within one year	11	3
Expiring in years two to five	12	19
Expiring thereafter	-	-
	23	22

The Heritage Lottery Fund has no capital commitments contracted for, or capital commitments approved but not contracted for.

13. Notes to the cash flow statement

a) Reconciliation of operating deficit to cash outflow from operating activities

	2007-08 £'000	2006-07 £'000
Operating deficit	(83,945)	(108,018)
Less: interest receivable	(936)	(493)
Add back non-cash items:		
- depreciation	280	337
- loss on disposal of fixed assets	-	-
- increase in other provisions	21	-
- movement in revaluation reserve	1,248	-
- decrease in grant commitment reserve	(19,049)	(19,680)
- decrease in balance at NLDF	92,829	136,157
Decrease in non-interest debtors	323	46
Increase/(decrease) in non-capital creditors	324	(449)
Net cash outflow from operating activities	(8,905)	(7,900)

b) Capital expenditure

	2007-08 £000	2006-07 £000
Payments to acquire tangible fixed assets	115	136

c) Analysis of changes in net funds

	1 April 2007 £000	Cash flows £000	31 March 2008 £000
Cash at bank	8,137	(8,126)	11

14. Related party transactions

The National Heritage Memorial Fund is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party. During the year, the National Heritage Memorial Fund and the Heritage Lottery Fund have had various material transactions, other than grant awards, with DCMS and other entities for which DCMS is regarded as the sponsor department, being the Big Lottery Fund, English Heritage and the Arts Council of England.

In addition, the National Heritage Memorial Fund and the Heritage Lottery Fund have had a number of material transactions with other Government departments. These transactions have been with the Department of Business, Enterprise and Regulatory Reform and entities that regard the Treasury (being the Office of Government Commerce) and the National Assembly for Wales (being Cadw) as their parent department.

Liz Forgan, the chair of the Trustees, is the chair of a trust owning a newspaper group. The NHMF spent £18,912 with this organisation via a third party. Chris Baines, a member of the Trustees' expert panel, provided HLF with project monitoring services on two grant awards at a cost of £823.

Two members of staff had interests in bodies to which grants were made by the Heritage Lottery Fund in the year. Those bodies were the Royal Botanic Gardens in Edinburgh and the Wildfowl & Wetlands Trust. In addition, Alan Baxter, a member of an expert panel appointed by the Trustees to advise them on large grant applications, had an interest in a grant to the Black Cultural Archives in that his firm had a contract with the applicant. Whilst Trustees recognise that there is the probability of a pecuniary benefit, they are satisfied that he took no part in the expert panel's deliberations on the project.

As set out below, Trustees of the National Heritage Memorial Fund had interests in bodies to which the Board made Lottery grants. Similarly, members of the country and regional committees had interests in bodies to which their committee made Lottery grants. The Trustees are satisfied that in no such case was there any possibility of personal financial gain for trustees, committee members or staff.

Board of Trustees

East Sussex County Council: a grant of £79,800 and a stage one pass of £1,920,000 – Weald Forest Ridge. Doug Hulyer is on the Board of Natural England, which is providing partnership funding. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

The Forestry Commission: a grant of £150,000 and a stage one pass of £1,846,000 – Wyre Forest. Doug Hulyer is on the Board of Natural England, which is providing partnership funding. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

Tyne & Wear Museums: a stage one pass of £1,146,000 – Imagine A Nation.

Mike Phillips is employed by the Tate Gallery, one of the partner organisations to the project. In addition, a committee member, Shreela Ghosh, has links with the locations for the exhibition.

The Wildlife Trust for Bedfordshire, Cambridgeshire, Northamptonshire and Peterborough: a grant of £67,000 and a stage one pass of £8,867,000 – Restoring our Fenland Heritage.

Doug Hulyer is on the Board of Natural England, which is a partner in the project. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

The Wildfowl & Wetlands Trust: a grant of £2,960,000 – Castle Espie.

Doug Hulyer was formerly the Director of Conservation Programmes at the applicant.

Bat Conservation Trust: a grant of £596,000 – England Count Bat.

Doug Hulyer is on the Board of Natural England, which is providing partnership funding. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

British Waterways: a grant of £117,000 and a stage one pass of £1,651,000 – Trent Vale.

Doug Hulyer is on the Board of Natural England, which is providing partnership funding. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

The Holburne Museum of Art: a grant of £4,354,000 – development project.

Christopher Woodward was formerly the Director of the Museum.

The Great Dixter Charitable Trust: an award of £306,500 and a stage one pass of £3,797,000 – conservation project.

Christopher Woodward is Director of the Museum of Garden History which has a working relationship with the applicant. Matthew Saunders is a friend of a trustee of the applicant.

Society of Antiquaries in London: an award of £297,000 – Making History Touring Exhibition. Matthew Saunders is a Fellow of the Society.

The Sherwood Forest Trust: an award of £500,000 – Towards the Best Heritage Forest in the World.

Doug Hulyer is on the Board of Natural England, which is a partner in the project. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

Dorset County Council: a grant of £159,500 – South Dorset Ridgeway.

Doug Hulyer is on the Board of Natural England, which is providing partnership funding. In addition, two committee members, Tony Hams and Christopher Pennell have links with Natural England.

Committee members

Autograph ABP: a grant of £660,500 – Archive & Research Centre.

Shreela Ghosh has connections with an organisation that has been in partnership with the applicant on other projects.

Bowes Museum Trust: a grant of £3,230,000 – Access to Collections.

Derek Foster is Chairman of the Bowes Museum Trust.

Bluecoat Arts Centre: a grant of £650,000.

Jennifer Latto works at the North West Development Agency, which is providing partnership funding.

Wigan Leisure & Culture Trust: a grant of £500,500 – Wigan History Shop.

Ian Bancroft is Executive Director of Wigan Leisure and Culture Trust.

Royal Society for the Protection of Birds: a grant of £180,500 and a stage one pass of £1,579,000 – Cliffe Pools. Chris Corrigan works for the applicant.

Mary Rose Trust: two grants of £1,907,000 and £1,896,000 and a stage one pass of £19,163,000 – Mary Rose Hull Conservation and Mary Rose Museum.

Jane Weeks' partner was on the advisory board to the applicant.

Exmoor National Park Authority: a grant of £603,500 – West Somerset Mineral Railway.

David Sekers was involved in the consultation activity for the project.

Dorset Natural History & Archaeological Society: a grant of £179,500 – Romney Portraits.

Sam Hunt and David Sekers are trustees of the applicant.

Cardiff County Council: a grant of £3,123,000 – Bute Park Restoration.

Lindsay Cuddy works for the applicant.

Dean & Chapter of York: a grant of £746,000 and a stage one pass of £9,254,000 – York Minster Revealed.

Louise Hampson works for the applicant.

Ripon Cathedral: a grant of £514,000 – Discovering Ripon Cathedral.

John Watson was formerly on the fundraising committee.

Sheffield Industrial Museums Trust: a grant of £595,000 – Hawley Collection.

John Hamshere works for the applicant.

Wigan Metropolitan Borough Council: a grant of £466,250 (HLF element) – Mesnes Park.

Ian Bancroft is Executive Director of Wigan Leisure and Culture Trust.

Rotherham Metropolitan Borough Council: a grant of £1,129,500 (HLF element) – Clifton Park.

Ken Wyatt is a member of the council.

Bradford Metropolitan Borough Council: a grant of £801,500 (HLF element) – Roberts Park.

David Kennedy was formerly an employee of the council.

15. Financial instruments

Full disclosure under FRS 13, Derivatives and other Financial Instruments, is in the Management Commentary.

16. Losses and special payments

Between August 2003 and November 2005, HLF made payments of £1,000,626 to English Heritage as a grant towards work carried out in developing a visitor centre at Stonehenge. Whilst it is possible that the development work supported by these payments could be used in a future scheme, it was deemed prudent to write off this sum. This was due to the uncertainty surrounding access to Stonehenge following the cancellation of a proposed road scheme in the area.

HLF contributes funds to the Awards for All programme administered by the Big Lottery Fund. In the accounts for 2004-05, we reported that the programme may have been subject to fraud from applicants who had made multiple applications for small grants. Whilst investigations have yet to be concluded, we have been advised by the Big Lottery Fund to write off £227,202 on awards where there is no evidence of any heritage benefit.

17. Revaluation reserve

	2007-08 £'000	2006-07 £'000
At 1 April	-	-
Movement in the year	1,248	-
At 31 March	1,248	-

The reserve relates to the difference between book cost and market value of the balance at the National Lottery Distribution Fund (see note 9). The difference between book and market value of fixed assets (see note 7) is not material.

POLICY DIRECTIONS

a. Additionality

Along with the other UK and England Lottery distributors, HLF has adopted the following definition of how lottery funding sits alongside other public expenditure:

Lottery funding is distinct from Government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements Government and other programmes, policies and funding.

The National Lottery Act 2006 requires each Lottery distributor to produce a report on the body's policy and practice in relation to the principle that proceeds of the National Lottery should be used to fund projects, or aspects of projects, for which funds would be unlikely to be made available by a Government department, the Scottish Ministers, a Northern Ireland department, or the National Assembly for Wales.

Each award made by the Heritage Lottery Fund is carefully considered against this criterion. The HLF supports a sector in which there are few statutory responsibilities for which funding is provided by Government departments in any of the countries. In those cases where funds from the HLF are requested to supplement existing programmes and initiatives, or where we are asked to fund nationally-funded institutions, we assure ourselves, very carefully, through taking expert advice, that our awards add value to government and other funding, and are complementary to them.

b. Public good

The need to continue to distribute money for projects which promote the public good (including the widening of public access) or charitable purposes, and which are not intended primarily for private gain.

Our assessment of all applications asks questions about the benefits which will be delivered to a wide public through the funding we might offer. Analysis of the awards made in 2007-08 shows that around 46% of our funding in the year was awarded to community and voluntary organisations; 42% was awarded to public authorities, including local-authority schemes, and 12% to Church organisations. Amongst HLF grantees (excluding church organisations), over 40% were registered charities. Awards we make which may benefit private owners continue to form a very small percentage of the total, restricted to area-based schemes where the main grant-recipient is a public body, and small grants under our Your Heritage programme for educational and access provision.

c. Cover the complete range of the national heritage

The need to ensure that the Heritage Lottery Fund considers applications which relate to the complete range of activities connected with the national heritage, taking into account:

- their assessment of the needs of the national heritage and their priorities for addressing them;
- the need to ensure that all parts of the UK have access to funding; and
- the scope for reducing economic and social deprivation at the same time as creating heritage benefits.

Our grant programmes focus on both the physical needs of the heritage as well as the need to widen the audience for learning about and involvement with heritage wherever it is valued.

In 2007-08 development teams continued their work in priority areas. We received 661 applications for grants below £1m in these areas and we made 480 awards. The success rate of applications that received pre-application advice was markedly higher than for applications that hadn't received pre-application advice.

The beneficial impacts of HLF's expenditure on the heritage can be seen in every area of the UK, and around 41% of all HLF's funding has been committed in areas which are in the top 25% of areas of greatest deprivation.

d. Access

The need to promote access, for people from all sections of society, to heritage objects and collections, to the built and natural heritage, and to projects which relate to the history, natural history, and landscape of the United Kingdom.

Improving access to our heritage for people from all parts of society has been a key achievement of 'Broadening the horizons of heritage', our Strategic Plan from 2002 to 2007. Each year we have funded hundreds of projects which not only make it easier to get to and around heritage sites, buildings, museums and landscapes, but also help people understand and appreciate what they see and experience. We have also funded many projects which enable groups to discover their own heritage and work with heritage organisations to see these stories more fully represented in historic houses, museums and other sites. In 2007 we had a special initiative to encourage applications for projects to mark the bicentenary of the abolition of the slave trade; we made over 100 awards, the majority of which were to black and ethnic minority community groups, including the Leeds West Indian Centre Charitable Trust, Sparkbrook Caribbean and African Women's Development Initiative, and Manchester African & Caribbean Voices Association.

e. Education

The need to promote knowledge of and interest in the heritage by children and young people.

The great majority of our projects benefit children and young people as organisations recognise that they need to invest in the future through helping children and young people learn about, and value, their heritage, both in schools and in their free time. This year we have funded the usual wide range of projects, including improved facilities and programmes at heritage sites of all kinds, projects which bring together heritage organisations and schools to help children learn outside the classroom; and local history projects in which young people work with older people to create a record of their shared heritage. We completed a four-year evaluation of our Young Roots programme, which has now made around 850 awards, 145 of which were in 2007-08 to the value of £3.2million. The evaluation demonstrates clearly that projects have encouraged young people to learn more about their heritage and make contact with people from older generations, while developing skills and gaining confidence.

f. Sustainable development

The need to further the objectives of sustainable development.

We currently ask applicants to tell us what effect their project will have on the environment. As part of the development of our new strategic plan we have continued research and consultation to strengthen our focus on environmental impact in our assessment process.

g. Time-limited

The need for funding to be applied to projects that are for a specific, time-limited purpose.

The projects we support are always specific and time-limited. We remain mainly a funder of capital works and commit to projects at an early stage, which means that we are committing ourselves to expenditure over several years. We limit our support to a maximum of 5 years for projects involving activities. In our Townscape Heritage Initiative and Landscapes Partnership programmes, we support projects where the funding must be committed within three years, with the aim of spending it within five years.

h. Viability

- the need for applicants to demonstrate the financial viability of a project for the period of the grant;
- where capital funding or setting up costs are sought, the need for a clear business plan beyond the period of the grant incorporating provision for associated running and maintenance costs;
- the need for consideration to be given to the likely availability of funding to meet any continuing costs for a reasonable period after completion of the period of the Lottery award.

We ask applicants to provide us with information to demonstrate the financial viability of their project,

broken down into capital, activity and other costs, and showing what contribution our applicants are proposing to make from their own resources or from other grants or donations. We make guidance available on how to produce a Business Plan. We also ask applicants to show that they will be able to continue to deliver the benefits of the project by meeting expected future running costs and caring for the heritage item or property in the longer term by enhanced maintenance and protection of the investment. The NAO concluded in their report in 2007 that the HLF's robust processes and thorough approach to assessing applications have led to better, more sustainable projects.

i. Partnership funding

The need for projects to be supported by an element of partnership funding, and/or contributions in kind, from other sources.

Every award we make must follow the guidance in our application forms which insists on partnership either in cash or in kind to add to HLF's contribution. We require funding of this type to be at different levels for different sizes of grant. For our smaller grant schemes, Your Heritage or Young Roots, we allow contributions in kind or in volunteer time where applicants are unable to provide a cash sum as part of their funding. The availability of lottery funding has been a critical factor in the achievement of project benefits. The overwhelming majority of past applicants whom they surveyed said their project would either not have gone ahead without the Fund's grant, or they would have tried to find alternative funding or reduced their project scope.

j. In partnership

The desirability of working with other organisations, including other distributors, where this is an effective means of delivering elements of their strategy.

We continue to support Awards for All in partnership with other Lottery Distributors; operational responsibility for this scheme remains with the Big Lottery Fund. We continue to work, through the Lottery Forum and the National Lottery Promotions Unit, with other lottery distributors on joint initiatives and better co-ordination. During the year we ring-fenced a £30m budget for the Parks for People joint programme (with the Big Lottery Fund). We assessed and, in conjunction with the Big Lottery Fund, determined applications for two rounds of bidding for the revised Parks for People programme, which we are expecting to be funding jointly until March 2009. The demand for this programme is very high, with 39 applications and 19 awards made in the year.

We have partnership arrangements in place for our Repair Grants for Places of Worship Scheme in England. During 2007-08, the arrangement for staffing from the National Youth Agency and some of its other country equivalent bodies to help us deliver our Young Roots programme came to an end, but we have taken steps to ensure that the good practice in the programme has been embedded.

k. Solicit applications

The need to ensure that the Heritage Lottery Fund's powers to solicit applications are used in pursuit of strategic objectives.

We rarely use our powers to solicit specific applications since our grant programmes attract a wide range of applications, many of which meet our strategic objectives. We use our development teams to seek to encourage applications from parts of the UK where there have been few applications so far, and we report on their work in section c. above.

l. Decisions

The need for sufficient information to make decisions on each application, including independent expert advice where required.

We seek information from applicants about the extent to which the projects they put forward meet our strategic priorities, supplemented by further information about how the project will be delivered in order for risks and opportunities to be fully balanced. We engage continually in a search for ways to simplify the questions we ask and minimise the amount of information we need. We seek independent expert advice on key aspects of many applications.

Monitoring

Monitoring projects underway continues to be a major part of our work. During the year, efforts have maintained last year's performance in making grant payments on average within 5 days, and we have also sought to reduce the funds we have in the NLDF: as a result our balance has gone down by £93m, and stands at £567m. The number of cases currently live has risen during the year to around 4,016, but of these around 2,824 are designated as low-risk and are monitored by applicants themselves reporting to our staff. We have continued to exercise control this year over our expenditure on monitoring and to take greater account of the changing risks during the life of a project.

Ethnicity monitoring of grant awards

The applicants that received an award in 2007-8 (excluding Awards for All and Repair Grants for Places of Worship) were asked to:

- identify the main ethnic groups represented in your organisation; and
- indicate the origin of most of the people who will benefit from your project.

The information is not used for assessment and, as in previous years, the proportion of applicants choosing to answer the questions is around two-thirds. 24% of respondents said that at least one black and minority ethnic group was represented in their organisation. 32% of respondents said that at least one black and minority ethnic group was an expected beneficiary of their project.

Evaluation

Programme evaluation is undertaken in accordance with a plan agreed by the Board in March 2005, and covers both our generic programmes and the targeted initiatives. The National Audit Office reported its review of our evaluation approach to the House of Commons Public Accounts Committee in 2007, and confirmed that the framework draws on Cabinet Office, Treasury and Department for Culture, Media and Sport guidance. Also during 2007-08 the evaluation framework was peer reviewed and a paper explaining the approach and our experience during the first two years of its implementation was published in the journal *Cultural Trends*. A summary of the results from evaluation work into the impacts of the Heritage Grants and Your Heritage programmes was produced in August 2007. On the targeted initiatives, the greatest work was carried out for the Townscape Heritage Initiative, where an interim evaluation of the programme ten years on from its inception was completed.

CORPORATE PERFORMANCE

Strategic Plan targets - six years to 31 March 2008

	31 March 2008	31 March 2007	31 March 2006	31 March 2005	31 March 2004	31 March 2003
1. 50% of the total value of awards will go to grants of under £1m.	44.0%	40.8%	39.7%	36.6%	37.4%	35.9%
2. No more than 25% of the total value of awards will go to grants of £5m and over.	21.7%	25.6%	28.7%	28.8%	26.3%	33%
3. Maintain current level of spend on A4A (annual figure reported)	£4.9m	£4.6m	£6.3m (including Home Front and micro-grants)	£5.4m	£5.0m	£4.9m
4. The percentage of first-time applicants to certain programmes will exceed: A4A – 50%; Your heritage – 30%	46% 80%	47% 81%	66% 82%	49% 84%	62% 87%	62% 89%
5. Success rate of first-time applicants equals or exceeds that of other applicants: A4A Your heritage	1st Other 60% 62% 79% 81%	1st Other 60% 64% 80% 81%	1st Other 78% 65% 80% 80%	1st Other 60% 61% 80% 80%	1st Other 58% 57% 83% 89%	1st Other 51% 51% 86% 92%
6. Applications from priority areas reach per capita region average during the life of the Strategic Plan.	Met by no region or country. Best – NE (met in 50% of priority areas). Worst – NW, Northern Ireland, Scotland, SW and YH (met in only one priority area) {Data not available for A4A}	Met by no region or country. Best – NE (met in 83% of priority areas). Worst – NW and Scotland (met in only one priority area) {Data not available for A4A and LHI}	Met by no region or country. Best – WM (met in 80% of priority areas). Worst – East of England, NI and Scotland (met in only one priority area) {Data not available for A4A and LHI}	Met by no region or country. Best – NE & WM (met in 67% of priority areas). Worst – NI, Scotland, London and Wales (met in one priority area) {Data not available for A4A and LHI}	Met by no region or country. Best – NE & WM (met in 83% of priority areas). Worst – NI, SE, Scotland & Wales (met in one priority area) {Data not available for A4A and LHI}	Met by no region or country. Best – NE & WM (met in 83% of priority areas). Worst – NI, SE, Scotland & Wales (met in one priority area) {Data not available for A4A and LHI}

7. Success rate in priority areas equal or exceed other areas in the UK.	Met by NE, Wales and WM Worst – Northern Ireland (met in no priority area) {Data not available for A4A}	Met by NE and WM Worst – South West (met in only one priority area) {Data not available for A4A and LHI}	Met by WM Worst – London, NI, SW and Wales (met in only two priority areas) {Data not available for A4A and LHI}	Met by WM Worst – NI and Wales (met in one priority area) {Data not available for A4A and LHI}	Met by no region or country. Best – London (met in 80% of priority areas). Worst – SW and Scotland (met in 0% of priority areas) {Data not available for A4A and LHI}	Met by no region or country. Best – WM (met in 67% of priority areas). Worst – SW (met in no priority area) {Data not available for A4A and LHI}
8. Increased volume of HLF-generated positive media coverage about heritage issues: regional and national.	<p>Met</p> <ul style="list-style-type: none"> Our average levels of media coverage have increased since 2002 and the positive bias has been maintained A greater emphasis on feature-based coverage and themes/issues – like the Commemoration in 2007 of the abolition of the slave trade in British ships, and our work on heritage and identity – have helped to improve our advocacy in the media over the six-year planning period. 					
9. Improved awareness of, and support for, heritage amongst opinion leaders.	<p>Met</p> <p>The most recent reputation audit reported:</p> <ul style="list-style-type: none"> Increased awareness amongst heritage opinion formers (62% in 2006 against 21% in 2002) Similar positive trend amongst general opinion leaders <p>Findings indicate:</p> <ul style="list-style-type: none"> That HLF's reputation has 'improved significantly over time' (from 45% 'good' reputation in 2002 to 66% in 2006) That HLF is now seen as a 'credible and valued heritage champion' <p>During 2007 we consulted and kept stakeholders informed on the detail of our Strategy, and our proposed new logo and corporate identity. Both have been well received.</p> <p>Over the six-year planning period we improved the information provided to elected representatives through visits, letters, events and bulletins designed to promote awareness and understanding of how our money is deployed. This has ensured that elected representatives are familiar with our work and that of our grantees.</p> <p>We further developed our programme of liaison with opinion formers and delivered a targeted Electronic Bulletin. This has been well received, with only low numbers choosing to 'unsubscribe'.</p>					
10. Deliver three public events on heritage issues.	<p>Met</p> <p>We have delivered three or more public events per year on heritage issues across the six-year planning period.</p> <p>In 2007 these included activities at the Thames Gateway Forum, including a booklet and interactive public web forum; the 'Digging Deeper' heritage and identity conference in Northern Ireland and its subsequent report; and continued work in Wales around 'Identity Day'.</p> <p>We also hosted a public competition – 'Postcards from the Park' – working with Greenspace and the Big Lottery Fund, to highlight funding for parks.</p> <p>A partnership with Liverpool Culture Company and Urban Cultural Network as part of the Liverpool Capital of Culture celebrations has delivered a number of public events. A final event in Liverpool is planned for December '08.</p>					

NB: The above data is cumulative unless otherwise stated.

Former statistic 4 – on the number of awards given by certain programmes – has been dropped as it served no useful purpose.

Corporate Performance Indicators

Strategic Plan targets

This is the sixth and final year of our 2002-8 Strategic Plan and the following notes are a commentary on our performance in meeting the targets we set ourselves over the lifetime of the plan.

Indicator 1

The total of grant awards which has gone to grants of less than £1m has improved from last year's position. In setting the target in 2002 we underestimated the huge demand for major capital projects in the heritage sector which required our support. Whilst we concentrated our resources on encouraging smaller applicants requiring sums under £1 million, the large capital projects inevitably took the bulk of our money. However, even excluding the many thousands of heritage grants given under the Awards for All programme, over 96% of our awards were to projects requiring less than £1 million. We count the Townscape Heritage Initiative and the Landscape Partnership scheme within the grants of under £1m figure.

Indicator 2

We have met this target. In the latter part of the Strategic Plan period, we reduced the number of awards over £5 million reflecting the reduction in our grant budgets following the change in the way investment income is distributed and in preparation for Lottery funds being diverted to help fund the 2012 Olympic Games.

Indicator 3

We have maintained the level of spend on Awards for All.

Indicator 4

This is intended as a measure of the extent to which our smaller grant programmes are continuing to attract new audiences to the heritage. On the basis of information supplied by the Big Lottery Fund, which runs the Awards for All programme, we have just failed to meet the target. However, we have achieved the target for Your Heritage grants.

Indicator 5

This indicator is intended to show that first time applicants are not disadvantaged by their lack of familiarity with HLF. We have just failed to achieve this target, but we are determined to do better. We announced in our third Strategic Plan the creation of a mentoring process whereby applicants in need of assistance will be given the opportunity to receive guidance which will help them produce a successful project.

Indicator 6

The figures show the extent to which we have been successful in raising HLF's ability to attract applications from some of the toughest areas for us to reach with our funding. All teams have been able to report some success here. But it is obvious that the target we set was too difficult to meet in the timescale we set ourselves. We will continue to target the work of our development teams in areas we have identified as underrepresented in our funding.

Indicator 7

The success rate of applicants from our priority development areas is a measure of the extent to which we are encouraging supportable applications to come forward. Whilst we have not met this target, there is strong evidence of improvement over time as three regions and countries have now achieved the target. As with indicator 6, we will continue to target the work of our development teams in areas we have identified as underrepresented in our funding.

Service level targets – year to 31 March 2008

Indicators of service level	March 2008	March 2007	March 2006
1. All applications will be assessed against key criteria within 3 months of receipt and failures notified at that stage.	78% average 61 days	81% average 60 days	81% average 59 days
2. The average time from receipt to decision: Heritage grants programme – <ul style="list-style-type: none"> • Stage 1 – 6 calendar months; • Stage 2 – 4 calendar months; Your Heritage – 3 calendar months; THI – <ul style="list-style-type: none"> • Stage 1 – 6 calendar months; RPOW – 6 calendar months; (excludes RPOW England) Parks for people – <ul style="list-style-type: none"> • Stage 1 – 6 calendar months; • Stage 2 – 6 calendar months; Landscape partnership – <ul style="list-style-type: none"> • Stage 1 – 6 calendar months; • Stage 2 – 4 calendar months; A4A – 3 calendar months; Project planning – 3 calendar months	5.1 months 73% in 6 months 4.4 months 50% in 4 months 2.5 months 76% in 3 months 5.0 months 100% in 6 months 5.4 months 88% in 6 months 5.0 months 96% in 6 months 4.7 months 82% in 6 months 6.3 months 14% in 6 months 4.8 months 50% in 4 months 1.5 months 3.0 months 58% in 3 months	5.0 months 67% 4.2 months 51% 2.7 months 70% 5.0 months 100% 5.2 months 92% 4.4 months 100% met target 3.9 months 100% 5.8 months 20% 4.0 months 33% 2.3 months 2.9 months 57%	5.8 months 61% 4.5 months 53% 2.7 months 72% 4.9 months 95% 3.5 months 92% 7.6 months 78% 5.2 months 80% 4.6 months 60% n/a 1.7 months 2.8 months 64%
3. Decisions will be placed on HLF's website within 10 working days of the meeting.	Website updated on average of 10 days.	average of 10 days.	average of 10 days
4. Successful applicants will be issued with a contract within 35 working days.	95% in 35 days average 10 days	95% average 11 days	94% 12 days
5. Grant payments will be made to the applicant, on average within 15 working days from receipt of the payment request.	Operations 5 days 83% met the target Finance 2 days Total 7 days	Ops 4 days 95% met the target Fin 2 days Total 6 days	Ops 4 days 95% Fin 2 days Total 6 days
6. An annual survey of grant applicants will show a 75% satisfaction rating with HLF's service (for assessment) and 85% (for monitoring).	Assessment – 82% Monitoring – 84%	Assess – 80% Monit – 84%	Assess – 77% Monit – 82%
7. The unit cost of processing grant applications, excluding the cost of post-decision monitoring and evaluation, will be less than £2,150 for all applications.	£2,138	£1,896	£1,233

Indicators of service level

The key customer service performance indicators show a further year of good performance in most areas. Although we have not always reduced the processing times on average for all areas, we have by and large kept our performance within the published timetables for delivering services to our customers.

Indicator 1

Performance in initial assessment of cases now takes on average 61 days, only one day longer than in 2006-07 and much less than 3 months. Approximately 22% of cases are taking longer than 3 months. In some cases, this is because we proceed straight to full assessment. Under our third Strategic Plan, which began in April 2008, we are making significant changes to the way that we assess applications and there will no longer be an initial assessment.

Indicator 2

We are meeting our assessment targets for all our grant programmes with the exception of Landscape Partnerships, which are few in number (there were only 10 decisions in 2007-08) and are complex in character. We are less successful at meeting stage 2 processing targets. Applications going through a two-stage process are for larger grants which inevitably are more complicated and can take longer to process. Under our third Strategic Plan, which began in April 2008, we are making significant changes to the way that we assess applications and the targets for processing will be significantly tighter.

Indicator 4

We continue to maintain a very rapid turnaround of contracts after awards are made.

Indicator 5

We have almost maintained our very rapid performance last year and remain well within the target of 15 days on average for processing grant payments.

Indicator 6

Customer satisfaction with both our assessment and monitoring work, researched by independently conducted telephone surveys, remains very high. We have again improved the satisfaction of applicants, both successful and unsuccessful, although satisfaction with our service after we have made an award has not quite met the target we set ourselves, which was based on the extremely high score of 85% achieved 3 years ago.

Indicator 7

The cost of assessing applications has risen, but remains within target. Overall the number of applications has increased and our total administrative costs have stood still. But we have spent more on the assessment of applications in order to make savings on monitoring work which occurs after an award has been made; costs associated with our monitoring activities are excluded from the unit cost.

PROGRESS ON PROJECTS OVER £5 MILLION

The following table shows the progress on uncompleted projects involving £5m or more of Lottery funding.

Project title	Total project cost	Grant amount	% of grant paid to date	Latest site report
Acquisition of John Murray Archive	£35,207,000	£17,700,000	98%	The archive was acquired in February 2006. The exhibition opened June 2007.
Air Space, Duxford	£25,250,000	£10,500,000	95.91%	Air Space officially opened in July 2007. Final drawdown imminent and project closure expected June 2008.
Ancoats, Murray's Mills	£11,800,000	£7,164,563	100%	Project now complete. Full grant paid.
Ashmolean Plan	£45,189,000	£15,000,000	29.19%	Construction started July 2006. Topping out was held in March 2008. The project is due to open early 2009.
At Close Quarters – The Tank Museum	£14,814,400	£9,605,000	57%	Project progressing on site. Completion expected December 2008, with opening March 2009.
Big Pit: National Mining Museum of Wales	£7,085,427	£5,278,000	100%	Project completed financial year ending March 2008. Full grant paid.
Birkenhead Park	£11,381,645	£7,423,000	90%	All work contracts have achieved practical completion, with final drainage works to complete as separate contract. Full completion expected by mid-2008.
Birmingham Town Hall	£24,540,076	£13,500,000	90%	Practical completion achieved February 2007. Town Hall and Symphony Hall operated by Performances Birmingham overseen by Birmingham City Council. The Town Hall reopened to the public in October 2007. Final payment will be made in May 2008.
Buxton Crescent and Spa	£33,180,338	£12,533,000	0%	Discussions on HLF contract still ongoing.
Cardiff Castle	£7,782,940	£6,702,500	77%	Phase I (battlements & house conservation) and Phase II (external conservation) close to completion. A grant increase of £927,000 was awarded in July 2007. Formal opening of new Interpretation Centre expected June 2008. Full project completion expected Summer 2009.
Chiswick House and Garden	£11,667,500	£7,619,000	0%	Full award made in January 2008. Contract now signed.
Christ Church Spitalfields Hamlets, London	£9,446,182	£5,984,500	98%	Main project complete February 2006. Minor works package to restore key monuments complete. Final payment made financial year ending March 2008.

City Museum and Mappin Art Gallery, Sheffield	£18,871,214	13,709,000	100%	Project completed financial year ending March 2008.
Coliseum London	£14,531,390	£10,650,000	100%	Project complete. Final grant paid financial year ending March 2008.
Covent Garden Project, London Transport Museum	£17,060,403	£8,608,000	95%	Museum reopened in November 2007 – visitor targets exceeded by 50%. Final payment of grant expected in May 2008.
Creating the Museum of The people's story	£19,201,358	£10,277,000	0%	Full award made in July 2006. Bristol – Work commencing. Opening now not expected until Spring 2011.
The Cutty Sark	£33,358,500	£21,750,000	23%	Fire broke out on site in May 2007 and project was put on hold. HLF awarded extraordinary grant increase of £10m in January 2008. Project has now recommenced.
The Darwin Centre II	£65,820,000	£19,900,000	82.5%	Project ongoing. Expected opening Autumn 2009.
East Park Restoration, Kingston upon Hull	£9,232,246	£6,397,364	78%	Final works packages underway. Some delays, and project not expected to complete until September 2008.
Experience Northumberland at Woodhorn	£15,015,634	£10,000,000	97.5%	Project largely complete, with final grant expected to be paid in May 2008.
The Galleries of Modern London and Learning Centre Project	£16,089,192	£10,609,000	9%	Work progressing, with expected opening in Spring 2010.
Great North Museum	£25,750,000	£8,750,000	8%	Work to Hancock building progressing. Work on off-site store commencing.
Hull History Centre	£10,697,161	£7,506,000	0%	Permission to start signed in November 2007, with work commencing on site in January 2008.
John Rylands Library, Manchester	£15,007,098	£8,194,000	100%	Official opening took place in September 2007. Final grant paid financial year ending March 2008.
Leeds City Museum	£25,972,000	£19,063,000	88%	Project ongoing. Official opening expected Autumn 2008.
National Maritime Museum, Falmouth	£30,175,431	£18,431,638	97.3%	Main capital project completed 2004. Grant increase for access and education revenue funding awarded January 2005. Activities successfully underway. Revenue grant completes 2010.
The Panopticon	£14,149,349	£4,999,000	0%	Enabling works commenced January 2007. Delays to programme mean that HLF works will not commence until 2009, with expected completion in 2012.
People's History Museum	£10,150,000	£6,820,000	0%	Full award November 2007. Contract signed and project commenced.
Renaissance of the Cotswold Canal	£27,641,254	£11,924,000	0%	In February 2008 British Waterways withdrew from the project. Project currently on hold.

Riverside Museum and Glasgow Resource Centre (Phase 2)	£77,619,299	£17,150,000	11%	Riverside Museum on site and piling complete.
Roundhay Park, Leeds	£8,195,174	£6,111,000	85%	All landscape and buildings works complete. Works to Mansion House complete. Visitor and education facilities opened to public November 2007. Final payment expected May 2008.
Royal Albert Museum & Art Gallery	£13,922,000	£8,922,000	6%	Full award January 2007. Permission to start in April 2007.
Royal Festival Hall Project	£89,000,000	£22,176,000	100%	Project complete and final drawdown paid.
Royal Hall Harrogate	£7,999,120	£6,000,000	95%	The works are largely complete. The opening of the hall planned for April 2008. Final payment expected in May 2008.
Royal Museum Project, Edinburgh	£44,039,239	£16,710,000	4%	Full award January 2007. Enabling works at advanced stage and main works contract expected to commence end April 2008.
St George's Hall, Liverpool	£23,016,264	£14,598,000	95%	Hall reopened April 2007. Final payment made July 2007.
St Martin-in-the-Fields, London	£32,708,402	£14,043,000	84%	Work progressing well with openings planned April 2008. Final grant expected to be paid late Summer 2008.
Stanley Mills, Perthshire, Scotland	£8,054,822	£5,110,000	90%	Practical completion achieved. Final drawdown expected 2008.
Time and Space: Developing the Royal Observatory, Greenwich	£9,054,310	£6,789,000	100%	Project complete and final grant payment paid financial year ending March 2008.
Tyntesfield	£31,450,680	£20,000,000	69%	Endowment paid out in full. Some delays to programme. Expected completion of capital works December 2012 (may have to be revised).
V&A Medieval and Renaissance Galleries	£31,750,000	£9,750,000	16%	Work started on site in January 2008. Planned completion November 2009.
Wedgwood Museum	£9,472,364	£5,867,744	69%	Topping out ceremony took place in January 2008. Fit-out contract commences in January with practical completion February 2008. Expected opening September 2008.
Wentworth Castle and Landscape of Stainborough Park	£13,809,526	£10,357,000	98%	Project expected to complete and final grant paid in April 2008.

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
All Saints Church Parochial Church Council	Church of All Saints	£108,000.00
All Saints PCC	Church of All Saints	£290,103.00
Allerdale Borough Council	Keswick, Derwentwater Foreshore	£1,205,500.00
Amberley Working Museum	De Witt Lime Kilns - Full Repair and Interpretation	£391,500.00
Angus Council	City of Brechin THI	£1,479,000.00
Aras Colmcille Trust	Aras Colmcille	£807,500.00
Argyll and Bute Council	Campbeltown THI	£725,000.00
Armagh Public Library	Registry - 5 Vicars Hill, Armagh	£304,500.00
Assemblies of the First Born Church	Assemblies of the First Born Church	£152,000.00
Autograph ABP	Archive and Research Centre for Culturally Diverse Photography	£660,500.00
Avon Wildlife Trust	Wildlife - It's All About Us	£390,000.00
Avoncroft Museum of Historic Buildings	Avoncroft: Re-discovering the 'Magic'	£365,000.00
Ayr St Andrew's Congregational Board	St Andrew's Parish Church of Scotland, Ayr	£128,100.00
Bakewell & District Historical Society	Improvements to Bakewell Old House Museum	£382,000.00
Balderstone St. Mary's PCC	Church of St Mary	£149,000.00
Ballymoney Borough Council	Ballymoney Museum	£288,500.00
Band on the Wall	Band on the Wall: Space for Music Project	£720,000.00
Barnsley Metropolitan Borough Council	Experience Barnsley	£2,671,100.00
Bat Conservation Trust	England Count Bat	£596,000.00
Belmont Abbey General Trust	Discovering Belmont Abbey	£704,000.00
Berkshire, Buckinghamshire & Oxfordshire Wildlife Trust (BBOWT)	College Lake Visitor Facility	£379,000.00
Besses o' th' Barn URC	Besses United Reformed Church	£154,000.00
Bewdley Museum	Hands on Heritage - Bewdley Museum	£480,000.00
Birmingham Museums and Art Gallery	Weoley Castle Ruins	£500,000.00
Bishopsgate Institute	Bishopsgate Institute - Heritage Improvements	£1,554,600.00
Black Cultural Archives	Raleigh Hall Development	£3,978,000.00
Blackpool Council	Purchase of Lowry Painting	£696,600.00
Bluebell Railway Plc	Bluebell Railway - Operation Undercover (Phase 3) Stage 2	£2,875,000.00
Bluecoat Arts Centre	Bluecoats Arts Centre	£650,000.00
Blyth Valley Borough Council	Blyth Town Centre Conservation Area Heritage-led Regeneration	£572,000.00
Bolton Family Church	The Grace Centre	£109,000.00
Bolton Metropolitan Borough Council	Queens Park, Bolton	£4,477,000.00
Bournemouth University	Streets of Bournemouth	£440,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
Bracknell Forest Borough Council	South Hill Park - Bracknell	£2,525,000.00
British Waterways	Trent Vale Landscape Partnership	£1,768,000.00
Buckinghamshire County Council	Wexham, Buckinghamshire: Langley Park Estate	£1,982,500.00
Burnley Borough Council	Weavers' Triangle Townscape Heritage Initiative Scheme, Burnley	£1,950,000.00
Butterfly Conservation	Conserving the Woodland Butterflies and Moths of South East England	£289,000.00
Calver Weir Restoration Project	Calver Weir Restoration Project (CWRP), a Grade 2-listed 19th-century Building and Preservation of Heritage Assets and Ecological, Biodiversity Areas	£1,279,400.00
Cambridgeshire County Council	Cambridgeshire Roots	£124,500.00
Cardiff County Council	Cardiff Castle - Conservation	£927,000.00
Carlisle City Council	Carlisle: Chances Park	£891,800.00
Carmarthenshire County Council	Tywi Afon yr Oesoedd	£1,565,000.00
Carrick District Council	Falmouth, Gyllyngdune Gardens	£997,100.00
Cattistock PCC	Parish Church of Saint Peter and Saint Paul	£113,521.10
Cecil Higgins Art Gallery & Bedford Museum	Cecil Higgins Art Gallery and Bedford Museum Audience Development Project	£199,500.00
Chatham Historic Dockyard Trust	National Museums at Chatham - No 1 Smithery	£4,725,000.00
Cheshire County Council	Habitats & Hillforts of Cheshire's Sandstone Ridge	£1,446,600.00
Chester City Council	Chester Station & Approaches Townscape Heritage Initiative	£550,000.00
Chesterfield Borough Council	Chesterfield THI	£750,000.00
Chorley Borough Council	Astley Park, Chorley	£373,000.00
Christ Apostolic Church (UK) Special District Headquarter	Christ Apostolic Church	£108,000.00
Christ Church, Chester PCC	Christ Church	£146,000.00
Church of the Sacred Heart	Church of the Sacred Heart	£162,000.00
Churches Regional Commission	Treasures Revealed in West Yorkshire	£248,000.00
City of Bradford Metropolitan District Council	Roberts Park, Saltaire	£3,206,000.00
Combe Martin Museum	Combe Martin Museum Relocation Project	£267,000.00
Congregational Board of the Church	St Thomas Junction Road Parish Church, Leith	£125,000.00
Congregational Board of the Town Kirk of Stranraer	The Town Kirk of Stranraer	£120,000.00
Council of St Michael and St Bishoy	St Michael and St Bishoy Coptic Orthodox Church (was St Stephen's Methodist Church)	£445,000.00
Crescent Arts Centre	Crescent Arts Centre	£447,000.00
Cross Green, St Hilda - Parochial Church Council	St Hilda's Church	£150,000.00
Cumbria County Council Archive Service	Cumbria Archives (Carlisle) - Heritage in the Community	£4,798,000.00
Cutty Sark Trust	Cutty Sark Conservation Project	£10,000,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
Dagenham Old National School Trust	Churchyard and Dagenham Old National School	£248,000.00
Darlington Borough Council	North Lodge Bandstand Restoration	£103,000.00
Dartford Borough Council	Dartford Town Centre Townscape Heritage Initiative - Stage 2	£649,500.00
Deacons Court of St John's Church, Dunoon	St John's Church of Scotland, Dunoon	£148,000.00
Dean & Chapter of York	York Minster Revealed	£10,000,000.00
Denbighshire County Council	Heather & Hillforts Landscape Partnership	£1,500,000.00
Derby College	Derby College - The Roundhouse	£4,200,000.00
Diseworth Heritage Trust	Diseworth Heritage Centre	£538,000.00
Dorset County Council	South Dorset Ridgeway Heritage Project	£159,500.00
Dorset Natural History and Archaeological Society	Romney Portraits	£179,500.00
Down District Council (Strangford Lough Office)	Turn o' the Tide	£493,500.00
Dr Neil's Garden Trust	Thomson's Tower, Duddingston	£137,500.00
Dudley Metropolitan Borough Council	THI - Dudley Town Centre Conservation Area	£1,955,000.00
Durham County Council	Durham in Time	£250,000.00
Durham County Council	Horden Denes	£281,500.00
East Lancashire Light Railway Company	Bury Transport Museum	£1,601,000.00
East Lothian Council	John Gray Centre Project	£1,390,000.00
East Surrey Museum	Hidden Stories: Exploring Our Past	£122,000.00
East Sussex County Council	Weald Forest Ridge Landscape Partnership Scheme	£1,999,800.00
Eastside Community Heritage	Working Lives of the Thames Gateway	£530,500.00
English Heritage	Chiswick House and Gardens Regeneration Project: Phase 1	£7,619,000.00
Exmoor National Park Authority	West Somerset Mineral Railway Project	£603,500.00
Field Studies Council	Schools In the Parks	£199,500.00
Flintshire County Council	Flint Townscape Heritage Initiative	£945,000.00
Ford Park Cemetery Trust	Chapel and Heritage Centre Projects	£470,000.00
Forestry Commission	Wyre Forest Landscape Partnership Scheme - Grow with Wyre	£1,996,000.00
Friends of Athelstan Museum (FOAM)	FOAM Renovation and Refurbishment Project	£199,000.00
Friends of Portencross Castle Ltd	A New Life for Portencross Castle	£510,000.00
Friends of the Lake District	Our Green Space (Open Spaces, Green Places part 2)	£721,000.00
Fylde Borough Council	Ashton Gardens	£1,436,000.00
Garsdale Parochial Church Council	Church of St John the Baptist	£115,000.00
Gateshead Council	Gateshead Heritage Centre/Discover Gateshead	£253,000.00
Glamorgan Cricket	The Museum of Welsh Cricket	£516,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
Glasgow City Council	Govan Cross Townscape Heritage Initiative	£964,000.00
Great Western Society Ltd	GWR Steam Railmotor & Auto Trailer Restoration	£768,500.00
Greater Morpeth Development Trust	Living Heritage	£299,500.00
Green Estate Ltd	Sheffield Manor Lodge	£1,125,000.00
Greenfield St. Mary's PCC	St. Mary's Church	£153,000.00
Haig Colliery Mining Museum	Haig Colliery Mining Museum Phase 2 Powerhouse Development	£1,699,500.00
Hampshire & Isle of Wight Wildlife Trust	Itchen Navigation Heritage Trail	£1,595,000.00
Hampshire County Council	Basing House Ruins	£1,124,300.00
Hastings Borough Council	Stade Heritage Education Project	£156,500.00
Herefordshire & Worcestershire EarthHeritage Trust	Community Earth Heritage Champions	£302,000.00
Herefordshire Council	Overlooking the Wye	£1,915,000.00
Hertford Museum Trust	Hertford Museum Development Project	£985,000.00
Hertsmere Borough Council	Bushey, The Rose Garden	£942,000.00
Hestercombe Gardens Trust	Plugging the Gap	£795,500.00
Higher Crumpsall and Higher Broughton Hebrew Congregation	Higher Crumpsall and Higher Broughton Hebrew Congregation	£175,000.00
Highfield Trinity Church	Highfield Trinity Anglican & Methodist Church	£204,000.00
Highland Museum of Childhood	Highland Museum of Childhood 'The Goods Shed': Education & Learning Space & Collections Store	£276,000.0
HMS Trincomalee Trust	HMS Trincomalee-information, interpretation and lower rigging	£120,000.00
Holy Trinity Church, Walton Breck PCC	Holy Trinity Church	£138,000.00
Holy Trinity Parochial Church Council	Church of the Holy trinity	£243,000.00
Holy Trinity Parochial Church Council	Church of the Holy trinity	£217,000.00
Holyrood & St Teilo's RC Church	Holyrood & St Teilo's Roman Catholic Church	£100,000.00
Hopton Castle Preservation Trust	Hopton Castle Conservation and Interpretation	£880,000.00
Hull Museums and Art Gallery	'Lessons Learnt - Lessons for Life!' - a learning journey through Hull's controlling institutions	£174,000.00
Hyde St. George's PCC	Church of St George	£103,000.00
Institute of Jainology	Access to UK Jain Manuscripts	£375,000.00
Kent Wildlife Trust	Blean Conservation Complex	£997,500.00
Kingston Upon Hull City Council	Hull History Centre	£7,506,000.00
Kirklees Metropolitan Council	Greenhead Park, Huddersfield	£3,753,000.00
Knockando Woolmill Trust	Knockando Woolmill	£1,420,000.00
Knowsley Metropolitan Borough Council	Conservation Skills and Interpretation Project	£177,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
Lagan Legacy	Homeplace	£661,500.00
Lagan Valley Regional Park	Lagan Valley LPS	£1,617,000.00
Lancaster City Council	Morecambe THI 2: A View for Eric	£948,000.00
LB Barking and Dagenham	Barking Park Restoration and Improvement Project	£3,254,000.00
Leeds Black Elders Association	Here to Stay	£196,000.00
Leeds City Council	City Varieties Music Hall	£3,000,000.00
Leeds City Council	Leeds Grand Theatre Transformation: Restoring a landmark, transforming lives	£995,000.00
Leicester City Council	Spinney Hill Park, Leicester	£2,685,500.00
Leicestershire County Council	Melton Carnegie Museum Community Development Project Town & Country in the 21st century	£969,000.00
Lichfield District Council	Lichfield: Beacon Park, Minster Pool and Gardens of Remembrance	£4,134,000.00
London Borough of Barking and Dagenham	Eastbury Manor House, Phase 3	£885,600.00
London Borough of Camden	Life and Death in Hampstead	£324,500.00
London Borough of Haringey	Lordship Recreation Ground	£4,094,000.00
London Borough of Haringey	Markfield Park	£1,480,000.00
London Borough of Havering	Celebrating Havering's Past	£990,000.00
London Borough of Havering	Ingrebourne Marshes Project	£483,000.00
London Borough of Hounslow	At Home With the Hogarth's	£276,000.00
London Borough of Merton	South Park Gardens	£1,076,000.00
London Borough of Newham	Newham - Central Park	£1,902,000.00
London Borough of Waltham Forest	Lloyd and Aveling Park	£3,650,000.00
Longcot with Fernham PCC	St John the Evangelist Church	£135,000.00
Lowestoft & East Suffolk Maritime Museum	Navigating Our Future	£345,000.00
Maidstone Borough Council	Maidstone Museum & Bentsliff Art Gallery East Wing Project	£1,999,000.00
Marchwood Parochial Church Council	Church of St John the Apostle	£135,000.00
Martock Parish Council	Martock Market House Community Office	£190,000.00
Mary Rose Trust	Mary Rose Hull Conservation (Phase II)	£1,896,000.00
Mary Rose Trust	Mary Rose Museum Project	£21,070,000.00
Middlesbrough Council	Middlesbrough, Stewart Park	£4,617,000.00
Mildmay Community Partnership	Historic Newington Green	£167,000.00
Moggerhanger House Preservation Trust	Bedfordshire, Moggerhanger Park	£1,034,100.00
Mossley St. George PCC	Church of St George	£153,000.00
Museum of East Anglian Life	A new Museum of East Anglian Life MEAL Phase 1	£1,839,600.00
National Coal Mining Museum for England Trust Ltd	Making Sense of Mining	£1,950,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
National Museums Liverpool	Lever the Collector	£275,000.00
National Trust for Scotland	Mountains for People	£304,000.00
Neath Port Talbot County Borough Council	Neath, Victoria Gardens	£1,467,500.00
Newark and Sherwood District Council	Newark - Sconce and Devon Park	£1,219,000.00
Norfolk and Norwich Film Theatre Ltd	A Meeting Place for the Citizens of the City of Norwich	£180,000.00
North Ayrshire Council	Eglinton Country Park, Kilwinning - Tournament Bridge Restoration	£345,000.00
North East Leeds District Partnership	Chapeltown Road Townscape Heritage Initiative (Leeds)	£802,000.00
North Hertfordshire District Council	Letchworth Garden City, Howard Park & Gardens	£1,969,500.00
North Kesteven District Council	Lincolnshire's Integrated Aviation Heritage Project	£330,000.00
North Lanarkshire Council	Burngreen Park, Kilsyth	£489,200.00
North Pennines AONB Partnership	Unique North Pennines - A Landscape Moulded by People	£1,958,000.00
North Pennines Heritage Trust	Historic Dilston Phase 2 Conservation Project	£218,000.00
North York Moors National Park Authority	Lime & Ice Project	£499,000.00
Nottinghamshire County Council	Bestwood Engine Winding House	£1,107,000.00
Oakworth Parochial Church Council	Christ Church	£156,000.00
Order of Friars Minor Conventual	All Saints' Church	£215,824.70
Orkney Islands Council	Scapa Flow Landscape Partnership Scheme	£1,355,800.00
Orkney Islands Council	Stromness Town Centre Regeneration	£1,465,000.00
Parish Church of St Michael Cornhill	St Michael's Cornhill: Organ Restoration	£349,000.00
Parish of St Mary's	St. Mary's Church	£122,796.00
Parochial Church Council of Skirwith	Church of St John	£193,389.70
PCC for Holy Trinity Church, Blackford	Church of the Holy Trinity	£120,000.00
PCC of St Lawrence Mereworth	Church of St Lawrence	£257,472.00
PCC of St Mark's Church	Church of St Mark	£245,000.00
PCC of St. Clements Urmston	Church of St. Clement	£182,000.00
PCC of St. Mary's Church	St. Mary	£100,748.50
PCC St Peter's Parish Newbold	Saint Peter's Church	£141,000.00
PCC Warkworth	Church of St Lawrence	£134,610.00
Pembrokeshire County Council	Pembroke Dock Townscape Initiative (Phase 2)	£945,000.00
People's History Museum	People's History Museum One Site Project	£6,820,000.00
Perth and Kinross Council	MacRosty Park, Crieff	£1,215,000.00
Perth and Kinross Heritage Trust	Bridging the Past: General Wade in Perthshire	£145,500.00
Pilgrim Preservation Project Ltd	Pilgrim Preservation Project	£950,000.00
Plymouth City Council	Explore Plymouth's Heritage	£756,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
Preston City Council	Preston, Avenham & Miller Parks	£1,813,000.00
Quilters' Guild of the British Isles	Unfolding The Quilts; An Education and Learning Programme for the Quilters' Guild	£193,500.00
Quorndon Parish Council	Quorn, Stafford Orchard	£677,200.00
Reading Borough Council	Caversham Court Gardens - Reading Stage 2	£1,149,000.00
Redenhall with Harleston & Wortwell PCC	Church of St John the Baptist	£143,000.00
Renewal Trust	St Ann's Allotments - Restoration Project	£2,444,000.00
Renfrewshire Council	Paisley Town Centre THI	£1,525,000.00
Rhondda Cynon Taf County Borough Council	Aberdare Townscape Heritage Initiative	£975,000.00
Ripon Cathedral	Discovering Ripon Cathedral	£514,000.00
Ripon Museum Trust	The Gatehouse Project, Ripon Workhouse	£835,650.00
Rochester Cathedral	Interpreting Rochester Cathedral: Ancient Stones - Untold Stories	£931,000.00
Roman Catholic Cathedral of East Anglia Preservation and Development Trust	Access to the heritage of the Cathedral Church of St John the Baptist, Norwich - The Narthex	£993,000.00
Romany Theatre Company	Atching Tan ('stopping place' or 'place where fires are lit' in Romani)	£269,500.00
Rosslyn Chapel Trust Ltd.	Rosslyn Chapel Conservation and Access Project	£4,500,000.00
Rotherham Metropolitan Borough Council	Rotherham, Clifton Park	£4,518,000.00
Roughtown St John the Baptist PCC	Church of St John the Baptist	£166,000.00
Royal Armouries	Fort Nelson Re-Development	£1,988,500.00
Royal Botanic Gardens Edinburgh	The Benmore Fernery Restoration Project	£236,500.00
Royal Society for the Protection of Birds	Dee Estuary - acquisition, restoration and access	£999,900.00
Royal Society for the Protection of Birds	Saltholme Lifelong Learning Project	£268,500.00
Royal Society for the Protection of Birds (Northern Ireland)	Rathlin Island Land Acquisition	£247,500.00
RSPB	RSPB Cliffe Pools: Gateway to the North Kent Marshes	£1,759,500.00
RSPB Scotland	Bird Friendly Schools	£192,500.00
Rugby Borough Council	Caldecott Park Restoration Project	£951,000.00
Ruskin Mill Educational Trust	The Glasshouse Development	£1,999,000.00
Ruyton XI Towns Heritage Group	The Castle, Ruyton XI Towns	£140,000.00
Sacred Heart Parish	Church of the Sacred Heart	£215,000.00
Saffron Walden Museum	Heritage Quest Centre Project	£976,500.00
Sainsbury Centre for Visual Arts	Culture of the Countryside	£316,000.00
Scarborough Borough Council	Pannett Park, Whitby	£1,475,500.00
Scott Polar Research Institute	Promoting Britain's Polar Heritage: Developing the Scott Polar Research Institute Museum	£1,044,500.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
Scottish Borders Council	Kelso Townscape Heritage Initiative	£725,000.00
Selstonia Living Heritage Project	Selstonia Living Heritage Project	£276,000.00
Serpentine Trust	Edgware Road	£120,500.00
Session of the Mearns Coastal Parish Church	St. Cyrus Parish Church	£118,500.00
Severn Valley Railway	Locomotive Display Shed & Visitor Centre (Railway Adventure), Worcestershire	£250,000.00
Sheffield Industrial Museums Trust	The Hawley Collection Project	£595,000.00
Shetland Amenity Trust	Sumburgh Head Restoration and Development	£720,000.00
Shropshire County Council Countryside Service	The Mere at Ellesmere Heritage Project	£1,133,000.00
Shropshire Wildlife Trust	The Hollies	£149,000.00
Snowdonia National Park Authority	Dolgellau THI	£925,000.00
Society of Antiquaries of London	The Making History Touring Exhibition 2008/2009	£297,000.00
Somerset County Council	Museum of Somerset Project	£4,800,000.00
South Ayrshire Council	Ayr Town Centre THI - phase one	£1,105,000.00
South Lakeland District Council	Greenside Limekiln	£130,000.00
South Lanarkshire Council	Lanark Memorial Hall	£199,000.00
Southampton City Council	Tudor House Phase II (Interpretation)	£3,866,500.00
Southbank Mosaics CIC	William Blake Heritage Project	£195,500.00
Southwell and Nottingham DAC	Church History Project	£382,000.00
ss Great Britain Trust	Brunel Institute Conservation and Learning Centre at the ss Great Britain	£640,000.00
St Andrew's PCC	St Andrew's Church	£148,000.00
St Andrew's PCC	St Andrew's Church	£110,000.00
St George's Church	The restoration of an Abraham Jordan Organ of 1723; an active programme of education and preservation of the organ into the future by installing appropriate heating.	£297,000.00
St Giles District Church Council	St Giles	£286,000.00
St Helens Council	Stanley Bank Triangle Project	£865,500.00
St James Priory Project	Conservation and Development of St James Priory, Bristol	£3,242,000.00
St John the Evangelist Church, Knotty Ash PCC	St John the Evangelist Church	£136,000.00
St Luke's PCC	Church of St Luke	£122,000.00
St Margaret of Antioch Church	Crick Parish Church: Restoration of Elliot Church Organ	£184,000.00
St Marks PCC	Church of St Mark	£251,000.00
St Mary & St Michael Whitley Lower PCC	Church of St. Mary and St. Michael	£119,000.00
St Mary's Church Edgehill, PCC	St Mary's Church	£145,000.00
St Mary's Episcopal Church, Aberfoyle	St Mary's Episcopal Church, Aberfoyle	£111,000.00
St Mary's Parochial Church Council	St Mary's Church	£136,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
St Mary's PCC	St Mary	£151,000.00
St Mathews PCC	Church of St Paul	£137,000.00
St Michael's PCC	St Michael's Church	£131,000.00
St Nicholas Buccleuch Parish Church	St Nicholas Buccleuch Parish Church	£100,000.00
St Nicholas Church, Whiston PCC	St Nicholas Church	£159,000.00
St Paul's Church Congregation Armitage Bridge	Church of St Paul	£132,000.00
St Paul's Church, Chester Green, Derby	Church of St Paul	£140,000.00
St Peter's, Bilton in Holderness	St Peter's Church	£161,000.00
St Silas with Holy Trinity Parochial Church Council	Holy Trinity Church	£151,000.00
St Thomas Penkhull Parochial Church Council	Church of St Thomas the Apostle	£122,000.00
St. Anne's Church	St. Anne's Roman Catholic Church	£119,000.00
St. Clement Church, Spotland, Rochdale.	Church of St. Clement, Spotland	£119,000.00
St. John's Church, Thornham	Church of St John the Evangelist	£113,000.00
Stevenage Borough Council	Stevenage Town Centre Gardens	£1,865,200.00
Stockport Metropolitan Borough Council	The Iron Bridge Restoration Project, Brabyns Park, Marple	£424,700.00
Stockton on Tees Borough Council Museum Service	Preston Hall Museum Project	£3,581,000.00
Stockton URC	Stockton United Reformed Church (St Andrew & St George)	£154,000.00
Strawberry Hill Trust	Strawberry Hill Restoration Project	£4,613,000.00
Stricklandgate House Trust Limited	Developing the heritage, public learning and involvement at Stricklandgate House	£440,000.00
Sunderland City Council	Barnes Park	£2,463,600.00
Sussex Archaeological Society	Lewes Castle and Barbican House	£960,000.00
Talawa Theatre Company	Trading Faces: Recollecting Slavery	£235,500.00
Tameside Metropolitan Borough Council	Tameside: Stamford Park	£4,198,500.00
Thames Estuary Partnership	Thames Discovery Programme (TDP): Community Archaeology on London's Longest Site	£421,500.00
The Berwick Upon Tweed Preservation Trust	Dewar's Lane Granary: Restoration & Re-use	£350,000.00
The Bishop and Diocesan Trustees of the Diocese of Glasgow and Galloway	St Michael and All Angels Episcopal Church, Helensburgh	£114,500.00
The Bowes Museum	Access to Collections	£3,230,000.00
The Chapter of Hereford Cathedral	Regeneration of Hereford Cathedral Close	£4,206,500.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
The Church of St Michael and All Angels PCC	Conservation of effigies and re-ordering of the Church of St Michael and All Angels, Ashton, Northampton	£151,400.00
The City of Edinburgh Council	Leith Townscape Heritage Initiative	£1,873,000.00
The City of London	Branching Out: Epping Forest	£4,991,500.00
The Community of St Mary	Church of St Mary (RC)	£105,000.00
The Congregation of St Vigeans Church	St Vigeans Church	£106,500.00
The Congregation of the Most Holy Redeemer (Redemptorists' Congregation)	Church of the Most Holy Redeemer, Clonard II	£100,000.00
The County Council of the City and County of Cardiff	Bute Park Restoration	£3,123,000.00
The English Folk Dance and Song Society	Vaughn Williams Memorial Library- Take 6	£154,500.00
The Everton Collection Charitable Trust	"If you know your history...": The Everton Collection	£954,000.00
The Financial Board of Broughton St Mary's Parish Church	Broughton St. Mary's Parish Church	£106,300.00
The Gateway Gardens Trust	Bittersweet - Sugar, Spice, Tea & Slavery	£203,500.00
The Great Dixter Charitable Trust.	The Great Dixter Conservation Project	£4,103,500.00
The Greenwich Foundation for the Old Royal Naval College	See Greenwich	£1,985,000.00
The Holburne Museum of Art	Holburne Museum of Art Development Project	£4,354,000.00
The Ilam Cross Trust	Save Ilam Cross	£118,500.00
The LINK Centre for Deafened People	Hear Today, Gone Tomorrow	£168,500.00
The National Galleries of Scotland	Portrait of the Nation: the Scottish National Portrait Gallery	£4,800,000.00
The National Trust	Lyme's Caxton Missal - Securing 500 years of History for Lyme Park	£316,000.00
The Order of St John	The Open Gate: A Redevelopment Project for the Museum of the Order of St John.	£1,661,800.00
The Palace Trust	Assuring the Future	£992,000.00
The Parish Church of St Mary the Virgin, Illingworth	Church of St. Mary the Virgin	£119,000.00
The Parish of St George with St Mary Magdalene	Church of St George	£101,000.00
The Parochial Church Council	Church of St Laurence	£102,810.00
The Parochial Church Council of Christ Church	Christ Church	£154,000.00
The Parochial Church Council of Holy Trinity, Stroud	Holy Trinity	£103,000.00
The Parochial Church Council of St Chad's, York	Church of St Chad on the Knavesmire	£135,000.00
The PCC of Christ Church	Christ Church	£134,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
The PCC of St Gabriel's	St Gabriel's Church	£162,429.40
The Pitt Rivers Museum	Taking The Past Into The Future: Constructing twenty-first century links between the Pitt Rivers Museum and its public	£999,500.00
The Princess Royal Class Locomotive Trust	Conservation of the 1912 London, Midland & Scottish Railway No.1 Dynamometer Car (45050)	£154,000.00
The Roman Catholic Archdiocese of Birmingham - Harvington Hall	Harvington Hall - Malt House Project	£471,000.00
The Royal Society for the Protection of Birds (RSPB Cymru)	Enhancing the Heritage of the lower Dyfi Valley for People and Wildlife	£699,000.00
The School Charity of Pennoyer	Pennoyer's Village Centre	£934,000.00
The Scottish Redundant Churches Trust	Repair, conservation, and regeneration of Cromarty East Church	£641,000.00
The Sherwood Forest Trust	Sherwood: Towards the Best Heritage Forest in the World	£500,000.00
The Trustees of Hornsea Museum	Hornsea Museum Consolidation Project	£246,000.00
The University of Nottingham	The purchase and development of medieval manuscripts and books from the historic library collections of Wollaton Hall, Nottinghamshire	£577,000.00
The Weston Park Foundation	The Granary Development at Weston Park	£975,000.00
The White House Preservation Trust	White House	£424,000.00
The Wildfowl & Wetlands Trust	Castle Espie Wetland Restoration	£2,960,000.00
The Wildlife Trust for Bedfordshire, Cambridgeshire, Northamptonshire and Peterborough	Restoring our Fenland Heritage - the purchase and restoration of the Holmewood Estate	£8,934,000.00
The Wildlife Trust for Lancashire, Manchester and North Merseyside	Volunteering and Wildlife: A Winning Combination	£500,000.00
The Woodland Trust	Brede High Woods	£665,500.00
The Woodland Trust	Credenhill Iron Age Hillfort and Park Wood	£377,500.00
The Woodland Trust	Elemore Woods Extension	£259,500.00
Thornham St. John's PCC	Church of St John the Evangelist	£161,000.00
Toppesfield Church Bells Restoration Committee	Toppesfield Church Bells Restoration	£109,000.00
Torrige District Council	R J Lloyd Collection of North Devon Slipware: Acquisition and Access	£311,000.00
Tring & District Local History & Museum Society	Restoration of Tring Market Office to form a Local History Museum	£245,000.00
Truro City Council	Truro Historical Project	£155,500.00
Trustees of the Roman Catholic Archdiocese of Glasgow	St Mary's Immaculate R.C Church	£125,000.00
Tyne and Wear Museums	Imagine a Nation: British art, heritage and identity in the 21st century	£1,146,000.00
Ulverston Town Council	Sir John Barrow Monument - Access, Development & Restoration	£891,000.00

GRANTS AWARDED OVER £100,000

Applicant	Title	Commitment
University of Liverpool	The Liverpool Poets Project	£174,500.00
University of Teesside	The British Steel Archive Project	£250,000.00
V&A Museum of Childhood	British Toy Making	£244,500.00
Vale Royal Borough Council	Lion Salt Works Restoration	£4,958,000.00
Valence House Museum	Valence House Redevelopment Project	£1,843,000.00
Wainfleet All Saints Church	Church of All Saints	£107,000.00
Wakefield Metropolitan District Council (West Yorkshire Archive Service)	Tracks in Time: Leeds Tithe Map Digital Archive	£161,500.00
Walled City Partnership	Walled City THI Phase 2	£1,694,000.00
Walsall Council	Walsall Arboretum	£4,792,000.00
Waltham Abbey Royal Gunpowder Mills Company Ltd	Arms, Technology and Society - Matchlock to Kalashnikov	£123,000.00
Warwickshire County Council	Outside the Box: The Waller archive	£298,500.00
Waverley Borough Council	Museum of Farnham - Garden Gallery and Classroom	£300,000.00
West Leeds District Partnership	Armley Townscape Heritage Initiative (Leeds)	£1,090,000.00
Wigan Leisure & Culture Trust	Wigan History Shop - Phase 3 Development	£500,500.00
Wigan Metropolitan Borough Council	Wigan, Mesnes Park	£1,865,000.00
Wolverhampton Arts and Museums Service	Cultural Connections	£249,000.00
Worcestershire County Council	Worcester Archive Source Project	£228,000.00
Working Class Movement Library	The Past Meets the Present: a History of Working Lives	£313,000.00
Wrexham County Borough Council	Wrexham Community Heritage Project	£980,800.00
Wychavon District Council	Port Street Regeneration Scheme	£282,000.00
Yarmouth (I.O.W.) Harbour Commissioners	Not The End of the Pier: Saving the Longest Wooden Pier in Britain	£350,500.00
Yester Kirk Session	Yester Parish Church	£117,600.00

EMPLOYMENT MONITORING

1. Under Articles 5(1), 5(2) and 5(3) of the Race Relations Act 1976 (Statutory Duties) Order 2001, the Fund has a duty to monitor, by reference to the racial groups to which they belong, and to report annually:

- (a) the numbers of –
- staff in post; and
 - applicants for employment, training and promotion, from each such group; and
- (b) the numbers of staff from each such group who –
- receive training;
 - benefit or suffer detriment as a result of its performance-assessment procedures;
 - are involved in grievance procedures;
 - are the subject of disciplinary procedures; or
 - cease employment with the Fund.

2. Results of monitoring carried out in 2007-08.

2.1 Permanent staff in post as at 9 May 2008

Ethnic Origin	Total no.
African	6
Asian and White	1
Asian Indian	4
Asian Pakistani	3
Caribbean	5
Other	4
Other Asian	1
Other Mixed Ethnic	1
Unknown	6
White	229
Grand Total	261

2.2 Applications for employment in 2007-08

Monitoring information of job applicants, including internal applicants, who applied through our response handling agency for 20 vacancies*, between 1 April 2007 and 31 March 2008.

Ethnic Origin	Returning Application	Successful at Interview
African	11	
Asian and White	4	1
Asian Other	4	
Black African and White	5	
Black Caribbean and White	2	
Black Other	2	
Caribbean	9	2
Indian	8	
Mixed Other	8	
Not Stated	2	
Other	8	
Pakistani	5	1
White	173	13

*Incomplete data provided because of software problems with the externally hosted website. Three jobs were not filled.

2.3 Numbers of training days undertaken by staff

The Fund's database on internal training and development recorded a total of 657 training days undertaken by white employees in 2007-08, and 78 training days undertaken by employees in all other racial groups.

2.4 Applications for internal promotion

During 2007-08, 5 white employees were promoted internally. 14 white employees and 3 non white employees were temporarily promoted.

2.5 Number of employees involved in grievance procedures during 2007-08

There was one formal grievance raised by a non white employee.

2.6 Number of employees subject to disciplinary procedures during 2007-08

Two white employees were subject to formal disciplinary proceedings during this period. One non white employee was subject to disciplinary proceedings.

2.7 Number of employees leaving the Fund's permanent employment in 2007-08

White employees: 46

All other racial groups: 8

3. Specific duties

The specific duties on employment which the Order places on public authorities, including the Fund, are designed to provide a framework for measuring progress in equality of opportunity in public-sector employment. They are also aimed at providing monitoring information to guide initiatives that could lead to a workforce which is more representative of the communities in which it is based and which it serves.

The Fund continues in its recruitment advertising to encourage job applications from ethnic minorities, recognising that its workforce is not yet fully representative of local or national diversity.



Published by TSO (The Stationery Office) and available from:

Online

www.tsoshop.co.uk

Mail, Telephone, Fax & E-mail

TSO

PO Box 29, Norwich NR3 1GN

Telephone orders/General enquiries: 0870 600 5522

Order through the Parliamentary Hotline *Lo-call* 0845 7 023474

Fax orders: 0870 600 5533

E-mail: customer.servicess@tso.co.uk

Textphone: 0870 240 3701

TSO Shops

16 Arthur Street, Belfast BT1 4GD

028 9023 8451 Fax 028 9023 5401

71 Lothian Road, Edinburgh EH3 9AZ

0870 606 5566 Fax 0870 606 5588

The Parliamentary Bookshop

12 Bridge Street, Parliament Square,

London SW1A 2JX

TSO@Blackwell and other Accredited Agents

ISBN 978-0-10-295562-0



9 780102 955620