



National Lottery Heritage Fund: Heritage Emergency Fund Evaluation Final Report

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Executive Summary

In March 2020 National Lottery Heritage Fund (The Fund) was concerned that COVID-19 would have a significant impact on the UK's heritage and developed a response to support organisations working in heritage. Five elements of The Fund's response to COVID-19 are covered in this evaluation: Heritage Emergency Fund (HEF) grants for £3,000-£50,000; HEF grants for £50,000-£250,000; flexibility for current grants; grant increases and Register of Support Services (ROSS) Consultant support.

This evaluation aims to understand whether The Fund's response to COVID-19 met the needs of organisations working in the heritage sector and, in doing so, delivered The Fund's three stated outcomes: economy, inclusion and wellbeing, as set out in the Strategic Funding Framework (SFF).¹ It should be noted that this evaluation is largely focused on the impact of the HEF grants, as this element of The Fund's response to COVID-19 impacted the largest number of organisations.

Through HEF, £49,829,600 was awarded to 961 applicants

Overall, £49,829,600 was awarded through HEF to 961 applicants from across the UK and a range of heritage areas, with the aim of enabling organisations working in heritage to continue to operate.²

Many organisations working in heritage were in immediate financial need at the time HEF was launched; as such support was targeted towards organisations facing a loss of income, job losses, and diminishing reserves.

HEF had the biggest impact on economic outcomes as it meant that struggling organisations were able to stay afloat and retain staff

- According to the end of grant survey, HEF grants supported staff and volunteers as below.
 - Total number of full-time equivalent roles to have been directly supported by HEF grants is estimated to be between 2,422 and 3,094.³

¹ [Heritage Fund Strategic Funding Framework 2019-2024](#)

² It should be noted that subsequent to HEF grants being awarded, one applicant withdrew. The data used in this analysis was extracted by The Fund and provided to Renaisi on 28th August 2020, some grantees will have subsequently received adjustments and increases that are not included in this analysis.

³ The numbers and estimates in this paragraph were taken from an extended and larger sample of end of grant survey respondents than other sections relating to the end of grant survey. The larger sample size is 582 grantees, who had responded to the end of grant survey on or before 17th February 2021, which constitutes 61 per cent of the whole cohort. However, estimates should be treated with caution. Figure 12 in the main report provides these figures in more detail.

- Of the 72 per cent of surveyed HEF grantees who used the Coronavirus Job Retention Scheme (also known as 'furlough'), 47 per cent used their HEF grant to bring staff back from furlough and boost their capacity.⁴
- Total number of staff that grantees could bring back from furlough as a result of HEF is estimated to be between 1,442 and 1,922.
- Total number of volunteer roles directly supported by HEF is estimated to be between 14,694 and 29,186.
- Many organisations used HEF to cover staffing costs, as they needed staff capacity to tackle challenges such as outdoor assets that needed to be maintained or increased visitor numbers. Three-quarters of surveyed HEF grantees used at least some of their grant for staff costs, which allowed organisations to support staff to continue to work through the crisis and thus avoid reducing their capacity, or to boost staffing capacity where required.
- It should be noted that the extent to which HEF enabled organisations to continue to operate varied depending on the financial position of applicants before applying. Several organisations stated that, without HEF funding, they almost certainly would have become insolvent, particularly those with low reserves. Whereas other grantees may have survived the initial crisis without HEF funding, but would have been operating at a much-reduced capacity and would have had to drastically limit their operations and make high numbers of redundancies.
- The primary impacts on inclusion were indirect impacts through organisations spending their grant on expanding their digital presence and subsequently attracting new and different audiences. Additionally, The Fund supported some inclusion-focused organisations to continue their work.
- Enabling organisations to continue to operate had positive wellbeing impacts for staff and volunteers, as it tackled concerns about the organisation's financial viability. Additionally, there were positive wellbeing impacts for beneficiaries through engaging with heritage as organisations were able to continue to connect with their audiences, either through online delivery or keeping outdoors spaces open to the public.

Organisations working in heritage continue to face challenges due to COVID-19; however it should be recognised that there are also opportunities for heritage

- COVID-19 continues to pose a risk to the long-term viability of organisations; 92% of end of grant survey respondents stated that COVID-19 poses a high or moderate risk to the long-term viability of their organisation.
- Loss of revenue is an ongoing challenge for many organisations; the end of grant survey (conducted between December 2020 and January 2021) found that only 10 per cent of

⁴ [Government Coronavirus Job Retention Scheme](#)

grantees were able to make 60 per cent and above of their income from earned sources within the last three months. This challenge has been coupled with increased running costs and concerns about future funding available.

- Changes required to physical delivery to comply with social distancing guidelines and to adapt to changing restrictions, are an ongoing challenge.
- Organisations continue to experience challenges with lack of volunteer capacity as volunteers are often shielding, as well as with managing staff capacity.
- Although adapting to digital has presented challenges, digital provides an opportunity for organisations working in heritage to engage audiences whilst sites are closed or operating at reduced capacity.
- There are opportunities for organisations to build back better; this includes consideration for how they can become more inclusive and keep pace with wider societal changes, such as the move towards digital and recognition of the importance of green spaces to health and wellbeing.

Organisations working in heritage valued support to date, but expressed a demand for further financial and non-financial support

Support provided to date has been well received; 93 per cent of grantees stated that their experience of HEF overall was “very good”. The Fund’s change in approach to supporting organisations made them feel that The Fund valued them and respected their priorities in needing support for core costs rather than project funding.

However the evaluation found that to support the longer-term resilience and recovery of organisations working in heritage more support is needed, both financial and non-financial.

- Organisations expressed a demand for project funding and funding for core costs. The need for project funding is due to some organisations working in heritage being ready to start and continue projects; whereas support with core costs is needed by organisations working in heritage who continue to experience financial challenges due to COVID-19.
- Organisations feel that it will be important for The Fund to continue to be flexible in the support it provides. Grantees with an existing grant have valued flexibility from The Fund to date, as the option to change the approved purposes of an existing grant, change the timeline for delivery or receive additional funding enabled organisations to overcome the barriers facing project delivery in response to COVID-19. Ongoing uncertainty regarding COVID-19 means that the ability to access and utilise flexible support will continue to be valuable.
- Organisations would value non-financial support from The Fund, including advice and guidance, access to consultancy support and opportunities to share and learn with other organisations working in heritage.

The Fund's role to date has been well-received but it needs to evolve as the crisis continues

The Fund was able to quickly respond and deliver a package of support to meet the needs of organisations working in heritage. Grantees reflected positively on the honest and timely communication they received from The Fund, and highlighted that having an opportunity to talk through problems and reflect with Investment Teams was valuable. Whilst some challenges were experienced with completing the application form, applicants largely felt that the HEF application form was simpler to complete than previous application forms developed by The Fund.

The evaluation highlighted three considerations for The Fund's role going forwards.

- The Fund should continue to provide support to the sector, but this support needs to be designed and delivered in a strategic manner. This includes only funding organisations who are financially resilient or have strong plans to become financially resilient, and embedding the SFF outcomes into future support. Embedding the SFF outcomes is particularly important given that the evaluation found that some organisations working in heritage do not perceive inclusion and wellbeing outcomes to be a priority at the moment.
- The Fund should be a critical friend to organisations working in heritage, providing advice and challenge to organisations both prior to organisations receiving support and whilst support is being delivered.
- The Fund should continue to use its profile to play an active role in advocating for heritage, particularly to Government to ensure that the heritage sector is provided with support to address its needs.

There are several recommendations for how to take these findings forward

This evaluation has highlighted a number of recommendations, arising from reflections shared by staff at The Fund, ROSS Consultants and organisations working in heritage, where further action is required to understand the required next steps in more detail.

- Further research is needed to explore alternative funding mechanisms, beyond project funding and funding for core costs, as the evaluation was framed to enquire about the need for project funding rather than alternatives. Therefore, whilst a clear demand for project funding was expressed, it isn't necessarily the only funding mechanism that would address the need.
- Further research is required on the specific topics for The Fund to provide advice and support on, given the needs of organisations working in heritage and what The Fund already has developed.

Additionally, organisations working in heritage shared reflections on how The Fund could reduce the burden on applicants where possible and to support those with limited capacity to apply.

- Information requirements should be reduced where possible and The Fund should not request information that it already has.
- Investment Teams should conduct pre-application discussions with organisations, particularly those with limited capacity, to understand their context and discuss eligibility.⁵
- Applicants should be able to submit photos, videos or other media to bring their application, and the context in which they are operating, to life.

⁵ It should be noted that The Fund currently conducts pre-application discussions with applicants for grants over £10,000.

Introduction

This paper is the final report for the evaluation of the Heritage Emergency Fund (HEF) which was designed and delivered by National Lottery Heritage Fund (The Fund), as part of their wider response to COVID-19. This section provides an overview of the report, details the wider context for The Fund's response to COVID-19 to support organisations working in heritage, provides an overview of the programme being evaluated and details the programme aims.

Please note that a glossary of terms used in this report is provided at the end of report.

Overview of the report

This evaluation aims to understand whether The Fund's response to COVID-19 met the needs of organisations working in the heritage sector and, in doing so, delivered The Fund's three stated outcomes: economy, inclusion and wellbeing, as set out in the SFF.⁶ Findings from the evaluation are intended to inform The Fund's future practice in supporting the longer-term resilience and recovery of organisations working in heritage.

The findings in this paper are split into four sections:

1. **Impact of The Fund's response** – evaluation of the impact on the needs of organisations working in heritage, particularly focused on HEF, and evaluation of the impact of The Fund's response on The Fund's three stated outcomes: economy, inclusion and wellbeing.
2. **Challenges and opportunities for organisations working in heritage** – findings regarding the challenges and opportunities that organisations working in heritage continue to face as a result of COVID-19.
3. **Learnings for future support** – evaluation of the value of support provided to date, this includes HEF1, HEF2, flexibility for current grants, grant increases and Register of Support Services (ROSS) Consultant support; and learnings regarding future support needs.
4. **Learnings for future ways of working** – evaluation of The Fund's ways of working in response to COVID-19 and learnings that can be drawn from this, as well as learnings about the role of The Fund going forward.

Findings from the evaluation are intended to inform The Fund's future practice in supporting the longer-term resilience and recovery of organisations working in heritage. The findings were largely consistent across UK areas, with some differences by heritage area; where there are variances between UK areas or heritage areas this is highlighted in the body of the report.

⁶ [Heritage Fund Strategic Funding Framework 2019-2024](#)

Additionally, this paper includes recommendations for further action required to take the findings forward and reflections from organisations working in heritage as to how The Fund could support those with limited capacity to apply.

Wider context

The Fund is the largest dedicated grant funder of the UK's heritage; since 1994, £8 billion has gone towards more than 44,000 projects across the UK.⁷ The Fund invests in the full breadth of the UK's heritage and, through funding, aims to make a lasting difference for heritage and people.

In March 2020 The Fund was concerned that COVID-19 would have a significant impact on the UK's heritage; a survey issued by The Fund found that 98 per cent of organisations surveyed had been impacted within the first three weeks of COVID-19 and the remaining two per cent expected some impact in the future.⁸ This impact included loss of revenue, site closures, postponement of planned events and risks to the long-term viability of organisations.

To respond to the risk to the UK's heritage due to COVID-19, The Fund developed a response to support organisations working in heritage and to ensure that key heritage at risk was not lost to the public longer-term. This support was designed to deliver The Fund's three stated outcomes in line with the Strategic Funding Framework (SFF): economy, inclusion and wellbeing.⁹

It should be noted that during The Fund's response to COVID-19 the situation continued to evolve, with the introduction of the Coronavirus Job Retention Scheme (also known as 'furlough'), as well as further changes to local and national restrictions.¹⁰

The programme being evaluated

This evaluation covers five elements of The Fund's response to COVID-19: HEF grants for £3,000-£50,000; HEF grants for £50,000-£250,000; flexibility for current grants; grant increases and ROSS Consultant support. More information on each of these elements is described below.

- Heritage Emergency Fund grants for £3,000-£50,000 – known within The Fund as “HEF 1”; grants available to current or previous recipients of grants from The Fund, to support organisations working in heritage who were in need as a result of COVID-19.

⁷ The National Lottery Heritage Fund, (2020), 'Economic Insight into the impact of the Coronavirus (COVID-19) across the Heritage Sector in the UK'

https://www.heritagefund.org.uk/sites/default/files/media/attachments/Economic%20Impact%20of%20Coronavirus%20March%202020_0.pdf

⁸ https://www.heritagefund.org.uk/sites/default/files/media/attachments/Economic%20Impact%20of%20Coronavirus%20March%202020_0.pdf

⁹ [Video Heritage Fund. Strategic Funding Framework-2019-2024](#)

¹⁰ [Government Coronavirus Job Retention Scheme](#)

- Heritage Emergency Fund grants for £50,000-£250,000 – known within The Fund as “HEF 2”; grants available to current or previous recipients of grants from The Fund, to support organisations working in heritage who were in need as a result of COVID-19.
- Flexibility for current grants – existing grantees were able to amend the approved purposes of their grant, including changes to timelines and the purpose of existing grant agreements (e.g. extending grant expiry dates, agreeing changes to approved purposes), to reflect changes to delivery as a result of COVID-19.
- Grant increases – existing grantees were able to increase their grant amount to cover additional costs incurred as a result of COVID-19.
- ROSS Consultant support – The Fund allocated 216 HEF grantees a ROSS Consultant to provide mentoring and tailored advice, to help grantees deal with immediate stabilisation issues, risks and future planning for the recovery period in the event of further lockdowns. In addition, ROSS Consultants were tasked with identifying and facilitating opportunities where grantees with common issues would benefit from peer learning. ROSS Consultants also delivered a number of workshops on various topics for HEF grantees and produced guidance materials regarding the HEF application process for applicants. .

Please note that solicitation grants are not included in the scope of this evaluation.¹¹

Whilst each element of The Fund’s response to COVID-19 is unique and serves a specific purpose, they were designed to come together as a holistic package of support available to organisations working in heritage. This evaluation will consider The Fund’s response to COVID-19 as a whole, although it should be noted that this evaluation is largely focused on the impact of the HEF grants, as this element of The Fund’s response to COVID-19 impacted the largest number of organisations.

¹¹ Solicitation grants are grants provided by The Fund where The Fund’s strategic objective cannot best be met by an open competitive programme. This could include exceptional cases where it is judged there is a need to provide a higher level of emergency funding outside of the standard guide criteria for a unique purpose.

Overview of HEF

Aims of HEF

HEF was developed to keep organisations working in heritage afloat

The primary aim of HEF was to keep organisations working in heritage who had been impacted by COVID-19, afloat.¹² This was based on the assumption that the crisis would be short-term, so support was mainly needed to cover immediate costs during the crisis period. Support was therefore targeted towards organisations in immediate financial need – those facing a loss of income, job losses, and diminishing reserves.

Many organisations working in heritage were in immediate financial need at the time HEF was launched. Those who were reliant on visitor income found that their income streams had been significantly affected by lockdown restrictions, as they could no longer allow visitors to mix indoors. Lockdown restrictions also affected organisations who were reliant on project funding who could no longer deliver their work as intended. Organisations who could have potentially delivered projects were struggling to acquire funding, as funders suspended their pre-existing programmes to focus on emergency support. For the many organisations with low levels of reserves before COVID-19, this loss of income further weakened their financial resilience. Therefore, there were many organisations in immediate financial need looking to The Fund for support.

HEF grants were initially capped at £50,000, but it quickly became apparent that some organisations needed larger amounts of funding due to the scale of the challenge they were facing. This led to the introduction of HEF 2 on 21st May 2020, where the maximum amount available was raised to £250,000. The Fund also provided increases to HEF grants for organisations who needed a larger amount than they had initially applied for.

Grants awarded

Through HEF, £49,829,600 was awarded to 961 applicants



¹² The Fund also aimed to preserve heritage assets at risk, specifically heritage that The Fund had previously invested in. However, this aim was not explored in this evaluation. ([Heritage Emergency Fund](#))

HEF grants were awarded to 961 applicants from across the UK and a range of heritage areas, with the aim of enabling organisations working in heritage to continue to operate.¹³

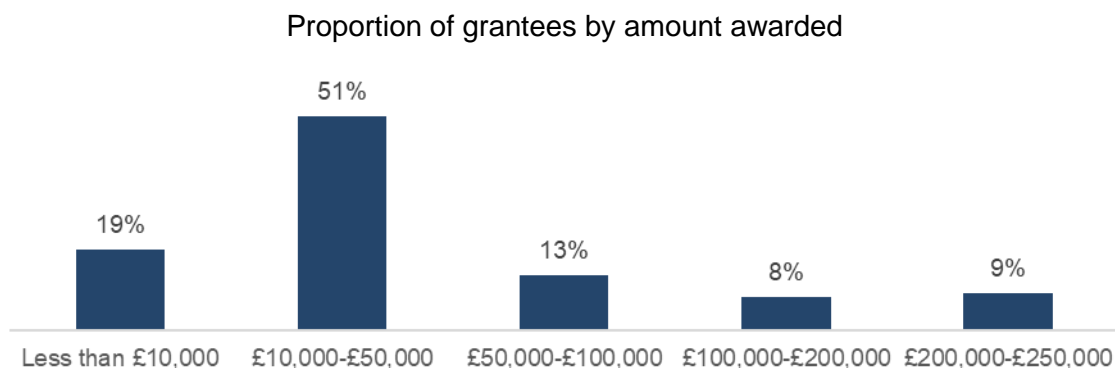


Figure 1: Proportion of grantees by amount awarded (N=961)

The majority of applicants were from England, with the highest proportion from London and South

The majority of HEF applicants (80 per cent) were from England, with over one third (36 per cent) from London and South. London and South was also the UK area with the highest proportion of applicants not awarded a grant, 49 per cent. In contrast, Northern Ireland had the lowest proportion of applicants not awarded a grant, with just two per cent of the total.

¹³ It should be noted that subsequent to HEF grants being awarded, one applicant withdrew. The data used in this analysis was extracted by The Fund and provided to Renaisi on 28th August 2020, some grantees will have subsequently received adjustments and increases that are not included in this analysis.

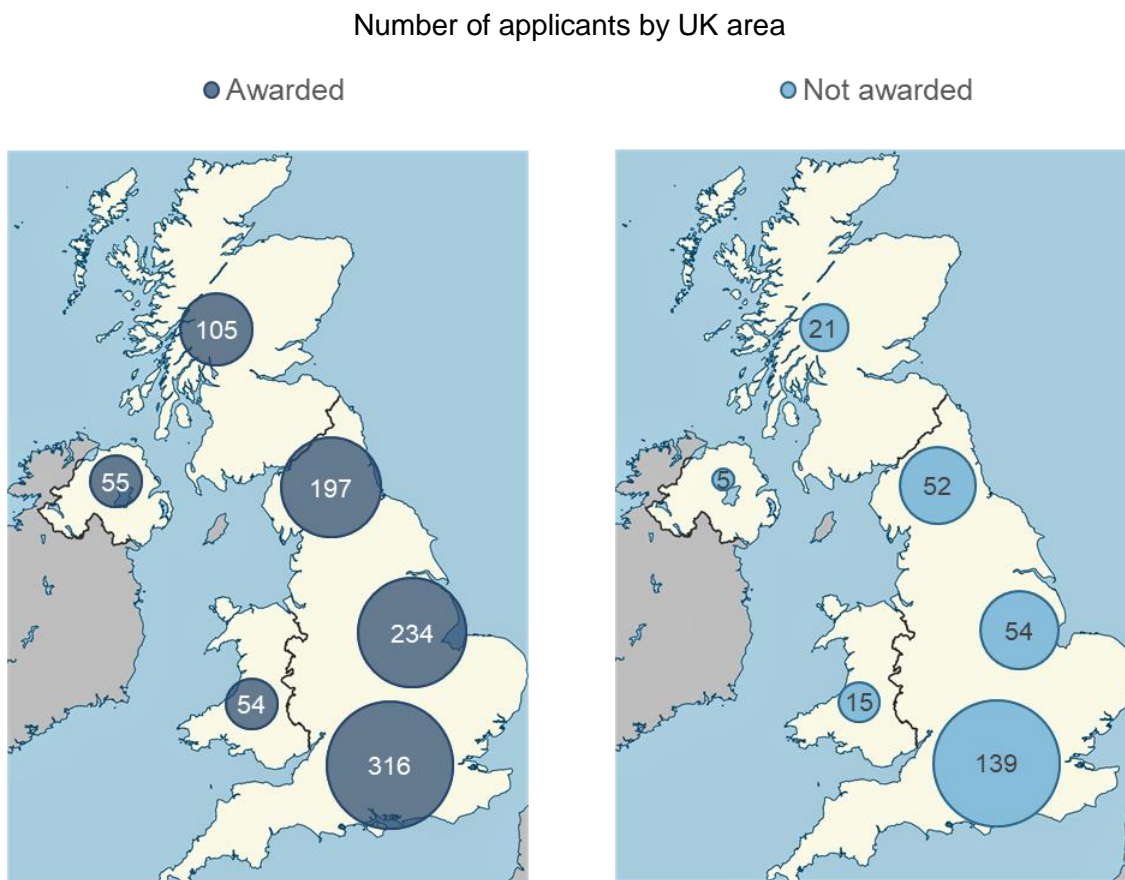


Figure 2: Number of applicants by UK area (N=1247); excluding 9 applicants that did not record their location in their application

The majority of grants were awarded to organisations from areas with medium levels of deprivation

The majority of grants (51 per cent) were awarded to organisations in IMD deciles 4-7, placing them in the middle range of IMD deciles.¹⁴ Approximately one-third of grants (32 per cent) were awarded to organisations in the most deprived areas, IMD deciles 1-3, and nine per cent of grants were awarded to organisations in areas in IMD decile 1. Organisations in the least deprived areas, in IMD deciles 8-10, were awarded 17 per cent of grants.

Northern Ireland had the highest proportion of grantees in IMD deciles 1-3, with 61 per cent of grantees from Northern Ireland being from the most deprived areas. Approximately half of the grantees from England, Scotland and Wales were from areas with medium levels of deprivation. The lowest proportion of grantees were in IMD deciles 8-10 for every country apart from Wales.

¹⁴ Indices of Multiple Deprivation (IMD) or deprivation indices are relative measures calculated on a national level, i.e. English IMD is separate from Welsh, Scottish, and Northern Irish indices. The most deprived areas in one country are not necessarily comparable to the most deprived in another country.

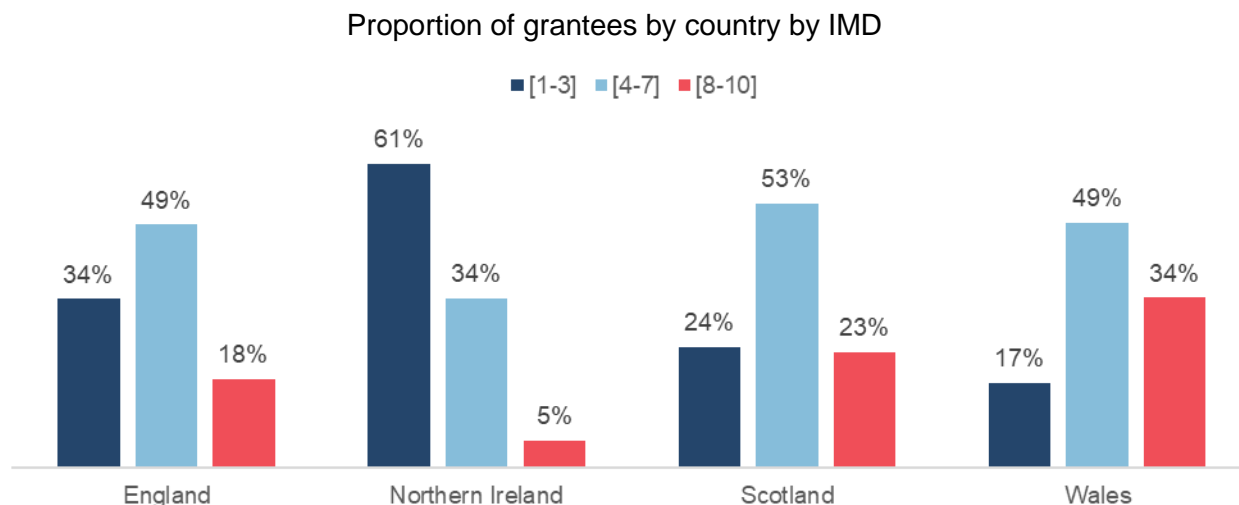


Figure 3: Proportion of grantees by country by IMD decile (N=939); excluding 22 without recorded postcodes/IMD data.

Grantees from areas with the highest levels of deprivation tended to receive smaller grants

Both the mean and median grant values for organisations in IMD deciles 1-3 were lower than for grantees in less deprived areas. Furthermore, the mean and median grant values for organisations in IMD deciles 4-7 were higher than for organisations in IMD deciles 8-10. Therefore, organisations from areas of medium levels of deprivation tended to receive larger grants.

Grantees by IMD decile

IMD Decile	Awards (N)	Amount Awarded	Awards (%)	Amount Awarded (%)	Grant value (mean)	Grant value (median)
[1-3] Most deprived	311	£13,554,600	33%	28%	£43,584	£20,000
[4-7]	453	£26,857,000	48%	55%	£59,287	£34,700
[8-10] Least deprived	175	£8,681,100	19%	18%	£49,606	£25,400

Figure 4: Grantees by IMD decile (N=939); excluding 22 with no recorded postcodes/IMD data.

Historic Buildings and Monuments was the most prominent heritage area amongst HEF applicants

Historic Buildings and Monuments represented 327 out of 1,256 applicants (29 per cent), the largest proportion of any heritage area. Industrial, Maritime and Transport represented the smallest proportion of HEF applicants of any of the heritage areas, with eight per cent of the total.

Proportion of awarded and not awarded applicants by heritage area

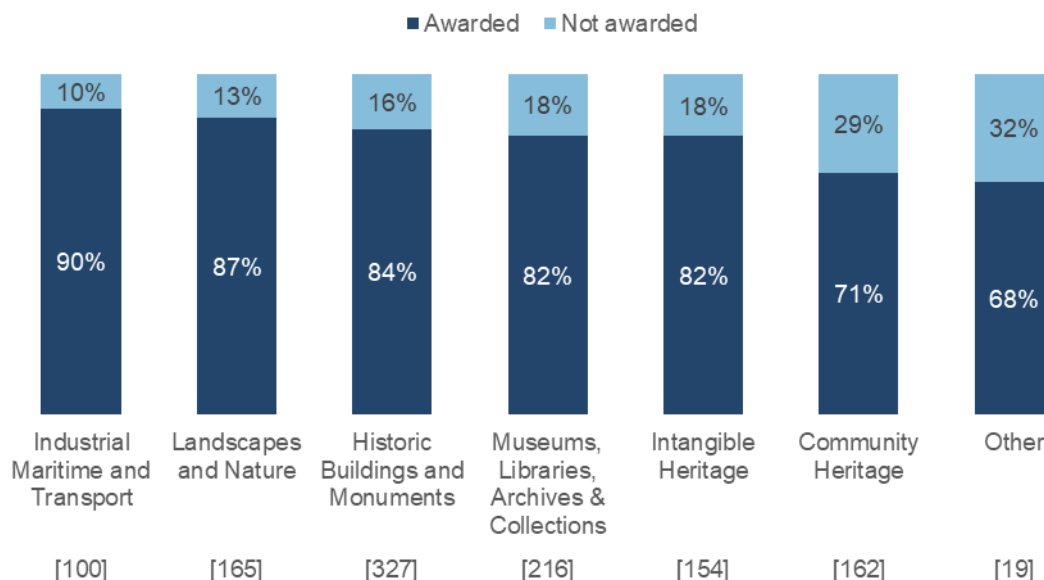


Figure 5: Proportion of applicants by heritage area (N=1,143); excluding 113 applicants who did not record heritage area; NB: the number of awarded applicants is higher than not awarded applicants in all heritage areas

Approximately three out of ten Community Heritage applicants (29 per cent) were not awarded grants. In contrast, 90 per cent of Industrial, Maritime and Transport applicants were awarded a grant, the highest of any heritage area.

Over half of Intangible Heritage grantees (54 per cent) were in IMD deciles 1-3. In contrast, Landscapes and Nature had the lowest proportion of grantees in the most deprived areas, with 18 per cent of grantees in IMD deciles 1-3.

Proportion of grantees in the most deprived areas by heritage area

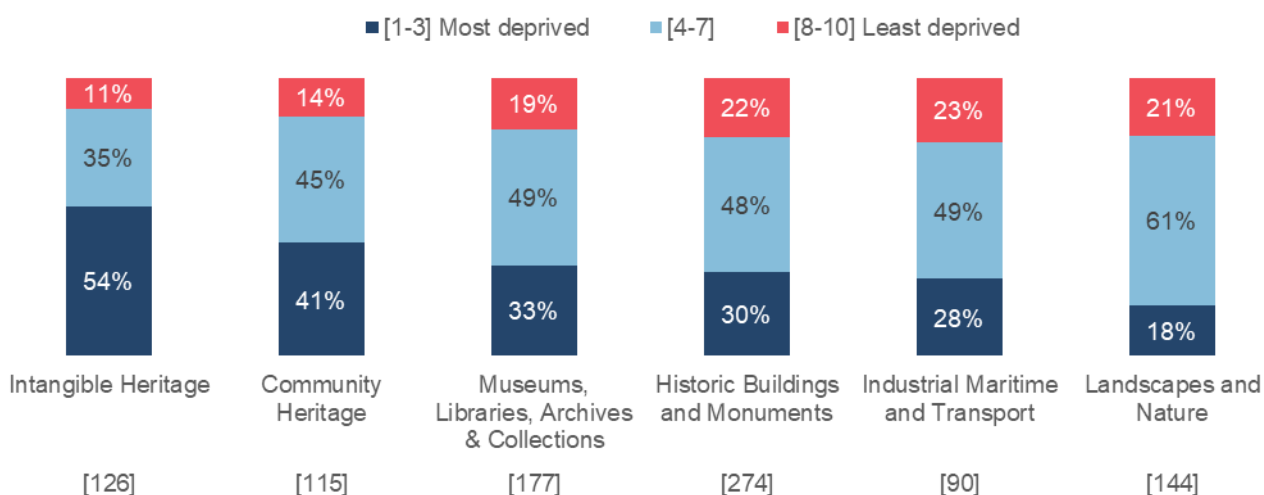


Figure 6: Proportion of grantees in the most deprived areas by heritage area (N=926); excluding 35 grantees where IMD or heritage area data was not recorded.

Applicants with either low or high amounts of reserves were less likely to be awarded grants than applicants with medium amounts of reserves

A lower proportion of applicants who had less than £10,000 or more than £100,000 in reserves were awarded a grant than were not awarded a grant. The opposite is true for applicants who had between £10,000 to £100,000 in reserves. These findings suggest that The Fund may have been less inclined to award grants to those with low amounts of reserves who may not be financially viable, or those with high amounts of reserves who were not in significant financial need. These figures however would need to be compared against organisation size to precisely determine the financial situation of these applicants.

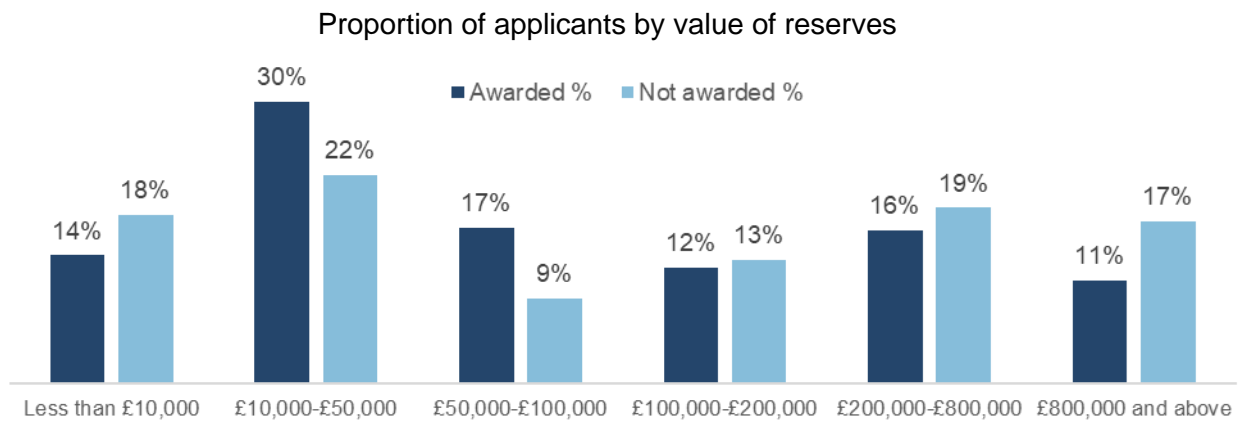


Figure 7: Proportion of applicants by value of reserves (N=743); of the 857 applicants who have a reserves policy; excluding 114 did not record the value of reserves.

Evaluation approach

This section details the scope and aims of the evaluation, the evaluation activity that took place, including activity type and number of participants engaged, as well as how the evaluation was adapted in response to COVID-19.

Scope of the evaluation

Given the number of organisations supported by The Fund's response to COVID-19 and the variety of types of heritage that these organisations represent, the evaluation approach was designed to ensure a representative sample were engaged across the following characteristics:

- Heritage area (Community Heritage; Historic Buildings and Monuments; Industrial, Maritime and Transport; Intangible Heritage; Landscapes and Nature; Museums, Libraries, Archives and Collections; Other; Unknown)
- UK area (London and South (England); Midlands and East (England); North (England); Northern Ireland; Scotland; Wales)
- Date of application (only applicable to HEF applicants)
- Amount awarded (only applicable to recipients of HEF grants)

Several elements of The Fund's response to COVID-19 are in scope for this evaluation, as outlined in the Introduction. This evaluation is largely focused on the impact of the HEF grants, as this element of The Fund's response to COVID-19 impacted the largest number of organisations. The volume of engagement with organisations receiving other elements of The Fund's response to COVID-19 was designed to be in proportion to the number of organisations that received this support overall.

It should be noted that each element of The Fund's response to COVID-19 serves a distinct purpose, therefore this evaluation does not attempt to compare the value of these elements against each other. It should also be noted that solicitation grants were not in scope for this evaluation.

Aims of the evaluation

The overarching aim of the evaluation is to understand whether The Fund's response to COVID-19 met the needs of organisations working in the heritage sector and, in doing so, delivered The Fund's three stated outcomes: economy, inclusion and wellbeing, as set out in the SFF.¹⁵

The evaluation was designed to be split into three strands:

- 1) To assess the impact of The Fund's response to COVID-19
- 2) To identify learnings for future support for organisations working in heritage

¹⁵ [Heritage Fund Strategic Funding Framework 2019-2024](#)

3) To identify learnings for future ways of working for The Fund

Over the course of the evaluation, the evaluation approach evolved with respect to The Fund's three stated outcomes. In October 2020, the HEF Evaluation Steering Group, comprised of senior staff at The Fund, agreed that the evaluation should prioritise evaluating economic outcomes over inclusion and wellbeing outcomes for two reasons:

- 1) In the latter stages of the HEF application window, the economy outcome took precedence over the inclusion and wellbeing outcomes when awarding applications; this is explored in further detail in the learnings for future ways of working section of this report.
- 2) Initial findings from the evaluation highlighted greater impact of the HEF grants on the economy outcome, due to the severe loss of revenue experienced by grantees and because grantees were focused on generating economic outcomes rather than inclusion and wellbeing outcomes.

As a result of the above change, evaluation of the economy outcome was prioritised in the evaluation approach. However it should be noted that the inclusion and wellbeing outcomes were evaluated as part of the qualitative interviews with grantees, organisations that did not apply for funding and organisations that were not successful.

Evaluation activity

This evaluation incorporated a range of qualitative and quantitative research methods:¹⁶



Twenty two **internal interviews** with staff at The Fund that were involved in the development and/or delivery of HEF.



Forty seven **external interviews** with organisations who received support through The Fund via: HEF 1; HEF 2; grant increases; flexibility for current grants and ROSS Consultant support.



Five **internal interviews** with ROSS Consultants who provided support to The Fund and HEF grantees.



Eight **external interviews** with previous grantees of The Fund who did not apply for funding through HEF.



A **rapid review** of the internal and external documentation relevant to the wider context of The Fund's response.



Five **external interviews** with organisations that were not successful in their application to HEF.



Quantitative analysis of application data, and qualitative analysis of a sample of 125 applications. The data used in this analysis was extracted by The Fund and provided to Renaisi on 28th August 2020; some grantees will have subsequently received adjustments and increases that are not included in this analysis.



Two **open meetings for HEF grantees** hosted by Renaisi, attended by staff from 28 organisations, which provided a space for grantees to connect and share.

¹⁶ Numbers on staff and volunteers impacted by HEF grants were taken from a larger sample of end of grant survey respondents compared to other sections relating to the end of grant survey (582 grantees who had responded to the end of grant survey on or before 17th February 2021).



Six **case studies** of grantees that received support through HEF, to gain a deeper understanding of the impact of HEF, their reflections on what could be improved and future support needs.



A **learning diary** for Investment Managers and Engagement Managers at The Fund to capture reflections and learnings from grantees.



Quantitative analysis of an online survey completed by 360 HEF grantees at the end of their grants. Please note that only responses submitted before 13th January 2021 have been included in the findings in this paper, with the exception of analysis on number of staff and volunteers of grantees impacted by HEF. A full set of end of grant survey responses submitted has been shared with The Fund.

Adapting the evaluation in response to COVID-19

The evaluation approach was predicated on the assumption that COVID-19 would continue to impact working practices for all evaluation participants for the duration of the evaluation. Therefore all evaluation activity was designed to be undertaken virtually, including qualitative interviews and the end of grant survey.

The evaluation was developed in July 2020, following the first UK-wide lockdown. Changes to local and national restrictions during the course of the evaluation necessitated further adjustments in response to COVID-19:

- The timeline for qualitative interviews with grantees, organisations that did not apply and organisations that were unsuccessful was extended from 4th December 2020 to 18th December 2020. This was in response to the second national lockdown in England from 5th November 2020 to 2nd December 2020, to enable furloughed staff or organisations that had reduced capacity to be interviewed at a later date.
- The timeline for the end of grant survey was initially extended from 18th December 2020 to 8th January 2021. This was due to the extension of the timeline for some HEF grants to be spent, where delivery had been affected by changes to local and national restrictions from September 2020 onwards. The timeline for the end of grant survey was subsequently extended again to 13th January 2021 in response to the third national lockdown in England from 5th January 2021.

Whilst every effort was made to enable organisations working in heritage to input into the evaluation, it should be noted that some organisations were unable to participate due to capacity constraints.

Due to restrictions on the capacity of staff at The Fund, because of the continued provision of emergency support to organisations working in heritage, mechanisms for input into the evaluation were designed to minimise effort and time required from staff. The learning log was designed to be simple to complete and to provide staff with an opportunity to reflect that would be valuable for individual learning as well as the wider evaluation. Steering Group members received briefing materials in advance of meetings and were engaged separately if they were unable to attend meetings due to capacity constraints.

Impact of The Fund's response

This section explores the impact of all elements of The Fund's response in scope for this evaluation – HEF grants, ROSS Consultant support, flexibility for current grants and grant increases. As part of this, we explore the following research questions:



1. To what extent has the financial support provided by The Fund enabled HEF grantees to continue to operate?

2. To what extent has HEF supported The Fund's economy, inclusion and wellbeing outcomes?

Impact of HEF on the needs of organisations working in heritage

The analysis in this section focuses specifically on the impact of HEF on the needs of organisations working in heritage. As such, the primary sources of data used are the analysis of a sample of application data, the end of grant survey completed by grantees and qualitative interviews with HEF grantees.

Costs applied for in HEF applications

The data for this sub-section is drawn from analysis of a sample of application data to determine the financial support needs organisations sought to address with their HEF grants.

Organisations needed support to cover several different types of costs, particularly staff costs and overheads

As a result of the financial impact of COVID-19 on their organisation, HEF applicants needed support to cover immediate costs, such as staff costs and core costs, as well as costs to work towards longer-term recovery, such as digital capability costs. Analysis of a sample of the application data, found that the financial support that organisations working in heritage needed fell into nine broad categories:

- Business support (e.g. legal guidance or consultancy) – organisations working in heritage needed funding to pay for professional advice about how to respond to the impact of COVID-19 on their organisation and how they could adapt to this impact.
- Digital capability (e.g. website maintenance, Zoom memberships, equipment for staff) – organisations working in heritage needed funding for digital resources and tools that would enable the organisation to transition their delivery model to digital, as face to face delivery was no longer possible, or to enable staff to work from home.

- Events (e.g. virtual workshops or socially distant tours) – organisations working in heritage needed funding to run events virtually, or physically in compliance with social distancing restrictions, in order to continue to generate revenue and engage beneficiaries in heritage.
- Land management – organisations working in heritage needed funding to cover unanticipated land management costs; greater audience engagement in outdoor spaces due to COVID-19 increased the need for land management and maintenance.
- Overheads (e.g. core costs, building maintenance, repair of heritage assets) – organisations working in heritage needed funding to cover overheads in instances where loss of income meant that the organisation was no longer able to cover these costs themselves.
- Resources to comply with social distancing guidelines (e.g. PPE, hand sanitiser, contactless payment) – organisations working in heritage needed funding to purchase resources to comply with social distancing guidelines, if they decided to remain open.
- Staff costs – organisations working in heritage needed funding for staff costs for two primary reasons. Firstly, to cover existing staff costs that they could no longer cover due to loss of income; this funding meant that organisations were able to retain staff who otherwise would have otherwise been made redundant or furloughed. Secondly, to cover additional staff costs as required due to COVID-19, for example if additional staff were required to manage visitors to ensure compliance with social distancing restrictions.
- Training (e.g. digital and online safeguarding) – organisations working in heritage needed funding to cover the increased cost of training for skills due to COVID-19. Digital and online safeguarding training were particularly in need as many organisations had to transition to a digital delivery model.
- Other (e.g. materials required for delivery that do not fit into the above categories).

The categories of financial support needed by organisations working in heritage, as listed above, were used to analyse the types of costs that applicants applied to HEF for. Analysis of the types of costs included in the sampled applications, highlighted three groupings of roughly equal size:

- Applications with no single cost category forming a majority of the grant ('Grant spread out'), which accounted for 34 per cent of sampled applications.
- Applications with staff costs forming a majority of the grant, which accounted for a further 34 per cent of sampled applications.
- Applications with overheads, digital capability, resources to comply with social distancing guidelines, other or business support cost categories forming a majority of the grant, which accounted for the final 32 per cent of sampled applications.

Sampled applicants by cost category (estimated by the majority of the grant applied for, one cost category per applicant)

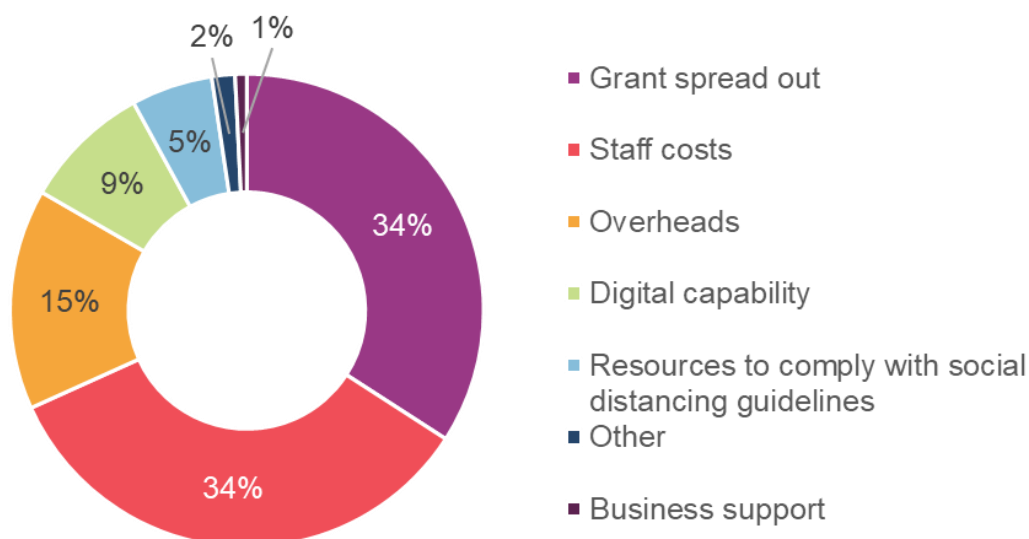


Figure 8: Sampled applicants by cost category (estimated by the majority of the grant applied for, one cost category per applicant) (N=126)

According to the sampled application data, overheads and staff costs were the two most frequently occurring cost categories, with over 60 per cent of applicants planning to use at least some of their grant to cover these costs. These two cost categories dominated early applications, with higher proportions of applicants in April and May applying to cover these costs than later in the funding period.

The costs applicants sought to cover changed as the crisis continued into the summer months. This change was steered by The Fund, as the application guidance changed following the introduction of HEF 2 in May 2020, such that costs related to ‘reopening and recovery’ were in scope, rather than solely ‘emergency’ funding. Applications gradually focused less on immediate costs such as staff costs and overheads, and more on adaptation costs, including digital capability, reopening costs (such as resources to comply with social distancing guidelines) and business support. For example, over two-thirds of applicants (67 per cent) applied to cover costs to improve their digital competence in the second half of July, compared with 19 per cent of applicants in April. The graph below details the proportion of sampled applicants that applied for costs relating to a specific cost category, and shows how this changed over time.

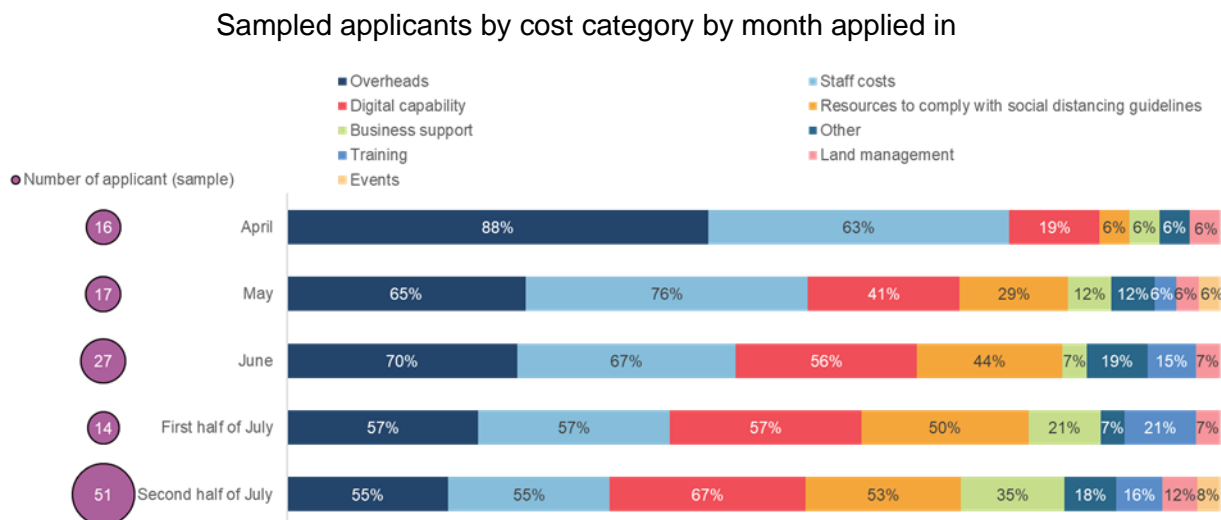


Figure 9: Sampled applicants by cost category by month applied in (N=125) (applicants could select more than one cost category). This graph displays the proportion of applicants who applied to cover costs in each cost category, not the proportion of grants.

According to the sample of application data, the types of costs applicants sought to cover were fairly consistent across heritage areas, with some small differences. Landscapes and Nature had the highest proportion of applicants looking to cover land management costs. Industrial, Maritime and Transport had the highest proportion of applicants looking to cover overhead costs, slightly ahead of Historic Buildings and Monuments and Museums and Libraries, Archives and Collections.

Costs HEF grants were spent on

In contrast to the previous sub-section, which focused on the costs applicants applied for, this sub-section explores the costs HEF grants were spent on, using the end of grant survey data, and the impact that this had on the needs of organisations working in heritage.

HEF impacted on the needs of organisations working in heritage by providing financial support for different types of costs

The HEF had most impact in addressing the needs of organisations for support with staff costs and overheads, as these were the two most frequently occurring cost categories that organisations spent their grants on. Moreover, the largest cost category in terms of forming a majority of the grant was again staff costs, with approximately one-third of respondents to the end of grant survey (32 per cent) spending most of their grant on these costs. This demonstrates that the costs applied for in HEF applications, matched what grantees spent their grant on. Additionally, HEF supported organisations to cover the cost of resources to comply with social distancing; over two-thirds of respondents to the end of grant survey (68 per cent) spent some of their grant on these costs. The need for support with the cost of resources to comply with social distancing may be due to lockdown measures easing over the summer months, allowing some organisations to reopen, such that organisations needed to cover these unanticipated costs.

“This money protected a strong and vibrant cultural organisation that was doing fine and very well without this sudden, unexpected massive impact.”

HEF 2

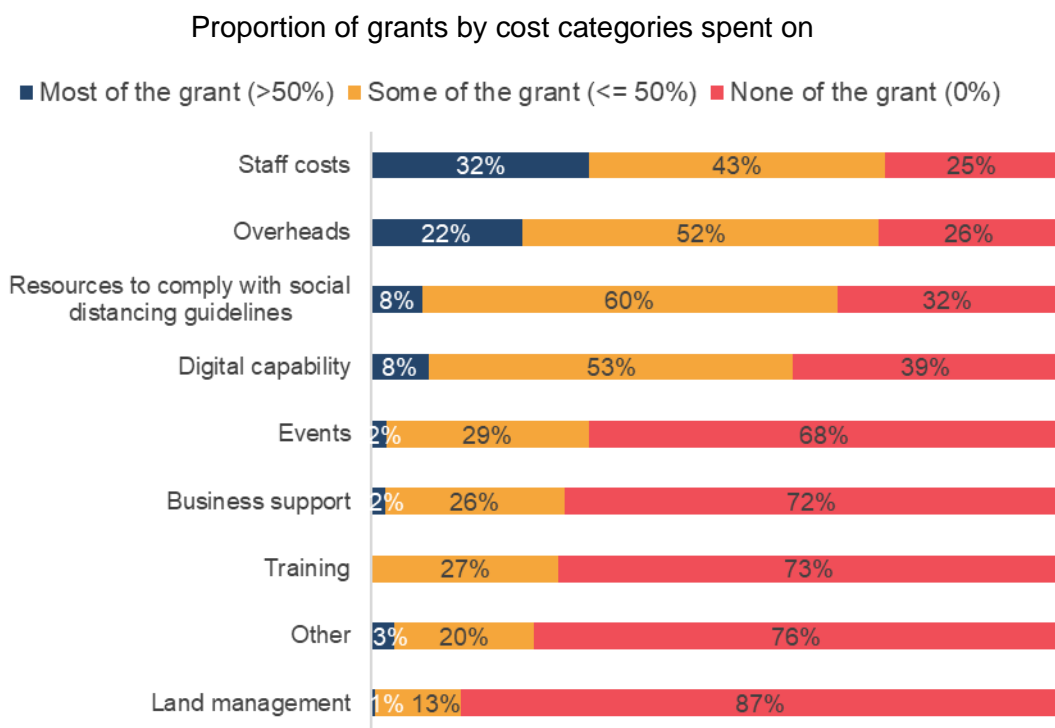


Figure 10: Proportion of grants by cost categories spent on (N=360); source: end of grant survey

Analysis of costs HEF grants were spent on by heritage area

In contrast to the sampled application data, the end of grant survey revealed some notable differences between heritage areas in what grants were spent on, which suggests that HEF addressed different needs between heritage areas. For example, Community Heritage and Landscapes and Nature organisations had the highest proportion of staff costs. Interviews with grantees and staff at The Fund highlighted that many Landscape and Nature organisations were experiencing high visitor numbers during the crisis, requiring additional staff capacity to maintain their sites. HEF enabled Landscapes and Nature organisations to address the need for additional staff capacity, as the grant could be used to cover staff costs.

“[Landscapes and Nature organisations] Have had to try to cope with a loss of income, staff which they have had to put on furlough because they can’t pay them, but also increased public access to their sites.” Staff at The Fund

The end of grant survey also revealed that Intangible Heritage, Community Heritage, and Museums, Libraries, Archives and Collections had the highest proportions of digital capability costs. Therefore the impact of HEF was that organisations from these heritage areas were supported to boost their digital capability. The particular need for support with digital capability for Intangible Heritage, Community Heritage, and Museums, Libraries, Archives and Collections may be due to the difficulties organisations in these heritage areas experienced with face-to-face delivery due to lockdown restrictions, requiring them to improve their digital capability in order to deliver remotely. Interviews revealed that many organisations were starting from a low digital

skills and tools base, and therefore needed funding to develop both digital delivery models and their internal systems which they were able to access through HEF.

“What was important with this grant was that it allowed us to work on the digital side of [the museum] going forward and we couldn’t get any funding for that.” HEF 1

Impact on The Fund’s economy, inclusion and wellbeing outcomes

This evaluation was designed to evaluate the impact of The Fund’s response on The Fund’s economy, inclusion and wellbeing outcomes. As stated in the evaluation approach, evaluation of the economy outcome was prioritised following a decision by the Steering Group.

This section explores the impact of HEF, grant increases and flexibility for current grants on economic, inclusion and wellbeing outcomes. As such, the primary sources of data used are the analysis of the end of grant survey completed by grantees, qualitative interviews with HEF grantees, qualitative interviews with organisations who have received grant increases and qualitative interviews with organisations who have received flexibility for current grants. While the focus will be on the impact on these areas in a broad sense, these impacts will be linked back where possible to the Fund’s economy, inclusion and wellbeing outcomes.

The primary impacts of HEF grants appear to be economic, in line with the original aim of HEF to keep organisations afloat such that the primary focus was to achieve economic outcomes. There were also some recorded benefits for inclusion and wellbeing. Many of these latter impacts were indirect, with the actions of grantees having unintended positive benefits, although HEF did also support some organisations focused on wellbeing and inclusion.

Economic outcomes

The primary economic outcomes of The Fund’s support were the following:

- HEF has enabled heritage organisations to continue to operate
- Organisations were able to retain staff and therefore avoid reducing their capacity
- Some organisations were able to pursue strategic development to improve their resilience
- Organisations whose work contributes to the local economy were supported

HEF has enabled heritage organisations to continue to operate

According to interviews with grantees, HEF enabled many organisations to continue to operate. The extent to which HEF enabled organisations to continue to operate varied depending on the financial position of applicants before applying. Several organisations stated that, without HEF funding, they almost certainly would have become insolvent. This was particularly the case for organisations without sufficient reserves to support them for a prolonged period of time.

"[Without the HEF funding] The project would have closed. We couldn't have kept up the running costs. We would have let all the staff go. It would have been horrendous." HEF 2

Other grantees may have survived the initial crisis without HEF funding, but would have been operating at a much-reduced capacity. These organisations typically would have had to drastically limit their operations and make high numbers of redundancies.

"Without a return to some normality, we would have changed the business model... it would have put the museum back 25 years." HEF 2

Some organisations would have potentially been able to continue to operate without HEF funding by drawing heavily on their reserves. However, this would have had impacts on their long-term resilience.

"The costs would have needed to be covered by the [organisation's] own reserves, which would have put us further into a deficit position." HEF 1

While not all grantees were at immediate risk of becoming insolvent, HEF appears to have improved the financial resilience of those who received support. Approximately three-quarters of successful HEF applicants (73 per cent) had a formal reserves policy, yet over one-third of successful applicants (35 per cent) had less than three months of reserves. However, comparing the number of months of reserves grantees reported holding in their applications, with the number of months of reserves reported in the end of grant survey, reveals that some organisations may have been in a better financial position after receiving HEF. The proportion of grantees that held 0-3 months of reserves decreased by four to six per cent, while the proportion of grantees with 4-6 months of reserves increased by eight per cent, which may be indicative of organisations building their reserves.¹⁷ While this observed change cannot necessarily be attributed to HEF, interviews revealed that HEF had a positive impact on the financial resilience of some grantees. COVID-19 has lasted longer than was initially expected, and these organisations are now in a better position to continue to operate than they otherwise would have been.

"[HEF] allowed us to carry out work that we would never have had the budget to do, to invest where we really needed it ... But ultimately it will aid our long term sustainability and financial resilience because it's leading the museum to a whole new way of engaging with the public." HEF 1

¹⁷ It should be noted that grantees could not use HEF grants to build their reserves.

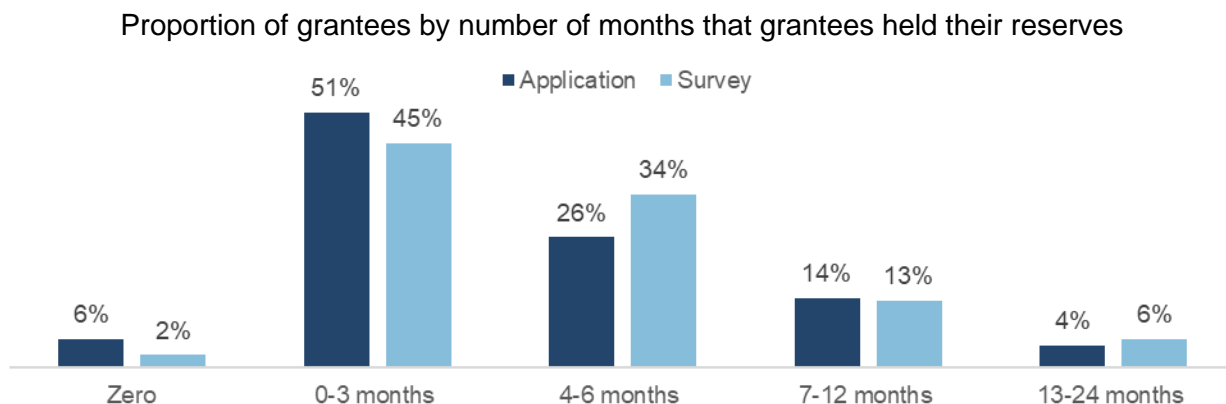


Figure 11: Proportion of grantees by number of months that grantees held their reserves (N=213)

Organisations were able to retain staff and therefore avoid reducing their capacity

As stated previously, three-quarters of surveyed HEF grantees used at least some of their grant for staff costs. While the Coronavirus Job Retention Scheme reduced staff costs for organisations, as they were able to furlough employees, the scheme also reduced the capacity of these organisations.¹⁸ Covering staffing costs with HEF allowed organisations to support staff to continue to work through the crisis, and thus avoid reducing their capacity. According to the end of grant survey, the total number of full-time equivalent roles to have been directly supported by HEF grants is estimated to be between 2,422 and 3,094.¹⁹ Of the 72 per cent of surveyed HEF grantees who used the Coronavirus Job Retention Scheme (also known as ‘furlough’), 47 per cent used their HEF grant to bring staff back from furlough and boost their capacity.²⁰ The total number of staff that grantees could bring back from furlough as a result of HEF is estimated to be between 1,442 and 1,922. In addition to paid employees, the total number of volunteer roles directly supported by HEF is estimated to be between 14,694 and 29,186.

"In terms of staff, it allowed for us to maintain our capacity during a time when furlough was going on... allowed us to work as normally as possible and deliver the programme on time and on budget." HEF 1

"It definitely did alleviate some of the stress and worrying about it. We managed to keep our finance officer in post which was invaluable." HEF 1

¹⁸ [Coronavirus Job Retention Scheme](#)

¹⁹ The numbers and estimates in this sub-section were taken from an extended and larger sample of end of grant survey respondents than other sections relating to the end of grant survey. The larger sample size is 582 grantees, who had responded to the end of grant survey on or before 17th February 2021, which constitutes 61 per cent of the whole cohort. However, estimates should be treated with caution.

²⁰ [Coronavirus Job Retention Scheme](#)

Number of staff and volunteers of grantees impact by HEF grant

Estimated number of staff and volunteers of grantees impacted by HEF grant	Count of grantees (sample)	Actual total number (sample)	Estimated range of total number (Cohort)
Paid employees (full time equivalent) before the pandemic	577	10,672	15,155, 20,402
FTE roles that have been directly supported by HEF grant	498	1,428	2,422, 3,094
Staff that could be brought back from furlough as a result of HEF grant	514	899	1,442, 1,922
Volunteer roles that have been directly supported by HEF grant	478	10,915	14,694, 29,186

Figure 12: Number of staff and volunteers of grantees impacted by HEF grant; source: end of grant survey; NB: the numbers and estimates in this table were taken from an extended and larger sample of end of grant survey respondents than other sections relating to the end of grant survey. The larger sample size is 582 grantees, who had responded to the end of grant survey on or before 17th February 2021, which constitutes 61 per cent of the whole cohort. However, estimates should be treated with caution.

It was also particularly important for organisations with outdoor assets that needed to be maintained. While many organisations saw a sharp reduction in visitor numbers during COVID-19, organisations who managed large open spaces, such as parks and nature reserves, generally saw a dramatic increase in the number of people coming to their sites. This put immense pressure on many of these organisations, as they struggled to meet this increased demand with reduced staffing capacity. These organisations typically used HEF to cover staffing costs, which allowed them to maintain staff in key positions and boost their capacity to tackle these challenges.

Case study: Maintaining the capacity of a Landscapes and Nature organisation

An Area of Outstanding Natural Beauty was struggling to meet the increased demand on their site during the lockdown. Visitor numbers had skyrocketed, leading to problems such as littering, wildfires and damage on footpaths due to heavy footfall.

This organisation used HEF funding to cover staffing costs to maintain their capacity, as well as purchasing materials to enable staff and volunteers to work in a socially-distanced manner, such as additional tools and vehicles. By maintaining their capacity, they were in a better position to meet the challenges that the sharp increase in visitor numbers presented.

“The support this fund allowed meant we didn’t lose anything on the ground and the attitude of the staff was very positive throughout... we have been able to meet the pressures coming from the different sites.” HEF 2

This case study demonstrates the positive effect of HEF on maintaining capacity at a time when many Landscape and Nature organisations were facing increased demand.

Some organisations were able to pursue strategic development

Some organisations were able to utilise the opportunity to reflect presented by the crisis. With many organisations unable to continue delivery, some found that once they had received support from The Fund, there was less pressure to source further funding to cover immediate

costs, which freed up capacity to think about strategic development. HEF also supported grantees to undertake strategic development by covering costs related to business support or consultancy, with 28 per cent of respondents in the end of grant survey using some of their grant to cover these costs. This opportunity to reflect allowed grantees to examine their business plan and delivery models and think about ways to improve their resilience long-term.

“Made us much more reflective... take stock, understand our offer.” HEF 1

“Gave us time to look at how we were going to cope post-COVID.” HEF 2

It should be noted that an organisation’s ability to engage in reflection is observed to have been affected by organisational capacity. There are many organisations working in heritage who have not been able to utilise this time to reflect due to restricted capacity.

Organisations seeking to adapt their delivery models during the crisis period often sought to improve their digital offer, as face-to-face delivery was no longer possible. For some, this move to digital was seen as a temporary change, as they were hoping to resume their traditional means of delivery once the crisis was over. Other organisations, however, sought to use their funding to include digital as a permanent feature of their delivery model.

Case study: Digital as a permanent feature of delivery

A museum that was forced to close its doors to visitors due to lockdown restrictions shifted its focus to creating an app to allow people to engage remotely. The HEF grant allowed the museum to outsource elements of the design of the app, as well as keeping their marketing manager in-post to focus on their digital outputs. This enabled the organisation to progress with their project and to think about online delivery long-term.

“It’s allowed the team to think about the impact of online, digital presence. It has stimulated more interest and excitement amongst the team for the future.” HEF 1

This case study is an example of an organisation using HEF funding to include digital as a permanent feature of their delivery model, rather than a temporary adaption to the crisis.

Organisations whose work contributes to the local economy were supported

Staff at The Fund highlighted in interviews that some of the organisations supported by The Fund play a key role in the local economy. By covering staff costs, some local organisations were able to use their HEF grant to continue to provide direct employment for local residents. Additionally, some grantees are local tourist attractions which benefit the local area and were able to continue operate, in line with local and national restrictions, as a result of their HEF grant.

“What MPs and Local authorities appreciate is how many jobs we provide, how much we community benefit we bring and that sort of thing... People are beginning to understand there is more to the grand project than simply preserving things.” Organisation who received a grant increase

“Having a range of attractions is what builds a tourist offer... people will go because of the things to do. Keeping those organisations going is critical to the wider economic life of a number of places.” ROSS Consultant

Case study: Supporting the local economy

One community organisation used HEF to continue to support an employment scheme during the first lockdown. This was especially important at a time many local residents were struggling to find jobs. The grant covered overheads, staff costs and resources to comply with social distancing, allowing the organisation to continue to run the scheme. This resulted in 13 clients gaining employment over the four month period of their HEF grant.

“With the situation we’re in, that’s a massive outcome. Without the HEF funding, we wouldn’t have been able to do that.” HEF 1

This is an example of an organisation using their support from The Fund to have a positive impact on the local economy.

Inclusion outcomes

The primary inclusion outcomes of The Fund’s support were as follows:

- Support from The Fund enabled organisations to reach new and different audiences
- Organisations already focused on inclusion were supported to continue their work

Support from The Fund enabled organisations to reach new and different audiences

The primary inclusion outcome from HEF was an indirect impact on inclusion by enabling some organisations to reach new and different audiences. Often this was through funding being spent on digital capability, which allowed many organisations to attract new audiences by increasing their online presence. This positive impact on inclusion was not always intentional, as the shift to digital started as an immediate response to the crisis, and many of these grantees did not necessarily make this shift with the purpose of increasing inclusion. However, some organisations began to acknowledge the inclusion benefits of digital delivery. People who may have struggled to engage face-to-face, such as those facing difficulties travelling to heritage sites, were now able to engage with heritage remotely.

Case study: Reaching new and different audiences using digital

One organisation initially focused on face-to-face delivery quickly learned of the inclusion benefits of digital once they adapted to delivering online. While their previous delivery model focused on bringing people to their allotment site, the online workshops and videos that HEF enabled saw their project reach audiences far beyond the local community, allowing them to create links with groups who had never engaged before.

"Onsite, we would have worked with local people and school children. The online opened it up to people around the country." HEF 1

This case study is an example of an indirect impact on The Fund's inclusion outcome enabled by HEF, as an organisation that adapted to a digital delivery model was able to reach new and different audiences.

However some interviewees felt that inclusion work was not a top priority for their organisation. Many organisations were in fear of losing their existing audiences, as they could not deliver as they had previously, and therefore focused on maintaining their engagement, rather than expanding to new audiences.

"Our members were able to come and enjoy the railway in the summer. But has it driven diversity and changed our audience? No it hasn't – we have been concentrating on the people already with us." HEF 2

Organisations already focused on inclusion were supported to continue their work

Organisations whose work was already inclusion-focused before the crisis used support from The Fund to continue to support their mission. These organisations were able to cover their core costs using HEF, and therefore were able to continue to operate which, in turn, contributed to The Fund's inclusion outcome.

"Our demographic are badly affected by COVID in terms of mental health and physical health outcomes, we have been able to address that as a barrier to inclusion." Organisation who received a grant increase

Several organisations made specific reference to inclusion work they are looking to undertake in the future. Support from The Fund has given them the confidence and means to explore this going forward, as they can afford to move on from their immediate financial needs.

Case study: Supporting organisations focused on inclusion to continue their work

An environmental group seeking to help Black, Asian, Minority Ethnic and Refugee communities access the natural environment to promote health and wellbeing, used their HEF grant to grow their audience by improving their digital outputs. This included reaching people far beyond the local community via digital and running a telephone service to regularly connect with older people facing digital exclusion. HEF also allowed the organisation to not rely too heavily on their reserves to cover core costs, bolstering financial resilience.

“HEF was a lifeline... it meant we could not be dipping so much into [the organisation's] reserves, but had funds to keep core activities going and continue the work towards the longer term.” HEF 1

This case study is an example of a direct impact on inclusion supported by HEF, as an organisation focused on inclusion was supported to continue their work, grow their audience, and improve their financial resilience.

Wellbeing outcomes

The primary wellbeing outcomes from The Fund's support were as follows:

- Support from The Fund provided a sense of security to organisations in financial need, which alleviated stress and provided a morale boost to staff and volunteers
- Beneficiaries have been able to safely access heritage, either in person or remotely, which has boosted their wellbeing
- The Fund has allowed the work of organisations already focused on wellbeing to continue

Support from The Fund provided a sense of security to organisations in financial need, which alleviated stress and provided a morale boost to staff and volunteers

Many organisations reported positive mental health benefits for staff resulting from support from The Fund. The support provided a sense of financial security to organisations, many of whom, as mentioned previously, were in immediate financial need. This in turn alleviated stress and anxiety as the pressure on staff to tackle financial challenges was reduced. Additionally, many staff working in heritage were concerned about the possibility of losing their jobs due to the immediate financial need of organisations. For some staff, support from The Fund alleviated these concerns, as it improved the financial security of grantees.

“For me and managers it was a massive relief. Allowed us to focus on meeting those extra pressures well rather than crisis management. Couldn't overestimate just how psychologically helpful it was.” HEF 1

“People appreciate being able to work, knowing The Fund are there to support that... made things so much easier for everything to have that sense of security, even if it's only short-term.” HEF 1

Some interviewees reported a positive emotional impact of receiving support from The Fund. Had these organisations gone out of business, it would have taken an emotional toll on the staff and volunteers that had invested their time and effort into maintaining heritage assets. Enabling organisations to continue was a morale boost for those with an emotional connection to the heritage, as they knew their efforts were not in vain.

“An emotional impact that the [organisation] is going to continue.... If it hadn’t reopened, it would have felt like Olympus had fallen. It gave people hope and confidence.” HEF 2

Organisations also benefitted from being able to facilitate safe working. As stated previously, over two-thirds of surveyed HEF grantees spent some of their HEF grant on resources to comply with social distancing measures, which in turn allowed staff to work safely. This had two complementary wellbeing benefits; providing a sense of purpose by allowing staff to return to their roles, and reducing the anxiety of those returning to roles by protecting them from COVID-19.

"Grant was for being able to get back out and start running sessions again, for hand sanitiser, face masks ... also allocation for additional staff time to have more staff on stands to ensure social-distancing." HEF 1

Several organisations cited the wellbeing benefits of enabling volunteers to return to their roles. Support from The Fund was used in various ways to facilitate this, such as providing personal protective equipment (PPE) to volunteers so that work could be conducted safely, paying the wages of staff who managed volunteers, and covering overheads so that sites could reopen and volunteers could resume their roles. As with staff, allowing these volunteers to return to their roles provided them with a sense of purpose.

Case study: Supporting volunteers to return to their roles

A Landscapes and Nature organisation relied heavily on volunteers to assist with site maintenance, such as repairing footpaths and litter-picking. When the crisis first started, this organisation could not support its volunteers to work in a safe, socially-distanced manner, resulting in these volunteering schemes being paused.

HEF enabled the volunteers to return to their roles safely by covering resources to comply with social distancing, such as masks and gloves, as well as new tools, which allowed volunteers to work independently. Several volunteers spoke about the wellbeing benefits of returning to their roles, as they felt a sense of purpose in the work HEF enabled them to do.

“You feel like you’re doing something useful. Having been involved with this team, I would hate for it to disappear for whatever reason.” HEF 2

This case study demonstrates the positive impact on wellbeing of HEF supporting volunteers to return to their roles.

Beneficiaries have been able to safely access heritage, either in person or remotely, which has boosted their wellbeing

Organisations with outdoors assets, such as Landscapes and Nature organisations or historic buildings with large green spaces, were able to provide a space that supported the wellbeing of their beneficiaries. Interviewees highlighted growing awareness of the importance of mental health during the crisis, with several organisations understanding that they could support wellbeing by enabling people to go outdoors at a time when many attractions were closed. The Fund enabled these organisations to remain open and provide a space to support the wellbeing of beneficiaries.

“We recognised the fact people were picking up on us through social media and looking for places to go at a time when a lot of normal environments were not attractive... Some of those folk may not have had as good an experience if we couldn’t have been able to continue our work.” HEF 2

As with staff and volunteers, resources to comply with social distancing measures made visitors feel comfortable returning to physical spaces. Some people who did not feel comfortable returning, for example, those who were shielding, were able to continue to engage with organisations thanks to their increased digital outputs, which helped combat social isolation.

Case study: Combatting social isolation through online delivery

A historic building used their HEF grant to start delivering concerts online, as they were able to use the grant to keep their singers employed and improve the organisation's digital capacity.

This switch to digital saw the organisation grow its audience, as people could tune in to concerts from around the world. This audience included former attendees who were shielding and could not travel to the historic building in-person. One such former attendee spoke about the benefits of these concerts for combatting social isolation, as tuning in made them feel like they were still involved with the organisation.

"Because I'm isolated, I'm not able to go to any concerts, so digitally, it is very nice to be able to at least see something... At least you feel you're still in touch with the concerts you can attend."
HEF 2

This case study is an example of HEF combatting social isolation by enabling grantees to deliver online.

The Fund has allowed the work of organisations already focused on wellbeing to continue

Organisations that were already delivering work that focused on wellbeing were able to continue to do so. For example, some community organisations focused on wellbeing were able to continue their work and respond to the wellbeing needs of their community as a result of receiving their HEF grant. As with inclusion, these organisations typically used support from The Fund to cover immediate costs and adapt their delivery to ensure they could continue during the crisis.

"Mental health is one of our focus areas... One programme is about engaging black elderly people living with dementia—engaging them with heritage. Reconfiguring this programme to be remote created an opportunity for us to rethink that project and reach people in a different way, to focus on things like care homes which we hadn't necessarily been focusing on." HEF 1

However, as with inclusion, there were not many formalised attempts to achieve wellbeing outcomes, as grantees tended to be focused on addressing immediate financial pressures.

Impact of other support elements provided to date

This section explores the impact of the following support elements on organisations working in heritage: flexibility for current grants, grant increases and ROSS Consultant support. As such, the primary sources of data used are qualitative interviews with organisations who received flexibility for current grants, organisations who received grant increases, HEF grantees who received ROSS Consultant support, and ROSS Consultants.

Flexibility for current grants supported the delivery of pre-existing projects

Flexibility for current grants aimed to support organisations who were struggling to meet the original objectives and timelines of their pre-existing project as a result of COVID-19. Grantees had the option to change the approved purposes of their grant or change the timelines for delivery. Both organisations interviewed were delivering community heritage projects that involved face-to-face interaction with communities. Extending deadlines and re-allocating funds for digital engagement allowed these organisations to adapt these projects in response to lockdown restrictions.

“From a staff perspective, [support from The Fund] has provided clarity... has helped in being able to see the finishing line and get the scheduling in place appropriately.” Organisation with grant flexibility

It should be noted that these findings were drawn from a small interview sample, and therefore may not be generalisable to all organisations who received this form of support.

Grant increases enabled organisations to continue to deliver their pre-existing projects

Grant increases aimed to provide additional funding to enable organisations to continue delivery of a pre-existing project. The additional funding was used to cover: unanticipated project costs that arose due to COVID-19, such as staff costs due to delays in delivery, as well as to cover costs that organisations had expected to cover themselves, but were struggling to cover due to a lack of income. Organisations who benefitted from this form of support appreciated The Fund taking the time to understand their financial situation, which meant that the grant increase was tailored to their needs and organisations were able to continue to deliver their projects.

“[Support from The Fund] allowed us to focus on delivering a good quality of work, rather than just any sort of work... We have been able to have that space and time to imaginatively think about how to deliver on those outputs.” Organisation who received a grant increase

While it is important to note that these findings were drawn from a small interview sample, these findings suggest that grant increases were effective at meeting the specific barriers organisations were facing in the delivery of their pre-existing project. Crucial to this was the communication that ensured that The Fund understood these barriers, and the flexibility that allowed the additional funding to meet the needs of organisations.

ROSS Consultant support was valued by recipients, although some did not fully engage with the support

ROSS Consultants provided two forms of support for organisations working in heritage. Workshops were delivered on topics related to strategic development, such as monetising assets and social media. The second form of support was 1-1 mentoring, as organisations were assigned a mentor who provided tailored guidance.

Grantees were generally positive about ROSS Consultant support, with 82 per cent of end of grant survey respondents who had been assigned a ROSS Consultant stating that they had

found the support either “helpful” or “very helpful”. There was a recognition that support from independent consultants was not readily available from funders, and organisations were pleasantly surprised to be offered this support on top of their HEF grant.

"My ROSS Consultant does his own evaluation projects, so he knows what I need to do because he does them professionally. This is the sort of guidance you'd only get if you were paying someone a lot of money." HEF 1

Some recipients of 1-1 mentoring cited the opportunity to hear from a different perspective as the key benefit of their support, as they appreciated having a sounding board for their plans going forward. Feedback on the workshops and resources was generally very positive, with workshops being described as interesting and thought-provoking by attendees. Organisations were encouraged to think about their business models, and appreciated being presented with examples of how other organisations had adjusted to the similar pressures they are facing. ROSS Consultants also provided a space for organisations to be open about their concerns, which provided reassurance.

"Having a new pair of eyes on the process has been extremely useful." HEF 1

"It was not a safety net, but it was very supportive at a time when we were feeling very isolated ... it was very beneficial" HEF 2

Some organisations lamented that they had not been able to make the most of the support available due to capacity. They recognised that the support could have been useful, but felt they were too busy dealing with the immediate needs of their organisation to think about strategic development, and therefore did not fully engage with the support on offer.

"Some of the ideas where the benefits might be medium term, you have to favour the immediate rather than the medium-term...Something looking back on that would have been great, but I didn't have the capacity at the particular time." HEF 2

In contrast, some organisations felt that the support provided was not relevant to their organisation. This was due to a variety of reasons; some organisations felt that they had relevant expertise in-house, some felt that the content of the workshops was not appropriate for their business models and some felt that the ROSS Consultant they were assigned did not have sufficient knowledge of local context to be able to tailor the support to their needs. For example, an inclusion-focused organisation working in Northern Ireland felt that their ROSS Consultant did not know enough about the local context to provide support specific to their needs. They added that a ROSS Consultant from Northern Ireland may have had this understanding and been better placed to provide support tailored to their needs.

"Every single mentor has grantees that don't want to engage. I've got one who said 'we've got it covered, I don't need your help'." ROSS Consultant

Key messages

- **HEF met the needs of organisations working in heritage.** Covering a range of core business costs ensured that HEF supported the needs of many organisations struggling from a lack of income.
- **The support provided had the biggest impact on economic outcomes.** HEF succeeded in its primary outcome of keeping struggling organisations afloat. Support from the Fund also enabled some organisations to undertake strategic development and boost their financial resilience.
- **HEF supported several thousand staff and volunteers.** Most sampled organisations used their HEF grant to cover staffing costs, which enabled them to maintain their staffing capacity to deal with the crisis.
- **The primary impacts on inclusion were indirect impacts through organisations expanding their digital presence.** While The Fund did support some inclusion-focused organisations to continue their work, the biggest impacts on inclusion were through organisations switching to digital and subsequently attracting new and different audiences.
- **Enabling organisations to continue to operate had positive wellbeing impacts for staff and volunteers.** Support from The Fund provided some reassurance to staff in organisations working in heritage who were concerned about losing their jobs. In addition, some organisations were able to continue to provide volunteering opportunities, which gave some volunteers a sense of purpose.
- **There were positive wellbeing impacts for beneficiaries through engaging with heritage.** As with inclusion, The Fund did support some organisations focused on wellbeing to continue their work. The primary impacts for beneficiaries were through enabling organisations to continue to connect with their audiences, either through online delivery or keeping outdoors spaces open to the public.
- **Flexibility for current grants and grant increases supported organisations to continue to deliver their projects.** The option to change the approved purposes of an existing grant, change the timeline for delivery or receive additional funding enabled organisations to overcome the barriers facing project delivery in response to COVID-19.
- **ROSS Consultant support was widely seen as valuable, with organisations appreciating both the tailored 1-1 support and the workshops.** Organisations valued the advice provided by ROSS Consultants, as well as the opportunity to hear from a different perspective. Some recipients did not fully engage with the support on offer, either due to lack of capacity, prioritising their immediate financial needs over strategic development, or feeling that the support was not relevant for their organisation.

Challenges and opportunities for organisations working in heritage

The Fund's response to COVID-19 has positively impacted on organisations working in heritage, however the ongoing impact of COVID-19 means that the sector continues to face challenges. In addition to these challenges, it should be recognised that there are also opportunities for organisations working in heritage. This section explores the following research question:



1. What are the challenges and opportunities facing organisations working in heritage now?

Challenges

The end of grant survey highlighted a range of challenges that organisations working in heritage continue to face; postponement of planned events and loss of revenue received the highest number of responses, 96 per cent and 92 per cent respectively.

Proportion of grantees by challenges that COVID-19 continues to have on their organisation

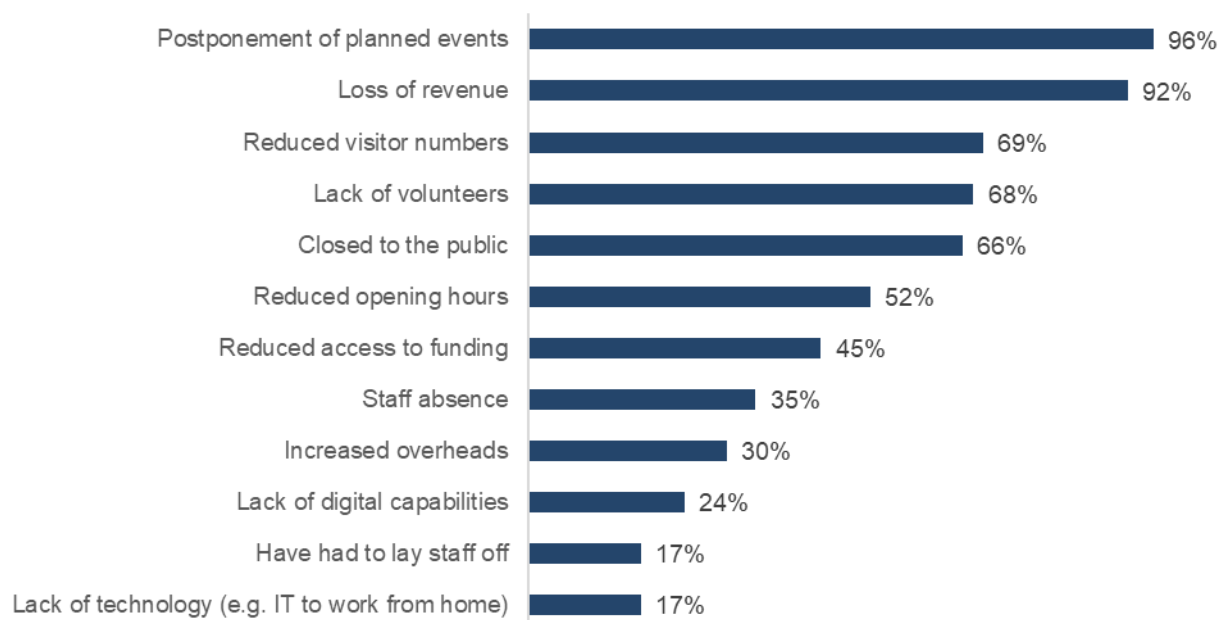


Figure 13: Survey responses to the question 'What challenges does COVID-19 continue to have on your organisation at this time?' (N=344); NB: grantees may have selected more than one challenge

Organisations are still experiencing significant financial challenges

Organisations working in heritage continue to suffer from loss of revenue; 92 per cent of end of grant survey respondents selected this as an ongoing challenge for their organisation. The end of grant survey found that only 10 per cent of grantees were able to make 60 per cent and above of their income from earned sources within the last three months. This challenge is likely to

endure given uncertainty as to when activity will be able to resume to pre-crisis levels. This has also been coupled with increased running costs, due to the costs associated with adapting to COVID-19, such as PPE, signage and increased staff to support social distancing.

“Continue to have a funding crisis – have used all of our resources, have had to minimise maintenance outgoing, doing the minimum to keep our railways safe. Are facing a challenge running long into the future” HEF 2

Proportion of grantees by percentage of their income that has been derived from earned sources within the last three months

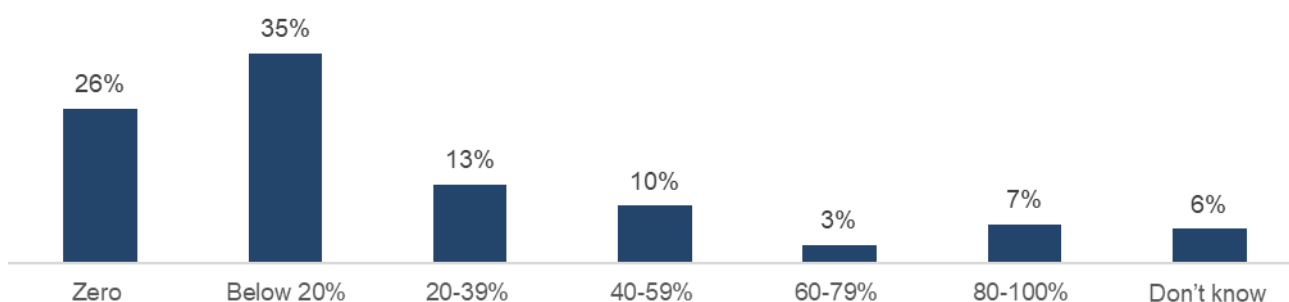


Figure 14: Proportion of grantees by percentage of their income that has been derived from earned sources within the last three months (N=360) End of grant survey

Organisations working in heritage are also concerned about future funding available from Government and funders, who have provided significant amounts of funds in response to COVID-19 and may now have reduced funding pots available. ‘Reduced access to funding’ was selected by 45 per cent of the end of grant survey respondents as a challenge that their organisation continues to face due to COVID-19. There is a particular concern that heritage will not be a government funding priority. EU exit may also affect future match-funding available, given uncertainty regarding what will replace the EU structural funds.

“I think the challenges that are coming down the road are going to be funding; spending reviews will start focusing money more on frontline services” HEF 1

Whilst financial challenges have been partially mitigated by crisis response support available, some organisations working in heritage have been unable to access the level of funding required to support their continued operations and address gaps resulting from reducing income. Uncertainty regarding future funding has a heightened impact for these organisations.

Case study: Local community organisation

A local community organisation has been unable to deliver the next phase of their heritage projects as recent funding applications to funders and local authorities during COVID-19 have been unsuccessful.

The organisation was previously reliant on funding available from local authorities. However the funding landscape has become more competitive due to a reduction in the amount of funding available from financially pressured local authorities, coupled with increased demand for funding from financially stretched organisations.

"At the moment the organisation exists but we're not doing anything as we have run out of funding" Unsuccessful applicant

COVID-19 continues to pose a risk to the long-term viability of organisations

The majority of end of grant survey respondents felt that COVID-19 poses a high or moderate risk to the long-term viability of their organisation. This was largely consistent across heritage areas; 'High risk' or 'Moderate risks' were selected by over 90 percent of respondents from each heritage area. Although it should be noted that Community Heritage had the highest proportion of 'High risk' responses (44 per cent); qualitative interviews highlighted that these organisations were experiencing challenges adapting their delivery model in response to COVID-19, as they usually rely on face to face engagement, which may have affected this.

Proportion of grantees by level of risk COVID-19 poses to their long-term viability

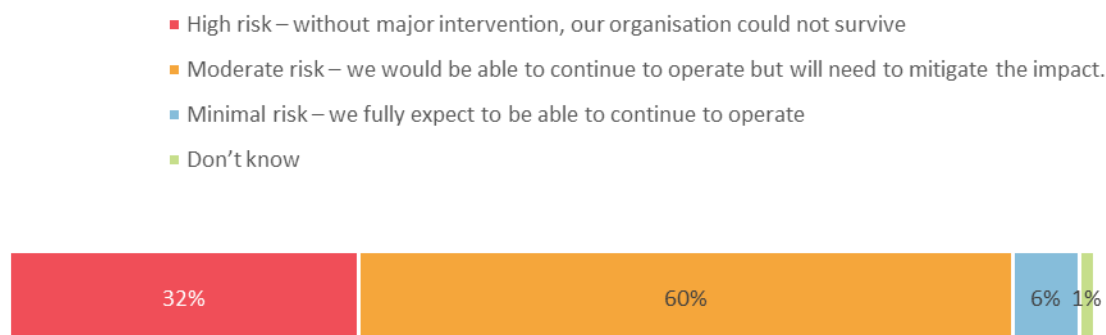


Figure 15: End of grant survey responses to the question 'In your opinion, what level of risk does COVID-19 pose to the long-term viability of your organisation?' (N=360)

Financial viability is particularly of concern for those organisations who were not financially resilient pre-crisis. This is because even if these organisations have received financial support in response to COVID-19, if they have not been able to make the changes required to ensure that their organisation is financially resilient going forwards, then their financial viability will not have improved.

Later sections of this paper will explore considerations for The Fund, as well as other funders, regarding the extent to which financial resilience should be considered as part of future funding application processes.

Adhering to public health guidance continues to be a challenge

Changes required to comply with social distancing guidelines and to adapt to changing restrictions continue to cause challenges for organisations working in heritage. One learning log response cited “Managing safe social distancing and risk management regarding public health guidelines” as a challenge that grantees are highlighting. This challenge is experienced in a variety of ways, including:

- Uncertainty regarding the adaptations required to reopen physical sites safely, in line with social distancing guidelines.
- Ensuring appropriate consideration is given to staff and volunteers who are shielding or feel uncomfortable returning to physical sites.
- Adhering to restrictions was challenging for organisations, particularly for national organisations in instances where restrictions varied between local areas.

The need for continuous adaptation in response to changing restrictions causes uncertainty for organisations and inhibits their ability to plan.

“Every time I thought I could settle down and plan, the rules have moved on in terms of what we can do and not do.” HEF 2

*“Many grantees have faced delays and continue to face uncertainty due to the tier system which can change very quickly and can lead to sudden closures”
Staff at The Fund in the learning log*

Some organisations still lack digital capabilities

As previously highlighted, COVID-19 has pushed organisations to embrace digital. However, whilst some organisations have been able to develop their digital skills and tools, ‘Lack of digital capabilities’ and ‘Lack of technology (e.g. IT to work from home)’ were selected by 24 per cent and 17 per cent of end of grant survey respondents respectively, as challenges that they continue to face. This indicates that some organisations still do not have the required digital skills or technology to be able to utilise digital effectively or to develop a digital offering that will be long-lasting.

“We need to expand our offer to beneficiaries digitally ... Don’t have the technology infrastructure or the know how to deliver at the moment.” HEF 1

Access to technology also continues to be a challenge for organisations and their beneficiaries. Digital exclusion, particularly in deprived areas, affects the extent to which organisations are able to engage beneficiaries through digital means, as beneficiaries do not always have the appropriate technology to access digital activities.

“Have found that taking things online has meant we have found a lot of digital exclusion” HEF 2

Managing staff and volunteer capacity is an ongoing challenge

Volunteer capacity continues to be of concern for organisations working in heritage; 68 per cent of end of grant survey respondents indicated that ‘Lack of volunteers’ is an ongoing challenge for their organisation. Organisations are also concerned that older people who have not been able to participate due to shielding may be dissuaded from returning to their roles in future.

“Loss of volunteers as many are older; this will continue to be a big challenge next year, particularly if they find something else to do.” Unsuccessful applicant

The furlough scheme continues to present challenges for organisations in deciding which staff should be kept on and which staff should be put on furlough, driven by the need to balance the skillset required for the maintenance of heritage sites and assets with the skillset required to undertake operational activities. Changing restrictions have meant that organisations have had to make difficult decisions at short notice, and with minimal information, about future staffing requirements. These decisions have ramifications, for example, by furloughing staff responsible for maintaining heritage sites and assets, this reduces the amount of maintenance that can be undertaken.

Opportunities

Digital presents opportunities for audience engagement and internal processes

As the UK continues to face uncertainty regarding the length of time that restrictions will stay in place, it is anticipated that digital engagement will continue to be important. This is because, although adapting to digital has presented challenges for a large number of organisations as previously mentioned, digital provides an opportunity for organisations working in heritage to engage audiences whilst sites are closed or operating at reduced capacity. As previously highlighted, digital also presents opportunities to be more inclusive as organisations are able to reach new and different audiences through digital engagement.

“Enabled us to network with other organisations and local people ... We were previously running workshops for the local community, we now have people dotted around the country that are joining us on Zoom workshops.” HEF 1

Digital also presents an opportunity for organisations to improve organisational processes, such as ticketing. Broader ways of working can also become more effective through digital, as individuals can work from home more effectively. This can lead to further opportunities to review the amount of physical working space required.

“We’ve managed to really go for it online, it’s transformed our business plan and how we work” HEF 1

There are opportunities for heritage to build back better

There is an opportunity for organisations to think about how they can keep pace with wider societal changes and support their resilience, for example in response to the recognition of the importance of green spaces to health and wellbeing. Additionally, ROSS Consultants and organisations working in heritage noted the opportunity for organisations to consider how they can become more inclusive, both in the audiences they engage and in how their organisations are run. For some organisations, conversations about inclusion had been prompted by the Black Lives Matter movement, although it should be recognised there is an opportunity for organisations to become more inclusive with respect to all protected characteristics.

“The murder of George Floyd and reawakening of the Black Lives Matter movement, it meant that heritage became central to conversations around inclusion” Staff at The Fund

Staff at The Fund and ROSS consultants highlighted that mergers could also present an opportunity for organisations in heritage going forward. Mergers are considered an opportunity to do more partnership working and take advantage of collaboration, as well as shared resources, which boosts organisational resilience.

“Working and collaborating with other organisations that have a similar outcomes or other organisations that are local may strengthen the offering and local presence of organisations in the long-term.” ROSS Consultant

However, it should be noted that organisations engaged in the evaluation did not highlight this opportunity to the same extent as staff at The Fund. It was also recognised by staff at The Fund that making these changes is difficult and they are significant changes to undertake.

Key messages

- **Organisations are still experiencing significant financial challenges.** Loss of revenue is an ongoing challenge for many organisations, which has been coupled with increased running costs and concerns about future funding available from Government and funders.
- **COVID-19 continues to pose a risk to the long-term viability of organisations.** The majority of end of grant survey respondents felt that COVID-19 poses a high or moderate risk to the long-term viability of their organisation.
- **Adhering to public health guidance continues to be a challenge.** Changes required to comply with social distancing guidelines are an ongoing challenge. Additionally, the need for continuous adaptation in response to changing restrictions causes uncertainty for organisations and inhibits their ability to plan.
- **Managing staff and volunteer capacity is an ongoing challenge.** Organisations continue to experience challenges with lack of volunteer capacity as volunteers are shielding, as well as with managing staff capacity.

- **Digital presents opportunities for audience engagement and internal processes.** Although adapting to digital has presented challenges and some organisations still lack digital capabilities, digital provides an opportunity for organisations working in heritage to engage audiences whilst sites are closed or operating at reduced capacity.
- **There are opportunities to build back better.** There is an opportunity for organisations to consider how they can become more inclusive, both in the audiences they engage and in how their organisations are run, as well as to consider how they can keep pace with wider societal changes and support their resilience.

Learnings for future support

This section explores learnings about the value of all elements of The Fund's response in scope for this evaluation, as well as the financial and non-financial support that organisations working in heritage need going forward. As part of this, we explore the following research questions:



1. What support did grantees find most valuable?
2. To what extent have HEF grantees benefited from the change in The Fund's funding approach - targeted instead of open grants and funding organisations instead of projects?
3. What are the future support needs of the heritage sector?
4. What support would be most valuable for The Fund to offer in future?

Learnings about support provided to date

All forms of support included in this evaluation – HEF 1, HEF 2, grant uplifts, flexibility for current grants and support from ROSS Consultants – were seen as valuable by the organisations who received them. Whilst it is not possible to comment on the extent to which individual types of support were more or less valuable than others, this section will explore the drivers behind why certain types of support were more or less valuable to organisations.

The Fund's change in approach to supporting organisations made them feel that The Fund valued them and respected their priorities

The Fund changed its funding approach in response to COVID-19, such that HEF as a funding programme was different to previous funding programmes from The Fund. There were two main differences; first, the funding was targeted, rather than an open grants programme, and second, the funding aimed to support organisations rather than funding projects. These changes were generally welcomed by organisations working in heritage, as they were able to cover the types of costs that they wanted to cover; core costs were a bigger priority than delivering projects for organisations experiencing financial difficulty. This change in approach made organisations feel that their priorities were respected by The Fund, as they were trusted to assess their own needs and use their support appropriately.

“What is great about it, was that it was very un-prescriptive of how it should be spent. Had we needed radically different things, they probably would have said yes to that as well.” HEF 1

“When funding is tied to programme activity, it can be hard for organisations to manage ... For small organisations that have furloughed staff and have

reduced capacity, it's important for The Fund to cover a range for costs and different needs." HEF 1

Support from The Fund was well aligned with other emergency support available

Organisations working in heritage generally felt that the different forms of support they had received in response to COVID-19, such as local council grants, furlough, and emergency grants from different funders, had been important for dealing with the crisis. However, many of these other forms of support were restricted to cover specific costs, such as staffing costs. The Fund's flexible approach, which allowed organisations to cover costs as required to meet their needs, complemented other support available. Therefore, organisations working in heritage felt that The Fund's response to COVID-19 was well aligned with other forms of support.

"My feeling is that the packages together of all the funders have all complemented each other. Some have been specific to projects, some have helped to pay for costs." HEF 2

Flexibility in financial support enabled organisations to continue delivery

Several elements of The Fund's response to COVID-19 were designed to provide flexible support to meet the needs of organisations working in heritage:

- Flexibility for current grants offered grantees the option to amend the approved purposes of an existing grant or change the timelines for delivery. This was intended for organisations who were struggling to meet the original objectives and timelines of their pre-existing project due to COVID-19. This flexibility meant that organisations were better able to achieve the objectives of their project.

"[Without support] We would have had to curtail the project without meeting all the milestones and objectives... it would have been impossible to get it completed." Organisation with grant flexibility

- Grant increases offered grantees the option to receive additional funding to cover unanticipated project costs incurred due to COVID-19. For example, these costs could include staff costs due to delays in delivery, or costs that grantees had expected to cover themselves but were now unable to cover due to a lack of income. This flexibility meant that organisations were able to continue with project delivery.

"We were acutely conscious that asking for more is the last thing they would want us to be doing... Once they realised we were serious, we have been hugely grateful for the application being treated seriously." Organisation who received a grant increase

- HEF grants were implemented flexibly, such that grantees were offered the option to change the timelines for delivery or receive an increase to their grant if delivery had been further affected by COVID-19. As with the other elements of support, this flexibility meant that organisations were better able to achieve the objectives of their project.

These findings highlight that flexibility in financial support is important, as it has enabled organisations to continue with delivery despite changing circumstances arising from COVID-19. As there is still uncertainty as to how long restrictions will stay in place and how long financial challenges will endure, it is likely that further adaptation of projects will be required. In the learning log, staff at The Fund also highlighted the continuing need for flexibility in future support from The Fund, regardless of the type of grant.

“More flexibility with grant expiry dates would be appreciated, given the national circumstances have changed significantly” Staff at The Fund in learning log

It should be noted that the success of this flexibility relies on good communication between The Fund and grantees to ensure that The Fund has an understanding of the needs of the organisation.

Learnings about support needs going forward

There remains a significant need for financial support, 89 per cent of end of grant survey respondents selected that they would value additional financial support from The Fund in future. Moreover, non-financial support such as capacity-building support, in order to boost organisational skills and resilience, would also be valued by organisations working in heritage given the challenges to financial resilience previously described. The end of grant survey found that these support needs are quite consistent across the sector, as demonstrated by the fact that only 3 per cent of end of grant survey respondents selected ‘No further support required’.

What further support would you value from The Fund in future?

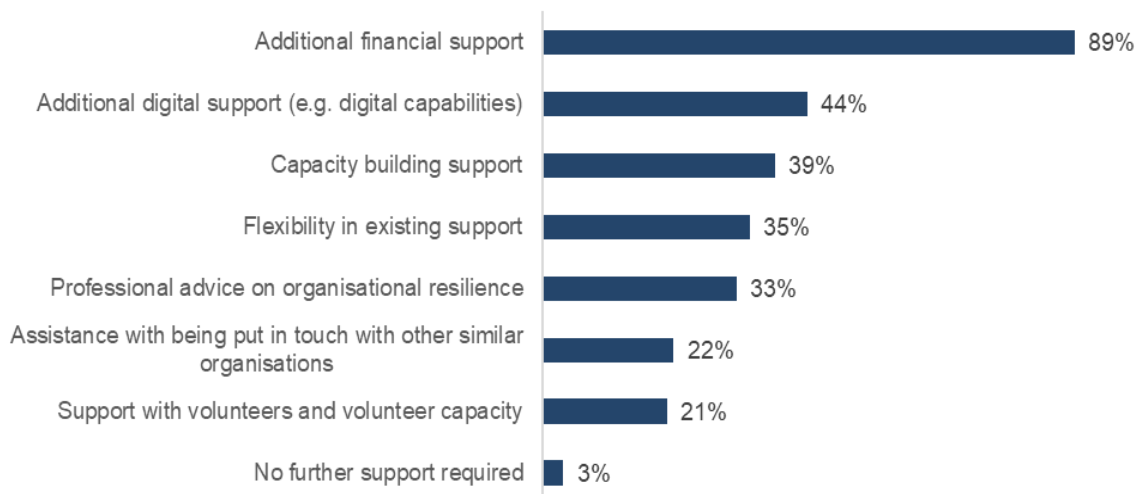


Figure 16: End of grant survey responses in answer to the question ‘What further support would you value from The Fund in future?’ (N=360); NB: grantees may have selected more than one type of future support

Organisations expressed a demand for 1) project funding and 2) funding for core costs, particularly as some organisations are still in a vulnerable state

Organisations working in heritage need further financial support as they continue to face financial challenges as a result of COVID-19; this challenge is explained in more detail in the Challenges and opportunities section. Whilst The Fund’s response to COVID-19 focused on

providing funding to organisations, rather than projects, organisations working in heritage expressed a demand for both project funding and funding for core costs going forward. It should be noted that organisations working in heritage do not necessarily perceive the need for project funding and for funding for core costs to be mutually exclusive. The design of future programmes should take into consideration financial support needs in their totality, and how the funding approach can most effectively support these.

1) Project funding

- Organisations working in heritage, particularly those who have traditionally relied on this funding model, expressed a demand for project funding. This was either to fund projects that have been impacted by COVID-19 or to start new projects. Some organisations had been concerned that The Fund's future support would continue to focus on emergency funding and so the announcement that project funding would resume was welcomed.
- Some organisations had developed applications for project funding from The Fund prior to COVID-19 which were subsequently withdrawn. The majority of these organisations planned to reapply for project funding, although several commented that it was a 'shame' that all applications previously submitted were withdrawn and would have to be resubmitted. Some organisations were concerned that their capacity will continue to be limited and the need to resubmit applications would put pressure on them, which could impact on the quality of applications.
- Organisations expressed a demand for longer-term project funding, where they are looking to undertake projects that will last a number of years and will need support for the project duration. The Fund currently provides longer term project funding (5 years with additional development time), however this may not be clear to all organisations working in heritage. The Fund should ensure that it is clear in communications to applicants that longer term project funding is available.

Case study: Long-term cultural heritage projects with women

A cultural organisation is looking to expand on a current 18-month project, to work with young women and older women around cultural Scottish history over a longer period and with more participants. This would require a project lasting more than two years and therefore a long-term grant would be very valuable to enable the organisation to undertake the project.

"Would like to apply for a longer grant that would allow us to do focus work with young women and older women and bring larger numbers of women to do work over longer periods of time. ... Recognising the role of history and heritage in enacting social change more generally" Grant increase

- Some organisations who did not apply for HEF as they were in a stable financial position, did plan to apply for project funding when it resumed. This was because their financial position was sufficiently stable to cover core costs, however they had to pause projects due to COVID-19 and financial support would be required to continue this work.

- It should be noted that for some organisations project funding is the funding model that they are used to to deliver projects. Therefore, whilst a clear demand for project funding was expressed, it isn't necessarily the only funding mechanism that would address the need. Further research would be needed to explore alternative funding mechanisms as the evaluation was framed to enquire about the need for project funding rather than alternatives.

“Project funding would fit our organisation better (compared to core costs) ... both have their place, but I’m used to project funding” HEF 1

2) Funding for core costs

- Organisations working in heritage expressed a demand for funding for core costs, to support those who are still experiencing financial challenges due to COVID-19. The ongoing financial impact of COVID-19 means that some organisations require further support to cover costs, in addition to the four months of funding that was available through HEF. This includes:
 - Organisations experiencing significant financial challenges who need support to ensure that they can continue to operate.²¹
 - Organisations whose income has been reduced, for example, because online activities do not generate as much revenue as face to face activities, and need support to compensate for this reduction.
 - Organisations who face additional costs, for example, Landscapes and Nature organisations who have experienced increased demand during COVID-19.

Case study: Organisation in a vulnerable state

An organisation who received a HEF grant still requires support to cover core costs, related to adapting their work and programmes in response to COVID-19, as the crisis continues to impact on their organisation. At this stage, project funding would not be valuable as the organisation would not be able to spend project funding on the core costs that they are concerned about.

“Would appreciate emergency funding but for a longer period, four months has been helpful but not long enough” HEF 1

- Visitor income streams have been particularly affected by COVID-19 due to site closures and reduced visitor numbers. Organisations who were reliant on these income streams particularly favoured funding for core costs, as many felt that the current decrease in visitor income would be temporary until they were able to return to ‘normal’. This is on the assumption that their business model remains the same.

²¹ It should be noted that The Fund has committed to reviewing its approach to Full Cost Recovery, in response to research recently conducted.

“Overhead costs is always the area ... the money we earn through ticket sales and hires. Any assistance in those areas would be valuable.” HEF 2

There is non-financial support that organisations would find valuable for The Fund to provide

‘Capacity building support’ and ‘professional advice on organisational resilience’ were selected by 39 per cent and 33 per cent of survey respondents respectively, as further support that they would value from The Fund in future. Many organisations engaged in the evaluation felt it would be valuable for The Fund to provide advice on specific subjects, given their internal knowledge and expertise. This advice would be valuable as there are organisations working in heritage who lack internal expertise on these subjects. Some organisations also stated that this advice would be valuable in conjunction with financial support, to enable organisations to make better use of funding.

Further research will be required on the specific topics for The Fund to provide advice on, given the needs of organisations working in heritage. An indicative list of topics for The Fund to provide advice on, suggested by organisations engaged in the evaluation, is detailed below:



Business planning



Marketing



Digital skills (both for internal processes and external delivery)



Organisational resilience



Fundraising



Social media

“Working with the heritage sector to support digital skills development. Continued investment and training in this sector would be valuable for us as an organisation” HEF 1

It should be acknowledged that The Fund already provides advice and training on some of the topics mentioned above, however not all organisations engaged in the evaluation were aware of this.

Organisations working in heritage felt that it would be valuable to be able to access this advice through resources available on demand, given capacity constraints. The evaluation did not find any overall conclusions regarding preferences for format of content.

In addition to advice and guidance on specific topics, organisations expressed that it would be valuable for The Fund to provide access to independent advice and consultancy support. This is because some organisations felt it would be valuable to access support that could be tailored to the individual needs of their organisations. This support was requested both by grantees who had accessed ROSS Consultant support and felt that more advice would be valuable, as well as by grantees who had not accessed ROSS Consultant support.

It should be noted that learnings from ROSS Consultant support provided to date highlighted that an organisation’s ability to engage in reflection is affected by organisational capacity. Therefore to ensure that this support can be effectively utilised, The Fund will need to determine whether an organisation has sufficient capacity to engage with independent advice and consultancy support, or if The Fund can provide capacity-building support to enable them to do so.

Furthermore, some organisations, including those not directly focused on heritage, stated that it would be valuable to have access to a centralised list of organisations and networks that can provide advice relevant to organisations working in heritage. This would be particularly valuable for specialist heritage skills, for example, painting conservation as per the below example. This is because some organisations felt that they did not have sufficient knowledge of who they could contact for specialist support.

“A pool of expertise is always handy or the money to pay for consultants ... as councils don’t have specialist skills in house e.g. painting conservation” Non-applicant

As well as learning from sector experts and consultants, organisations working in heritage stated that it would be valuable for The Fund to facilitate opportunities to share learning and best practice between organisations. Two HEF grantee events were held virtually as part of the evaluation and were well-received as an opportunity for grantees to connect with others in a similar position. Twenty two percent of survey respondents responded that they would value assistance with being put in touch with other similar organisations.

“Being able to discuss issues, sharing with other people from similar organisations, getting that shared experience which would be good” HEF 1

“Networks to share practice ... to know what works and what doesn’t work” HEF 1

Key messages

- **The Fund's change in approach to supporting organisations made them feel that The Fund valued them and respected their priorities.** HEF as a targeted programme aimed at supporting organisations rather than projects was valued as organisations were able to cover the types of costs that they felt they needed support with; for many, this was about supporting core costs.
- **Flexibility in the financial support provided enabled organisations to continue delivery of pre-existing projects.** Having the option to amend the approved purposes of a grant, change the timeline for delivery or receive additional funding was valuable where delivery had been affected by COVID-19.
- **Organisations expressed a demand for project funding and funding for core costs.** The need for project funding is due to some organisations working in heritage being ready to start and continue projects; there is a need for support with core costs as some organisations working in heritage continue to experience financial challenges due to COVID-19.
- **Organisations feel that it will be important for The Fund to continue to be flexible in the support it provides.** Grantees have valued flexibility from The Fund to date and ongoing uncertainty regarding COVID-19 means that the ability to access and utilise flexible support will continue to be valuable.
- **Organisations would value non-financial support from The Fund, including advice and guidance, access to consultancy support and opportunities to share and learn with other organisations working in heritage.** Further research will be required to understand what this could look like in practice.

Learnings for future ways of working

This section explores learnings about The Fund's ways of working in response to COVID-19, as well as the processes for designing and delivering HEF. Additionally, this section explores what the role of The Fund could look like going forward. As part of this, we explore the following research questions:



1. What are the lessons learned for The Fund in setting up HEF remotely and in a quick turnaround?

2. How can The Fund improve the application process for grantees in future? Including communications and guidance required

3. What role should The Fund play during times of crisis?

Learnings about The Fund's ways of working in response to COVID-19

The Fund was able to quickly respond to the circumstances

HEF was launched on 15th April 2020, a few weeks after the first national lockdowns came into force across the UK in March 2020. This quick turnaround required a significant amount of effort to develop a new fund to provide emergency support to organisations working in heritage, whilst adapting to the evolving crisis. Different parts of The Fund had to work together to ensure that emergency support could be provided as quickly and effectively as possible. Although the design and delivery of The Fund's response was by no means perfect, staff at The Fund and ROSS Consultants felt that the response achieved the desired aim of providing support to organisations working in heritage. Additionally, grantees appreciated the speed with which they received funding and recognise the amount that The Fund has done to support organisations working in heritage.

"Pretty much got the package we were offering right. Was some change as the pandemic continued and pressures began to change for applicants. By and large, it succeeded at what it was trying to do." Staff at The Fund

Qualitative interviews indicated lessons that can be learned for future ways of working. This includes ways of working that should be replicated in future and opportunities to make ways of working more effective.

- 1) **Project management:** In future, it would be beneficial to have a dedicated project manager in place, and to ensure that project roles and responsibilities are clearly defined.
- 2) **Data on the needs of organisations of working in heritage:** In future, it would be valuable to replicate mechanisms used as part of HEF to gather data on the needs of organisations

working in heritage, such as the survey issued by The Fund in March 2020 to understand the economic impact of COVID-19 on heritage

- 3) **Support to grantees to achieve The Fund's SFF outcomes:** In future, it would be beneficial to ensure that The Fund supports grantees to achieve The Fund's SFF outcomes during their grant period. As previously highlighted, these outcomes are not being prioritised by all organisations working in heritage, such that it may be valuable for The Fund to support, and lead on, this work in the future, such as the inclusion and wellbeing outcomes.

Grantees were overwhelmingly positive about how Investment Teams communicated with them

Communication between organisations working in heritage and Investment Teams was an important element of The Fund's response to COVID-19, as it was vital that organisations were provided with clear and timely guidance regarding existing funding and new funding applications. Organisations were largely positive about The Fund's communications: 95 per cent of survey respondents selected 'Strongly agree' or 'Agree' with the statement 'The Fund provided clear and adequate guidance about the HEF'.

Speed of communication was very important to organisations. Organisations that received an uplift or flexibility for a current grant valued being able to send an email to access this support, as this communication was quick and simple to undertake. Being able to call Investment Teams to discuss concerns or queries was also valuable, as organisations were able to get immediate answers and guidance from The Fund.

*"I'm used to it being time consuming in the past, this has been quite different."
Organisation with grant flexibility*

Additionally, organisations highlighted the speed of communication regarding applications. Communication via email with guidance regarding application eligibility was helpful as organisations could quickly review whether or not it was worthwhile to expend effort on submitting an application. The speed of communication of funding decisions was particularly highlighted as successful by organisations interviewed.

"It was pretty immediate really, soon after I submitted it I received an email saying it had been agreed" HEF 1

It should be noted that these findings are based on perceptions shared by organisations working in heritage; the evaluation did not capture specific details about what 'typical' contact and communication between Investment Teams and grantees looked like.

There are lessons to be learned about how information could have been communicated more effectively

With respect to the style of communication, organisations valued honest communication from The Fund. Some organisations noted that they did not feel there was a hierarchical grantee / funder relationship, but rather that they were working together through the crisis. These observations were not limited to organisations who were successful in receiving support, some

of the organisations interviewed who were ineligible for support or were unsuccessful in HEF applications praised The Fund's honest communication.

However there are lessons to be learned about the way that information about HEF was communicated. Both organisations working in heritage and staff at The Fund felt that eligibility for and changes to HEF could have been communicated more clearly; for example with respect to eligibility criteria, as some organisations incorrectly perceived that HEF was aimed at 'traditional heritage' or built heritage only.

Case study: Perceptions of eligibility for HEF

A craft-based organisation who had been significantly impacted by COVID-19 was advised by the Investment Team in April that they weren't likely to be eligible for HEF, as their activities weren't wholly heritage related.

The organisation received emergency funding from other sources but was still struggling four months later and so decided to apply for HEF. Their application was successful and was very beneficial, however they would have applied earlier if they knew it was possible.

"Income dropped to zero for organisations like ours—we were really struggling. If it could have been quicker then that would have helped us initially" HEF 1

It should be noted that in most instances, any confusion organisations felt regarding The Fund's response was resolved after a conversation with Investment Teams.

"Had a really useful conversation with the Grants Officer ... explained our need and she was able to advise on eligibility considerations ... was helpful to ensure we weren't on completely the wrong track" HEF 2

Grantees valued having an opportunity to talk through problems and reflect with Investment Teams

Grantees praised the advice and support provided by Investment Teams during this period, highlighting the importance of the relationships that Investment Teams have with applicants and grantees. Several organisations stated in interviews that they felt that they could contact The Fund if they encountered any issues or had any questions, and it would be easy to get the information they required. For many organisations working in heritage the effects of COVID-19 have caused uncertainty and stress, The Fund's guidance in this period has therefore been very helpful.

This relationship was valuable in a number of different contexts:

- Organisations in receipt of grant increases or flexibility for current grants valued being able to discuss with The Fund what support would be most valuable for them, given the variety of support elements available.
- HEF applicants valued advice pre-application submission, on proposed costs and eligibility.

- Organisations valued having someone to speak to who was independent from their organisation and could offer advice on issues or provide reassurance throughout the period of support.

Personal relationships with members of Investment Teams were very important to some organisations. Organisations valued speaking to someone at The Fund who knew their context; where strong personal relationships existed, organisations felt that they knew the individual and could trust them, which in some cases increased the extent to which they valued advice from The Fund. In both interviews and the end of grant survey, many organisations highlighted specific staff at The Fund who had been very helpful to them.

“We’ve got a good relationship with The Fund. They were so helpful at giving some guidance and really supportive through the process.” Organisation who received a grant increase

Learnings about the process of designing and delivering HEF

Demand for HEF was unexpectedly high

In total, 1,256 HEF applications were received; The Fund had allocated £50M to HEF given the amount of money that could be made available, however the total amount requested exceeded £60M such that the demand for financial support was higher than could be met through HEF. It should be acknowledged that accurately forecasting demand was likely to be difficult due to the changing nature of the COVID-19 crisis.

Thirty per cent of the total applications were received in the five days prior to the closing date for HEF applications. As grants had been awarded on a rolling basis this meant that HEF became much more competitive towards the closing date for HEF applications.

Cumulative number of HEF applications by submission date

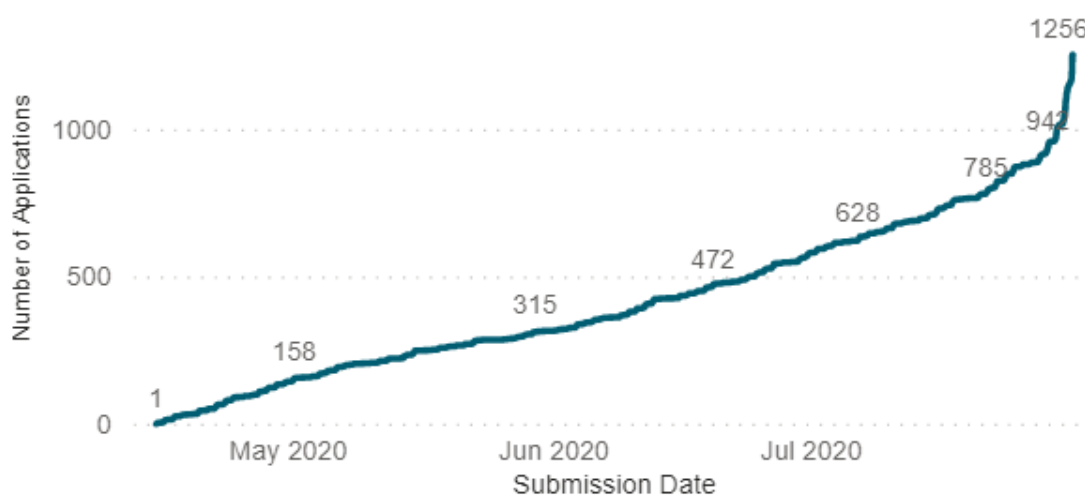


Figure 17: Cumulative number of HEF applications by submission date (Source: Heritage Emergency Fund Evaluation paper for September 2020 National Heritage Memorial Fund Board of Trustees meeting)

Majority of organisations felt that the HEF application was streamlined

Feedback on the HEF application process was overwhelmingly positive; 92 per cent of grantees surveyed selected 'Strongly agree' or 'Agree' with the statement "Application was straightforward". The majority of organisations interviewed felt that the HEF application form was much simpler to fill in than previous application forms from The Fund, which reflects the efforts made by staff at The Fund to design an application process that would be simple for applicants to fill in, given the difficulties that organisations were facing.

"Found the process really easy. That was really appreciated because you're with a heavily reduced team, it's a very stressful situation because you're fighting for survival, and The Fund has recognised that." HEF 2

It should be noted that there is a potential bias to this feedback as only current or previous grantees of The Fund could apply for HEF. Therefore these figures do not incorporate the views of organisations who have not previously been able to complete an application to The Fund.

Some organisations noted challenges with the HEF application process. Organisations with limited resource highlighted the amount of effort required to complete the application; this was particularly the case for smaller organisations. For some this meant that they wrote applications outside of working hours, often late at night, which reduced the quality of their application. Organisations interviewed felt that it would be valuable for The Fund to reduce the burden on applicants where possible and to support those with limited capacity to apply. Recommendations from organisations as to how to achieve this are as follows:

- Information requirements should be reduced where possible and The Fund should not request information that it already has.
- Investment Teams should conduct pre-application discussions with organisations, particularly those with limited capacity, to understand their context and discuss eligibility. This will enable organisations to make informed decisions about whether or not to submit an application, based on their support needs and eligibility.²²
- Applicants should be able to submit photos, videos or other media to bring their application, and the context in which they are operating, to life.

An insufficient number of HEF grantees interviewed had gone through the end of grant process at time of interview to be able to identify significant findings

As previously mentioned, The Fund adopted a flexible approach to supporting grantees, in order to ensure that the support provided met the needs of organisations working in heritage. This meant that the end of grant process was delayed for some HEF grantees, to provide sufficient time for grantees to spend their grant. Consequently, grantees interviewed were at different

²² It should be noted that The Fund currently conducts pre-application discussions with applicants for grants over £10,000.

stages with respect to the end of grant process, such that insufficient evidence was gathered with which to evaluate the end of grant process:

- Some grantees interviewed had completed the end of grant process and found it to be straightforward.
- Some grantees interviewed were unsure about what was required from them for the end of grant process.
- Some grantees had not gone through the end of grant process due to delays or extensions to their grant timeline.

Learnings about the role of The Fund

This section focuses on learnings about the role of The Fund; this includes reflections on the role The Fund has played to date, as well as learnings about what the role of The Fund needs to look like going forward. These learnings are pertinent given that circumstances have changed significantly since The Fund's response to COVID-19 was initially developed in March 2020.

The Fund's role to date has been well-received but it needs to evolve as the crisis continues

Organisations working in heritage and staff at The Fund felt that The Fund's response to COVID-19 was the right one in the circumstances. Ninety seven percent of survey respondents selected 'Very good or 'Good' in response to the survey question 'Overall, how would you rate The Fund's response to supporting the heritage sector during the pandemic?'

"Really good response to the pandemic – struggling to think of ways in which (The Fund) could have responded better" HEF 1

Through support such as HEF, The Fund aimed to ensure that organisations working in heritage were able to continue to operate. However the crisis has lasted for longer than was first anticipated and the impact on organisations working in heritage is significant. As The Fund has a limit to the amount of financial support it can provide to organisations working in heritage, The Fund's original aim in response to COVID-19 may no longer be appropriate. Therefore The Fund should consider what the role it plays going forwards needs to look like, given the needs of the sector and the amount of resources The Fund has available, with which to provide support.

The evaluation highlighted three considerations for The Fund's role going forward:

1) The Fund should continue to provide support to the sector, but this support needs to be designed and delivered in a strategic manner

Organisations working in heritage require further support from The Fund, as detailed in the Learnings for future support section. Whilst this need is similar to financial and non-financial support already being provided, future support should be designed and delivered in a 'strategic' manner. In this context, 'strategic' is the consideration of how support can be designed and delivered to meet the needs of organisations working in heritage and to contribute to The Fund's SFF outcomes.

Designing and delivering support in a strategic manner has two components:

- i. **Only funding organisations who are financially resilient or have strong plans to become so:** Given that there is significant demand for further support and some organisations face concerns regarding their financial resilience, The Fund should ensure that funded organisations are financially resilient or have a strong plan to become financially resilient. This will mean that the support provided will make a lasting difference to the organisation.
- ii. **Embedding the SFF outcomes into future support:** Moving into the recovery period, it will be important for the SFF outcomes to be more embedded into future support, to contribute to The Fund's desired outcomes to drive change in the sector. Given that these outcomes are not a top priority for all organisations working in heritage, it may be valuable for The Fund to support, and lead on, this work in the future to encourage organisations working in heritage to prioritise inclusion and wellbeing outcomes.

2) The Fund should be a critical friend to organisations working in heritage

When organisations working in heritage are developing applications it would be valuable for The Fund to act as a 'critical friend' to understand the needs of the organisation in more detail and explore what support would be most valuable to meet the need. This links to points previously raised in Learnings about The Fund's way of working in response to COVID-19, about the value of pre-application discussions with organisations regarding proposed costs and eligibility. For those organisations who are not eligible for support, The Fund would have open and honest conversations with organisations about their eligibility and if there are other avenues of support that may be more appropriate for the organisation given their viability and need.

"The Fund has been very good, but there is learning to take away in how it can leverage funding in the future to really challenge them [organisations]" ROSS Consultant

For grantees, it would be valuable for The Fund to act as a 'critical friend' to provide advice about the support being delivered and challenge them to think differently. Through this role, The Fund would be able to guide grantees to consider how they could use the support available more effectively. Some grantees also recognised that having this advice from someone outside their own organisation would be valuable. Additionally, ROSS Consultants highlighted that it would be valuable for The Fund to support grantees to understand the need for long-term planning, rather than being focused purely on the short-term.

"Setting outcomes or just checking in on problems in reaching these outcomes, advice in how to work in specific areas ... would be nice to have an outside view" HEF 1

3) The Fund should continue to use its profile to play an active role in advocating for heritage

There is a general consensus that The Fund has a role to play in advocating for the value of heritage within wider society. Organisations working in heritage recognised that The Fund is already doing this advocacy work and felt that The Fund should continue to undertake this role. However, as previously mentioned, some organisations working in heritage are concerned that other sectors will be prioritised for funding and support in the context of COVID-19 and the financial pressures on Government. Given the significant financial challenges facing the heritage sector, the need for organisations like The Fund to advocate for heritage may increase, to ensure that Government are cognisant of the value of the heritage and provide support, where possible, to meet the needs of the heritage sector and avoid the loss of heritage.

“Advocacy role given that political mindset no longer values heritage as much as it used to, other items have taken priority” Non-applicant

Case study: Advocating for landscapes and nature

The Fund instigated and funded the Wildlife and Countryside Link survey, published in April 2020, which provided early data on the impact of COVID-19 on environmental charities.

One member of staff at The Fund noted that The Fund made the case to DEFRA that environmental charities were critical to the delivery of net-carbon goals and needed support, linking to wider governmental priorities, which the staff member commented: “Has helped to obtain £40 million from DEFRA as a Green Recovery Challenge Fund”²³

Key messages

- **The Fund was able to quickly respond to the circumstances.** The Fund worked quickly and collaboratively to design and deliver a package of support. Although there are learnings for future ways of working, staff at The Fund felt that the aim of supporting organisations working in heritage to continue to operate was achieved.
- **Grantees reflected positively on The Fund’s communications and their relationship with Investment Teams.** Grantees valued the honest and timely communication they received from The Fund regarding applications for support. It was highlighted that having an opportunity to talk through problems and reflect with Investment Teams was valuable for grantees.
- **HEF became much more competitive towards the closing date for HEF applications.** Thirty percent of the total applications were received in the five days prior to the closing date for HEF applications. As grants had been awarded on a rolling basis this meant that HEF became much more competitive towards the closing date for HEF applications.
- **Majority of organisations felt that the HEF application was streamlined.** Ninety two per cent of grantees surveyed selected ‘Strongly agree’ or ‘Agree’ with the statement “Application was straightforward”. Although some challenges were experienced with

²³ [Huge nature, well-being cost of Coronavirus](#)

completing the application form, organisations working in heritage largely felt that the HEF application form was simpler to complete than previous application forms developed by The Fund.

- **The Fund's role to date has been well-received but it needs to evolve as the crisis continues, as follows:**
 - The Fund should continue to provide support to the sector, but this support needs to be designed and delivered in a strategic manner. This includes only funding organisations who are financially resilient or have a strong plan to become financially resilient, and embedding the SFF outcomes into future support as part of the move into the recovery period.
 - The Fund should be a critical friend to organisations working in heritage, providing advice and challenge to organisations both prior to organisations receiving support and whilst support is being delivered.
 - The Fund should continue to use its profile to play an active role in advocating for heritage, particularly to Government to ensure that the heritage sector is provided with support to address its needs.

Conclusions

This paper has detailed a range of findings regarding the impact of The Fund's response to COVID-19, challenges and opportunities for organisations working in heritage, learnings for future support and learnings for future ways of working. Findings from the evaluation are intended to inform The Fund's future practice in supporting the longer-term resilience and recovery of organisations working in heritage. With this in mind, several conclusions can be drawn from the findings in this paper.

The Fund's response to COVID-19 has met the needs of organisations working in heritage

The evaluation aimed to understand whether The Fund's response to COVID-19 met the needs of organisations working in heritage; the evaluation has found that the different support elements provided by The Fund in response to COVID-19 have met the needs of organisations working in heritage. HEF enabled organisations to continue to operate and supported several thousand staff to remain in their roles. Feedback in the end of grant survey was overwhelmingly positive, 93 per cent of grantees rated their experience of their HEF grant overall as "very good". Flexibility of current grants and grant increases enabled organisations to continue to undertake project delivery and adapt in response to COVID-19. ROSS Consultant support was well received, with organisations appreciating both the tailored 1-1 support and the workshops.

The support provided had the biggest impact on economic outcomes; as previously highlighted, HEF enabled organisations experiencing financial challenges due to COVID-19 to continue to operate. The primary impacts on inclusion outcomes were indirect, as many grantees utilised HEF to switch to digital which enabled them to attract new and different audiences. The support had positive wellbeing impacts for staff and volunteers, for example the HEF provided some reassurance to staff in organisations working in heritage who were concerned about losing their jobs. Additionally, there were impacts on inclusion and wellbeing outcomes as organisations that were already focused on these outcomes were supported to continue to operate.

Overall, The Fund's response to COVID-19 has been well received, organisations working in heritage valued the support provided and recognised the challenging circumstances in which The Fund was operating. Going forwards, there are lessons to be learned with regards to ways of working and learnings about the support needs of organisations working in heritage.

There were several components of The Fund's response to COVID-19 that were valued by organisations working in heritage

The Fund's change in approach to supporting organisations made them feel that The Fund valued them and respected their priorities. HEF as a targeted programme aimed at supporting organisations rather than projects was valued, as organisations were able to cover the types of costs that they felt they needed support with. Many organisations felt that The Fund recognised their priorities in needing support for core costs rather than project funding; although it should be noted that some heritage areas may have preferred project funding.

Flexibility of costs that financial support could be spent on, provided by HEF, flexibility of current grants and grant increases, enabled organisations to continue delivery of pre-existing projects.

The ability to amend the approved purposes of existing grants, change the timeline for delivery or receive additional funding was valuable where delivery had been affected by COVID-19.

The Fund was able to quickly respond to the circumstances, although there are learnings for future ways of working

The Fund worked quickly and collaboratively to design and deliver a package of support in response to COVID-19 and the needs of organisations working in heritage. There are learnings for future ways of working, for example relating to project management processes. Moving into recovery, it will be important for the SFF outcomes to be more embedded into future support, as this was not appropriate in the emergency context.

Organisations working in heritage highlighted that they valued the clear, honest and timely communication they received from The Fund, and Investment Teams in particular. Clear and timely guidance regarding existing funding and new funding applications was very valued, as was the speed of communication regarding applications. However, both staff at The Fund and organisations working in heritage felt that eligibility and changes to HEF could have been communicated more clearly. Whilst speed of communication is important, this should not come at the expense of disseminating clear communication, both internally and externally.

Organisations working in heritage expressed a demand for further financial and non-financial support

The evaluation found that to support the longer-term resilience and recovery of organisations working in heritage more support is needed, both financial and non-financial. This need is relevant for support to organisations in need to enable them to continue to operate, as well as for organisations who are more financially stable and wish to pursue projects.

- **Project funding;** organisations working in heritage, particularly those who have traditionally relied on this funding model, expressed a demand for project funding. This was either to fund projects that have been impacted by COVID-19 or to start new projects.
- **Funding for core costs;** organisations working in heritage, particularly those who continue to experience financial challenges due to COVID-19, require further support to cover costs. This support is needed in addition to the four months of funding that was available through HEF, to enable organisations to continue to operate.
- **Advice on specific subjects;** organisations working in heritage felt it would be valuable for The Fund to provide advice on specific subjects, this could include topics such as business planning, digital skills and fundraising. This advice would be valuable as there are organisations working in heritage who lack internal expertise on these subjects.
- **Independent advice and consultancy support;** organisations working in heritage felt that it would be valuable for The Fund to provide access to independent advice and consultancy support that could be tailored to the individual needs of their organisations.

- **Opportunities to share learning;** organisations working in heritage stated that it would be valuable for The Fund to facilitate opportunities to share learning and best practice between organisations, as well as learning from sector experts and consultants.

The Fund's role to date has been well-received but it needs to evolve as the crisis continues

Reflections on The Fund's role to date were overwhelmingly positive and staff at The Fund felt that the aim of supporting organisations working in heritage to continue to operate was achieved. However, the circumstances have changed significantly since The Fund's response to COVID-19 was initially developed in March 2020. Therefore The Fund should consider what the role it plays going forwards needs to look like, given the needs of the sector and the amount of resources The Fund has available, with which to provide support. The evaluation highlighted three considerations for The Fund's role going forwards:

1. The Fund should continue to provide support to the sector, but this support needs to be designed and delivered in a strategic manner. This includes only funding organisations who are financially resilient or have a strong plan to become financially resilient, and embedding the SFF outcomes into future support as part of the move into the recovery period.
2. The Fund should be a critical friend to organisations working in heritage, providing advice and challenge to organisations both prior to organisations receiving support and whilst support is being delivered.
3. The Fund should continue to use its profile to play an active role in advocating for heritage, particularly to Government to ensure that the heritage sector is provided with support to address its needs.

Recommendations for The Fund

This evaluation has highlighted a number of recommendations, arising from reflections shared by staff at The Fund, ROSS Consultants and organisations working in heritage. The below recommendations take into account the limitations of this evaluation, such that further action is required to understand the necessary next steps in more detail.

- Further research is needed to explore alternative funding mechanisms, beyond project funding and funding for core costs. As highlighted in the Learnings about support needs going forward section, for some organisations, project funding is the funding model that they are used to to deliver projects. Therefore, whilst a clear demand for project funding was expressed, it isn't necessarily the only funding mechanism that would address the need.
- Further research is required on the specific topics for The Fund to provide advice on, given the needs of organisations working in heritage. Organisations working in heritage felt it would be valuable for The Fund to provide advice on specific subjects, given their internal knowledge and expertise, however further research would be valuable to

understand the needs of the sector in more detail and what advice would be most appropriate, given what The Fund already has developed.

- The Fund will need to consider how it will lead on the opportunities for heritage to build back better, including opportunities for organisations to become more inclusive and to consider how they can keep pace with wider societal changes and support their resilience. Additionally, The Fund will need to consider how best to support organisations working in heritage to take advantage of these opportunities.

Additionally, organisations working in heritage shared their reflections as to how The Fund could reduce the burden on applicants where possible and to support those with limited capacity to apply. For the purposes of this paper, they should be treated as considerations for The Fund going forward:

- Information requirements should be reduced where possible and The Fund should not request information that it already has.
- Investment Teams should conduct pre-application discussions with organisations, particularly those with limited capacity, to understand their context and discuss eligibility.²⁴This will enable organisations with limited capacity to make informed decisions about whether or not to submit an application, based on their support needs and eligibility.
- Applicants should be able to submit photos, videos or other media to bring their application, and the context in which they are operating, to life.

Next steps for the work

The findings from this evaluation will inform The Fund's future practice in supporting the sector's longer-term resilience and recovery. It will also support The Fund to communicate the impact of HEF and The Fund's broader role in responding to COVID-19.

²⁴ It should be noted that The Fund currently conducts pre-application discussions with applicants for grants over £10,000.

Glossary

Applicants: Organisations that applied to the Heritage Emergency Fund (HEF)

Applicants awarded a grant: Organisations that were awarded a HEF grant, also referred to as 'grantees'

Applicants not awarded a grant: Organisations that were not awarded a HEF grant; this includes both unsuccessful applicants and organisations who withdrew their application

Area of Outstanding Natural Beauty: Land protected by law because of special landscape qualities, wildlife, geology and geography; this term is only relevant to England, Northern Ireland and Wales

Beneficiaries: People that an organisation seeks for benefit, for example, visitors, participants, service users

COVID-19: Coronavirus disease which impacted the UK, such that national and local restrictions were put in place from March 2020 onwards

Furlough: Coronavirus Job Retention Scheme; UK government scheme whereby employers could place employees on temporary leave or 'furlough' due to COVID-19 and both employer and employee would receive financial compensation from HM Revenue and Customs ²⁵

HEF: Heritage Emergency Fund funding programme, distributed by National Lottery Heritage Fund (The Fund)

HEF 1: Heritage Emergency Fund grants for £3,000-£50,000; this grant programme was open for applications from 15th April 2020 to 31st July 2020

HEF 2: Heritage Emergency Fund grants for £50,000-£250,000; this grant programme was open for applications from 21st May 2020 to 31st July 2020

Heritage areas: The categories used by The Fund to describe types of heritage; the heritage area for an organisation reflects the focus of their work:

- Community Heritage
- Historic Buildings and Monuments
- Industrial, Maritime & Transport
- Intangible heritage
- Landscapes and Nature
- Museums, Libraries, Archives and Collections

²⁵ [Government Coronavirus job retention scheme](#)

- Other (organisations that do not fit into the above categories, for example, network organisations for heritage)
- Unknown (organisations without a listed heritage area); due to the nature of this category, applicant and grantee data for organisations in this heritage area is not recorded in some charts within this paper

IMD: Indices of Multiple Deprivation; these are official measures of relative deprivation for small areas in each country. The Index of Multiple Deprivation is the most widely used and it combines information from seven domains to produce an overall relative measure of deprivation. The seven domains are: income, employment, education and skills, health and disability, crime, barriers to housing and services, and living environment. IMD is a relative measure i.e. it indicates what areas are more or less deprived compared to other areas in the same country rather than indicating an absolute value of deprivation. For the purpose of this analysis, HEF applicants' postcodes were matched with their area's deprivation data, based on what countries they operate in using the following governmental datasets: [English Indices of Deprivation 2019](#), [Scottish Index of Multiple Deprivation 2020](#), [Welsh Index of Multiple Deprivation 2019](#), and [Northern Ireland Multiple Deprivation Measures 2017](#).^{26, 27, 28, 29}

PPE: Personal protective equipment

ROSS: Register of Support Services

SFF: Strategic Funding Framework; this is a document which sets out the vision and principles that will guide the Fund's investment for the period 2019 to 2024³⁰

The Fund: National Lottery Heritage Fund

UK areas: The categories used by The Fund to reflect geographical areas; the UK area for an organisation indicates the geographical area where the organisation is based:

- London and South (England)
- Midlands and East (England)
- North (England)
- Northern Ireland
- Scotland
- Wales

²⁶ [Government English indices of deprivation 2019](#)

²⁷ [Government Scotland scottish index of multiple deprivation 2020](#)

²⁸ [Government Wales Welsh index multiple deprivation full index 2019](#)

²⁹ [Government Northern Ireland multiple deprivation measures 2017](#)

³⁰ [Video Heritage Fund Strategic Funding Framework 2019-2024](#)

Appendix

There are two appendices to this paper which are available separately:

- 1) Quantitative analysis of HEF application data and end of grant survey data
- 2) Interview sampling approach