



# National Heritage Act 1980

## 1980 CHAPTER 17

An Act to establish a National Heritage Memorial Fund for providing financial assistance for the acquisition, maintenance and preservation of land, buildings and objects of outstanding historic and other interest; to make new provision in relation to the arrangements for accepting property in satisfaction of capital transfer tax and estate duty; to provide for payments out of public funds in respect of the loss of or damage to objects loaned to or displayed in local museums and other institutions; and for purposes connected with those matters. [31st March 1980]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### PART I

#### THE NATIONAL HERITAGE MEMORIAL FUND

##### **1 Establishment of National Heritage Memorial Fund**

- (1) There shall be a fund known as the National Heritage Memorial Fund, to be a memorial to those who have died for the United Kingdom, established in succession to the National Land Fund, which shall be applicable for the purposes specified in this Part of this Act.
- (2) The Fund shall be vested in and administered by a body corporate known as the Trustees of the National Heritage Memorial Fund and consisting of a chairman and not more than ten other members appointed by the Prime Minister.
- (3) The persons appointed under this section shall include persons who have knowledge, experience or interests relevant to the purposes for which the Fund may be applied and who are connected by residence or otherwise with England, Wales, Scotland and Northern Ireland respectively.

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- (4) References in this Part of this Act to the Trustees are to the body constituted by subsection (2) above; and Schedule 1 to this Act shall have effect with respect to the Trustees and the discharge of their functions.

## **2 Payments into the Fund**

- (1) The Secretary of State and the Chancellor of the Duchy of Lancaster (in this Act referred to as " the Ministers ") shall pay into the Fund in the first month of each financial year a sum determined by them before the beginning of the year; and the Ministers may at any time pay into the Fund such further sum or sums as they may from time to time determine.
- (2) There shall also be paid into the Fund any other sums received by the Trustees in consequence of the discharge of their functions.

## **3 Grants and loans from the Fund**

- (1) Subject to the provisions of this section, the Trustees may make grants and loans out of the Fund to eligible recipients for the purpose of assisting them to acquire, maintain or preserve—
- (a) any land, building or structure which in the opinion of the Trustees is of outstanding scenic, historic, aesthetic, 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;
  - (d) any land or object not falling within paragraph (a), (b) or (c) above the acquisition, maintenance or preservation of which is in their opinion desirable by reason of its connection with land or a building or structure falling within paragraph (a) above; or
  - (e) any rights in or over land the acquisition of which is in their opinion desirable for the benefit of land or a building or structure falling within paragraph (a) or (d) above.
- (2) The Trustees shall not make a grant or loan under this section in respect of any property unless they are of opinion, after obtaining such expert advice as appears to them to be appropriate, that the property (or, in the case of land or an object falling within paragraph (d) of subsection (1) above, the land, building or structure with which it is connected or, in the case of rights falling within paragraph (e) of that subsection, the land, building or structure for whose benefit they are acquired) is of importance to the national heritage.
- (3) In determining whether and on what terms to make a grant or loan under this section in respect of any property the Trustees shall have regard to the desirability of securing, improving or controlling public access to, or the public display of, the property.
- (4) In making a grant or loan under this section in respect of any property the Trustees may impose such conditions as they think fit, including—
- (a) conditions with respect to—
    - (i) public access to, or the public display of, the property;
    - (ii) the maintenance, repair, insurance and safe keeping of the property ;
    - (iii) the disposal or lending of the property; and

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- (b) conditions requiring the amount of a grant and the out standing amount of a loan to be repaid forthwith on breach of any condition.
- (5) A grant under this section for the purpose of assisting in the maintenance or preservation of any property may take the form of a contribution to a trust established or to be established for that purpose.
- (6) Subject to subsection (7) below, the eligible recipients for the purposes of this section are—
- (a) any museum, art gallery, library or other similar institution having as its purpose or one of its purposes the preservation for the public benefit of a collection of historic, artistic or scientific interest;
  - (b) any body having as its purpose or one of its purposes the provision, improvement or preservation of amenities enjoyed or to be enjoyed by the public or the acquisition of land to be used by the public;
  - (c) any body having nature conservation as its purpose or one of its purposes;
  - (d) the Secretary of State acting in the discharge of his functions under section 5 of the Historic Buildings and Ancient Monuments Act 1953 or section 11(1) or 13 of the Ancient Monuments and Archaeological Areas Act 1979; and
  - (e) the Department of the Environment for Northern Ireland acting in the discharge of its functions under so much of section 1(1) of the Historic Monuments Act (Northern Ireland) 1971 as relates to the acquisition of historic monuments by agreement, section 4 of that Act or Article 84 of the Planning (Northern Ireland) Order 1972.
- (7) The institutions referred to in paragraph (a) of subsection (6) above include any institution maintained by a Minister or Northern Ireland department; but neither that paragraph nor paragraph (b) or (c) of that subsection applies to any institution or body established outside the United Kingdom or established, or conducted for profit.

#### **4 Other expenditure out of the Fund**

- (1) Subject to the provisions of this section, the Trustees may apply the Fund for any purpose other than making grants or loans, being a purpose connected with the acquisition, maintenance or preservation of property falling within section 3(1) above, including its acquisition, maintenance or preservation by the Trustees.
- (2) Subsections (2) and (3) of section 3 above shall have effect in relation to the application of any sums out of the Fund under this section as they have effect in relation to the making of a grant or loan under that section.
- (3) The Trustees shall not retain any property acquired by them under this section except in such cases and for such period as either of the Ministers may allow.

#### **5 Acceptance of gifts**

- (1) Subject to the provisions of this section, the Trustees may accept gifts of money or other property.
- (2) The Trustees shall not accept a gift unless it is either unconditional or on conditions which enable the subject of the gift (and any income or proceeds of sale arising from it) to be applied for a purpose for which the Fund may be applied under this Part

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of this Act and which enable the Trustees to comply with subsection (3) below and section 2(2) above.

- (3) The Trustees shall not retain any property (other than money) accepted by them by way of gift except in such cases and for such period as either of the Ministers may allow.
- (4) References in this section to gifts include references to bequests and devises.

## **6 Powers of investment**

- (1) Any sums in the Fund which are not immediately required for any other purpose may be invested by the Trustees in accordance with this section.
- (2) Sums directly or indirectly representing money paid into the Fund under section 2(1) above may be invested in any manner approved by the Treasury ; and the Trustees—
  - (a) shall not invest any amount available for investment which represents such money except with the consent of the Treasury; and
  - (b) shall, if the Treasury so require, invest any such amount specified by the Treasury in such manner as the Treasury may direct.
- (3) Any sums to which subsection (2) above does not apply may be invested in accordance with the Trustee Investments Act 1961 ; and sections 1, 2, 5, 6, 12 and 13 of that Act shall have effect in relation to such sums, and in relation to any investments for the time being representing such sums, as if they constituted a trust fund and the Trustees were the trustees of that trust fund.

## **7 Annual reports and accounts**

- (1) As soon as practicable after the end of each financial year the Trustees shall make a report to the Ministers on the activities of the Trustees during that year; and the Ministers shall cause the report to be published and lay copies of it before Parliament.
- (2) It shall be the duty of the Trustees—
  - (a) to keep proper accounts and proper records in relation to the accounts;
  - (b) to prepare in respect of each financial year a statement of account in such form as the Ministers may with the approval of the Treasury direct; and
  - (c) to send copies of the statement to the Ministers and the Comptroller and Auditor General before the end of the month of November next following the end of the financial year to which the statement relates.
- (3) The Comptroller and Auditor General shall examine, certify and report on each statement received by him in pursuance of this section and lay copies of it and of his report before Parliament.

## PART II

### PROPERTY ACCEPTED IN SATISFACTION OF TAX

#### **8 Payments by Ministers to Commissioners of Inland Revenue**

- (1) Where under paragraph 17 of Schedule 4 to the Finance Act 1975 the Commissioners of Inland Revenue have accepted any property in satisfaction of any amount of capital transfer tax, the Ministers may pay to the Commissioners a sum equal to that amount.
- (2) Any sums paid to the Commissioners under this section shall be dealt with by them as if they were payments on account of capital transfer tax.
- (3) Subsections (1) and (2) above shall apply in relation to estate duty chargeable on a death occurring before the passing of the said Act of 1975 as they apply in relation to capital transfer tax ; and for that purpose the reference in subsection (1) to paragraph 17 of Schedule 4 to that Act shall be construed as a reference to—
  - (a) section 56 of the Finance (1909-1910) Act 1910 ;
  - (b) section 30 of the Finance Act 1953 and section 1 of the Finance (Miscellaneous Provisions) Act (Northern Ireland) 1954; and
  - (c) section 34(1) of the Finance Act 1956, section 46 of the Finance Act 1973, Article 10 of the Finance (Northern Ireland) Order 1972 and Article 5 of the Finance (Miscellaneous Provisions) (Northern Ireland) Order 1973.
- (4) References in this Part of this Act to property accepted in satisfaction of tax are to property accepted by the Commissioners under the provisions mentioned in this section.

#### **9 Disposal of property accepted by Commissioners**

- (1) Any property accepted in satisfaction of tax shall be disposed of in such manner as either of the Ministers may direct.
- (2) Without prejudice to the generality of subsection (1) above, either Minister may in particular direct that any such property shall, on such conditions as he may direct, be transferred to any institution or body falling within section 3(6)(a), (b) or (c) above which is willing to accept it, to the National Art Collections Fund or the Friends of the National Libraries if they are willing to accept it, to the Secretary of State or to the Department of the Environment for Northern Ireland.
- (3) Where either of the Ministers has determined that any property accepted in satisfaction of tax is to be disposed of under this section to any such institution or body as is mentioned in subsection (2) above or to any other person who is willing to accept it, he may direct that the disposal shall be effected by means of a transfer direct to that institution or body or direct to that other person instead of being transferred to the Commissioners.
- (4) Either of the Ministers may in any case direct that any property accepted in satisfaction of tax shall, instead of being transferred to the Commissioners, be transferred to a person nominated by the Ministers ; and where property is so transferred the person to whom it is transferred shall, subject to any directions subsequently given under subsection (1) or (2) above, hold the property and manage it in accordance with such directions as may be given by the Minister.

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- (5) In exercising their powers under this section in respect of an object or collection or group of objects having a significant association with a particular place, the Ministers shall consider whether it is appropriate for the object, collection or group to be, or continue to be, kept in that place, and for that purpose the Ministers shall obtain such expert advice as appears to them to be appropriate.
- (6) The Ministers shall lay before Parliament as soon as may be after the end of each financial year a statement giving particulars of any disposal or transfer made in that year in pursuance of directions given under this section.
- (7) References in this section to the disposal or transfer of any property include references to leasing, sub-leasing or lending it for any period and on any terms.

## **10 Receipts and expenses in respect of property accepted by Commissioners**

- (1) This section applies where property is accepted in satisfaction of tax and the Ministers have made a payment in respect of the property under section 8 above.
- (2) Any sums received on the disposal of, or of any part of, the property (including any premium, rent or other consideration arising from the leasing, sub-leasing or lending of the property) and any sums otherwise received in connection with the property shall be paid to the Ministers.
- (3) Any expenses incurred in connection with the property so far as not disposed of under section 9 above, including in the case of leasehold property any rent payable in respect of it, shall be defrayed by the Ministers.

## **11 Exemption from stamp duty**

No stamp duty shall be payable on any conveyance or transfer of property made under section 9 above to any such institution or body as is mentioned in subsection (2) of that section or on any conveyance or transfer made under subsection (4) of that section.

## **12 Approval of property for acceptance in satisfaction of tax**

- (1) In paragraph 17 of Schedule 4 to the Finance Act 1975—
  - (a) in sub-paragraph (1) (power of Commissioners of Inland Revenue, if they think fit, to accept property in satisfaction of capital transfer tax) after the words " if they think fit" there shall be inserted the words " and the Ministers agree ";
  - (b) in sub-paragraphs (3) and (4) (approval by Treasury of objects to be accepted) for the words " the Treasury ", in each place where they occur, there shall be substituted the words " the Ministers ";
  - (c) in sub-paragraph (5) (interpretation) after the words " In this paragraph " there shall be inserted the words " ' the Ministers ' means the Secretary of State and the Chancellor of the Duchy of Lancaster and ";
  - (d) at the end of sub-paragraph (5) there shall be inserted the words " and, in determining under sub-paragraph (4) above whether an object or collection or group of objects is pre-eminent, regard shall be had to any significant association of the object, collection or group with a particular place. "
- (2) The power of the Commissioners of Inland Revenue to accept property in satisfaction of estate duty under the provisions mentioned in subsection (3) of section 8 above

shall not be exercisable except with the agreement of the Ministers ; and the Ministers shall exercise the functions conferred on the Treasury by the provisions mentioned in paragraphs (b) and (c) of that subsection (which correspond to paragraph 17(3) and (4) of Schedule 4 to the said Act of 1975).

- (3) Any question whether an object or collection or group of objects is pre-eminent shall be determined under the provisions mentioned in section 8(3)(b) or (c) above in the same way as under the said paragraph 17(4).

### **13 Acceptance of property in satisfaction of interest on tax**

- (1) In paragraph 19 of Schedule 4 to the Finance Act 1975 (interest on capital transfer tax) after sub-paragraph (5) there shall be inserted—

“(6) In paragraphs 17(1) and 18(1) above references to tax include references to interest payable under sub-paragraph (1) above.”

- (2) References to estate duty in—

- (a) the provisions mentioned in section 8(3) above; and  
(b) section 32 of the Finance Act 1958 and section 5 of the Finance Act (Northern Ireland) 1958,

shall include references to interest payable under section 18 of the Finance Act 1896.

- (3) Section 8 above shall have effect where by virtue of this section property is accepted in satisfaction of interest as it has effect where property is accepted in satisfaction of capital transfer tax or estate duty and references in this Part of this Act to property accepted in satisfaction of tax shall be construed accordingly.

### **14 Transfer of Ministerial functions**

- (1) Her Majesty may by Order in Council provide for the transfer to the Trustees of the National Heritage Memorial Fund of any functions exercisable by the Ministers or either of them under any of the provisions of this Part of this Act or of the provisions amended by section 12 above.
- (2) An Order under this section may contain such incidental, consequential and supplemental provisions as may be necessary or expedient for the purpose of giving effect to the Order, including provisions adapting any of the provisions referred to in subsection (1) above.
- (3) No Order shall be made under this section unless a draft of the Order has been laid before, and approved by a resolution of, each House of Parliament.

### **15 Abolition of National Land Fund**

- (1) Sections 48, 50 and 51 of the Finance Act 1946 (which establish the National Land Fund for the purpose of making such payments as are mentioned in section 8 above and contain other provisions superseded by this Part of this Act) and section 7 of the Historic Buildings and Ancient Monuments Act 1953 (which enables payments to be made out of that Fund for various other purposes) shall cease to have effect.
- (2) Subsection (1) above does not affect subsection (4) of the said section 48 (accounts) in relation to any receipts into or payments out of the National Land Fund at any time before that section ceases to have effect.

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- (3) The Treasury shall, within six months of the date on which the said section 48 ceases to have effect, cancel all investments of the National Land Fund in debt charged on the National Loans Fund.

### PART III

#### MISCELLANEOUS AND SUPPLEMENTARY

#### 16 Indemnities for objects on loan

- (1) Subject to subsections (3) and (4) below, either of the Ministers may, in such cases and to such extent as he may determine, undertake to indemnify any institution, body or person falling within subsection (2) below for the loss of, or damage to, any object belonging to that institution, body or person while on loan to any other institution, body or person falling within that subsection.
- (2) The institutions, bodies and persons referred to above are—
- (a) a museum, art gallery or other similar institution in the United Kingdom which has as its purpose or one of its purposes the preservation for the public benefit of a collection of historic, artistic or scientific interest and which is maintained—
    - (i) wholly or mainly out of moneys provided by Parliament or out of moneys appropriated by Measure; or
    - (ii) by a local authority or university in the United Kingdom ;
  - (b) a library which is maintained—
    - (i) wholly or mainly out of moneys provided by Parliament or out of moneys appropriated by Measure; or
    - (ii) by a library authority ;
 or the main function of which is to serve the needs of teaching and research at a university in the United Kingdom;
  - (c) the National Trust for Places of Historic Interest or Natural Beauty;
  - (d) the National Trust for Scotland for Places of Historic Interest or Natural Beauty ; and
  - (e) any other body or person for the time being approved for the purposes of this section by either of the Ministers with the consent of the Treasury.
- (3) Neither Minister shall give an undertaking under this section unless he considers that the loan will facilitate public access to the object in question or contribute materially to public understanding or appreciation of it.
- (4) Neither Minister shall give an undertaking under this section unless the loan of the object in question is made in accordance with conditions approved by him and the Treasury and the Minister is satisfied that appropriate arrangements have been made for the safety of the object while it is on loan.
- (5) Subsections (1) to (4) above shall apply in relation to the loan of an object belonging to an institution, body or person established or resident in Northern Ireland with the substitution for references to either of the Ministers and the Treasury of references to the Department of Education for Northern Ireland and the Department of Finance for Northern Ireland respectively.



- (6) In subsection (2) above " library authority" means a library authority within the meaning of the Public Libraries and Museums Act 1964, a statutory library authority within the meaning of the Public Libraries (Scotland) Act 1955 or an Education and Library Board within the meaning of the Education and Libraries (Northern Ireland) Order 1972 and " university " includes a university college and a college, school or hall of a university.
- (7) References in this section to the loss of or damage to, or to the safety of, an object while on loan include references to the loss of or damage to, or the safety of, the object while being taken to or returned from the place where it is to be or has been kept while on loan.

## **17 Expenses and receipts**

Any sums required by any Minister for making payments under this Act shall be defrayed out of moneys provided by Parliament, and any sums received by any Minister under this Act shall be paid into the Consolidated Fund.

## **18 Short title, interpretation, repeals and extent**

- (1) This Act may be cited as the National Heritage Act 1980.
- (2) In this Act—  
" financial year" means the twelve months ending with 31st March;  
" the Ministers" means the Secretary of State and the Chancellor of the Duchy of Lancaster.
- (3) References in this Act and in the provisions amended by section 12(1) above to the Chancellor of the Duchy of Lancaster are references to the Chancellor in his capacity as a Minister of the Crown with responsibility for the Arts.
- (4) References in this Act to the making of a grant or loan or the transfer or conveyance of any property to any institution or body include references to the making of a grant or loan or the transfer or conveyance of property to trustees for that institution or body.
- (5) The enactments mentioned in Schedule 2 to this Act are hereby repealed to the extent specified in the third column of that Schedule.
- (6) This Act extends to Northern Ireland.

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## SCHEDULES

### SCHEDULE 1

Section 1(4).

#### THE TRUSTEES OF THE NATIONAL HERITAGE MEMORIAL FUND

##### *Status*

- 1 The Trustees shall not be regarded as acting on behalf of the Crown and neither they nor their officers or servants shall be regarded as Crown servants.
- 2 Section 40 of the General Rate Act 1967 (relief for charities and other organisations), section 4 of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 (corresponding provisions for Scotland) and Article 41 of the Rates (Northern Ireland) Order 1977 (corresponding provisions for Northern Ireland) shall apply to any hereditament, lands and heritages occupied by the Trustees for the purposes of this Act as they apply to a hereditament, lands and heritages occupied by trustees for a charity.

##### *Tenure of office of trustee*

- 3 (1) Subject to the provisions of this paragraph, a member of the body constituted by section 1 (2) of this Act (in this Schedule referred to as " a trustee ") shall hold and vacate his office in accordance with the terms of his appointment.
- (2) A person shall not be appointed a trustee for more than three years.
- (3) A trustee may resign by notice in writing to the Prime Minister.
- (4) The Prime Minister may terminate the appointment of a trustee if he is satisfied that—
- (a) for a period of six months beginning not more than nine months previously he has, without the consent of the other trustees, failed to attend the meetings of the trustees ;
  - (b) he is an undischarged bankrupt or has made an arrangement with his creditors or is insolvent within the meaning of paragraph 9(2)(a) of Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 ;
  - (c) he is by reason of physical or mental illness, or for any other reason, incapable of carrying out his duties ; or
  - (d) he has been convicted of such a criminal offence, or his conduct has been such, that it is not in the Prime Minister's opinion fitting that he should remain a trustee.
- (5) A person who ceases or has ceased to be a trustee may be re-appointed.

##### *Tenure of office of chairman*

- 4 (1) Subject to the provisions of this paragraph, the chairman of the Trustees shall hold and vacate his office in accordance with the terms of his appointment.

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- (2) The chairman may resign his office by notice in writing to the Prime Minister.
- (3) A trustee who ceases or has ceased to be chairman may be reappointed to that office.
- (4) If the chairman ceases to be a trustee he shall also cease to be chairman.

#### *Expenses and allowances*

- 5 (1) All administrative and other expenses incurred by the Trustees in discharging their functions under this Act shall be defrayed out of the Fund.
- (2) There may be paid out of the Fund to a trustee such allowances as the Ministers may with the consent of the Minister for the Civil Service approve.

#### *Staff*

- 6 The Trustees may, after consultation with the Ministers, appoint such officers and servants as they think fit but the number appointed shall require the approval of the Ministers and the remuneration to be paid, any provisions as to superannuation and the other terms and conditions of service shall require the approval of the Ministers given with the consent of the Minister for the Civil Service.

#### *Proceedings*

- 7 (1) Subject to the provisions of this Act—
  - (a) the Trustees shall discharge their functions in accordance with such arrangements as they may determine ; and
  - (b) those arrangements may provide for any function to be discharged under the general direction of the Trustees by a committee or committees consisting of three or more trustees.
- (2) Anything done by a committee under the arrangements shall, if the arrangements so provide, have effect as if done by the Trustees.
- (3) The validity of any proceedings of the Trustees shall not be affected by any vacancy among the trustees or by any defect in the appointment of a trustee.
- (4) The arrangements made under this paragraph may include provisions specifying a quorum for meetings of the Trustees and any committee ; and until a quorum is so specified in relation to meetings of the Trustees the quorum for such meetings shall be such as may be determined by the Ministers.

## SCHEDULE 2

Section 18(5).

### REPEALS

Chapter	Short Title	Extent of Repeal
9 & 10 Geo. 6. c. 64.	The Finance Act 1946.	Section 48. Sections 50 and 51.
1 & 2 Eliz. 2. c. 34.	The Finance Act 1953.	Section 30(2).

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Chapter	Short Title	Extent of Repeal
1 & 2 Eliz. 2. c. 49.	The Historic Buildings and Ancient Monuments Act 1953.	Section 7.
1969 c. 22.	The Redundant Churches and other Religious Buildings Act 1969.	Section 6.
1975 c. 7.	The Finance Act 1975.	In Schedule 12, paragraph 7.