

From: [REDACTED]
To: [Subsidy Advice Unit](#)
Subject: Consultation response
Date: 10 August 2022 15:54:05
Attachments: [REDACTED]

Please see below responses to the CMA consultation on the operation of the SAU sent on behalf of the National Lottery Heritage Fund.

Question 1: Do you agree with the objectives for pre-referral engagement?

Partially.

The stated objectives are to provide support to public authorities in identifying the information to be submitted when the scheme or subsidy is referred, rather than advising the public authority on compliance and referral. It would be far more helpful to public authorities if the CMA were to provide advice on whether potential subsidies do in fact qualify as subsidies, or meet the criteria for referral. This is particularly the case for public authorities operating in the heritage funding arena. We provide grants to the operators of heritage sites, which may be caught within the strict definition of subsidy, but the grants are designed to support these organisations to widen the public benefit of heritage. Most organisations we fund are run as not-for-profit organisations and do not represent threats to market competition. A streamlined route for heritage funding would greatly reduce the administrative burden on us and other funders.

Question 2: Do you agree with the proposed approach to transparency (including publication of summary information at the time of a referral)?

N/A

Question 3: Do you agree with the proposed approach to the treatment of confidential information?

N/A

Question 4: What might public authorities, beneficiaries, and other interested parties expect to be included in SAU reports. In particular, how much advice should the SAU give on how to improve the assessment or modify the subsidy or scheme?

We reiterate that guidance on a streamlined approval process for low-risk subsidies given as grants to heritage organisations (similar to the block exemption offered to the sector under State Aid) is essential. In the absence of a streamlined route, we would expect SAU reports for heritage grants to provide confirmation that grants designed to preserve heritage, widen public access to it, and support projects which engage with built and natural heritage are low risk.

Question 5: What might stakeholders find useful to see included in the SAU's monitoring reports?

We would expect the review of the Act to recommend streamlined approval or exemption for grant giving in the heritage sector.

Question 6: Do you agree with the SAU's Prioritisation Principles?

Few grants we make fall within the SSOI criteria, generally being considerably under the financial threshold. For those which are large enough to fall within it, we would again reiterate that heritage grants are low impact, having small effects on competition, and often being unique so having few direct comparators or competitors.

We have no comments on the prioritisation of the CMA resources based on impact (greatest effect on competition), significance and your resources.



The National Lottery Heritage Fund



Website: heritagefund.org.uk



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