



BEFS | BUILT ENVIRONMENT
FORUM SCOTLAND

NATIONAL LOTTERY GOOD CAUSES: FUND WHAT MATTERS TO YOU

A BEFS Response to a UK Government Department for Culture, Media and Sport Consultation

About This Paper

On 1 July 2026, the UK Government launched [a call for views on the distribution system for National Lottery revenues allocated to good causes](#). The current system launched in 1994, and the Department for Culture, Media and Sport requested views on whether the approach to allocation still reflects public priorities and meets the needs of communities.

This paper presents a response by Built Environment Forum Scotland (BEFS) to key questions set by the Department. BEFS is an umbrella body for organisations working in the built environment in Scotland. Drawing on extensive expertise in a membership-led forum, BEFS informs, debates and advocates on the strategic issues, opportunities and challenges facing Scotland's historic and contemporary built environment.

Further information about BEFS is available [on the BEFS website](#).

Other relevant consultation responses from BEFS can be seen below, as many issues overlap and demand associative consideration:

- [Pre-budget Scrutiny 2026/27: Funding for Culture](#) (Aug 2025)
- [Protecting Built Heritage](#) (Feb 2025)
- [Heritage Lottery Fund's Future Direction and Funding](#) (Mar 2018)

BEFS Response to Call for Views

Q1: How aware, if at all, are you of the impact National Lottery good cause funding has had in each of the following? Your local area; Nationally across the UK; Your organisation or sector.

Very Aware.

Q2: What is the most positive impact you have seen to your organisation or sector from the funding?

BEFS Members primarily identified the heritage funding, managed by the National Lottery Heritage Fund, as the most impactful element of the current good causes funding allocation for the existing built and historic environment in Scotland. They were clear, however, that good causes funding directed towards other themes also regularly deliver positive benefits for the heritage sector.

The scale of the funding available to grant project activity across an admirably wide range of heritage themes is one area BEFS Members and stakeholders expressed strong gratitude for. They readily recognised the achievements the funding has achieved to date across the country.

As elaborated on in our response to Question 27 below, BEFS Members also appreciated the National Lottery Heritage Fund's leadership role, its support for heritage sector infrastructure, its long-term strategy, the diversity of heritage project activity it supports, and the stability offered by its commitment in a period of economic gloom and uncertainty.

BEFS regularly highlights case studies and positive outcomes from National Lottery Heritage Fund project funding across urban and rural Scotland in its communications, publications and submissions to policy-makers.

These include, but are not limited to:

[Campbeltown Town Centre Regeneration](#), which was recognised by BEFS Members Scotland's Towns Partnership and SURF - Scotland's Regeneration Forum for its success in repairing over 40 buildings including a cinema and town hall.

[Fraserburgh Conservation Area Regeneration](#), highlighted by BEFS Members Royal Town Planning Institute in Scotland and SURF - Scotland's Regeneration Forum for the strength of its heritage-led regeneration and reuse of vacant and derelict buildings.

[Govan Cross Townscape Heritage Initiative](#), which repaired and restored historic buildings, structures and traditional shopfronts, and used these investments to deliver significant social and economic impacts.

The [Great Place Scheme](#), which enabled nine communities across Scotland to place heritage at the centre of wider regeneration action plans.

The [Mountains and the People](#), a five year project which improved 125k of mountain paths within Scotland's National Parks.

The [Skye Ecomuseum](#), the first of its kind in Scotland, which promotes the natural and historic environment in 13 locations in north-east Skye.

Q6: Which of the following areas, if any, do you think should be prioritised for receiving National Lottery good cause funding?

Heritage (e.g. funding to protect and promote historic buildings, public parks, community archaeology).

Q27: How do you think the National Lottery and the 12 National Lottery Distributor Bodies, who distribute lottery funding to grant recipients, could encourage more people that are eligible to apply for good cause funding? What more could they be doing?

BEFS Members point to a deep-rooted and complex challenge in the general provision of grant funding to local project activity, which concerns the existence of “cold spots”. These are geographical communities with significant heritage needs, but which funding programme operators receive no, or disproportionately few, successful grant applications from compared to other places.

The reasons cold spots exist are diverse, but are often linked to large variations in local community activity, capacity, skills, confidence and knowledge. By way of example, suppose there are two similar small towns in Scotland with identical heritage assets and needs.

One town has a community body active in understanding and responding to local heritage priorities, with a committee that has extensive background in fundraising, project management and partnership working. The other town has a community group with a small, inexperienced pool of volunteers, unfamiliar with community engagement processes, project management and grant possibilities.

Other things being equal, it is easy to imagine the first town regularly applying for, and receiving, Lottery funding for local project activity in a range of thematic areas including the arts, community festivals, heritage and sport; while the other is not making any such applications.

In this case, a map of good causes investment activity would show an extreme “hot” and “cold” divergence between the two towns. In reality, the situation is more nuanced, but major differences exist between places and regions. Organic exacerbation can happen when successful project delivery leads to an increase in experience, skills and confidence, and the development of more high quality grant applications from the same places in future.

It is hard for a single body to respond to this wider challenge, which would require a major political drive and cross-sector investment in community capacity research and support. The [CoSLA Commission on Strengthening Local Democracy](#) and the [Scottish Government’s Democracy Matters: Route Map to Reform](#) include some practical ideas for growing community empowerment, and reducing present inconsistencies, across Scotland.

BEFS is conscious that the National Lottery Heritage Fund, Creative Scotland and the National Lottery Community Fund in Scotland are aware of cold spots and undertake active engagement with a wide range of community groups, charities, and culture and heritage support bodies to address gaps. Further UK Government support for these outreach activities could help encourage more applications from “cold spot” communities.

Q28: Do you have anything else that you would like to tell us as part of this Call for Evidence?

BEFS convened a meeting of representatives of its Members online on 15 September 2026 to discuss views on this consultation. BEFS has also been engaging with Scottish and UK bodies with remits for culture and heritage to exchange perspectives on the main consultation questions. This response draws from this engagement activity.

The National Lottery Heritage Fund was unanimously seen as providing outstanding value to the existing built and historic environment in Scotland for its regular provision of project funding, for its strong leadership, and for its impactful track record in partnership work.

In the current context, its importance is perceived increasing, with a backdrop of rising inflationary costs for heritage projects, including labour costs and materials, and a reduction of opportunity elsewhere, as other funding programmes such as the Listed Places of Worship Grant Scheme in Scotland are reduced or discontinued.

There are major apprehensions about at-risk buildings, for which the National Lottery Heritage Fund is a major player in helping to avoid demolition of invaluable heritage, and find refurbishment and reuse solutions. SAVE Britain's Heritage this year [doubled the number of Scottish buildings on its risk register](#). Historic Environment Scotland, which has [paused its risk register with 2219 buildings](#), are considering its long-term future and its links to regeneration and reuse action.

The [Places of Worship Forum in Scotland](#), facilitated by BEFS, regularly highlight the [Research in Action on Church Heritage project](#), which reports that 400 churches in Scotland have closed since 2020, and a further 400 are set to close by 2030. Similarly, BEFS collaborated with the Scottish Castles Association on a [Scotland's Castles: Use Them or Lose Them](#) conference and roundtable in late 2025 to highlight the particular vulnerability of the nation's many castles and historic houses.

This all points to a growing need for heritage funding to support sustainable futures for the historic buildings at risk, which are so valuable to Scotland's communities, economy and identity.

BEFS understands there is typically a 20-25% success rate in applications to the main National Lottery Heritage Fund grant programmes, demonstrating very high levels of demand for the funding it provides. BEFS Members are concerned that the outcomes of the consultation process, could lead to a reduction in real terms for the available external grant budget, and an even lower success rate in future.

BEFS Members did not have a settled view on what proportion of Lottery revenues should continue to be allocated to heritage in future, but all wanted proportions to stay the same or to increase. Some felt a 20% allocation was substantial and fair in the context of wider good causes activity, and pointed to a reality that heritage benefits from investments in other activity such as supporting community, art and sport project activity in the existing built and historic environment.

Others felt a significant increase in the allocation towards heritage to 25%, 30% or more would be necessary in the context of the greater challenges ahead. An increase would also reflect a perceived lack of alternative options for heritage projects in BEFS discussions, compared to the arts and sport.

The "ripple effects" of heritage project investment activity - its impacts for economic development, community empowerment, town centres, international tourism and more - were identified as being central to the value-for-money arguments for increased allocation. The range of grant awards, from smaller grants in grassroots community activity to large, long-term partnership project investments, was also highlighted as responding well to community and place heritage needs at all scales.

The potential threats to heritage funding from public service reform and mergers of public bodies including Architecture and Design Scotland, outlined in the current [2026-31 Programme for Government in Scotland](#), also provided a further impetus for retaining or increasing Lottery funding in the views of some consultees. The potential for heritage funding disruption in regional devolution approaches indicated by UK and Scottish Government statements was a linked cause for concern.

A linked recurring point from BEFS Member and stakeholder exchanges, is recognition and appreciation that the National Lottery Heritage Fund has a wider role beyond distributing grant funding in response to applications. It engages with the sector on needs and trends, including in the realms of climate adaptation, community engagement, skills and training.

Development funding for national heritage support functions was also highlighted in BEFS discussions as one important need met by the National Lottery Heritage Fund. Several consultees felt other funders would not see this as being in their remit. BEFS itself benefited from a [Fit for the Future](#) grant award from the National Lottery Heritage Fund to support its organisational development, climate action and sector resilience function in the longer term. BEFS Members added that heritage career support activity has benefited from Lottery support and delivered strong impacts for the sector.

The overall outcome of this wider role support is to strengthen knowledge and infrastructure across the heritage sector in Scotland, in addition to the vital part it plays in allocating project funding. BEFS Members also pointed to the National Lottery Heritage Fund's [Heritage 2023-2033 Strategy](#) as a key strategic framework supporting culture and heritage activity in Scotland.

Three additional points from BEFS consultation activity were:

1. The value of heritage tourism, and the economic returns for the wider economy generated from National Lottery Heritage Fund project investment, are seen as being underappreciated in policy and budgeting. A renewed understanding of the role and potential of Lottery funding could support a more joined-up approach to tourism and heritage in Scotland and the UK;
2. The increased focus on community benefit from good causes funding is generally welcome, but there is an open question as to whether subtle and harder-to-evidence outcomes around cultural heritage may be deprioritised;
3. More should be done to challenge public misconceptions that National Lottery Heritage Funding is focused only on historic buildings. Many are unaware of its vital role in promoting and preserving designed landscapes, archaeology, archives, monuments, intangible cultural heritage, the natural environment - and more. The general public may be less clear about the public benefits from heritage investment from Lottery revenues, because art, community and sport initiatives tend to be highlighted in, for example, cinema advertising by the National Lottery, but not heritage activity.

End of BEFS submission for the Department for Culture, Media and Sport.

BEFS responses to a number of consultations in relation to the Built Environment can be found at: <https://www.befs.org.uk/resources/consultations/>

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BEFS gives consent to the UK Government to publish the consultation with name, to share the response internally with other UK Government representatives and policy teams, and to contact BEFS in future in relation to this consultation exercise.



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