



NATIONAL LOTTERY HERITAGE FUND: AREAS OF FOCUS

YEAR 4 FINAL REPORT
OCTOBER 2023

RSM UK CONSULTING LLP

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EXECUTIVE SUMMARY

Introduction

In August 2019, RSM UK Consulting LLP (RSM) was commissioned to undertake an evaluation of The National Lottery Heritage Fund's (The Fund) five-year Strategic Funding Framework (2019-2024) and its impact on 13 'Areas of Focus' (AoF). This report is the fourth of five annual reports aiming to provide key learnings and recommendations that can be incorporated into the delivery of the Strategic Funding Framework. It also aims to further consolidate our understanding of the AoF programme, testing if the Theory of Change (ToC) is still valid.

Key objectives of the Strategic Funding Framework focus on overcoming perceived challenges around investing in heritage projects in particular deprivation contexts. The Strategic Funding Framework aims to generate investment in projects across 13 AoF. AoF are defined as areas which have received less than average levels of funding from The Fund, and that are located within the 25% most deprived wards in the UK. The 13 AoF are listed below:

- Brent (London & South);
- Corby (Midlands & East);
- Enfield (London & South);
- Inverclyde (Scotland);
- Knowsley (North);
- Luton (Midlands & East);
- Neath Port Talbot (Wales);
- Newham (London & South);
- North East Lincolnshire (North);
- North Lanarkshire (Scotland);
- Rhondda Cynon Taf (Wales);
- Tendring (Midlands & East); and
- Walsall (Midlands & East).

Evaluation Approach

The 5-year evaluation has the following aims:

- understand the effectiveness of processes involved in delivering support to Voluntary, Community and Social Enterprise (VCSE) organisations with respect to capacity building, networking, partnerships development and volunteers' recruitment;
- assess short and medium-term outcomes, capturing indications of impacts wherever possible; and
- establish 'what works'; enablers and barriers that affect impact and delivery.

The evaluation approach is built around the ToC which shows pathways through which the programme is expected to deliver activities and achieve its intended outcomes. The ToC details short and medium-term outcomes that are hypothesised to lead to long-term impacts and the delivery of five higher level impacts, namely:

1. increased inclusivity.

2. increased investment in areas of focus.
3. improved environment and heritage preserved.
4. increased economic impact of heritage; and
5. more vibrant places.

Evidence in this report is derived and synthesised from multiple strands of evaluation activity, namely:

- desk-based review of key documents, policies, strategies and research papers;
- analysis of performance and investment data across five financial years (FY2018-19 to FY2022-23);
- in-depth case studies of five selected AoF (as agreed with The Fund):
 - Enfield;
 - North East Lincolnshire (NEL);
 - North Lanarkshire;
 - Rhondda Cynon Taf (RCT); and
 - Walsall.
- consultation with The Fund’s staff representatives (including Engagement Leads) and wider stakeholders (including local authority [LA] representatives and delivery partners). A total of 17 consultations were undertaken to inform the development of the report (January - April 2023).

Evaluation Findings

Programme Performance

The following details key findings from an analysis of performance of the AoF programme as of February 2023:

- the number of enquiries has varied since the baseline year (FY2018-19), rising from 120 in FY2019-20 to 144 in FY2021-22, despite a drop in FY2020-21 (as a result of the pandemic impacts on open funding). However, there has been a 38% decrease in the number of enquiries between FY2021-22 and FY2022-23 (falling from 144 to 90);
- a review of the number of applications received identifies a mixed picture. Four of the 13 AoF have experienced a positive change (i.e., applications receiving funding) from the baseline, most notably Walsall increasing by 600%, with an average increase of the three AoF (excluding Walsall) of 46%, indicating that the support received by projects developing an application has improved. However, the majority (eight AoF) have experienced a negative change from the baseline (Corby has no change); with an average decline of 60%. Nevertheless, there is also **evidence to suggest that the quality and relevance of applications is improving**, reflected by an **increase in the proportion of successful applications**;

- a review of spend per capita shows that **the majority of AoF (n=10/13) are spending more than they did at baseline**. Since the Year 3 report, Enfield and Walsall have nearly doubled their average annual spend per capita whilst North Lanarkshire, Neath Port Talbot and Luton have experienced considerable falls in average annual spend per capita; and
- data in relation to strategic partnerships and the number of volunteers supported across the AoF was limited (due to limitations in data collection and capacity to analyse). Therefore, appropriate measures should be implemented in advance of the Year 5 report to ensure data is collected to allow for quantitative assessments.

Short Term Outcomes

This section details the evidence against the Programme ToC. The following highlights progress against short-term outcomes i.e., those outcomes that are expected to be delivered between 0 to 3 years of the programme commencing, and medium-term outcomes, i.e., those outcomes beginning to emerge in Year 4. We also identify The Fund's activities that are supporting successful delivery, as well as barriers that still exist. Our ToC is also presented below for reference.

A workshop was hosted by The Fund in March 2023 in which AoF engagement leads reviewed the ToC to identify whether it is still accurate and suggest updates related to the presented outcomes and impacts. No changes were identified.

For the majority of AoFs (excluding North Lanarkshire that had a high baseline figure), there has been **an increase from baseline (2018) spend per capita**. When averaged across the four years in which the programme has been active (to allow for abnormally weak or strong years), **10 of thirteen areas have increased spend per capita**, and **four areas have (as of 2023) received investment per capita above the national average**. In terms of applications, **five AoF increased their number of applications compared to the baseline**, however overall number of enquiries has fallen from the baseline.

This must be caveated to reflect the external macroeconomic circumstances experienced across the UK and further afield in the last 12-36 months, with the pandemic triggering a short but severe recession; followed by decade-high inflation and supply chain disruptions. This has meant communities across the UK have faced economic hardship, potentially deprioritising the focus on heritage for volunteers and local authorities. However, **this suggests that specific focus on place has resulted in a positive impact in relation to improving performance at a local level and encouraging fundable projects to come forward**.

Table 1: Theory of Change for Areas of Focus

Inputs	Activities	Outputs	Short-term Outcomes 0-3 years	Medium-term Outcomes 3-5 years	Impacts +5 years
Appointment of local AoF engagement lead	Ongoing direct (one-to-one) support to build bid writing confidence	Increased number of events sharing knowledge about AoF agenda between VCSE, The Fund, local government	The Fund / ETs report increased capacity to engage VCSE	Increased confidence in applicants	Increased inclusivity
Creation of AoF network of delivery partners	Capacity building to VCSE sector including micro-organisations	Funding advice sessions raising awareness of funding opportunities	VCSE report increased capability to apply for funding	More applications	Increased investment in AoF
Grant funding disbursed to VCSE sector to contribute to The Fund's strategy	Schools provide a community hub	Increased number of volunteers and community groups supported	Greater visibility of The Fund on partnerships	Raised profile of AoF across other funders	Improved environment / heritage preserved
Creation and funding of heritage LA community post	Targeted Heritage Strategy communications locally and nationally	New strategic partnerships	Better focus on deliverable projects	More heritage training, volunteering and employment opportunities	Increased economic impact of heritage

Inputs	Activities	Outputs	Short-term Outcomes 0-3 years	Medium-term Outcomes 3-5 years	Impacts +5 years
Volunteers' time including community groups and residents	<ul style="list-style-type: none"> • Ongoing local training and advice sessions • Ongoing cross boundary engagement to build partnerships • Funding bid review and support • ETs build the knowledge on barriers to apply for funding and AoF challenges 	Increased number of quality and relevant heritage proposals	<ul style="list-style-type: none"> • Increased prioritisation of heritage • Increased understanding and acceptance of notion of heritage • Improved signposting between funders • Volunteering skills contribute to local employment and economic recovery 	<ul style="list-style-type: none"> • Access to new sectors • Increased national and local expertise on Heritage and contributions to local strategy and interventions in areas 	More vibrant places

Assumptions (Inputs)	Assumptions (Activities and Outputs)	Assumptions (Outcomes and Impacts)
<ul style="list-style-type: none"> • Other funders including other The Fund offer wide ranging complementary support: skills formation including digital and volunteer recruitment 	<ul style="list-style-type: none"> • Effective digital campaign undertaken by the Fund delivers against its objectives • Projects objectives are aligned with AoF outcomes • Sustained engagement with The Fund's Strategy framework 	<ul style="list-style-type: none"> • The Fund remains UK trusted entity and regarded as thought leader with respect to heritage • Evidence from single AoF / projects is incorporated into learning feedback loops and influences The Fund's strategic work
<ul style="list-style-type: none"> • information and guidance documents from the Fund are 	<ul style="list-style-type: none"> • Projects reach out to underrepresented organisations and individuals 	<ul style="list-style-type: none"> • There is motivation from VCSE to promote the heritage agenda and incentives help sustain this • AoF and local heritage work remain a priority • Private sector relationships develop

Assumptions (Inputs)	Assumptions (Activities and Outputs)	Assumptions (Outcomes and Impacts)
relevant, timely and useful (place framework approach)	<ul style="list-style-type: none"> Volunteering positively contributes to supporting economic recovering post-Brexit and Covid-19 	

Risks (Inputs)	Risks (Activities and Outputs)	Risks (Outcomes and Impacts)
<ul style="list-style-type: none"> The Fund's Strategy is not suitable to address AoF objectives or relevant to VCSE organisations 	<ul style="list-style-type: none"> AoF programme not delivered on time Projects objectives do not align with AoF objectives resulting in inconclusive evidence 	<ul style="list-style-type: none"> Heritage is not clearly defined and challenging to measure (absence of baseline / monitoring data) Heritage is not adopted by targeted VCSE organisations Evidence and insights are ignored by stakeholders Projects work with limited numbers of people, so scale of change is limited and difficult to infer general findings of 'what works' Limited time and Covid-19 disruptions result in inconclusive evidence of impact

Medium-Term Outcomes

Key outcomes in the medium term relate to outcomes expected to follow from the ongoing engagement work and the initiatives and confidence of VCSE organisations to create heritage projects and apply for funding.

- **The Fund has carried out activity that has allowed funding to be disseminated into grass-roots organisations through its community grant scheme** and enable local authorities to administer grant funding to build on their understanding of heritage and experience in distributing funds to projects with a heritage focus, establishing processes through which it may be possible to sustain a priority on heritage within local authorities;
- **The Fund has built relationships across the local authorities and VCSE organisations within the AoF areas** and have embedded themselves across the cultural sector, for example One Walsall (CVS) and The Fund meet regularly, host online funding surgeries, present at events and offer signposting to communities. **This appears to be resulting in VCSE organisations developing a better understanding of heritage and how they can implement a focus on heritage within their events and engagement activities with communities;**
- through the funded events and sessions delivered by The Fund and its partnerships with local authorities and VCSE organisations, the **reach of heritage activities appears to be expanding**, which **offers the opportunity for potential projects to come from new markets / sectors**. The Fund has collaborated with the education and health sectors in the last 12 months, highlighted the **diversifying nature of potential heritage-funded projects;** and
- training sessions were offered, in some cases through the local authority (e.g., Walsall AoF offered training through the Heritage Strategy) or VCSE organisations and, therefore, **progress has been made in improving skills within groups in relation to application skills and their holistic approach to securing funding**. Going forward a formal mechanism for monitoring the quality and outcome of training and volunteering that has taken place in AoFs should be implemented so evaluations can robustly assess the quantity and quality of the training and whether its delivering value in the AoF.

Furthermore, a targeted outcome as the framework reaches a close is for regional and national decision-makers not only to understand the value that heritage brings to a community, but proactively seeks to preserve and protect heritage across the UK within their strategies and policies. **There is evidence that there has been an increased focus and priority in heritage within national and local strategies**, such as:

- Walsall's Heritage Strategy 2021-2016 action plan;
- Luton Borough Council's Heritage Strategy 2021 – 2031;
- Neath Port Talbot's Culture and Heritage Strategy 2021;

- within NEL the 'Greater Grimsby Heritage Action Zone' (HAZ) is a stretch of land running through the town of Grimsby, and the HAZ will make an important contribution to NELC's Town Centre Investment Plan and to the Great Grimsby Town Deal through placing value on the historic buildings and cultural significance of the town; and
- in North Lanarkshire five rural communities have been invited to get involved in preserving and protecting their heritage through the North Lanarkshire Rural Heritage Programme.

What Works?

Findings from this evaluation report suggest that **across the majority of the anticipated medium-term outcomes, The Fund has positively contributed**, although the extent to which varies across specific areas. Key enablers in meeting these medium-term objectives and crucial in further achieving medium term outcomes and impacts are listed below:

- **community grants:** community grant schemes have been successful in providing access to new applicants, utilising the existing networks of delivery partners. These grants have also had wider benefits, improving the capacity and confidence of delivery partners in administering grants for heritage and building reputation amongst community groups as a heritage funder. Community groups receive experience in bid writing in a less competitive context, building capacity for future applications and gain an understanding of how to tailor projects to meet heritage requirements;
- the **co-ordination and / or collaboration with other funders** for diversity of investment. The relationships built with The Fund and other funders through joint grant surgeries, collaborative workshops and conferences have increased the Fund's influence over the role that heritage has and has seeped into other national funders objectives, examples such as the UK Shared Prosperity Fund, the National Lottery Community Fund, Culture Recovery Fund and Historic England. These funders are able to advocate for The Fund in their own networks and allow engagement teams to benefit from their communications channels, centred on improving the awareness and understanding of heritage;
- **use of project examples:** ensuring that potential partners and applicants have access to examples of successful and best practice projects is an enabler of larger and more relevant applications. Examples allow for groups to envisage their own potential for such a project, enable a better understanding of criteria in practice and understand the benefits of such projects. The Fund team should ensure that all potential applicants are able to access previous successful project examples;
- the **pre-application tailored support and the use of the RoSS consultants** to help with the pre-application stage was praised by stakeholders as previously some organisations had found it difficult to seek funding;

- **peer support:** there is evidence of peer support taking place between organisations and groups funded in the AoFs, for example, sharing ideas, challenges, improving confidence; and
- **on the ground support:** increased visibility of The Fund engaging in the AoF, and face-to-face engagement has been highly effective. The presence of Heritage Fund Engagement staff at relevant heritage and VCSE events in the AoF illustrates that they are integrated within the communities and there to support, not just fund projects, helping to build confidence in applicants.

What needs Improvement?

Areas of improvement have been highlighted through the evaluation. These are summarised below:

- **level of information available on The Fund website:** it was highlighted by stakeholders that the amount of information on the Heritage Fund website can impact the confidence level of first-time applicants who may be daunted by quantity of information available. Therefore, clearer signposting on The Fund's website could help to support applicants more effectively;
- **timing and resources required for applications:** Stakeholders commented on the challenges around capacity and cost of living for organisations in AoF, as some organisations may not have the time required to develop applications, or due to external factors may need to deprioritise projects; and
- **budget and capacity constraints:** particularly in Scotland and Wales, constraints on budget and capacity continue to limit potential impacts within AoFs as there is greater resource pressure and a need to spread resources across these countries. This means that projects in AoF have increased scrutiny and competition to ensure that resources are best managed. Furthermore, limited staff resource and capacity will impact on the time available for engagement teams to support applications and building the pipeline.

Recommendations to Inform Future Learning / Development

Despite the persisting challenges of the pandemic and cost of living recovery, coupled with budgetary / capacity challenges within some AoF, the AoF programme is largely on track in achieving the medium-term outcomes expected at this stage of the programme, whilst identifying a number of areas for improvement. These findings validate the current iteration of the ToC; however, this will be reviewed in the final annual report (2024).

Key considerations from this report are profiled below:

- it was raised in a consultation with stakeholders that **using community venues for events instead of council venues** aided in the communities feeling more comfortable and open with The Fund as it created the mindset that The Fund is engrossed within the community (as opposed to a generic public-fund), and also

enabled a greater number of attendees. This approach should be further built upon as it can aid in both the outcome of ‘increased confidence in applicants’ and ‘more applications’;

- a more **sustainable approach to the structure of The Fund team and engagement staff was raised, in addition to robust exit planning**. It was raised in consultations that the short-term contractual agreements with engagement staff limited to the ability to plan for long-term events or engagement activities. Short, fixed contracts should be reviewed and compared with the potential for increased benefits arising from longer contracts. Furthermore, it was highlighted by stakeholders that exit planning will be integral to the sustainability of the current funding and momentum to ensure that impacts continue to be realised after the funding concludes;
- **reinstating application workshops** was identified as a recommendation to improve the quality of applications put forward by communities. A stakeholder commented The Fund previously delivered application and grantee workshops which in some instances stopped after a restructure in 2019;
- **more engagement with other funders** - stakeholder events / relationship development with other funders should continue to be pursued as an avenue to increase the Fund’s reach and exposure to new sectors / potential applicants; and
- **data monitoring and collection**. Data regarding the number of volunteers supported across the 13 AoF and the number of projects delivered in partnership was not available due to limitations in data collection and capacity to analyse. Therefore, it is recommended that measures are implemented by The Fund team to enable data collection ahead of the Year 5 report to allow for a quantifiable assessment to be made of the number of volunteers supported and the value to the communities these volunteers elicited.

1. INTRODUCTION

Report Scope and Context

In August 2019, RSM UK Consulting LLP (RSM) was commissioned to undertake an evaluation of the National Lottery Heritage Fund's (The Fund) five-year Strategic Funding Framework (2019-2024) and its impact on 13 'Areas of Focus' (hereafter referred to as the AoF programme).

This report is the fourth of five annual reports aiming to provide key learning and recommendations that can be incorporated into the delivery of the Strategic Funding Framework. It also aims to further consolidate our understanding of the AoF programme with through refining the programme's Theory of Change (ToC).

As with other programmes, the AoF have been affected by the Covid-19 pandemic, which impacted on both the delivery of planned project activity and the implementation of a new internal data management system by the Fund. Contextual considerations are made in trying to understand what has happened as a result of Covid-19, and to what extent unanticipated impacts can be identified and solutions incorporated into the ongoing delivery of the Strategic Funding Framework.

Programme Overview

Key objectives of the Strategic Funding Framework focus on overcoming perceived challenges around investing in heritage projects in particular deprivation contexts. The Strategic Funding Framework aims to generate investment in projects across 13 AoF. AoF are defined as areas which have received less than average levels of funding from The Fund, and that are located within the 25% most deprived wards in the UK. The 13 AoF are listed below and mapped in Figure 1.1:

- Brent (London & South);
- Corby (Midlands & East);
- Enfield (London & South);
- Inverclyde (Scotland);
- Knowsley (North);
- Luton (Midlands & East);
- Neath Port Talbot (Wales);
- Newham (London & South);
- North East Lincolnshire (North);
- North Lanarkshire (Scotland);
- Rhondda Cynon Taf (Wales);
- Tendring (Midlands & East); and
- Walsall (Midlands & East).

Figure 1.1: Areas of Focus



The ToC (section 2) details short and medium-term outcomes that are hypothesised to lead to long-term impacts and the delivery of five higher level impacts, namely:

1. increased inclusivity.
2. increased investment in areas of focus.
3. improved environment and heritage preserved.
4. increased economic impact of heritage.
5. more vibrant places.

As part of its commitment to generating additional investment in the AoF, The Fund is committed to collaborating with key local partners. The aim is to develop and promote active participation of key organisations and / or communities in heritage activities. To do so, The Fund relies on Engagement Teams (ETs) whose roles are to:

- raise awareness of The Fund and the type of heritage projects it funds;
- support potential grant recipients to create heritage projects, including [solicited bids](#), eligible for funding;
- raise confidence and capability of eligible organisations to apply for funding; and
- explore new ways of raising awareness, understanding, promotion and participation in heritage initiatives.

The AoF activities also benefit from **strategic and tactical campaign activity** aligned to Strategic Framework key objectives. 2023 marks three years of the Digital Skills for Heritage initiative which helped organisations shift their heritage activities online during the Covid-19 lockdown, provides support and training for organisations, and supports organisations with low-confidence to improve their digital skills. It is noted as the economy and society continues to recover from the pandemic, The Fund have actively encouraged the return to face-to-face interaction with community organisations to enhance their level of collaboration and impact.

Evaluation Overview

Evaluation Aims

The evaluation has the following aims:

- understand the effectiveness of processes involved in delivering support to Voluntary, Community and Social Enterprise (VCSE) organisations with respect to capacity building, networking, partnerships development and volunteers' recruitment;
- assess short and medium-term outcomes, capturing indications of impacts wherever possible; and
- establish 'what works'; enablers and barriers that affect impact and delivery.

Evaluation Approach

The evaluation approach is built around the ToC (section 2) which shows pathways through which the programme is expected to deliver activities and achieve its intended outcomes.

Based on the timeline for outcomes, and stage of this study, the evaluation has so far focused on processes underpinning the delivery of the AoF activities, capturing indications of outputs and outcomes wherever possible. This report looks to build on the evidence of short-term outcomes (Years 0-3) and articulate the evidence of the medium-term outcomes (Years 3 – 5) for the programme. The ToC has also been updated on key assumptions and risks.

Evidence in this report is derived and synthesised from multiple strands of evaluation activity, namely:

- desk-based review of key documents, policies, strategies and research papers;
- analysis of performance and investment data across five financial years (FY2018-19 to FY2022-23);
- in-depth case studies of five selected AoF (as agreed with The Fund):
 - Enfield;
 - North East Lincolnshire (NEL);
 - North Lanarkshire;
 - Rhondda Cynon Taf (RCT); and
 - Walsall.
- consultation with The Fund’s staff representatives (including Engagement Leads) and wider stakeholders (including local authority [LA] representatives and delivery partners). Table 1.1 summarises the consultations undertaken to inform the development of the report (January - April 2023).

Table 1.1: Evaluation Consultations

Type of Stakeholder	Number of Consultations
The Fund staff	11
Wider stakeholders	4
Project beneficiaries	2
Total	17

Report Structure

The structure and content of this report is outlined below:

- Chapter 2 provides the current iteration of the AoF ToC with its assumptions and risks;

- Chapter 3 reviews the policy context, setting The Fund’s strategic objectives within their wider policy context;
- Chapter 4 provides an overview of AoF performance and investment trends to date;
- Chapter 5 focuses on findings from the in-depth case studies of selected areas;
- Chapter 6 focuses on medium-term outcomes and key strategic learning; and
- Chapter 7 concludes and identifies a set of lessons for future implementation of The Fund 2019-2024 Strategic Framework.

2. THEORY OF CHANGE

Introduction

This section presents a summary of the ToC developed in consultation with The Fund. The purpose of the ToC is to set out a clear understanding of AoF activities, outputs and outcomes over time. The ToC provides a basis and an analytical reference point for the evaluation, defining the outcomes that will need to be examined and highlighting key assumptions and risks that the data collection will aim to further understand.

The resulting ToC is presented in Table 2.1 with the section below describing the causal processes by which AoF programme is expected to deliver its intended results.

Summary of the Theory of Change

As described below, the AoF programme's ToC has six components, reflecting the stages needed to realise the programme key objectives.

Inputs, Activities, and Outputs

1. Inputs – this sets out the necessary means to implement the desired changes.
2. Activities – this sets out how the AoF programme will be implemented, with The Fund as a clear catalyst in capacity building work and support via the engagement leads.
3. Outputs – this shows the expected results from the inputs and activities. By Year 4 it is assumed that eligible applicants are aware of The Fund and are in touch with the engagement leads.

Outcomes and Impacts

The ToC (Table 2.1) details the expected outcomes and impacts in the chronological order that they would be expected to occur. The outcomes are represented at the Area of Focus programme level.

4. Short-term outcomes (0-3 years) – immediate outcomes related to capacity and capability work of VCSE organisations work with respect to heritage, greater awareness of the concept of heritage and cross sectoral work between public, voluntary and private partners.
5. Medium term outcomes (3-5 years) – outcomes expected to follow from the ongoing engagement work but also initiatives and confidence of VCSE organisations to create heritage projects and apply for funding.
6. Impacts (5+ years) – this set out the impacts at the area level and include improved heritage preservation, positive economic and social effects as well recognition, in the form of investments, of the heritage agenda. Impacts fall outside the scope of the evaluation timeline, however, the evaluation is actively considering and capturing initial indications of impacts wherever possible.

Updates to the Theory of Change

A workshop was hosted by The Fund in March 2023 in which AoF engagement leads reviewed the ToC to identify whether it is still accurate and suggest updates related to the presented outcomes and impacts. No changes were identified. Table 2.1 presents the current version of the ToC.

Table 2.1: Theory of Change for Areas of Focus

Inputs	Activities	Outputs	Short-term Outcomes 0-3 years	Medium-term Outcomes 3-5 years	Impacts +5 years
Appointment of local AoF engagement lead	Ongoing direct (one-to-one) support to build bid writing confidence	Increased number of events sharing knowledge about AoF agenda between VCSE, The Fund, local government	The Fund / ETs report increased capacity to engage VCSE	Increased confidence in applicants	Increased inclusivity
Creation of AoF network of delivery partners	Capacity building to VCSE sector including micro-organisations	Funding advice sessions raising awareness of funding opportunities	VCSE report increased capability to apply for funding	More applications	Increased investment in AoF
Grant funding disbursed to VCSE sector to contribute to The Fund's strategy	Schools provide a community hub	Increased number of volunteers and community groups supported	Greater visibility of The Fund on partnerships	Raised profile of AoF across other funders	Improved environment / heritage preserved
Creation and funding of heritage LA community post	Targeted Heritage Strategy communications locally and nationally	New strategic partnerships	Better focus on deliverable projects	More heritage training, volunteering and employment opportunities	Increased economic impact of heritage

Inputs	Activities	Outputs	Short-term Outcomes 0-3 years	Medium-term Outcomes 3-5 years	Impacts +5 years
Volunteers' time including community groups and residents	<ul style="list-style-type: none"> • Ongoing local training and advice sessions • Ongoing cross boundary engagement to build partnerships • Funding bid review and support • ETs build the knowledge on barriers to apply for funding and AoF challenges 	Increased number of quality and relevant heritage proposals	<ul style="list-style-type: none"> • Increased prioritisation of heritage • Increased understanding and acceptance of notion of heritage • Improved signposting between funders • Volunteering skills contribute to local employment and economic recovery 	<ul style="list-style-type: none"> • Access to new sectors • Increased national and local expertise on Heritage and contributions to local strategy and interventions in areas 	More vibrant places

Assumptions (Inputs)	Assumptions (Activities and Outputs)	Assumptions (Outcomes and Impacts)
<ul style="list-style-type: none"> • Other funders including other The Fund offer wide ranging complementary support: skills formation including digital and volunteer recruitment 	<ul style="list-style-type: none"> • Effective digital campaign undertaken by the Fund delivers against its objectives • Projects objectives are aligned with AoF outcomes • Sustained engagement with The Fund's Strategy framework 	<ul style="list-style-type: none"> • The Fund remains UK trusted entity and regarded as thought leader with respect to heritage • Evidence from single AoF / projects is incorporated into learning feedback loops and influences The Fund's strategic work
<ul style="list-style-type: none"> • information and guidance documents from the Fund are 	<ul style="list-style-type: none"> • Projects reach out to underrepresented organisations and individuals 	<ul style="list-style-type: none"> • There is motivation from VCSE to promote the heritage agenda and incentives help sustain this • AoF and local heritage work remain a priority • Private sector relationships develop

Assumptions (Inputs)	Assumptions (Activities and Outputs)	Assumptions (Outcomes and Impacts)
relevant, timely and useful (place framework approach)	<ul style="list-style-type: none"> Volunteering positively contributes to supporting economic recovering post-Brexit and Covid-19 	

Risks (Inputs)	Risks (Activities and Outputs)	Risks (Outcomes and Impacts)
<ul style="list-style-type: none"> The Fund's Strategy is not suitable to address AoF objectives or relevant to VCSE organisations 	<ul style="list-style-type: none"> AoF programme not delivered on time Projects objectives do not align with AoF objectives resulting in inconclusive evidence 	<ul style="list-style-type: none"> Heritage is not clearly defined and challenging to measure (absence of baseline / monitoring data) Heritage is not adopted by targeted VCSE organisations Evidence and insights are ignored by stakeholders Projects work with limited numbers of people, so scale of change is limited and difficult to infer general findings of 'what works' Limited time and Covid-19 disruptions result in inconclusive evidence of impact

3. POLICY CONTEXT

Introduction

This chapter provides an assessment of the UK heritage policy context, tracking key developments, outlining The Fund's objectives and tracking the influence of macroeconomic events such as the Covid-19 pandemic and the cost-of-living crisis, as well as identifying synergies with Strategic Funding Framework priorities and current local and national policy objectives.

Heritage in the UK

The UK is steeped in heritage, both tangible and intangible. [Heritage](#) is highly valued and frequently engaged with. Heritage is an important national asset, contributing to the distinct identity of UK places, driving tourism and the economy, benefiting health and wellbeing and improving learning and [skills](#). Heritage is a devolved policy area, and as such Northern Ireland, Scotland and Wales are responsible for their own heritage policy, with the UK government responsible for England. Support for heritage is often channelled through local authorities and arm's length bodies (ALB) and non-departmental public bodies (NDPB). UK heritage stakeholders include: The National Lottery Heritage Fund; Arts Council England; Historic England; English Heritage; Historic Environment Scotland; Cadw (Wales); the Department for Communities (Northern Ireland); Natural England; Nature Scot; Northern Ireland Environment Agency; Natural Resources Wales; and the National Trust. These are supported by a large range of smaller funders and heritage organisations. In recent years, public sector support for heritage has included:

- Historic England published the [Our Wellbeing and Heritage Strategy](#) in 2022 which sets out a series of aims and objectives in bringing the value of heritage to the forefront for organisations and the general public. These include: collaborative working, bringing heritage into research for wellbeing ; supporting community organisations to delivery wellbeing through heritage activities; and develop the expertise and knowledge to empower communities to take forward initiatives to achieve positive wellbeing outcomes;
- the [Levelling Up Fund](#) includes a focus on Cultural and Heritage investment, alongside prioritising transport and town centres and regeneration, as a way of place-making and driving economic prosperity across the UK;
- [Scotland's Culture Strategy](#) commits to work in partnership with Scotland's national heritage bodies to promote inclusive, internationally recognised heritages which are place-based and contribute to fair work, environmental protection and wellbeing;
- The National Trust for Scotland's [Nature, Beauty & Heritage for Everyone](#) strategy provides a framework to conserve and protect Scotland's rich heritage. The 10-year strategy has three main pillars; conservation: enriching and stabilising Scotland's protected heritage; engagement: promote visitor experiences and enable growth and diversity of people

accessing heritage sites; and sustainability: investing in volunteers and staff to care for the properties and promising to become carbon negative by 2031/32;

- the Department for Communities in Northern Ireland (NI) launched a [Culture, Arts and Heritage Strategy](#) in 2022 which aims to shape better ways for the culture, arts and heritage sectors to be more fully recognised, harnessed and supported as key enablers of a thriving society;
- the Welsh Government outlined their [priorities for the historic environment in Wales](#) in 2018 to: protect heritage assets, preserve skills, promote individuals to enjoy heritage, use heritage to drive economic wellbeing, and take a partnership approach. The Welsh Government are also developing a new Culture Strategy, with a vision to support arts, museums, libraries, archives, and the historic environment; and
- tailored reviews of arm's length heritage and [cultural bodies](#) (The Fund and Arts Council England). The review of The Fund made a series of recommendations to strengthen their performance in the areas of strategy, accessibility, efficiency and governance.

Furthermore, as part of the £675 million Future High Streets Fund (England only), £55 million was allocated to the heritage sector, focusing on improving physical and economic condition of towns and high streets, as well as improving social cohesion and pride of place. Scotland's £50 million Town Centres Fund provides funding for a range of investments to deliver against the themes of the Town Centre Action Plan, which includes 'Proactive Planning', supporting the creation of sustainable low-carbon and connected places which promotes natural and cultural assets. The equivalent funding in Wales includes £18.4 million for Transforming Towns Loan Funding, to breathe life into old and empty properties;

However, this public support for heritage is also set against a backdrop of a decade of cuts to local authority cultural and heritage services budgets. In England, [Local authority spend](#) on cultural and related services fell by 45% from 2009/10 to 2018/19, and staff expenditure by 41%, which has had a real impact on how heritage assets are protected and used. For Scotland, from 2010/11 to 2020/21, Local authority budgets for culture and leisure fell by [27%](#) and for Welsh Local Authorities, from 2009/10 to 2017/18, cuts of [36.3%](#).

The National Lottery Heritage Fund Strategic Funding Framework 2019-2024

The Fund is the largest dedicated funder of heritage in the UK, and from its creation in 1994, it has distributed £7.7 billion of National Lottery money to [42,000 heritage projects](#) across the UK, covering a broad spectrum of heritage domains. In 2019, The Fund outlined their vision for the following five years in their Strategic Funding Framework. This document sets out the principles and objectives for investment from 2019 to 2024. Development of the Strategic Funding Framework and vision came following a [Tailored Review](#) of the Heritage Lottery Fund, policy directions from [DCMS](#), the [Scottish Government](#), the [Welsh Government](#), and the [Northern Ireland Government](#); and the research to guide [future planning](#), a report into public perceptions of heritage, commissioned by [The Fund](#) and consultation with [stakeholders](#). From this range of

research inputs and other evaluations, The Fund received support to take a leadership position in heritage strategic priorities across the UK, address barriers to certain groups engaging in heritage, leverage the wider economic and social benefits of heritage, preserve the natural environment, and contribute to place-making.

The framework also outlined the desire of The Fund to demonstrate and champion the wider benefit of heritage to the economy, wellbeing, the environment and place-making, and The Fund sought to imbed inclusion in all investments that they make, particularly focusing on underrepresented groups. Six strategic objectives for investment were identified, such that The Fund would:

- continue to bring heritage into better condition;
- inspire people to value heritage more;
- ensure that heritage is inclusive (it is a required outcome for all projects to engage a wider range of people in heritage);
- support the organisations funded to be more robust, enterprising and forward looking;
- demonstrate how heritage helps people and places to thrive; and
- grow the contribution that heritage makes to the UK economy.

As part of The Fund's commitment to inclusion and demonstrating the role that heritage can have for people and places to thrive, The Fund identified 13 areas where The Fund's investment had previously been limited, that had scored highly on the Indices of Multiple Deprivation (indicating high levels of deprivation) and had associated lower levels of heritage and cultural opportunity. Over the course of the Strategic Funding Framework, these AoF will receive priority investment and tailored support.

The Fund, in setting their vision, reaffirmed the importance of their funding in conserving, protecting and passing on heritage of all kinds, [which is at risk of loss, damage or neglect](#) through their [Heritage 2033: a 10-year strategy](#). This strategy outlines the vision of The Fund, with key principles such as saving heritage, protecting the environment, inclusion and organisational sustainability. The approach in this strategy mirrors the approach taken through the Framework, with emphasis placed on partnerships, local level decision-makers and inclusion for a wide range of heritage projects.

Covid-19 and Refocused Priorities

The Covid-19 pandemic had a dramatic impact on heritage provision in the UK, with organisations and sites suffering from a [significant drop in visitors and revenue](#). For local authorities, which are key heritage stakeholders, often responsible for valuable heritage sites and functions, Covid-19 added significant financial pressures, adding risk of budget cuts to heritage and cultural services already experiencing significant budgetary challenges [following a](#)

[decade of cuts in government funding](#). Local authority heritage and cultural staff capacity has also been impacted by the pandemic with many reassigned to other local authority functions or made redundant. The pandemic also deeply influenced people's lives across the spectrum, providing challenge to health and wellbeing, financial security, and increased isolation and social exclusion.

The pandemic also engendered positive shifts with regard to heritage: natural heritage sites saw an increase in demand for recreation; digital capabilities of heritage providers have accelerated as they move to enable digital engagement; and home working patterns have led to a shift to localism, with local heritage seen as more significant, as people spend increased time in their local areas. Indeed, Local Authorities are now understanding more the role that heritage can play in achieving wider policy objectives.

It is in this context that The Fund opted to refocus their Strategic Funding Framework to respond to the challenges as a result of the pandemic. As the country continues to recover, it is the objective of The Fund to demonstrate and employ heritage to [drive wider economic, wellbeing, environmental and place-making benefits](#). Whilst the existing strategic objectives and outcomes for heritage remain, The Fund, in this period of recovery will prioritise heritage outcomes that go beyond 'heritage for heritage's sake' but drive wider economic and social recovery, building back local economies, places and communities. Hence, investment will focus on inclusion, the local economy and job creation, wellbeing, the local area, skills and organisational resilience. Further, the expectation on all projects is that they reflect a commitment to environmental sustainability and drive green recovery. In line with the Strategic Funding Framework, the outcome of ensuring that a wider range of people will be involved in heritage is still mandatory within these refocused priorities.

Cost-of-Living Crisis

The recent cost of living crisis has also had an impact on heritage organisations in the UK, with organisations and sites suffering with higher maintenance costs and lower levels of visitors. According to the [Museums Association](#), nine in ten heritage sites across the UK are concerned about their future due to the cost of living crisis and four in five say that they need to drastically cut costs to stay afloat. A [survey](#) of more than 500 key stakeholders within UK heritage organisations shows that 72% believe their heritage site will be at risk of closure if they are not financially supported through the crisis, and [73%](#) reported that heritage sites must reduce their prices to retain the visitor numbers necessary to remain open.

The [Ecclesiastical Heritage Risk Barometer](#) 2022 interviewed 500 decision makers in the heritage sector, finding that:

- 58% have seen a reduction in visitor numbers since the pandemic;
- 78% think they will need to innovate to survive;
- 80% are concerned about the wellbeing and retention of volunteers and staff; and

- 90% are concerned about energy consumption.

It was announced in January 2023 that the UK Government will extend its energy bill relief scheme for the museum sector (a key component of heritage) until March 2024. The new [Energy Bill Discount Scheme](#) will offer a higher level of support to energy and trade intensive industries. Eligible areas of work include museum activities, library and archive activities, operation of historical sites and buildings and similar visitor attractions, and botanical and zoological gardens and nature reserve activities. Financial support, advisory guidance and bespoke training for local heritage organisations and community groups are integral in the survival of many heritage sites, and this financial support, partnered with regional and national heritage strategies, can pave the way for a vibrant heritage sector, fully recovered from the series of challenges it has faced in recent years.

Alignment with the Wider Policy Agenda

Heritage and Placemaking

As a result of the pandemic and the cost of living crisis, heritage has become more prominent in the policy agenda, with an increased understanding of the role that heritage can play in [economic and social renewal](#). The following section details key areas in which The Fund's priorities align with other policy areas and agendas.

Placemaking is not a new endeavour for The Fund; in their 2019 strategic funding framework, creating places that thrive was an important outcome of heritage investments. Prior to that, The Fund demonstrated the link between placemaking and heritage, delivering the 2016 Culture White Paper's Great Place Scheme. Placemaking was also built into government policy, to invest in projects that [strengthen local communities](#), and indeed The Fund worked with the RSA to understand the role of heritage to places, publishing the [Networked Heritage Report](#), with findings highlighting the importance of heritage to how people identify with place, and the significance to devolution for the unique heritage of places to be embedded in wider thinking and actions. The Covid-19 pandemic has had a detrimental impact on communities and local economies in [places across the UK](#) and as such, ensuring that heritage investments contribute to improving places, making them a better place to live, work and visit is a core re-focused priority of [The Fund in the light of the pandemic](#).

The [role of heritage](#) in placemaking is a [policy priority](#) across [UK jurisdictions](#). The Fund's specific focus on place-making in the wake of Covid-19 offers significant synergies with current UK and devolved government policy agenda. Commitments to building back better and levelling up centre on the role of places for economic prosperity and seek to ensure that all areas across the UK have the opportunity to [reach their potential](#). A key mission for the UK government, outlined in the [Levelling Up White Paper](#) is to drive a pride in place, increasing people's satisfaction with their town centres and engagement in local culture and community. To achieve this, amongst other policies, 20 towns and cities (across England) will receive funding for regeneration to transform derelict urban sites into beautiful communities, as well as a commitment for significant cultural spending outside of London.

As part of The Fund's [Heritage 2033 Strategy](#), placemaking has been highlighted as a key pillar to connect people and communities to the UK's heritage. The strategy commits to *'investing in places, not just projects, to bring benefits for people, places and our natural environment.'* The approach includes conserving and valuing heritage and will target c. £200 million of investment to historic and natural environment-themed projects which will boost pride in place and connect communities and visitors with heritage. This strategy includes initiatives centred around landscape and nature and responding to heritage in need. This involves investing in large-scale projects to revive landscapes and support nature recovery; as well as taking an evidence-based approach to identify gaps in the support to the heritage sector, with a particular focus on places at risk and in need of conservation. This includes supporting acquisitions of exceptional heritage, marking significant events or supporting heritage areas and organisations dealing with an unforeseen emergency.

Heritage and the Economy

The shock of the pandemic and subsequent cost of living crisis worsened by the Russian invasion of Ukraine has led to declines in the UK's Gross Domestic Product (GDP), employment rate and productivity, with many individuals, [businesses and communities struggling as a result](#). Economic recovery is a key policy objective at all levels of government and given the pervasive challenges that this economic shock caused, The Fund has chosen economic prosperity, job creation and skills development as key heritage outcomes to [support and drive recovery](#). The Fund supports project that may drive economic benefits through attracting visitors, supporting businesses, utilising local supply chains and services, rejuvenating premises for business to use, and [creating local jobs](#).

Recent research from [Cebr](#) and [Historic England](#) highlight the significant role that heritage plays, not just in driving economic prosperity, but holistic, sustainable and inclusive growth. Within The Fund's strategic framework, boosting the economy is held in tandem with boosting wellbeing, skills and jobs, as well as a desire for [environmental sustainability and inclusivity for those marginalised](#). It is this economic growth that captures the UK Government's desire to build back better and greener from the plethora of external events that have affected the economy and the heritage sector in the recent years. This desire for economic recovery that includes a greater focus on wellbeing and nature connections is also reflected across the [devolved nations](#). Within local governments, there is increasing recognition for the co-benefits of heritage for inclusive growth and economic [prosperity](#); although previously siloed in local authorities, heritage has an important role to play in building back more [inclusive local economies and communities](#). As The Fund focuses on boosting the economy as a key objective for heritage investment, it aligns with UK government objectives and is driving change in local authorities.

Heritage and the Environment

At a [UK](#) and [devolved government](#) level, there is a commitment to achieving Net Zero emissions by [2050](#) ([2045 for Scotland](#)). As well as responding to the climate emergency, a [policy agenda](#) across governments is the protection and restoration of natural assets, as well as ensuring the natural environment can benefit health and wellbeing and be sustainably utilised for [economic](#)

[activities](#). The [Build Back Better](#) plan for growth strategy seeks to prioritise the natural environment and leave it in a better condition that it was found, with policies including the Green Recovery Challenge Fund (England only) and Nature for Climate Fund (England only) outlined as key to achieving this goal. [Historic England's](#) Heritage and the Environment explores some of the key aspects affecting the relationship between natural and cultural heritage and how understanding the value of England's historic environment can be utilised will prove to be beneficial for future generations. At a local government level, over 300 local authorities have declared a climate emergency and within local authorities, there is increasing recognition of the role that heritage can play in [addressing climate change](#).

The Fund is a key partner in delivering on the UK Government's ambitions to maintain and restore the natural environment, create green jobs and connect people to nature, particularly as the delivery partner for the Green Recovery Challenge Fund (on behalf of DEFRA), supporting conservation, climate adaptation and natural projects (the Green Recovery Challenge Fund only targets England). The Fund also delivered on behalf of the Welsh Government, the £1 million Green Recovery Capacity Building Programme and the £9.8 million Nature Networks Fund. In NI, The Fund has distributed the £5.5 million Heritage Recovery Fund. The Fund has, throughout its Strategic Funding Framework, prioritised natural heritage and landscapes, ensuring that projects maintain the beauty and quality of natural environments, reduce biodiversity loss and connect people to nature.

In the context of [biodiversity loss and rising emissions](#), as well as increasing public engagement in natural heritage and parks as a [result of the pandemic](#), the updated priorities for The Fund strengthen The Fund's commitment to preserving and protecting the environment. Moving from encouraging projects to adopt environmentally responsible measures to now expecting projects to consider steps to reduce negative impacts, this can engender [positive impacts for the environment](#). [Historic England](#) have explored the various interdependencies between heritage and the environment, considering land use, built environment, habitats and biodiversity, green spaces, natural resources, highlighting how protecting, preserving and enhancing heritage can positively impact environmental outcomes. With The Fund building environmental outcomes into projects, and focusing on projects that benefit natural heritage, it is evident how The Fund aligns with key policy priorities at multiple levels of government.

4. PERFORMANCE REVIEW

Introduction

This section of the report analyses The Fund's investment within the 13 AoF, covering the period from Financial Year FY2018-19 (the baseline year) to FY2022-23 (up to February 2023). It incorporates a review of the programme's funding activity (enquiries, applications, awards, and investments), in comparison with national level metrics, and the programme outputs (for which data is available).

Data Limitations

It is recognised that in some cases, accurate and comprehensive data collection has been a challenge for The Fund, due to resource and capacity issues, and the need to manually input data. As such, it should be noted that, whilst the following is reflective of the data available, there are a number of limitations including:

- not all engagement activities are fully captured by existing processes / data requirements;
- there is potential for human error in inputting responses;
- data recording approaches / processes vary across different AoFs, thereby making comparisons challenging; and
- varying time lags in AoF reporting means that not all data may be reflective of February 2023.

The issue of data availability is a key one, reflected by the limitations above. The lack, in some cases, of defined and standardised data capture and reporting processes is something to be addressed ahead of future evaluation reports.

Funding Activity

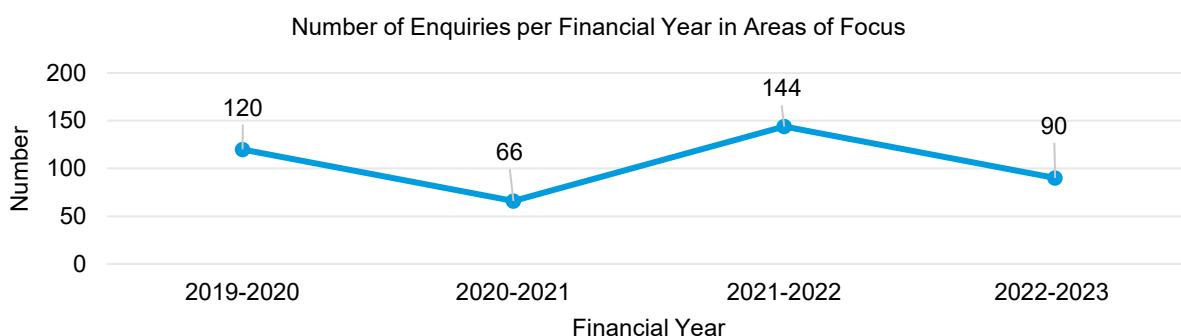
Enquiries

All organisations seeking project funding of greater than £10,000 are encouraged by The Fund to submit an enquiry form prior to commencing work on an application, in order to gain feedback from The Fund on their proposed project. Figure 4.1 shows a marginal decrease in annual enquires received from the 13 AoF from FY2019-20 to FY2022-23. It should be noted that within AoF, The Fund are open/able to receive enquiries through other means which are not recorded within this Figure.

Figure 4.1 highlights that the FY2020-21 figure was lower than would be expected due to the impact of the Covid-19 pandemic whereby The Fund's calls for funding closed and there was a temporary shift in focus to delivering emergency Covid Recovery Funding. Organisational priorities also shifted to specific pandemic related activities (e.g., delivering foodbanks). There was a resurgence in enquiries in the following year as restrictions lifted and funding calls

reopened, however, the number of enquiries during the FY2022-23 again fell to below FY2019-20 (pre-pandemic) level.

Figure 4.1: Number of enquiries per financial year (aggregate AoF)*

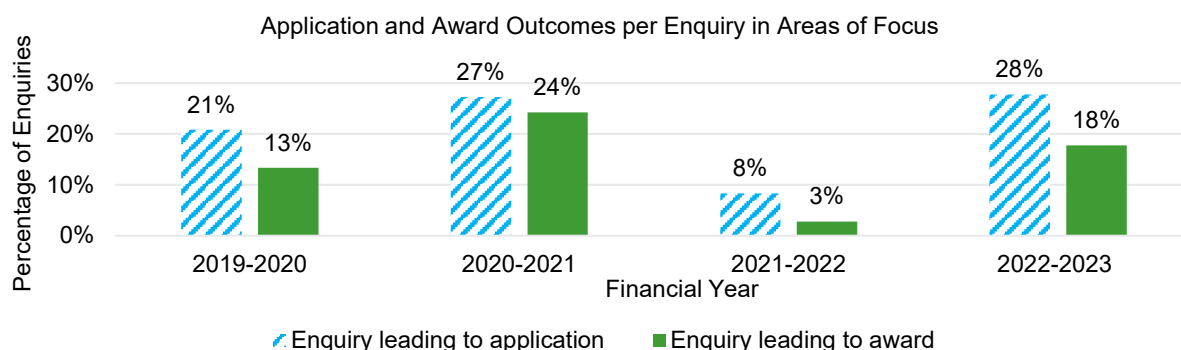


Source: The National Lottery Heritage Fund

*Note: Figure 4.1 does not include expressions of interest. It should be noted that an enquiry in one year can lead to an application the following year due to an array of reasons, such as capacity constraints, perceived barriers and anxiety to submit a robust application, and also the importance of enquiries leading to conversations which may engender applications in the future.

Of the 420 enquires made to engagement teams in the 13 AoF since the beginning of the programme (April 2019), 19% have led to applications for funding, and 12% have led to funding awards. Figure 4.2 details the outcome of enquiries by financial year. From FY2019-20 to FY2020-21, there was an increase in the proportion of successful applications (despite a decrease in the total number of applications) indicating that conversations at the initial stage have been more successful at targeting appropriate and investable projects. From FY2021-22 to FY2022-23, both the proportion of enquiries leading to applications and awards increased, indicating organisations submitting enquiries may have recovered from the effects of the pandemic and that the targeting of successful projects has realigned to pre-covid levels.

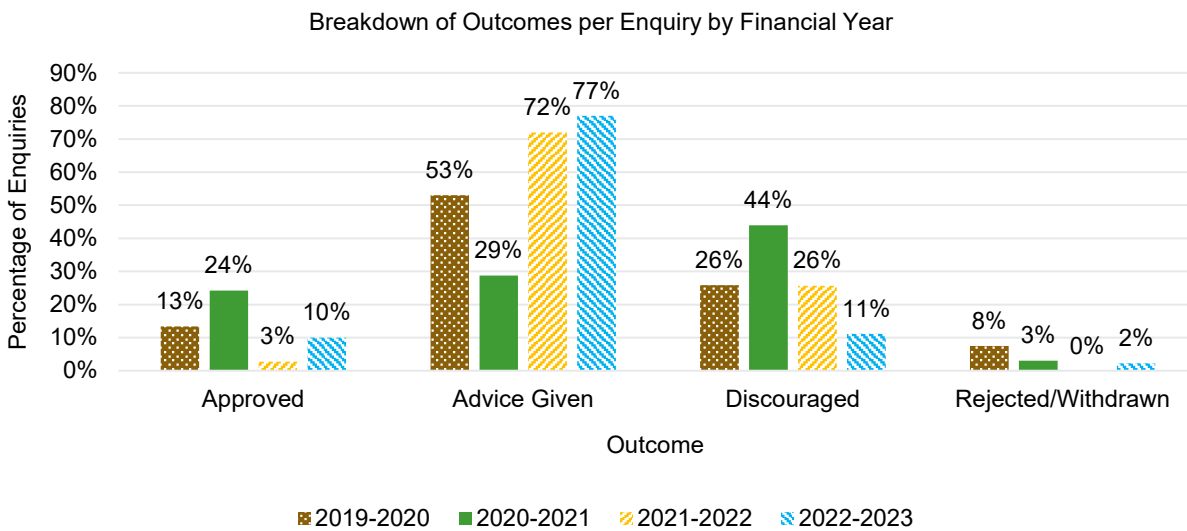
Figure 4.2: Application and award outcomes per enquiry



Source: The National Lottery Heritage Fund

Part of the enquiry process allows for engagement teams to discuss projects and give advice to potential applicants on how to best shape an application. Figure 4.3 shows the status of projects that made an initial enquiry. In FY2022-23 10% of enquiries were approved / complete; 77% of enquiries were provided advice to help shape an application; and 11% of enquiries were discouraged from progressing.

Figure 4.3: All outcomes per enquiry*



Source: RSM, based on data provided by The National Lottery Heritage Fund

*Note: the “advice given” category reflects an enquiries that received a request for further information (project enquiry), are undertaking assessment / application checks or were provided advice or areas of improvement for the application.

Applications and Awards

A core outcome for the AoF programme is to see an increase in the number of applications received from the 13 AoF. Table 4.1 details the percentage change in applications per year, compared with the baseline year (FY2018-19). As shown, whilst there are some instances of a significant increase in the number of applications, the majority of areas show a more mixed picture in change from the baseline year, reflecting the challenge of the local context, as well the persistent impact of Covid-19 and the cost-of-living crisis. For a number of areas, this is also skewed by an abnormally strong baseline year (as noted by The Fund). On average, across the 13 AoF, there was a 30% decrease in applications in FY2022-23 from the baseline. It should also be noted that other factors influence the number of applicants, such as organisations already delivering grant funded activity in areas of smaller heritage infrastructure, therefore not needing to submit another application.

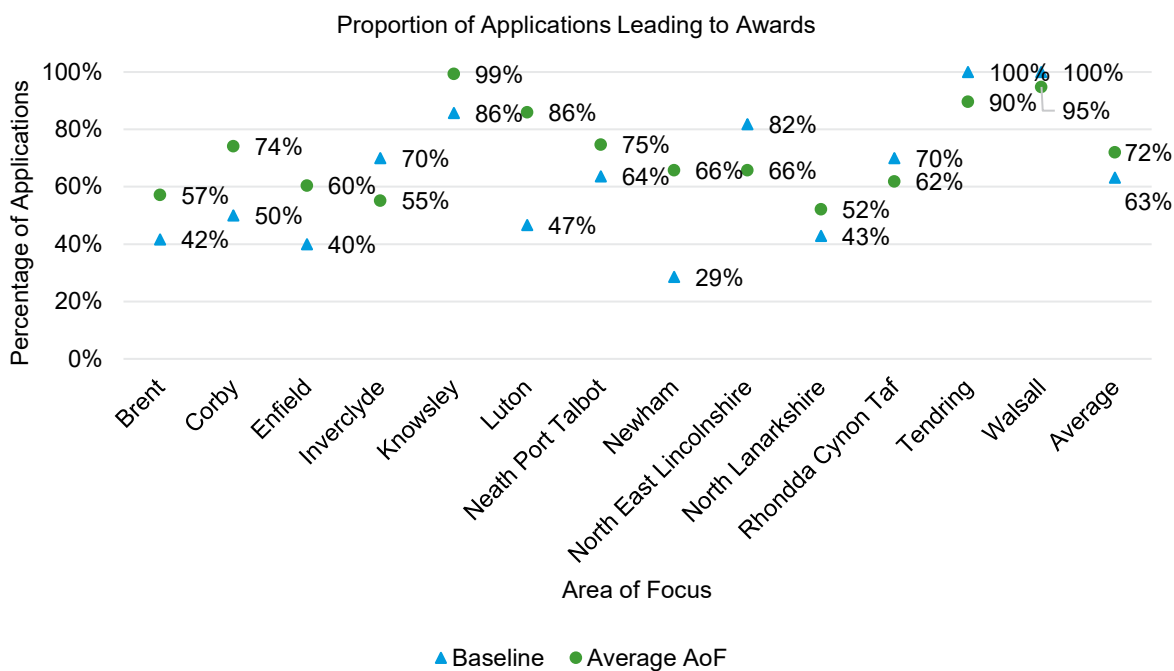
Table 4.1: Trends in applications (% change from baseline year FY2018-19)

Applications	2019-2020	2020-2021	2021-2022	2022-2023
Brent	-58%	-58%	8%	-33%
Corby	250%	100%	0%	0%
Enfield	20%	140%	-20%	60%
Inverclyde	-30%	-40%	-50%	-100%
Knowsley	-29%	0%	-86%	-57%
Luton	-60%	-7%	-40%	-80%
Neath Port Talbot	-27%	64%	0%	-82%
Newham	7%	29%	-36%	57%
North East Lincolnshire	-27%	0%	-55%	-18%
North Lanarkshire	-79%	-64%	-50%	-79%
Rhondda Cynon Taf	-20%	150%	20%	20%
Tendring	100%	300%	-33%	-33%
Walsall	600%	1000%	0%	600%
Average (since baseline)	-21%	+29%	-30%	-30%

Source: The National Lottery Heritage Fund

As a measure of the quality and alignment of the applications received, Figure 4.4 details the change in the proportion of applications received that have led to a fundable project (average of the four years since the AoF programme began), compared against the baseline year of FY2018-19. For the majority of AoF (n=8/13), there has been a positive change in application success, with an overall average increase from 63% successful applications in FY2018-19 to 72% over the course of the AoF programme to date.

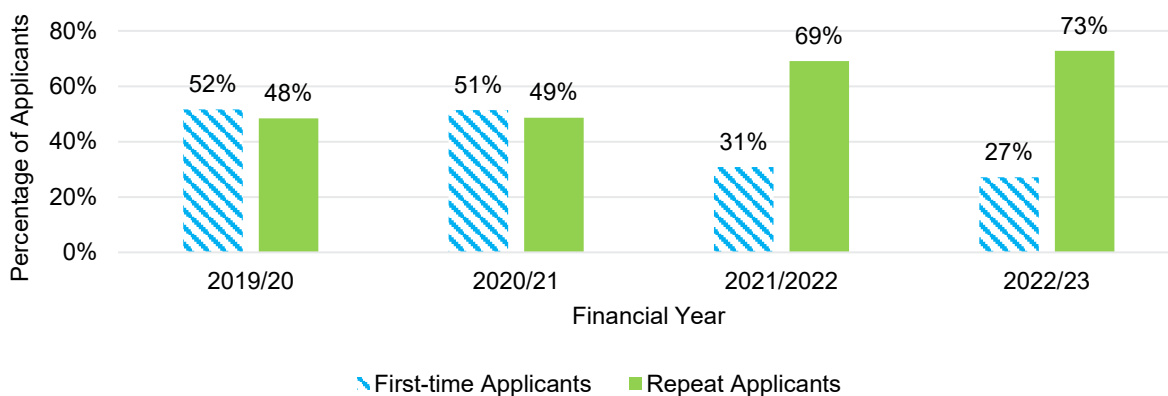
Figure 4.4: Proportion of applications leading to awards



Source: The National Lottery Heritage Fund

Figure 4.5 shows the proportion of applications that came from first-time and returning applicants. This was broadly evenly split in FY2019-20 and FY2020-21, with a spike in repeat applicants the following year (2021-22), and a further increase in repeat applications in FY2022-23. The increase in the proportion of returning applicants in FY2021-22 and FY2022-23 could be indicative of relationship-building within AoFs, as engagement teams identify support organisations to develop ideas for fundable projects, as well as better ensuring that projects meet The Fund’s objectives. Initial applicants are often encouraged by engagement to tweak and develop their project, if in its current state it is not a fundable project.

Figure 4.5: First time applicants



Source: The National Lottery Heritage Fund

Community or voluntary groups have, over the four years of the programme to date, accounted for between 54% and 66% of applications in the AoF. Registered companies / Community Interest Companies (CICs) have increased in prominence over this time, from 14% in 2019-20 to 21% in 2022-23. Local authorities were the next most common applicant type in FY2022-23 (9%), but the proportion of applications has fallen over time, from 18% in 2020-21 to 9% in 2022-23. Faith based or church organisations have also demonstrated a drop in their proportion of applications from 9% in 2019-20 to 1% in 2022-23. This is summarised in Table 4.2.

Table 4.2: Types of Organisations Applying

Organisation Type	2019-20	2020-21	2021-22	2022-23
Community or voluntary group	66%	57%	54%	62%
Faith based or church organisation	9%	3%	3%	1%
Local authority	10%	18%	10%	9%
Other	0%	1%	0%	0%
Other organisation type	0%	0%	2%	1%
Other public sector organisation	1%	1%	4%	5%
Private owner of heritage	1%	2%	1%	1%
Registered company or CIC	14%	19%	26%	21%
Grand Total	100%	100%	100%	100%

Source: The National Lottery Heritage Fund

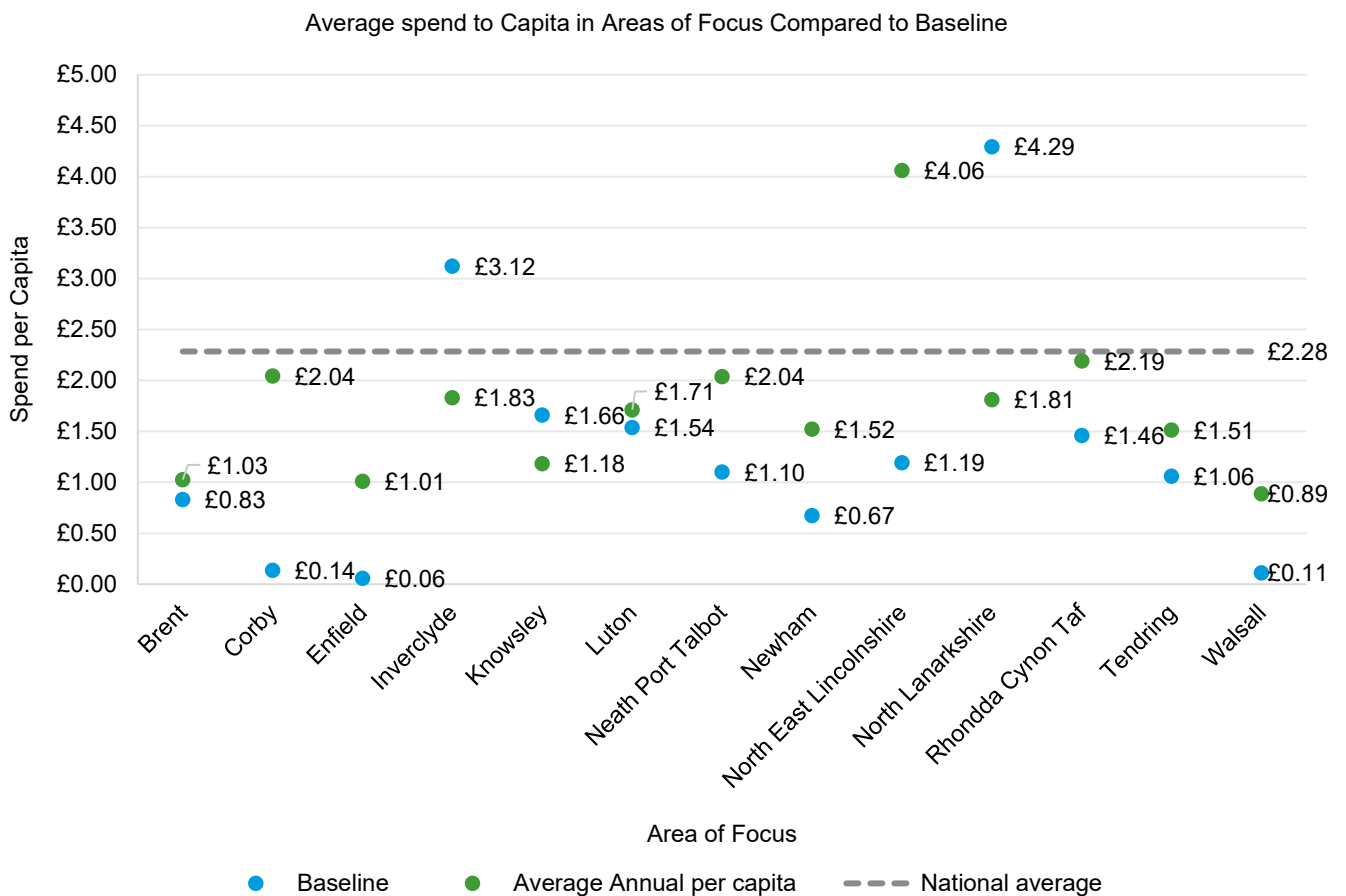
Funding Awarded

In the selection of the thirteen AoF, one of the key criteria was low Fund spend per capita in previous years. As evidenced in Figure 4.6, with the exception of North Lanarkshire and Inverclyde, the baseline spend per capita in the 13 areas is below the national average, and an outcome of the programme is to increase spend per capita. Green markers in Figure 4.6 represent spend per capita in the given area, averaged over the four years of the AoF programme. In the majority of cases (n=10/13), there has been an increase compared to baseline values, and for a number of areas, spend per capita is close to or in the case of North East Lincolnshire, exceeds the national average.

Figure 4.6 shows that, for the average AoF spend per capita throughout the funding's lifespan Corby, Inverclyde, Neath Port Talbot, North Lanarkshire and Rhondda Cyron Taf are close to the national average. For other AoF, despite not approaching the national average, significant improvements have been made, such as in Enfield (increase from £0.06 per capita at baseline to an average of £1.01); Newham (increase from £0.67 per capita to an average of £1.52); and Walsall (increase from £0.11 per capita to an average of £0.89). While this data offers an insight into the amount of capital spent per AoF, it does have the potential to skew conclusions on the

performance of certain areas. For example, Neath Port Talbot is close to matching the national average in spend per capita, however this is due to one large investment as opposed to a breadth of investment. A caveat should be taken to acknowledge that Figure 4.6 does not holistically assess the performance and where the capital spend has gone in the AoFs.

Figure 4.6: AoF average spend per capita compared to baseline



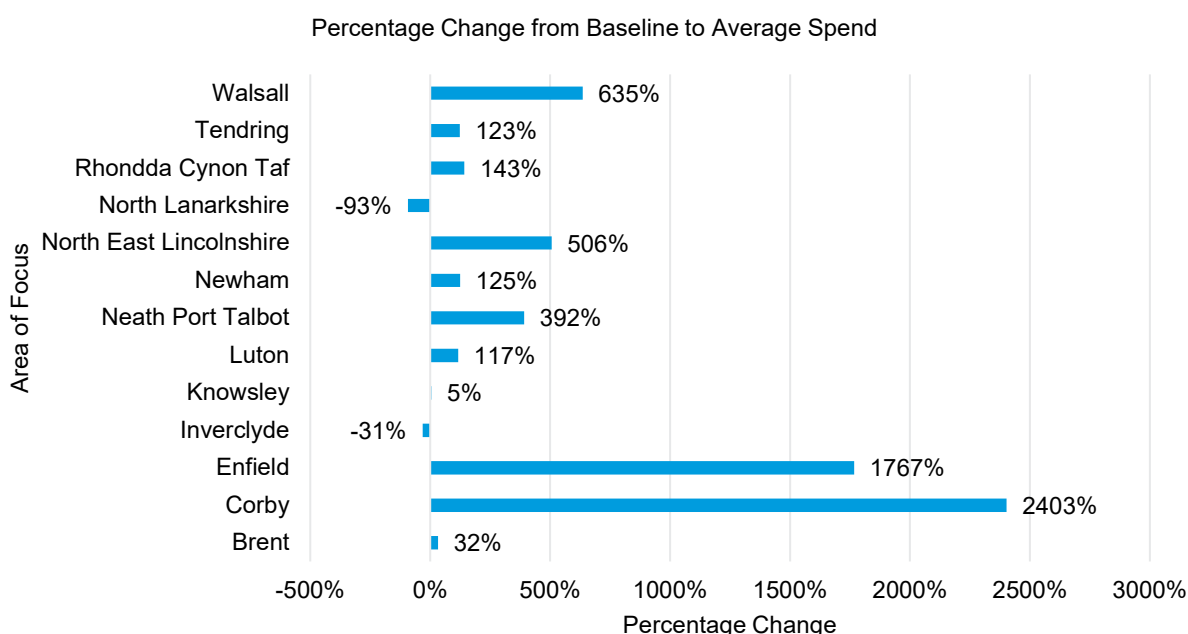
Source: The National Lottery Heritage Fund

To further understand the change in investment in heritage from the baseline, Figure 4.7 shows the percentage change in spend from FY2018-19. Across the majority of areas (n=11/13), investment in heritage projects has increased. The largest percentage changes are seen in Corby, Enfield and Walsall. For some, spend has decreased from the baseline, but this may be attributed to uncharacteristically strong baseline years.

Figure 4.7 illustrates the variety of percentage changes in investment across the AoF. Corby has seen the largest percentage increase, of 2,403%. This figure seems dramatically high, but with context it can be explained. Corby had a relatively low baseline spend (£9,800) and an average spend from FY2019-20 to FY2022-23 of £245,293; therefore, the percentage change is skewed by a low baseline. Conversely, Figure 4.7 illustrates a 93% percent decline in average

spend compared to the baseline year in North Lanarkshire. This is because in the baseline (2018) the spend was £1,460,700; however, the average spend from FY2019-20 to FY2022-23 was £100,668. Therefore, a high baseline spend has skewed the percentage change in North Lanarkshire.

Figure 4.7: Percentage change from baseline spend to average spend (average across four financial years)



Source: The National Lottery Heritage Fund

Programme Outputs

As highlighted in the programme ToC, the following outputs have been identified for the AoF:

- number of events sharing knowledge about AoF agenda between VCSE, The Fund and local government;
- funding advice sessions raising awareness on funding opportunities;
- volunteers supported;
- new strategic partnerships; and
- increased number of quality and relevant heritage proposals.

The section below profiles The Fund's performance in relation to those outputs. However, data is currently limited to nine AoFs in relation to the number of knowledge sharing events and funding advice sessions. Figures relating to the number of **volunteers supported** and

strategic partnerships is not available and, therefore, quantitative analysis could not be undertaken for those outputs (however, a qualitative assessment of strategic partnerships has been undertaken).

Increased Quality and Relevance of Heritage Proposals

As highlighted in Figure 4.4, across the 13 AoF, eight have experienced an increase in application success, with the overall average increasing from 63% in FY2018-19 to 72% over the course of the programme to date. An increase in the proportion of applications that are successful suggests that both the quality and relevance of applications being received is improving. Furthermore, it is likely that this will increase further as FY2022-23 decisions are confirmed. Stakeholder consultation has identified that this output is aided by clearer prioritisation of AoF projects internally at The Fund, with growing internal openness to trust applications from AoFs that score medium, given the priority status of AoFs and the distance travelled from the baseline. Projects that score “Medium” are viewed as being “fundable”, so the improvement and learning is in relation to internal prioritisation and advocacy for AoF projects.

New Strategic Partnerships

As the programme is in Year 4 of its operation, across the 13 AoF, formal relationships with VCSE organisations have been formed. Consultation with AoF Engagement leads identified anecdotal evidence of strategic partnerships:

- in Neath Port Talbot a project funded through a solicited application has won the Council an ‘Internal Pride’ award, beating over 100 other projects;
- The Fund, working with the University of Bedfordshire, set up the Heritage Enterprise Hub and Heritage Impact Accelerator which provides online and physical training sessions and events to help individuals who are interested in heritage signposting to projects they could support. These provide intensive support and training to build capacity and skills;
- in NI, there has been a strategic partnership formed between The Fund and the Rural Community Network, and through this collaboration additional work has been undertaken to deliver clinics and presentations to a range of rural groups across NI;
- The Fund meet with One Walsall (a VCSE) regularly and have built up a good relationship. Regular online funding surgeries are undertaken through this partnership, and The Fund advertise regularly in One Walsall’s newsletter and present at the organisation’s events. There is a reciprocal relationship in terms of signposting between the two organisations as The Fund signpost people to One Walsall for advice (e.g., for setting up a group or applying for funding) and One Walsall signpost groups to The Fund for funding; and
- through the solicited bid in Walsall Council, The Fund have a strong relationship with the Heritage Programme Officer. This includes meeting regularly to discuss both the bid and other work in Walsall, including the new heritage forum. The organisations signpost potential

applicants to each other for support. The solicited bid has created a heritage strategy and a heritage forum and is building other relationships around heritage.

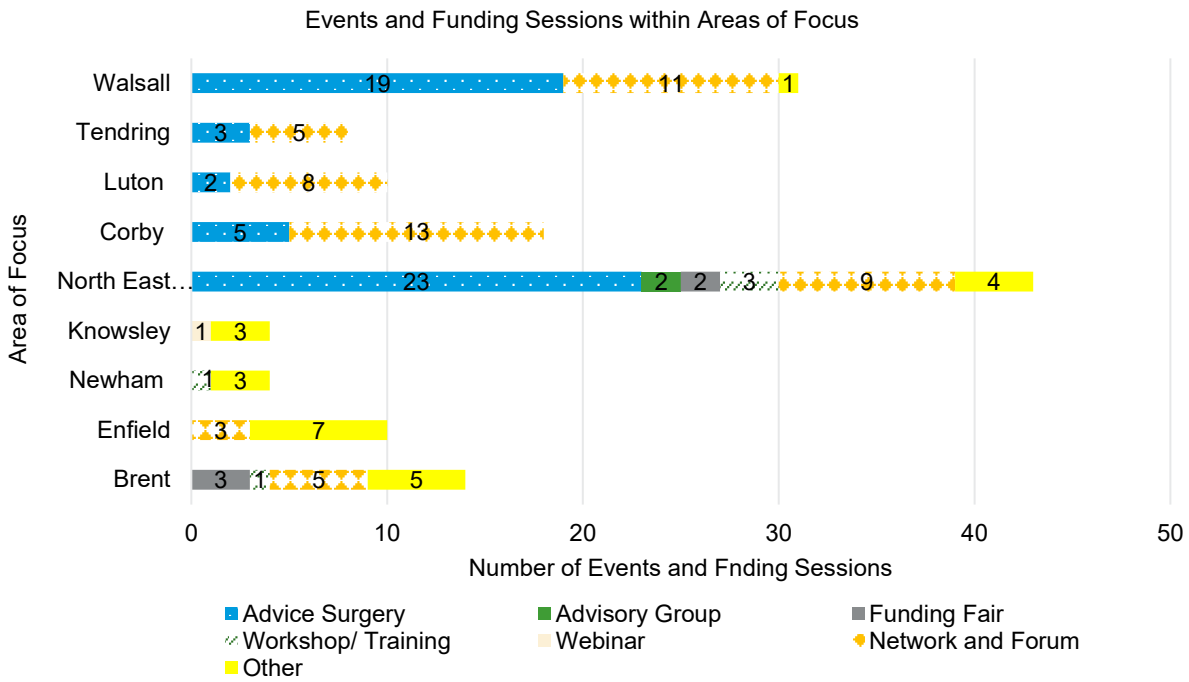
Events and Funding Sessions

As noted above, data in relation to the number of events undertaken and funding advice sessions is limited to nine of the 13 AoF*. Capacity and resourcing challenges in Wales and Scotland teams have meant that support events are more challenging to deliver, and the need to manually record data poses a challenge to capacity-stretched teams. Capacity challenges were reiterated throughout a number of consultations with The Fund programme staff and wider stakeholders, with some AoF facing more challenges than others, hence the disparity in data. This has been a barrier facing several AoF throughout the framework, however, is not a reflection of the programme staff, rather the resource challenges they face.

*it should be noted that that the number of events and sessions in Figure 4.8 refers to only events delivered through The Fund. There are a number of events that are run by AoF organisations who have received funding; however, data systems need to be implemented to capture this.

Figure 4.8 sets out the available data, presenting total values from FY2019-20 to FY2021-22. In total, 142 events and advice sessions have been delivered across the nine AoF. The 'other' category reflects ad hoc meetings with strategic partners (e.g., local authority officials). As highlighted in Figure 4.8, networks and forums are the most prominent events (n=54), followed by formal advice surgeries (n=52).

Figure 4.8: AoF events and funding sessions



Source: The National Lottery Heritage Fund

Community Grants

Community grants have been found by consultees to be a successful tool for engaging new grassroots organisations and upskilling both delivery partners and recipients. Local authorities are able to offer community and voluntary groups grants to support local heritage projects. Four AoF (Inverclyde, Corby, Tendring, and RCT) have not had/run the community grants scheme, while North Lanarkshire and Neath Port Talbot have yet to deliver community grants (however, it is noted that Neath Port Talbot launched a community grants scheme in January 2023). Table 4.3 presents an overview of the total community grant funding and the number of projects funded through the scheme as of November 2022.

Table 4.3: AoF Community Grants

AoF	Community Grant Amount funded	No. of Projects	Average grant per project
Enfield	£105,101	13	£8,085
Newham	£169,472	28	£6,053
Brent	£60,000	12	£5,000
NEL	£147,935	18	£8,219
Walsall	£10,027	5	£2,005

AoF	Community Grant Amount funded	No. of Projects	Average grant per project
Knowsley	£60,784	20	£3,039
Luton	£12,000	8	£1,500
Total	£565,319	104	£5,436

Source: The National Lottery Heritage Fund

Table 4.3 shows that Newham received the most funding through the community grant scheme of £169,472 distributed amongst 28 projects (also the highest number of projects) equating to an average of £6,053 per project. Table 4.3 illustrates that NEL recorded the highest average funding per project (£8,219) and Luton recorded the lowest average (£1,500).

Key Findings

The following key points have emerged:

- the number of enquiries has varied since the baseline year (FY2018-19), rising from 120 in FY2019-20 to 144 in FY2021-22, despite a drop in FY2020-21 (as a result of the pandemic impacts on open funding). However, there has been a 38% decrease in the number of enquiries between FY2021-22 and FY2022-23 (falling from 144 to 90);
- a review of the number of applications received identifies a mixed picture. Four of the 13 AoF have experienced a positive change (i.e., applications receiving funding) from the baseline, most notably Walsall increasing by 600%, with an average increase of the three AoF (excluding Walsall) of 46%, indicating that the support received by projects developing an application has improved. However, the majority (eight AoF) have experienced a negative change from the baseline (Corby has no change); with an average decline of 60%. Nevertheless, there is also evidence to suggest that the quality and relevance of applications is improving, reflected by an increase in the proportion of successful applications;
- a review of spend per capita shows that the majority of AoF (n=10/13) are spending more than they did at baseline. Since the Year 3 report, Enfield and Walsall have nearly doubled their average annual spend per capita whilst North Lanarkshire, Neath Port Talbot and Luton have experienced considerable falls in average annual spend per capita; and
- data in relation to strategic partnerships and the number of volunteers supported across the AoF was limited (due to limitations in data collection and capacity to analyse). Therefore, appropriate measures should be implemented in advance of the Year 5 report to ensure data is collected to allow for quantitative assessments.

5. CASE STUDIES

Introduction

This section presents in-depth case studies of five AoF, specifically:

- the London Borough (LB) of Enfield;
- North East Lincolnshire;
- North Lanarkshire;
- Rhondda Cyron Taf; and
- Walsall.

Each case study consists of a summary of the engagement activities undertaken; the area’s solicited bid / project; and a review of key issues and lessons learned. This evidence is derived from desk-based research activities, data analysis of performance monitoring information and consultation with key internal and external stakeholders.

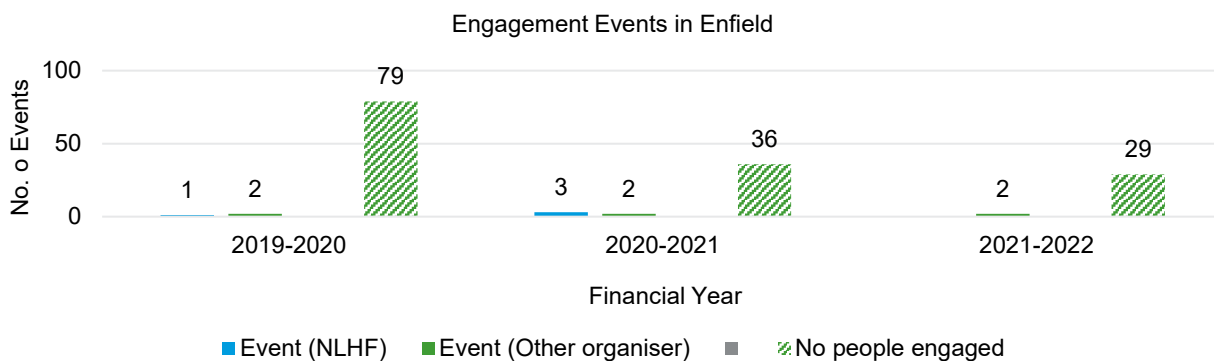
Appendix 1 contains a summary of each case study’s context and the rationale for intervention, where this information is largely consistent with previous reports.

Case Study 1: Enfield

Engagement Activities

To improve the sphere of influence in the community, Heritage Fund Engagement Staff working in Enfield have undertaken and attended a number of engagement events since FY2018-19. The breakdown and reach of these events are detailed in Figure 5.1. These events have spanned from networking opportunities, forum presentation and conversations, to follow-up meetings with potential beneficiaries, regular meetings with the local VCSE organisations and local authority -run funding / heritage-focused events.

Figure 5.1: Enfield Engagement Events

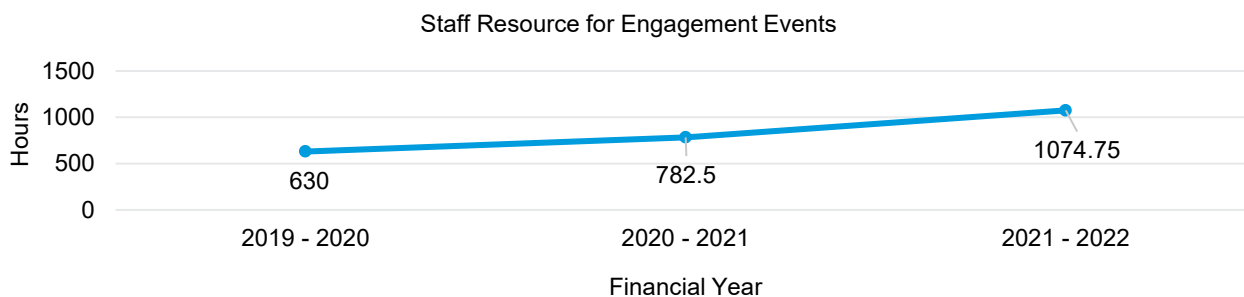


Source: The National Lottery Heritage Fund. Note: data was not available for FY2022-23

As shown in Figure 5.1, the number of events (The Fund and other) and the number of attendees to the engagement activities has steadily declined from 2019-20 to 2021-22.

As shown in Figure 5.2, Enfield is building capacity within its heritage team, increasing on an annual basis. As capacity increases, there is greater opportunities for networking and relationship building, as well as activities to grow the pipeline of potential fundable projects in the borough.

Figure 5.2: Staff Resource (hours) for Engagement Activities



Source: Enfield AoF Team

As identified in the ToC, raising the profile of the AoF across other funders and having more applications are medium-term outcomes which should start materialising during this iteration of the report. Social media has been used since 2019 as a tool for increasing the awareness of The Fund and the work it delivers. Table 5.1 highlights the use of twitter as a mechanism to appeal to a wider number of people, showing that from April 2019 to August 2022, 387 tweets were posted with reference to a project funded by The Fund, and 92 tweets posted related to The Fund.

Table 5.1: Social media use in Enfield

Social Media activity	Enfield
No. of Project Tweets in Feed	387
No. of Tweets Related to The Fund in Feed (Including other Projects)	92
No. of Project Tweets in Comments	49
Related Tweets in Comments (Including other Projects)	10
No. of Project Tweets in Likes	43
No. of Tweets Related to the Fund in Likes (Including other Projects)	42
Total	624

Stakeholders identified engagement activities that were undertaken at both an operational and strategic level. There has been a focus in the past 12 months on tackling the geographical divide of Enfield, concentrating on ensuring their engagement activities are delivered throughout the Enfield borough as “*previously a lot of activities were undertaken in Enfield town.*” The roadshows (delivered in partnership with Enfield Voluntary Action) were “*successful in getting different stakeholders to work together*” and address the more isolated communities within the area. The Fund representatives further reiterated the success of this approach and will commit to ensuring a borough-wide emphasis is placed on activities.

The Fund team in Enfield noted that an enabler for improving heritage’s importance and awareness in the community, and something that had not been done in the past, was creating a space for community groups to network. This has been progressed through changing the model of engagement: “*instead of just one-to-one surgeries, we’re doing breakout groups. Then in the following weeks we offer the one-to-one surgeries.*” The Fund recognise the value and impact that networking can elicit, through sharing of ideas and learning and areas of best practice, this can materialise in an increased number of viable and practical applications brought forward and in changing the perception of heritage through helping communities to understand the multi-layered meaning of heritage.

The team engages with projects on a one-to-one basis, with the level of engagement dependant on the support needs that the community organisation had identified. Stakeholder consultation identified that key to providing support to potential applicants is ensuring “*[the organisations] define a heritage focus in their application*”. The ‘Stories of Enfield’ programme delivered through The Fund has raised the profile of heritage in community groups and representatives [of the Fund] commented that the programme had encouraged previously unsuccessful applicants to re-engage with The Fund. Applications have been funded through the proactive approach of contacting previously unsuccessful applicants and offering support in relation to strengthening applications. Other approaches to increasing engagement in the community included attending an online heritage forum, a ‘friends of Enfield parks’ group; and organising funding roadshows.

In partnership with Enfield Council , £250k was awarded to deliver the ‘Untold Edmonton’ project in March 2022. This programme, which will run until November 2024 includes two festivals, a volunteering programme and up to 20 community heritage projects exploring Edmonton’s rich and diverse history. This project will continue the push to emphasise the rich cultural history of the area and through public events in libraries, museums and community centres, educate the residents of Edmonton of the heritage and history, from its ancient past to the present day

In addition to engaging on a community level, The Fund seeks to engage on a strategic level. This includes accenting the value of heritage in other Heritage Fund programmes, such as the Green Recovery Challenge Fund. This fund places an emphasis on the “*unique selling point of Enfield – its large green spaces*” and through the strategic collaboration, a project was delivered that had a heritage focus.

Solicited Project

The solicited bid project from Enfield was delivered from September 2020 to August 2022. The project sought to build capacity within community groups to define and develop heritage projects to assist in achieving the Fund's outcomes (more engagement through applications; more investment through smaller grants; the role of heritage improves through strategic activities funded; and more volunteers). The project provided staff resource within the local authority, delivered a training programme for organisations and provided a community grant scheme to support community heritage project ideas.

The project envisaged four main outcomes:

- organisations across Enfield will have greater capacity to design and deliver community heritage projects;
- LB Enfield will have a strong model for supporting heritage activity;
- more people will have taken part in heritage; and
- heritage projects will take place which bring Enfield's heritage to life for a wide range of borough residents.

The solicited project has made strong progress against its objectives. Thirteen community projects had been selected to tell 'Stories of Enfield', sharing in £100,000 of The Fund's funding. These projects explore aspects of Enfield's heritage (including the histories of different cultural groups, buildings, parks and rivers) and provide opportunities to engage local residents.

A further £10,000 has funded a specialist design team to plan for a renovation of a local museum and cultural centre. This investment has leveraged an additional £1.5 million from the local authority to complete the project. The local authority has also "*reinvigorated*" a quarterly forum focused on built heritage, with more than 40 people attending, and sustainability has become an important focus of these conversations.

The value of the solicited bid project was identified to be "*boosting the number of first-time applicants and helping to bring in much more diverse projects*", according to a Fund representative. The bespoke support offered through the local authority has helped communities who "*didn't have the capacity or the know-how to develop an application*" to put forward feasible and well-developed project ideas. The Fund team commended the work of the local authority representatives and noted that it is because of the success of the first solicited bid that the team are considering a subsequent solicited bid to "*create a legacy in Enfield*" and ensure there is a structure in place for communities to come forward with heritage themed projects and receive the funding they require to deliver the project.

Issues Encountered and Lessons Learned

A range of issues and areas for learning have been identified through consultations. These are listed below:

- **a lack of capacity / sustainability** going forward. It was highlighted in consultations that sustainability is a worry going forward, as, when the contract finishes for the Project Officer within the local authority, it is unknown if the structure will be in place to ensure communities have a path to deliver heritage-themed projects;
- **prioritising resources** was reported as an issue as there was a lack of effective engagement with the LGBT community (an idea the team had over the last 12 months). It was deemed that the team were already stretched in their capacity and couldn't follow-up with groups who had been contacted; and
- **the long-term realisation of benefits** was an issue raised by The Fund team as projects may only elicit impact several years following the initial award of funding. A Fund representative commented, "*five years is a very small amount of time, particularly when you've had two years eaten out due to the pandemic and then having to engage with people who are in recovery.*" The full impact and value of the projects funded to date will be realised after the current strategy period ceases, and hence its attributable impact is limited within the five-year timeframe.

Key lessons learned that were highlighted in consultations include:

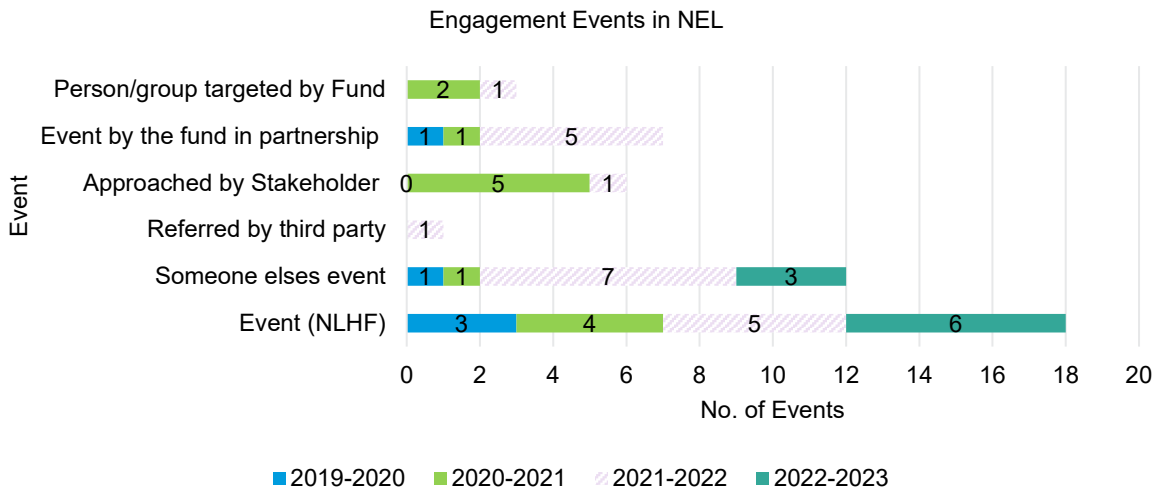
- **more space for community networking** – the learning and sharing of areas of best practice through community networking should be a key deliverable going forward, as a consultee commented "*communities can learn more from other community projects than they can speaking to The Fund or the local authority*". This can lead to better applications and aid in improving the awareness of heritage;
- **events should take place in community venues** – The Fund ran events in both council venues and community venues and The Fund learnt quickly that there was more value in hosting these events at community venues, not just for greater number of attendees but also it created the mindset that The Fund is engrossed within the community (as opposed to a generic public-fund), and being a partner with them to assist in their applications and projects; and
- **introduce customer feedback surveys** - customer feedback surveys could be used going forward to learn about the potential barriers stopping community groups applying for funding. This evidence could feed into subsequent policies and ways of learning going forward to ensure communities are well supported in going forward with applications.

Case Study 2: North East Lincolnshire

Engagement Activities

As highlighted in Figure 5.3, NEL has engaged with partners and delivered its own events to drive engagement with The Fund. Engagement has primarily been with VCSE organisations, however, 18 strategic-level meetings with the local authority have been recorded. Engagement was maintained through the pandemic through attending regular online virtual funding fairs.

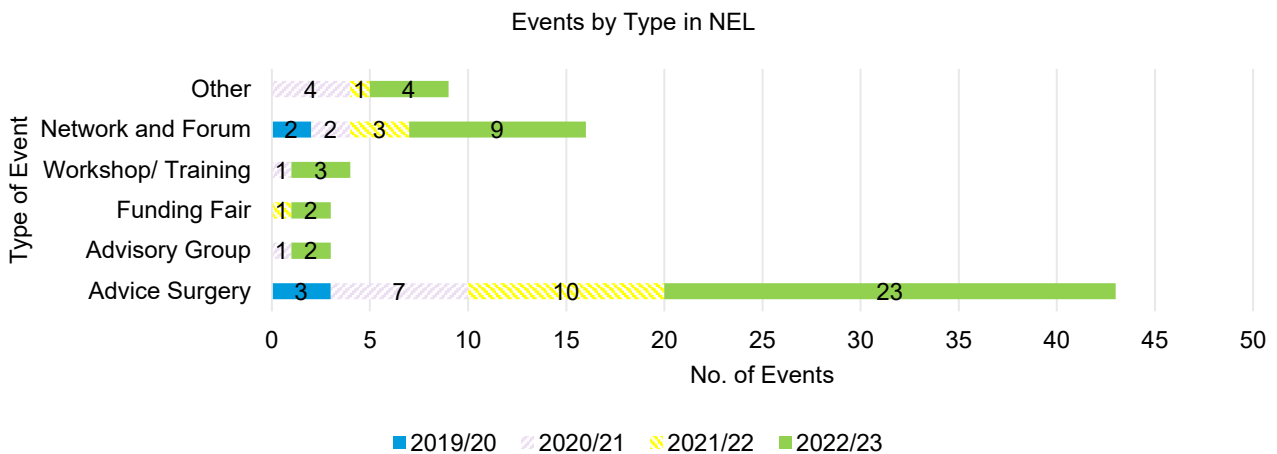
Figure 5.3: NEL Engagement Events



Source: NEL AoF Team

Funding advisory surgeries tend to be the most common type of event, with the AoF reporting 43 across since 2018-19, followed by network events. This is detailed in Figure 5.4.

Figure 5.4: NEL events by type



Source: NEL AoF Team

Stakeholders identified engagement activities that they undertook at both an operational and strategic level. The level of engagement was dependant on the support needs that the community organisation had identified. As identified by stakeholders, there were limited opportunities for young people within the AoF, therefore, engagement activities have been targeted at rectifying this issue:

- a Viking festival included activities for schools and community groups;
- c. £100k was invested in the Grimsby Football Club; and
- a grant of c. £2.7 million was awarded in February 2022 to renovate an old 19th century warehouse in Grimsby to a 'state-of-the-art' youth centre.

A stakeholder commented that “*these investments in young people breed confidence, they know that they are being looked after*”. However, a Fund representative did usher their disappointment for the lack of progress in relation to the Grimsby Youth Zone project, awarded funding in 2021 for a large-scale capital project, which has been inhibited by “*legal issues*”.

The engagement undertaken in NEL seeks to be efficient and strategic in how they meet the specific needs of heritage in the area. The Fund team noted that an enabler for improving heritage’s importance and awareness in the community was the Heritage Network (a monthly network delivered by Heritage Lincolnshire with 90 members ranging from individuals to organisations to businesses outside the heritage sector). This network has been used to address queries in relation to funding and assess potential applications. Furthermore, there has been regular attendance in online Heritage Forums of up to 30 people. These forums demonstrate to potential organisations what the local authority mean by heritage and offer support in learning what is required to be successful.

The success of the network is apparent as the North-East Start-Up Fund (which funded up to £10,000 for organisations wishing to start a project) has been exhausted three months after opening with 18 organisations supported to deliver projects focused on the traditions, built and natural heritage and the origins of the region.

As well as engaging on a community level, The Fund seeks to engage on a strategic level. This includes emphasising the value of heritage in collaboration with organisations and similar public funds. £130k was invested alongside Historic England and the Arts Council for a building acquisition of two cottages on the High Street of Grimsby. Funding was also secured through a range of funders for Grimsby’s regeneration project, the ‘Kasbah’, which highlights the historical journey of the region as well as hosting events such as the Heritage Open Day in 2021 to entice communities to learn about the heritage of the town. A stakeholder commended the Kasbah and how it ties into the “*rich industrial and fishing history of the area*” and how the project has been used as a catalyst for encouraging activity / networking between communities which can potentially lead to project ideas surfacing and more importance being placed on heritage in the area.

Solicited Project

The Fund’s solicited bid from the NEL local authority was delivered between September 2020 and March 2023. Its overall purpose was to increase the strategic importance of heritage in local authority activity, increasing the number of projects and the understanding of the value-added of heritage. The funding supported:

- staff resource in the local authority (0.4 Full Time Equivalent [FTEs]) to provide administrative support for the programme;

- freelance support to work with community organisations to develop their projects;
- a small grants scheme to support projects developed;
- building a new network of organisations interested in heritage in NEL;
- organisations in NEL participating in national networks, including with other AoF; and
- work to build the case for heritage investment highlighting its wider social, economic and community benefits.

The project aimed to:

- maintain momentum and improve the management of heritage in NEL;
- develop NEL's reputation for the positive and proactive management of heritage assets;
- encourage and support local authority investment in the management and maintenance of its heritage assets;
- raise the profile of NEL's heritage and realise opportunities for economic and social benefit;
- strengthen local partnership working; and
- build local capacity, skills and experience to manage and deliver heritage-led programmes within the Local authority and local heritage organisations.

The local authority established a small community grant programme, awarding grants of up to £10k to heritage focused projects. This grant programme was administered by a Heritage Officer in the local authority. The Fund's engagement lead reported that funded projects have led to *"greater amount of pride in the area and a more positive outlook for the future"*. As of October 2022, 17 projects were funded through the solicited bid, totalling £142,807. There has been a variety of projects funded, ranging from the Viking heritage to the industrial heritage focusing on the docks and the fishing heritage of the area. Outputs to date include: 361 beneficiaries; 6,980 audience members; and 39 organisations involved).

Issues Encountered and Lessons Learned

Issues identified by stakeholders included:

- **a lack of institutional heritage organisations** – a stakeholder commented that there is a lack of typical heritage organisations such as museums and this has resulted in a deficiency of applications to the Fund. A stakeholder noted *"there isn't a background of working in that type of space before and that has impacted the confidence of community groups to come forward by themselves."*;
- **the Covid-19 pandemic** has had an impact as it limited face to face interaction and the visiting of potential communities who do not have clear ideas of heritage. This limited the

engagement with new organisations and communities as all interaction was shifted online. However, there is an opportunity now for Heritage Lincolnshire to provide advice in relation to how organisations could receive funding; and

- **limited appetite for fast-track bids** - reflecting on the solicited bid approach, aspects such as the third-party grants have been highlighted as a key success, gaining “*access to areas [The Fund] cannot reach*”, but there is little appetite for more fast-track bids as it reduces the potential for The Fund to monitor the investment’s progress. The solicited approach was felt to be most useful for acquisitions.

A key lesson learned was identified by stakeholders:

- **a more sustainable approach** - it was highlighted in consultations that it has taken time to build relationships and capacity, and that there have been challenges in relation to capacity to assist organisations submitting applications. Stakeholders highlighted the structure of the National Lottery Community Fund’s 10-year grants as an alternative model that could help to instil confidence in communities to know that funding will be available for the immediate and long-term future, but this is not currently the case for The Fund.

Case Study 3: North Lanarkshire

Engagement Activities

Similar to the Year 3 report, without a dedicated officer “*on the ground*” in North Lanarkshire, engagement opportunities (particularly post-pandemic) have been limited. Resourcing is a particular challenge for The Fund’s Engagement Team in North Lanarkshire due to multiple staff changes leading to only the part-time HOE being the responsible officer for the majority of 21/22, which impact’s their ability to build a pipeline of investable projects and drive heritage. Local political uncertainty was also identified as having a detrimental impact on engagement activities, as after the May 22 council elections as it took a long time for elected members to be sworn into NL, as The Fund representative commented “*this made it difficult to engage due to the uncertainty, and we didn’t want to reach out to people before we knew what the focus was going to be*”.

Stakeholders identified engagement activities that they undertook at both an operational and strategic level. In trying to create an identity and local pride for communities, the local authority has taken up the role previously filled by another partner, with The Fund representative commenting “*this was a very good step and has helped us make more connections to better engage with the community.*” The Fund representative commented that “*there was a lack of understanding (previously) in terms of what heritage was and what it could be*”. There has also been a focus on engaging minority ethnic groups within the AoF to share their culture and heritage as this can aid in better relations between communities going forward.

An emphasis has been placed on projects relating to nature and land in the region to promote a sense of identity and pride in the area. A site visit was undertaken to Strathclyde Country Park

with The Fund representative commenting that there are aspirations for the site, including potentially creating a public art trail tying in to a heritage trail.

As part of a campaign to promote place-based working across Scotland the Fund aligned their funding opportunities with Historic Environment Scotland, a SG agency. This had an emphasis on community engagement with place and was targeted at Local Authorities and Development Trusts and was supported by online information sessions and regular site visits. The opportunity to include a prominent town in North Lanarkshire was identified by the Engagement team and supported through the application process, with additional support and introductions sought from partner agencies. If successful there is a hope that this funding can play a role in the years to come of improving the understanding and importance of heritage in the area.

It was noted that whilst interest levels have been as expected in North Lanarkshire, The Fund representative believed a caveat should be in place to recognise that the majority of the local groups who come forward with a project are volunteers and therefore *“it takes time for them to put all this together. It's a lot of work to ask a group to put together an application.”* This coupled with the recovery from the pandemic and the subsequent cost of living crisis has shifted local communities' priorities, *“heritage is probably not up there on their to-do list at the moment and volunteers are knackered.”* The Fund representative alluded that although there have not been many applications this year, there have been initial conversations, which may materialise in the next 12 months.

Solicited Project

The Fund representative noted disappointment with the bid process and of the Rural Development Trust, commenting they *“haven't managed to engage with many communities yet and it's been 3 years.”* Representatives from the Rural Development Trust (solicited project delivery partner) did not respond to four requests to participate in the evaluation, as such, further detail in relation to this project is currently limited. It should be noted that The Fund representative attribute this performance to external circumstances affecting the Rural Development Trust and is not reflective of their ability or capacity.

Issues Encountered and Lessons Learned

Issues encountered from wider stakeholders included:

- **lack of confidence** – stakeholders identified a lack of confidence in communities to come forward with projects. It was noted that this was not limited to heritage as other funders have reportedly noticed North Lanarkshire to be a 'cold spot' for projects put forth by communities;
- **an awareness issue** – a stakeholder identified that there was a lack of awareness in relation to the type of projects that The Fund can support as *“a lot of people think that (The Fund) just fund repair projects. If you're not owning a historic building, then people might not recognise that we support a lot of capacity building work and a lot of training and skills development and that there are wider outcomes that were seeking to achieve rather than just heritage.”* More awareness for intangible heritage is needed to increase the number of applications put forward; and

- **monitoring / capacity issues** – The Fund representative reiterated capacity challenges and particularly in relation to undertaking further promotional activity to increase the awareness of the Fund. Organisational disruption was also raised as an issue, specifically around integrating the RoSS consultants. The representative also believed their approach to working with potential applicants could be improved, reporting, *“it’s more about building those relationships and talking about the ambitions that each organisation has and how (the Fund) can support and mirror those ambitions, rather than making [the organisation] fit (the Fund’s) ambitions.”*

Key lessons learned have been identified by stakeholders, including:

- **collaboration between funders** – a roundtable of funders was raised as a possible improvement going forward. Collaboration with other funders such as Creative Scotland and the National Lottery Community Fund could ensure there is a cohesive and unified vision of how to foster socio-economic growth in deprived areas. Inward investment from funders with the same goal could make it easier to support communities and show them how their project / idea could impact the region on a multitude of ways; and
- **contracting agreements of engagement staff** – The Fund representative highlighted that the fixed-term contract of their engagement staff made it difficult to plan any long-term events or activities, and, without future planning, the engagement with communities is limited.

Case Study 4: Rhondda Cynon Taff

Engagement Activities

Similar to the Year 3 report, engagement opportunities, particularly post-pandemic, have been limited. Resourcing is a particular challenge for The Fund’s Engagement Team in RCT as The Fund representative reported that the engagement team has reduced from 2 FTEs Engagement Managers to 1 FTEs Engagement Manager (covering the whole of Wales), restricting their capacity and, therefore, the degree of impact of their activities. In addition to supporting AoF work, the Engagement Manager has supported organisations across Wales and supported the delivery of some of its Grant-in-Aid work. Given the capacity constraints, the engagement team is seeking to be more intentional and strategic through a selective approach to opportunities for engaging with key partners and understanding the challenges of working in RCT. There is a recognition that more could be done to engage at the strategic and political level but this can be better achieved with a full team in place.

The wider policy influence of Government was also raised as a detrimental factor limiting the scope of engagement activities as *“increasingly (public sector funders) have to follow agendas aimed at society as a whole, not just focused solely on strengthening heritage.”* This implies that on occasions The Fund can be observed to be mirroring priorities or agendas of the wider national government, and not specifically seeking to improve heritage and cultural understanding. The stakeholder expanded on their point, reporting *‘there is funding focused*

around community needs, but quite often the community doesn't realise what it needs or how it could benefit from a scheme / project before it's delivered.' This idea that communities may not know the benefit of heritage-focused projects before their inception should be considered going forward.

The Fund's Engagement team have been seeking to build relationships and increase the profile of The Fund within RCT through in-person visits to local groups, attendance at funding events and fairs and hosting one-to-one drop-in sessions. There is also potential for application workshops to offer guidance and advice during the application stage. It was reported by stakeholders that the 'on the ground' support offered with smaller projects has been well-received and that "*relationship building between The Fund and communities has improved*" as a result. The use of the RoSS consultants to help with the pre-application stage was also praised by stakeholders as previously some organisations had found it difficult to seek funding.

The Fund team noted that an enabler for improving heritage's importance and awareness in the community was the use of networking between The Fund and communities, but also organisation-to-organisation networking. The Fund team highlighted the value and impact that networking can elicit through the sharing of ideas, learning and areas of best practice, this can materialise in an increased number of viable and practical applications and in changing the perception of heritage and helping communities to understand the multi-layered meaning of heritage.

The Fund team highlighted two significant projects: the Hetty Engine House and a £2.5 million project that could go ahead later in 2023. The Fund are also working closely with Housing Associations and the Cadw (the Welsh Government Historic Environment Service) to try to increase their sphere of influence and ascertain what projects could be delivered in collaboration.

Solicited Project

The RCT solicited bid project is delivering a programme of community engagement to look at the theme of 'altered images' – considering how views of the past change over time and how understanding the past can challenge assumptions about where we come from and how our communities developed. The project aims to focus on two areas:

- memorials / statues; and stories, myths and legends: mapping and recording these and encouraging discussion and debate with community volunteers and groups; and
- collection of stories and reminiscences of local people.

A variety of activities will be developed to engage and involve the community and opportunities will be created to share work and experiences through a variety of media.

The project also seeks to support heritage work within the local authority and will help shape and drive a dedicated heritage strategy for RCT. The strategy will aim to be a flexible framework for co-operation and collaboration between the local authority and all those active in supporting

local heritage. The strategy will proactively work towards the preservation of cultural heritage in RCT, putting heritage and culture at the heart of the future vision for the area.

The Altered Images project is a three-year activity programme which aims to connect communities through the interests of heritage and local history, focusing on the changes through the years. The project has progressed, appointing a project coordinator, and is now in its mobilisation phase. The project coordinator is consulting with neighbourhood networks, community groups and other stakeholders to shape the project and is drawing together ideas for how to best deliver against the project aims. The programme delivery team are also developing their approach to commission a company to deliver a heritage strategy. Stakeholders reflect that, although the project is now up and running despite the delays, there is a significant amount of time lost and the project is still “*playing catch-up*” to its project plan.

Issues Encountered and Lessons Learned

Issues identified by stakeholders include:

- **disruption caused by Levelling-up Fund applications:** stakeholders commented that whilst initial conversations with organisations were held, before the projects could progress, they were overtaken by the Levelling-up Fund. This was deemed disruptive to heritage applications and has limited the number of applications being received and, therefore, funding being awarded;
- **strategic alignment / cohesion:** stakeholders identified challenges in relation to developing a coherent strategic vision for the region. As the local authority have a number of strategic goals, with inputs coming from the education, cultural, and regeneration sector, it reduces the opportunity for heritage to feature on the agenda due to the myriad of opportunities and funding streams across various policy areas; and
- **economic deprivation worsened by the cost-of-living crisis:** The cost-of-living crisis has placed financial pressure on community groups with The Fund representative reporting that “*groups came to The Fund seeking finance to keep their community buildings open, but because their buildings aren’t listed or [of historical significance], we couldn’t help them*”.

Lessons learned from stakeholders included:

- **robust exit planning:** it was highlighted from stakeholders that exit planning will be integral to the sustainability of the current funding to ensure that impact is felt once the funding ceases. Stakeholders identified that a wider strategic priority of heritage is required within the local authority to enable them to deliver a heritage strategy and ensure that it doesn’t “*become a document that someone puts on the shelf*”;
- **how heritage is interpreted** – a stakeholder commented that there needs to be emphasis placed on the different interpretations of heritage which varies from AoF to AoF. Ensuring that heritage is valued by a community is imperative, however, a stakeholder identified that the funding criteria is focused on community needs (or perceived community needs),

however, quite often the community doesn't realise how it can benefit from such a heritage project. Therefore, ongoing emphasis of how 'heritage' projects can benefit communities is required; and

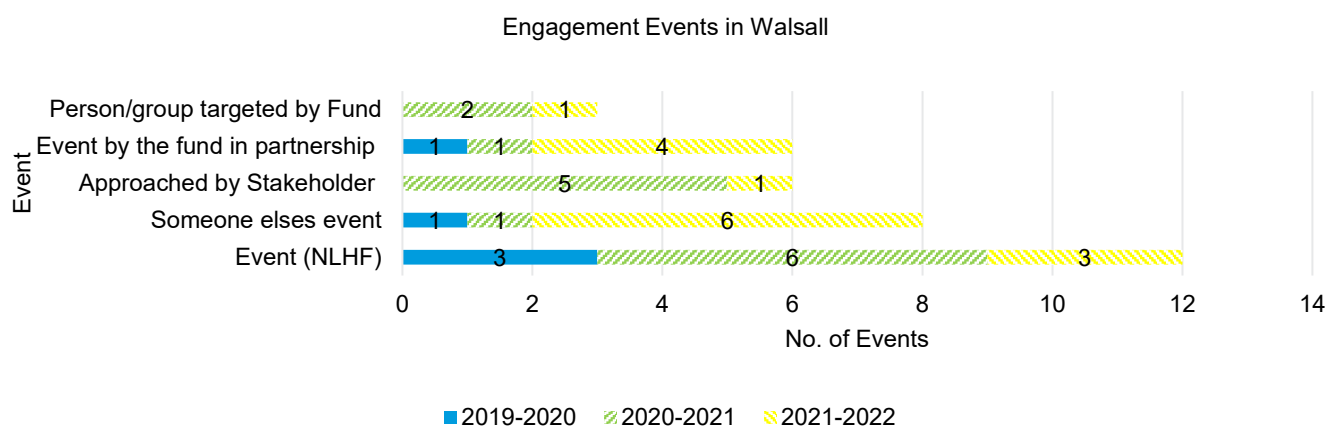
- **examples of projects funded previously** – a stakeholder highlighted that case studies of previously funded projects would be useful for communities to get an idea of the themes of projects that are successful. As such, the Fund could be more proactive in supporting the pre-application / pre-project stage; but this will require resource on The Fund's part.

Case Study 5: Walsall

Engagement Activities

Beyond events delivered alongside One Walsall, other organisations have hosted networking events, funding forums and opportunities to meet community groups. A breakdown of events and types of events are shown in Figures 5.5. Figure 5.5 illustrates that events organised by The Fund were the most common engagement event, with 12 between 2019/20 and 2021/22, second to external events (someone else's) with 8 events.

Figure 5.5: Walsall Engagement Events



Source: Walsall AoF Team

An engagement method highlighted to bring added value by The Fund representative was having “*key lines of communication in how we describe heritage as anything from the past that you value and want to pass on to future generations*”. This messaging was supplemented with a range of projects examples that have been previously funded to show communities that heritage doesn’t only refer to built heritage, with more emphasis placed on community heritage.

The Fund team noted that an enabler for improving heritage’s importance and awareness in the community, and something that had not been done in the past, was creating a space for community groups to network. This has been tackled through combining a networking event with local authorities and local organisations, with a Q&A panel to engage the staff of The Fund and the communities. This approach was highly regarded by attendees, with a stakeholder reporting, “*it was taken really positively because you always have to be mindful of this potential power imbalance between a potential applicant not feeling able to say anything they want to, but this space removed that hesitancy.*”

As part of the Walsall Heritage strategy, the local authority established a Heritage Forum and delivered a training programme which offers support and resources to the local organisations to make the application stage less onerous. A wider stakeholder commended the strategy as, “*we can see a clear difference in the rate of grants during that period compared to compared to before, which I think gives you enough to make a confident assumption that actually it has supported the community.*”

The Fund representative commented there was an increase in the number of land and nature theme applications coming forward, and to build on this momentum The Fund engaged with the local authority through the Healthy Spaces Team to both make better use of the spaces, particularly parks as a means of supporting healthy living of the community, but also to demonstrate how projects shaped around land and nature can qualify for funding. The Fund

have also organised nature focused projects with partners such as the West Midlands Combined Authority and the National Lottery Community Fund.

Solicited Project

The Walsall solicited bid project is a project that seeks to rebuild the heritage capacity within Walsall local authority and utilise heritage to tackle wider issues / opportunities i.e., inequality, health and wellbeing, environment and economic development. The project will receive grant funding of £249,900 and be delivered from October 2020 to October 2023. The project's objectives are to:

- commission a new heritage action plan to guide discussions, set direction and identify needs over the next five years and beyond, with three cross-cutting themes: equality, environment, and digital transformation;
- create 1 FTE Heritage Officer and contribute 0.25 FTE towards a full-time conservation officer, with responsibilities to represent sector needs, oversee planning, instigate projects, pilot a community grants fund, establish a heritage forum and create new partnerships; and
- ensure that heritage is better managed and integrated into Walsall's overall vision.

The Heritage Programme Officer (100% funded through the project) and a Conservation Officer (25% funded through the project) have both been recruited. However, limited capacity for heritage projects within the local authority has restricted the pipeline of fundable projects with a heritage focus. Stakeholders also identified that this is partly as a result of "*heritage networks (not being) there*", and to address this, the project implemented a heritage forum to build relationships between the local authority and the local heritage sector.

The project has delivered a Heritage Strategy for Walsall local authority, which has moved into its delivery phase. A stakeholder highlighted that key to the success of the strategy is partnership, ensuring that it is grassroots and "*embedded in the community*".

Issues Encountered and Lessons Learned

Issues encountered have been identified by stakeholders and include:

- **organisations / community groups' skillset in developing applications** – it was highlighted by a stakeholder that challenges arose in the application stage of potential projects, with organisations lacking the appropriate skill sets to put forth an eligible application. This can lead to trust being lost between the Fund and organisations where time-intensive proposals are submitted with a project plan and draft budget, and are rejected, leading to a decrease in re-applications;
- **competition between funders**: it was noted that competition for viable projects can arise between other public sector funds (e.g., the Levelling-up Fund and the Cultural Development Fund); and

- **National Lottery Heritage Fund funding being sourced through gambling:** stakeholders reported that as The Fund is technically financed through a source of gambling, this can prohibit some organisations from applying for funding due to religious / ethical considerations.

Lessons learned from wider stakeholders include:

- **reinstate application workshops** – a stakeholder commented that The Fund previously held application and grantee workshops which stopped after the restructuring 2019. Stakeholder consultation has found that reinstating the workshops may be helpful for applicants to receive further support in addition to one-to-one sessions; and
- **long-term VCSE contracts** : short-term contracts can limit organisations (particularly VCSEs) in their ability to undertake robust long-term strategic planning. Creating the opportunity for more longer-term contracts could allow for large scale longitudinal events to take place and fully embed the VCSE in the community.

6. OUTCOMES

Introduction

This chapter identifies the emerging findings against the short-term outcomes identified in the programme's ToC. The evidence provided below is based on the data provided by the AoF and key learning derived from stakeholder consultation.

Medium-Term Outcomes (Years 3-5)

This section presents the emerging evidence to data in relation to the Years 3-5 medium term outcomes. Alongside the outcomes observed, this section will report on 'what works' and 'what needs to be improved' as part of the process of identifying the lessons for The Fund from this evaluation.

Increased confidence in applicants

As the AoF initiative has operated for more than four years, an outcome that has transpired is that community groups hold more confidence in firstly, applying for funding, and secondly have more confidence that their application will be approved, as outlined below

A causal link can be made from the short-term outcome (Years 0-3) of increased capacity of the VCSE sector to apply for funding to the medium-term outcome increased confidence in applicants. As shown in Figure 4.6, in FY2022/23, the number of repeat-applicants reached its highest number since the programme started (73%). This is indicative that applicants are less discouraged from re-applying for funding after an unsuccessful bid, and that they have more confidence in applying for the second time. Furthermore, Figure 4.8 illustrates that advice surgeries were the most prominent form of funding event sessions, where communities could receive tailored support relevant to their application. Increasing the volume of support available appears to be increasing the confidence of applicants and the likelihood of a successful application.

This data is corroborated by the stakeholder consultations. Consultees highlighted that the support offered to potential applicants has made a noticeable difference to firstly their confidence in applying to The Fund, and secondly their capability to apply. A stakeholder in NEL commented on the success of the Heritage Network in creating a space for people to discuss the types of projects that could be classified as heritage, and that this *"is an important element of supporting these communities, it breeds confidence knowing they can speak to other groups in similar positions."*

Furthermore, a stakeholder reported that communities that can see projects being approved, either through the solicited bid or directly through The Fund, can gain confidence to apply as they can learn from exemplar projects.

What Works:

The community grants approach has enabled The Fund to reach a significant mass of VCSEs, administered by local authorities, with potential for local VCSE interface organisations to deliver such funding mechanisms. These community grants have been found to be breaking down barriers for first-time applicants as the community grants can function as a 'trial run' or soft entrance to grant applications. Table 4.2 highlighted that 104 projects have been awarded funding through community grant schemes, and stakeholders have highlighted the increased confidence in organisations in relation to their understanding of heritage and how it can align to their potential project.

RoSS consultants supporting pre-application and project development has led to increased confidence and an increase in fundable applications, according to stakeholders. An example of this is the Newham Heritage Service team who received consultant support with the vision of community engagement around their Levelling-up funded heritage building. This has led to stronger proposals for a community-led heritage asset, a stronger funding application and has motivated the council to fund further consultancy support.

Local authorities investing more into heritage. Heritage programme officers and conservation officers allow councils to engage more widely with organisations within their AoF. Through face-to-face engagement and building heritage into regional strategies, communities can see the emphasis being placed on heritage and gives them more confidence that their project aligns to regional and national objectives.

What Needs To Be Improved:

The time and resources needed when engaging with communities to develop fundable applications was highlighted by stakeholders as a factor impacting the confidence of applicants. Through consultations, project development meetings, drafting the application and managing the EOI process, this can take upwards of 60 hours and can demotivate applicants to continue with the process, the majority of whom are volunteering.

Stakeholders also identified that the volume of information on The Fund's website can be overwhelming for organisations and could impact the confidence level of first-time applicants who may be daunted by quantity of information available. As the information is consistent for projects seeking £5k of funding or £200k, those with smaller proposals may be discouraged by the amount of time required.

More applications

A comparison of the number of applications for the 13 AoF from the baseline (FY2018-19) to FY2022-23 identifies that four AoF had more applications in FY2022-23, therefore the majority have experienced a decrease. On average, there a decrease of 28% in the number of applications was recorded.

However, as highlighted in Figure 4.2, in FY2022-23, 28% of enquiries have led to applications, the highest conversion rate since the funding framework commenced. In total, 90 enquiries were recorded in FY2022-23, compared to 120 in FY2018-19. The resulting decline in applications may reflect a lower appetite from community organisations to enquire about a potential project, as opposed to a decline in appropriate / applicable project ideas.

Stakeholders also attributed the lack of applications to the eligibility criteria for approvals. Although some stakeholders referenced challenges for organisations in meeting the criteria for funding (e.g., due to lack of confidence to adapt projects), there was evidence that organisations were beginning to think more broadly about heritage and submit applications that were more closely aligned with The Fund's priorities. Stakeholders provided anecdotal evidence of increasing numbers of projects that are "*pushing the boundaries*" of what heritage can encompass, capturing natural heritage, language, climate change etc. For those stakeholders who reported difficulties in meeting The Fund's criteria, there was a recommendation to provide further illustration of the criteria through project examples and case studies that might be considered best practice.

What Works:

Despite fewer applications being recorded, stakeholders have identified factors that have facilitated more successful applications. The linking of organisations such as Community Voluntary Sector (CVS) organisations, third sector interfaces (TSI), arts and other organisations can act as locally trusted "bridges" between The Fund and community organisations can, therefore, provide applicants with increased support and confidence, and spread awareness of intangible heritage projects that could be more applicable to communities than traditional built heritage projects.

What Needs To Be Improved:

It was raised across multiple stakeholder consultations that challenges have arisen due to the cost-of-living crisis which has affecting the number applicants volunteering their time develop applications, especially when there isn't a guarantee of funding. Stakeholders commented that they have noticed a change in the priorities of local community groups as they face economic challenges which can make volunteering less favourable.

It was identified by stakeholders that a lack of capacity with AoF teams is negatively impacting their ability to maintain engagement with projects. An example is within the London area, in which there is a single staff member and team dealing with three AoFs.

Competition between Funders. Where there is a presence for many public sector funders and funding opportunities, this can demotivate applicants as there could be too much choice and not enough guidance for which fund would best fit their application.

Raised profile of AoF across other funders

Across the five case studies, there has been collaboration with ALBs and other funders, such as the National Lottery Community Fund and Arts Council England. Events have been held in conjunction with other funders, such as the 'Funding for Nature and Environment Projects' information event in collaboration with the West Midlands Combined Authority Community Green grants and the National Lottery Community Fund. These events have enabled The Fund to widen its sphere of influence and showcase the variety of projects eligible for application, therefore increasing the profile of the Fund. A wider stakeholder from Walsall commented, in relation to collaboration with other funders:

"The Fund has a role to play with other funders in improving the socio-economic aspect of the area [Walsall]; while also improving the awareness and importance of heritage. We've been able to leverage the value of heritage into various other councils and regional strategies".

In RCT a stakeholder alluded to the signposting and collaboration existent between funds, as when communities came with an idea that did not qualify as heritage focused, The Fund engagement team were able to put the communities in touch with other funders more applicable to their project. This process should continue throughout the framework, as collaboration with other funds can allow communities seeking other funding to learn about The Fund and understand how heritage can tie into an array of projects.

What Works:

There have been significant positive and symbiotic relationships built between The Fund and other funders. Joint grant surgeries, collaborative workshops and conferences are some of the engagement events that have taken place. These funders are able to advocate for The Fund in their own networks and allow engagement teams to benefit from their communications channels.

Furthermore, The Fund has experienced regular engagement with VCSE organisations. As these organisations have gained a better appreciation of The Fund's objectives in AoFs and criteria for funding, they have become more effective sign-posters to VCSE organisations.

What Needs To Be Improved:

Capacity challenges of fundable organisations. Stakeholders identified that some other funders and VCSE organisations may need to build capacity. In these cases, engagement teams should look to identify new networks / forum opportunities to engage with. More relationship building activity should occur, particularly at a strategic level, in order to identify areas of mutually beneficial opportunities, to utilise networks and to maximise benefits and efficiencies by pooling resources for relevant projects.

More heritage training, volunteering and employment opportunities

Data was not available in relation to training opportunities, volunteering and employment opportunities, therefore, tangible evidence to support the view that the outcome has been

achieved is limited. However, through stakeholder consultations, anecdotal evidence suggesting increased training, volunteering and employment opportunities has emerged. These findings included:

- in Rhondda Cyron Taf a beneficiary consulted commented on the direct socio-economic benefits their project will add to the area, reporting, *“it adds to local amenities, it makes the local environment a lot more presentable and acceptable. Local engineers and stonemasons will be employed on the restoration work. If we get the grant, that would be about £200,000 into the local economy”*;
- a stakeholder from North Lanarkshire commented on the opportunities for volunteering and training available due to The Funds involvement in the area and has helped the understanding of heritage expand. They commented *“nature volunteers, volunteering opportunities in local schools and community organisations [have occurred], so it's starting to really expand and cover different areas of heritage instead of the typical historic perceptions.”*;
- in North East Lincolnshire the funded Viking festival engaged with the community through a number of volunteers as well as training delivered through the heritage network;
- The Fund, working with the University of Bedfordshire, set up the Heritage Enterprise Hub and Heritage Impact Accelerator Education Hub which provides intensive support and training to build capacity and skills. This also includes a £4k stipend for the Heritage Impact Assessment (HIA) cohort members to support / increase access to the programme; and
- in Walsall, as part of the council's Heritage Strategy, a training programme was delivered through the heritage forum which helped to support and resource local organisations so that they have the skills necessary to go forward with more developed applications. There was also a training programme for Walsall applicants through the UK Shared Prosperity Fund that focused on business planning, governance, environmental impacts, marketing and communications.

What Works:

A series of events and workshops between funds and VCSE organisations, for example the Community Fund and The Fund (in Walsall) means that there are opportunities going forward for volunteering and training opportunities. Through training sessions and workshops, volunteers can learn about the historical significance of their area and acquire knowledge and skills related to heritage promotion and preservation. By further investing in training opportunities, VCSE organisations can empower volunteers to take on leadership roles and support sustainable heritage management practices. This capacity can build a more informed and knowledgeable volunteer base which enhances overall awareness and understanding of heritage.

What Needs To Be Improved:

Given the limitations associated with the data in relations volunteers and the number of hours of training delivered, going forward a formal mechanism should be implemented so assessments can be made of the quality of the training and the outcomes it elicits.

As previously mentioned, The Fund team have commented that the cost-of-living crisis has affected the numbers of volunteers as financial pressures are building on already economically deprived areas which means volunteering is no longer a priority for some community groups.

Access to new sectors

There is evidence that a causal link to new markets accessed by The Fund, local authorities and VCSE organisations has materialised, with collaboration among The Fund and organisations not classified as heritage. Some examples include:

- in Luton joint webinars have been held with the Cultural Health and Wellbeing Alliance to show potential applicants how heritage can play a strong role in improving wellbeing and building relationships;
- in Inverclyde, The Fund engage in a monthly resilience network which allows access to new grassroots partnerships and the sharing of resources. The network has been created as a space for collaboration, knowledge exchange and partnership working and various campaigns such as capacity building, organisational resilience, digital capabilities have occurred to enhance its heritage sector;
- in Walsall, The Fund attended the Faith in Action Summit in November 2022 in collaboration with the West Midlands Combined Authority which discussed key issues such as the cost-of-living crisis. The summit aimed to show the attendees how community leaders and collaboration can benefit the area; and The Fund's attendance allowed them to spread awareness and discuss areas in which heritage can support community networking and improve the sense of pride in their area; and
- as part of the solicited application / partnership with University of Bedfordshire (Luton), the Heritage Enterprise and Education Hub was set up (funded by The Fund) which provides online and physical training sessions and events to help individuals who are interested in heritage signposting to projects they could support. The Hub also supports local schools, teachers and educational support staff in Bedfordshire to embed culture and heritage into curricular and enrichment activity.

What Works:

The Fund's commitment to working with organisations that are not solely heritage focused, such as the University of Bedfordshire and the Cultural Health and Wellbeing Alliance (mentioned above) has enabled relationships and pathways into new sectors to begin to emerge. The Fund has also committed to working with VCSE organisations such as Green Valley Wellbeing Group in RCT, where a derelict site in Cynon Valley has been transformed into a community garden full of nature and wildlife, with the goal of helping to improve mental health. 'North': a mental health organisation who hadn't previously considered The Fund, delivered a wellbeing heritage course. Therefore, The Fund's proactive approach to seeking collaboration with organisations not centred on heritage has led to heritage-focused activities in new markets.

What Needs To Be Improved:

Stakeholders identified that the Fund has been unable to support projects within the private sector, therefore, there is potential that the full impacts of the programme are not being realised. Stakeholders further identified that the Fund's processes and criteria can be prohibitive. These are areas that could be given further consideration to ensure that the Fund is maximising its impact.

Given the structure of VCSE organisations, heritage cannot be assumed to be a key priority across the UK, especially in times of economic difficulty. The Fund should explore barriers as to why VCSE organisations may not understand the value that investment in heritage can bring their economy and community.

Increased national and local expertise on Heritage and contributions to local strategy and interventions in areas

In order for the investments and inputs of The Fund to deliver tangible meaningful impact in the long-term, there needs to be interest and a priority placed on heritage going forward across national and regional strategies so that impacts can be sustained in the future. Since the programme's inception, there have been examples of how heritage has been built into strategic decisions and plans, detailed below:

- in Neath Port Talbot, the council introduced their Culture and Heritage Strategy in July 2021 aimed at attracting national funding for projects celebrating the county borough's rich sporting, cultural and industrial history;
- in July 2022 DCMS, announced a £48 million package to safeguard England's critical cultural heritage, as part of a major part of levelling up drive to improve people's access to the arts, support cultural assets, and power economic growth through culture;
- in 2021, Walsall's Heritage Strategy 2021-2026 action plan (funded through a grant from The Fund) was announced, seeking to unlock the potential of heritage to reduce inequalities and ensure the potential for heritage engagement is maximised across the borough. The strategy sets out how heritage can be an important driver for change; how it can benefit the

economy, health and wellbeing, and the environment; and how it can help to tackle inequalities;

- in 2019, the Inverclyde Cultural Partnership was set up which supports the delivery of the Culture and Heritage priority of the Inverclyde Outcomes Improvement Plan. A Heritage Outreach Officer was hired and is tasked with facilitating collaboration, co-ordination and communication between all with an interest in arts in the area, as well as producing a tangible action plan for the Arts and Creativity Strategy; and
- in 2021 Luton Borough Council announced its Heritage Strategy 2021 – 2031 which addresses a range of frameworks and valuation methodologies to use to help protect local heritage assets. This strategy places an importance on collaborating with partners such as the Culture Trust, Luton Heritage Forum and the University of Bedfordshire to elicit change and socio-economic progress in the borough.

While this is not an exhaustive list of the influence heritage has had on regional strategies/policies, it does highlight the importance and value placed on heritage in not only achieving economic growth in these regions but also in fostering the sense of local pride. The work of The Fund has been contributory in ensuring that there will be a focus on preserving heritage assets after the funding concludes in 2024 and that the emphasis on heritage is long-term and sustained.

Strategic Added Value

This section reflects stakeholder feedback on the strategic added value of The Fund's work in AoFs, in terms of influence, leverage and coordinated working.

Strategic Influence

As relationships between The Fund and local authorities and VCSE organisations have been and continue to be built, there is more evidence that The Fund has had strategic influence in increasing the focus on heritage in the delivery of strategies from decision makers. A Fund representative in North East Lincolnshire portrayed the strategic influence of The Funds work as the Strategic Lead for Culture in the local authority has been made permanent to which they described as *"really helpful"*. One stakeholder said they had worked with the Arts Council on a partnership place project and were able to embed a strong heritage theme into the project. It has since been funded, commenting, *"we were able to get heritage into another funder which is a fantastic outcome for heritage."* However, it was raised by a stakeholder that there is a danger of heritage's inclusion in local authority strategies being viewed as an 'add-on' without a meticulously thought-out plan and structure. Stakeholders identified that without a legacy plan in place, it will be difficult to engender sustained growth in heritage awareness and importance without structured strategies centred around heritage.

Leverage

There is limited evidence at this stage to suggest that The Fund has leveraged additional private sector investment in heritage in AoFs. There are, however, broad examples of the

activities of The Fund leading to local authorities assigning funding for heritage projects to meet wider goals, as a consequence of a better understanding of the potential benefits of a heritage project. A wider stakeholder commented on the 'ecosystem' of heritage funders prominent in the Walsall area, as with One Walsall (the VCSE organisation), Creative Black Country and the Arts Council, there are many supporting organisations to enhance the culture and heritage sector. A stakeholder from North Lanarkshire mentioned The Funds on-the-ground approach and work that's gone in to increase the awareness of The Fund has meant there is potential for 2-3 large projects to be developed in the next 12 months through collaboration with Historic Environment Scotland and Creative Scotland, and The Funds approach to collaboration with other funders to leverage additional finance has led to *"better alignment within the cultural sector, all focused on one goal"*.

Coordinated Working

In a number of cases The Fund has actively built and utilised partnerships with other funders active in the heritage space to maximise the benefits realised. The Fund collaborated with the National Trust for Scotland and the Department for Levelling up, Housing and Communities (DLUHC) to launch the Future Parks Accelerator programme which aimed to support innovative approaches to managing and funding public parks in the face of budget cuts and increased pressures. The three organisations provided funding expertise and resources to projects enabling coordinated working in knowledge sharing among park authorities and community groups.

In 2019, The Fund partnered with Arts Council England to deliver the Great Place Scheme which aimed to promote collaboration and investment in arts culture and heritage at local level. The scheme involved joint funding and support from both organisations with an emphasis on empowering communities and enhancing the cultural infrastructure in the areas.

However, the most significant instance of coordinated working is the community grants approach, where The Fund has utilised local authority partners as intermediaries and distributors of small grant funding. Stakeholder comments on the value of the community grants include:

- *"community organisations have a broad range of ideas for heritage projects now and the community grants have been fundamental in that";* and
- *"the community grants process has managed to personalise the Heritage Fund. We've been able to attend events, show our faces and become approachable"*.

This coordination has helped local authorities to gain credibility and prominence as a heritage funder amongst the community, giving it long term sustainability, and has enabled a grassroots distribution of Heritage Lottery funding.

Key Findings

There is strong evidence that many of the anticipated medium-term outcomes are being realised as a result of The Fund's intervention, with limitations on some outcomes as the project is in Year 4, therefore, there is still time for outcomes to materialise. Benefits realised in the medium term include the increased potential for The Fund to influence and engage at a strategic level with local decision makers, evident in Walsall's Heritage Strategy 2021-2026 action plan and Neath Port Talbot's Culture and Heritage Strategy in July 2021. A number of stakeholders have identified new groups applying for The Fund that previously would not have considered themselves relevant in the heritage space, but for many, responding to the pandemic has become the priority, with heritage slipping down the list.

As quantitative data indicates that the number of applications has declined since the baseline year, it could suggest that community organisations are demotivated to apply for funded projects or have accessed finance through competitor funds with less rigorous criteria. A range of stakeholders have alluded to the cost-of-living crisis as a detrimental factor in achieving the level of outcomes envisaged as volunteers in economically deprived areas face economic pressures, thereby negatively affecting their ability to commit to a lengthy application process.

A key finding from this evaluation has been the positive outcomes as a result of community grants scheme, delivered by partners (i.e., local authorities) providing small grants to grassroots community groups. These have been delivered through a number of solicited bid projects, and have seen significant uptake, with one AoF issuing 28 projects, totalling over £169k. This builds the capacity and relationship of heritage grant giving within local authorities, utilising the wide networks and channels available.

In the absence of quantitative data, it is difficult to assess the volunteering and training opportunities available to communities in the AoF, however, anecdotally stakeholders have commented on training programmes delivered through council initiatives and volunteer programmes with local schools that are of value in improving the skills of applicants and educating communities on the different projects that align with The Funds criteria.

AoFs in which engagement teams have developed close partnerships with VCSE sector organisations / third sector interfaces have shown evidence of better access points to community organisations, aiding the signposting to perspective project partners. Advocacy work to improve these organisations' understanding of heritage has also been identified as a significant positive outcome and has resulted in stakeholders believing applicants have more confidence to apply for projects, and more confidence to re-apply for funding as their knowledge of heritage continues to improve.

7. CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter draws together the research findings from this evaluation report, distilling key messages and outcomes and identifying learning in terms of what works and what requires improvement. The chapter will conclude identifying implications for The Fund and the delivery of the AoF programme.

Year Four Outcomes

For the majority of AoFs (excluding North Lanarkshire that had a high baseline figure), there has been an increase from baseline (2018) spend per capita. When averaged across the four years in which the programme has been active (to allow for abnormally weak or strong years), **10 of thirteen areas have increased spend per capita**, and **four areas have (as of 2023) received investment per capita above the national average**. In terms of applications, **five AoF increased their number of applications compared to the baseline**, however overall number of **enquiries has fallen from the baseline**. This must be caveated to reflect the external macroeconomic circumstances experienced across the UK and further afield in the last 12-36 months, with the pandemic triggering a short but severe recession; followed by decade-high inflation and supply chain disruptions. This has meant communities across the UK have faced economic hardship, potentially deprioritising the focus on heritage for volunteers and local authorities.

Key outcomes in the medium term relate to outcomes expected to follow from the ongoing engagement work and the initiatives and confidence of VCSE organisations to create heritage projects and apply for funding. **The Fund has carried out activity that has allowed funding to be disseminated into grass-roots organisations through its community grant scheme** and enable local authorities to administer grant funding to build on their understanding of heritage and experience in distributing funds to projects with a heritage focus, establishing processes through which it may be possible to sustain a priority on heritage within local authorities.

The Fund has built relationships across the AoF local authorities and VCSE organisations and have embedded themselves across the cultural sector, for example One Walsall (CVS) and The Fund meet regularly, host online funding surgeries, present at events and offer signposting to communities. **This appears to be resulting in VCSE organisations developing a better understanding of heritage and how they can implement a focus on heritage within their events and engagement activities with communities.**

Through the funded events and sessions delivered by The Fund and its partnerships with local authorities and VCSE organisations, the reach of heritage activities appears to be expanding, which **offers the opportunity for potential projects to come from new markets / sectors**. The Fund has collaborated with the education and health sectors in the last 12 months, highlighted the **diversifying nature of potential heritage-funded projects**. For example, this

is evident through [Green Valley Wellbeing](#) in RCT who have been awarded three with The Fund.

Following the Covid-19 pandemic, the cost-of-living crisis has furthered pressurised the socio-economic deprivation of many of the AoF, which has had an adverse effect on the quantity of volunteering and training opportunities that have materialised. Despite limited quantitative data being available, stakeholders commented on the financial pressures felt by many communities within these AoF, restricting the amount of time people can devote to volunteering and training. Training sessions were offered, in some cases through the local authority (e.g., Walsall AoF offered training through the Heritage Strategy) or VCSE organisation and, therefore, **progress has been made in improving skills within groups in relation to application skills and their holistic approach to securing funding**. Nevertheless, going forward a formal mechanism for monitoring the quality and outcome of training and volunteering that has taken place in AoFs should be implemented so evaluations can robustly assess the quantity and quality of the training and whether its delivering value in the AoF.

A targeted outcome as the framework reaches a close is for regional and national decision-makers not only to understand the value that heritage brings to a community, but proactively seeks to preserve and protect heritage across the UK within their strategies and policies. **There is evidence that there has been an increased focus and priority in heritage within national and local strategies**, such as:

- Walsall's Heritage Strategy 2021-2016 action plan;
- Luton Borough Council's Heritage Strategy 2021 – 2031;
- Neath Port Talbot's Culture and Heritage Strategy 2021;
- within NEL the 'Greater Grimsby Heritage Action Zone' (HAZ) is a stretch of land running through the town of Grimsby, and the HAZ will make an important contribution to NELC's Town Centre Investment Plan and to the Great Grimsby Town Deal through placing value on the historic buildings and cultural significance of the town; and
- in North Lanarkshire five rural communities have been invited to get involved in preserving and protecting their heritage through the North Lanarkshire Rural Heritage Programme.

What Works?

Findings from this evaluation report suggest that across the majority of the anticipated medium-term outcomes, The Fund has positively contributed, although the extent to which varies across specific areas. Key enablers in meeting these medium-term objectives and crucial in further achieving medium term outcomes and impacts are listed below:

- **community grants**: community grant schemes have been successful in providing access to new applicants, utilising the existing networks of delivery partners. These grants have also had wider benefits, improving the capacity and confidence of delivery partners in

administering grants for heritage and building reputation amongst community groups as a heritage funder. Community groups receive experience in bid writing in a less competitive context, building capacity for future applications and gain an understanding of how to tailor projects to meet heritage requirements;

- the **co-ordination and / or collaboration with other funders** for diversity of investment. The relationships built with The Fund and other funders through joint grant surgeries, collaborative workshops and conferences have increased the Fund's influence over the role that heritage has and has seeped into other national funders objectives, examples such as the UK Shared Prosperity Fund, the National Lottery Community Fund, Culture Recovery Fund and Historic England. These funders are able to advocate for The Fund in their own networks and allow engagement teams to benefit from their communications channels, centred on improving the awareness and understanding of heritage;
- **use of project examples**: ensuring that potential partners and applicants have access to examples of successful and best practice projects is an enabler of larger and more relevant applications. Examples allow for groups to envisage their own potential for such a project, enable a better understanding of criteria in practice and understand the benefits of such projects. The Fund team should ensure that all potential applicants are able to access previous successful project examples;
- the **pre-application tailored support and the use of the RoSS consultants** to help with the pre-application stage was praised by stakeholders as previously some organisations had found it difficult to seek funding;
- **peer support**: there is evidence of peer support taking place between organisations and groups funded in the AoFs, for example, sharing ideas, challenges, improving confidence; and
- **on the ground support**: increased visibility of The Fund engaging in the AoF, and face-to-face engagement has been highly effective. The presence of Heritage Fund Engagement staff at relevant heritage and VCSE events in the AoF illustrates that they are integrated within the communities and there to support, not just fund projects, helping to build confidence in applicants.

What needs Improvement?

Areas of improvement have been highlighted through the evaluation. These are summarised below:

- **level of information available on The Fund website**: it was highlighted by stakeholders that the amount of information on the Heritage Fund website can impact the confidence level of first-time applicants who may be daunted by quantity of information available. Therefore, clearer signposting on The Fund's website could help to support applicants more effectively;

- **timing and resources required for applications:** Stakeholders commented on the challenges around capacity and cost of living for organisations in AoF, as some organisations may not have the time required to develop applications, or due to external factors may need to deprioritise projects; and
- **budget and capacity constraints:** particularly in Scotland and Wales, constraints on budget and capacity continue to limit potential impacts within AoFs as there is greater resource pressure and a need to spread resources across these countries. This means that projects in AoF have increased scrutiny and competition to ensure that resources are best managed. Furthermore, limited staff resource and capacity will impact on the time available for engagement teams to support applications and building the pipeline.

Recommendations to Inform Future Learning / Development

Despite the persisting challenges of the pandemic and cost of living recovery, coupled with budgetary / capacity challenges within some AoF, the AoF programme is largely on track in achieving the medium-term outcomes expected at this stage of the programme, whilst identifying a number of areas for improvement. These findings validate the current iteration of the ToC; however, this will be reviewed in the final annual report (2024).

Key considerations from this report are profiled below:

- it was raised in a consultation with stakeholders that **using community venues for events instead of council venues** aided in the communities feeling more comfortable and open with The Fund as it created the mindset that The Fund is engrossed within the community (as opposed to a generic public-fund), and also enabled a greater number of attendees. This approach should be further built upon as it can aid in both the outcome of 'increased confidence in applicants' and 'more applications';
- a more **sustainable approach to the structure of The Fund team and engagement staff was raised, in addition to robust exit planning**. It was raised in consultations that the short-term contractual agreements with engagement staff limited to the ability to plan for long-term events or engagement activities. Short, fixed contracts should be reviewed and compared with the potential for increased benefits arising from longer contracts. Furthermore, it was highlighted by stakeholders that exit planning will be integral to the sustainability of the current funding and momentum to ensure that impacts continue to be realised after the funding concludes;
- **reinstating application workshops** was identified as a recommendation to improve the quality of applications put forward by communities. A stakeholder commented The Fund previously delivered application and grantee workshops which in some instances stopped after a restructure in 2019;

- **more engagement with other funders** - stakeholder events / relationship development with other funders should continue to be pursued as an avenue to increase the Fund's reach and exposure to new sectors / potential applicants; and
- **data monitoring and collection.** Data regarding the number of volunteers supported across the 13 AoF and the number of projects delivered in partnership was not available due to limitations in data collection and capacity to analyse. Therefore, it is recommended that measures are implemented by The Fund team to enable data collection ahead of the Year 5 report to allow for a quantifiable assessment to be made of the number of volunteers supported and the value to the communities these volunteers elicited.

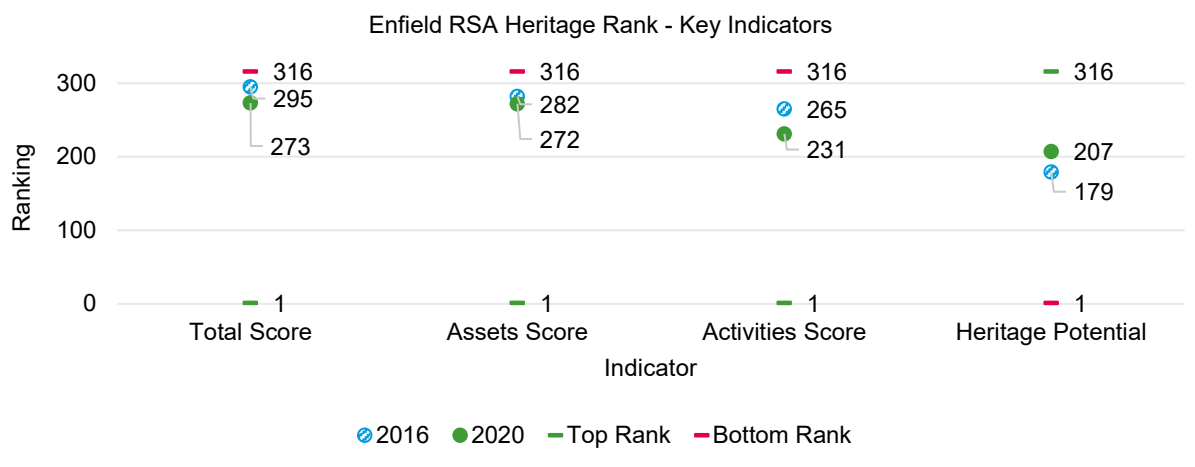
APPENDIX 1: CASE STUDY CONTEXT AND RATIONALE FOR INTERVENTION

Case Study 1: Enfield

Area Context

The RSA, in collaboration with The Fund, have developed the RSA Heritage Index which collates a large range of data sources to provide a broad overview of heritage in different local authority areas across the UK, producing a heritage ranking and allowing for relative comparison of heritage assets and activities across local authority areas. The Heritage Index was last updated in October 2020. Figure A1.1 provides an overview of the key indicators for LB Enfield, showing the previous (2016) ranking, the most recent (2020) ranking, and the relative position of LB Enfield against the highest and lowest ranked areas. Green dashes signify a top performing area, and red lines, the bottom performing area in relation to the ranking.

Figure A1.1: Enfield RSA Heritage Rank key indicators

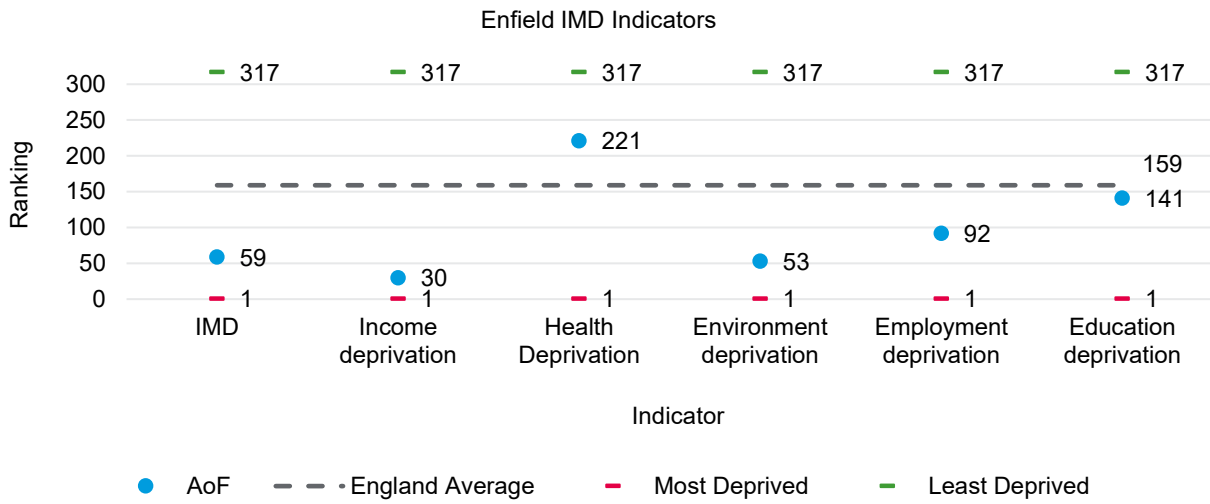


Source: RSA Heritage Index (2020)

Although all indicators show positive performance compared to 2016, Enfield ranks towards the poorest performing areas in overall rank, asset score and activities score, signifying comparably poor local heritage assets, as well as limited engagement (i.e., funding, visiting, volunteering) in local heritage. Heritage potential represents the difference in heritage asset ranking and activities, highlighting the level of opportunities for areas to better utilise their heritage assets. As is shown, Enfield's heritage potential performs more strongly than its other indicators, suggesting that there is underutilised heritage resource within Enfield, to be unlocked.

The AoF programme seeks to specifically target areas of deprivation. Figure A1.2 shows LB Enfield's performance across the indices of multiple deprivation (IMD). It is in the bottom 25% of local authority areas and performs particularly poorly in relation to income deprivation and living environment. Some indicators do tell a more positive story, with education deprivation sitting just under UK average and an above average performance in terms of health deprivation.

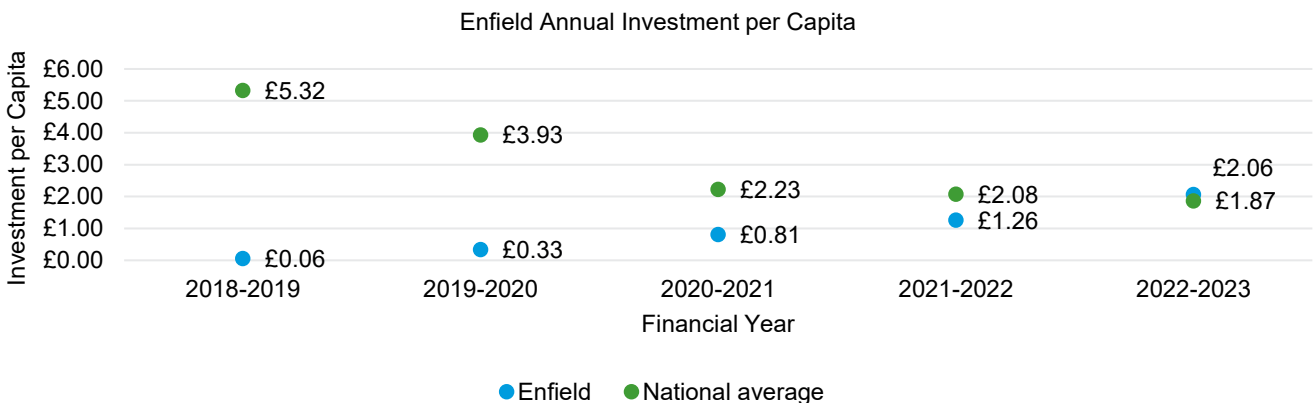
Figure A1.2: Enfield IMD indicators



Source: English indices of deprivation (2019)

Another core metric for the inclusion of Enfield as an AoF was their below average investment per capita. Figure A1.3 details the investment per capita of Enfield and the national average from FY2018-19 to FY2022-23. The sharpest difference in investment per capita was in the baseline year, where Enfield investment per capita was 1.2% of the average national figure. As is shown, this has narrowed each year of the programme, with FY2020-21 representing an outlier as the Covid-19 pandemic and closing of open funding calls meant the total national investment was lower, whilst specific campaign activity in AoF (e.g., Solicited Bids, Digital Campaign) meant investment remained high in comparison to national trends. FY2022-23 shows an improved picture from baseline and is the first year since the baseline where the annual investment per capita in Enfield is above the national average, 10% above the national average.

Figure A1.3: Enfield annual investment per capita by The Fund



Source: The National Lottery Heritage Fund

Rationale for Intervention

As is evident from Enfield's area context, a clear rationale for intervention through the AoF programme is Enfield's performance across the two key indicators determining AoF selection; per capita spending from The National Lottery Heritage Fund and indices of multiple deprivation. While Enfield boasts a rich industrial and ancient heritage history, with evidence that the town was inhabited from the Stone age and served as the centre for innovation and manufacturing in the 18th and 19th centuries, this continues to be the perceived image of heritage across communities. Fund representatives highlighted the "*common issue is that the communities [In Enfield] do not understand the full meaning of heritage*". This is a homogenous conceptualisation across many of the AoF and is the barrier to delivering impactful work in the medium term in these communities.

There has been a shift in approach to heritage engagement since the inception of the intervention. Fund representatives commented that "*using arts as a way to introduce people to The Fund has been well received with communities*". This approach can break down the historic misconceptions of heritage and educate the communities on intangible and community heritage, which can align more to the ideas brought forward by community groups.

Support for heritage provision through collaborative partnerships has been highlighted in previous reports as demonstrating value in increasing the sphere of influence The Fund has and encouraging more communities to get involved. Collaboration between The Fund representatives and the Local authority has enabled heritage to come to the forefront of public programmes/funds, evident through the Arts Council's Culture Strategy which places an prominence on cultural heritage. The Fund representative also alluded to general projects offered through the Arts Council aligning with The Fund, commenting, "*the Arts Council's partnership place project had very strong heritage themes.*" Therefore, through collaboration an emphasis has been placed on heritage and is now being funded through a separate fund which "*is a fantastic outcome for heritage*" according to a Fund representative.

A key reason for further focus on heritage investment in Enfield is that "*heritage can sometimes be overlooked as a driver for creative activities, but often heritage is the starting point for heritage, for creative and cultural activity*". In the past Enfield's heritage strategy was limited to "*the built environment*" and there was lack of understanding in intangible community heritage, however Fund representatives observe change in perception of heritage as community grant projects benefits' materialise. "*I think now we are seeing greater understanding, not just within the council but from community organisations about broad range [of support] of The Fund and that's because it's been highlighted through these small community projects and community grants.*" Therefore, through the community grants there is beginning to be real positive change in the awareness of complex meaning of heritage. This was further substantiated as The Fund representatives commented that the perceptions of community organisations such as the Enfield Society, who were previously focused on built heritage, but have heard about projects delivered [by The Fund] and now "*their perception of what constitutes heritage is much wider now.*"

Unprecedented macroeconomic events such as the Covid-19 pandemic and the cost-of-living crisis have intensified the rationale for heritage investment in Enfield, as The Fund representatives commented “*people’s focus has moved away from volunteering activities*” as communities face further economic and social barriers. This has the danger of worsening issues in Enfield such as a lack of local pride and community divisions across the region. Therefore, the rationale for continued investment into heritage awareness and importance remains prevalent in Enfield to ensure the region continues to place an emphasis on community engagement and valuing the heritage and historic significance of the area.

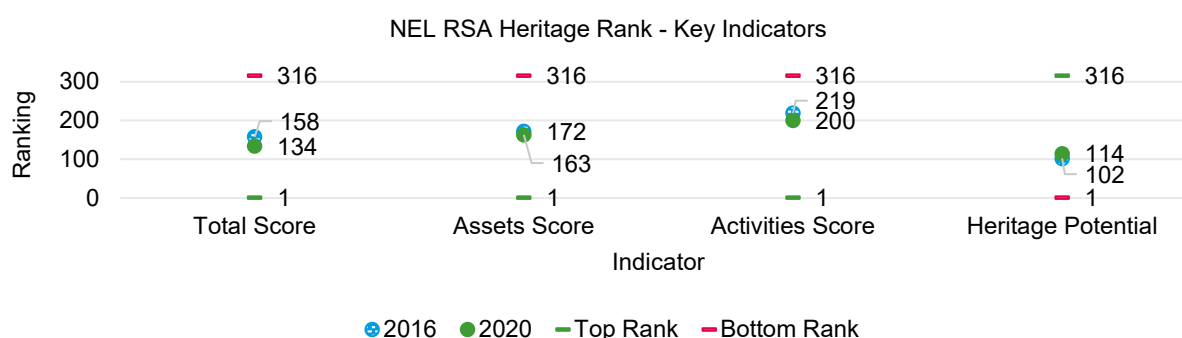
Investing in the awareness, preservation and the importance of heritage has a multitude of benefits to the area. With the rich history serving as an essential part of the cultural identity in Enfield, continued investment in the area can help to preserve and promote the cultural significance of the area for future generations to enjoy. There are also economic and educational benefits to investing in heritage, through driving tourism (which can then create jobs, increase footfall in local businesses and generate revenue for the area) and providing an educational resource, offering community groups and schools the opportunity to learn about the rich history in Enfield that can benefit the local residents.

Case Study 2: North East Lincolnshire

Area Context

Despite being an Area of Focus, NEL scores relatively well with regard to the RSA heritage rank, sitting just below the mid-point of English local authorities. In particular, strong rankings for Culture and Memories, Landscape and Natural Heritage and Industrial Heritage. This is detailed in Figure A1.4.

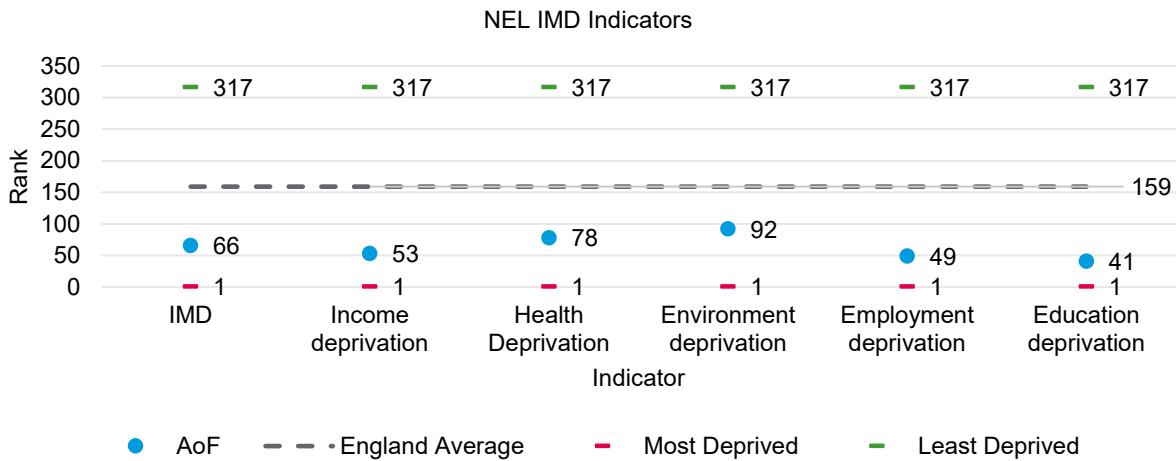
Figure A1.4: NEL RSA Heritage Rank key indicators



Source: RSA Heritage Index (2020)

All indicators of deprivation score poorly for NEL, sitting below the England average rank. This is detailed in Figure A1.5.

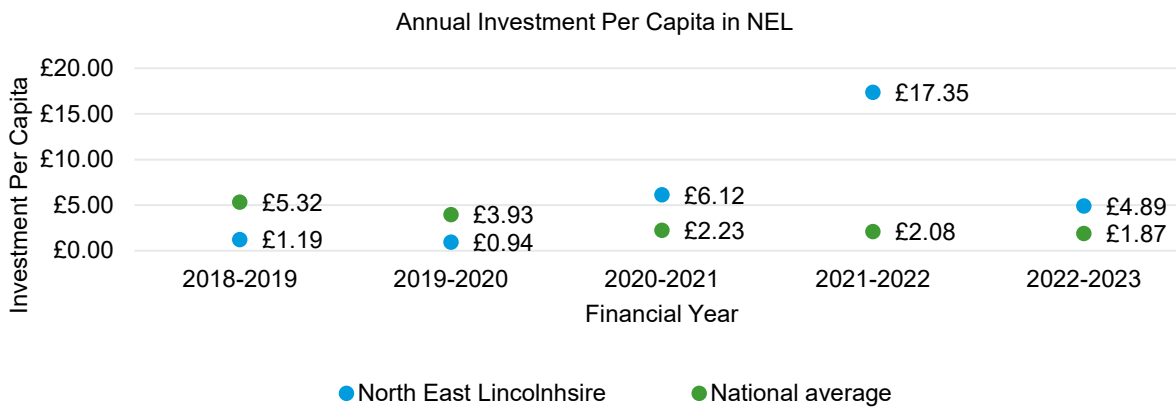
Figure A1.5: NEL IMD indicators



Source: English indices of deprivation (2019)

The investment per capita (as shown in Figure A1.6) in NEL has been significantly less than the national level of investment in FY2018-19 and FY2019-20 (22% and 24% respectively), however, from FY2020-21 to FY2022-23, NEL significantly outperformed the national average (274%, 834% and 261% respectively).

Figure A1.6: NEL annual investment per capita by The Fund



Source: The National Lottery Heritage Fund

Rationale for Intervention

As is evident from NEL’s area context, a clear rationale for intervention through the AoF programme is NEL’s performance across the two key indicators determining AoF selection; per capita spending from The Fund and indices of multiple deprivation. Across the stakeholders spoken to, economic deprivation and a lack of opportunities for young people were the factors justifying the need for investment into the region. NEL has a rich and varied heritage dating back thousands of years, with one of the earliest known settlements in the area being the Iron

Age hill fort dated back at 300BC. The region also has a number of important historic sites and museums and has a strong cultural link to the Viking era. There was a festival held in September 2022 to celebrate the town's Viking heritage to which The Fund representative praised in spreading the awareness of the history of the region and noted the possibility that this may materialise in more interest in heritage projects in the future.

Consultees reiterated an issue prevalent in the Year 3 evaluation that investment, particularly in natural heritage in the area, is lacking and is a potential opportunity for future funding. The example of sand dunes was proposed as a future action point, particularly as a project that could partner natural heritage and engagement with young people – another important outcome for The Fund. The consultee noted that they are led by the priorities of the local authority and, therefore, are limited in their ability to promote natural heritage project ideas. A project delivery partner identified a lack of organisations or community groups interested in heritage and therefore applying for the funding, as a prohibitor in taking forward heritage-based projects. The consultee commented “*without people coming forward we cannot create that environment for people to be confident in their own right to apply for funding*” suggesting that without networks embedded in the community increasing the awareness of the fund, The Fund will continue to struggle in encouraging groups to apply.

Support for heritage provision through collaborative partnerships has been highlighted in previous reports as demonstrating value in increasing the sphere of influence The Fund has and encouraging more communities to get involved. The Fund had a shared visit to Grimsby with Historic England and the Arts Council as Grimsby was listed as a priority place for the Arts Council. The Fund representative praised this visit as they were able to meet community groups and raise awareness of their Fund and how heritage has evolved from previous misconceptions. The project delivery partner commented that there was further collaboration with Heritage Lincolnshire, the Cultural Renewal Fund, Architectural Heritage Fund and Natural England in supporting NEL.

Investing in the awareness, preservation and the importance of heritage has a multitude of benefits to the area. With the rich history serving as an essential part of the cultural identity in NEL, continued investment in the area can help to preserve and promote the cultural significance of the area for future generations to enjoy. There are also economic and educational benefits to investing in heritage, through driving tourism (which can create jobs, increase footfall in local businesses and generate revenue for the area) and providing an educational resource, offering community groups and schools the opportunity to learn about the rich history in NEL that can benefit the local residents.

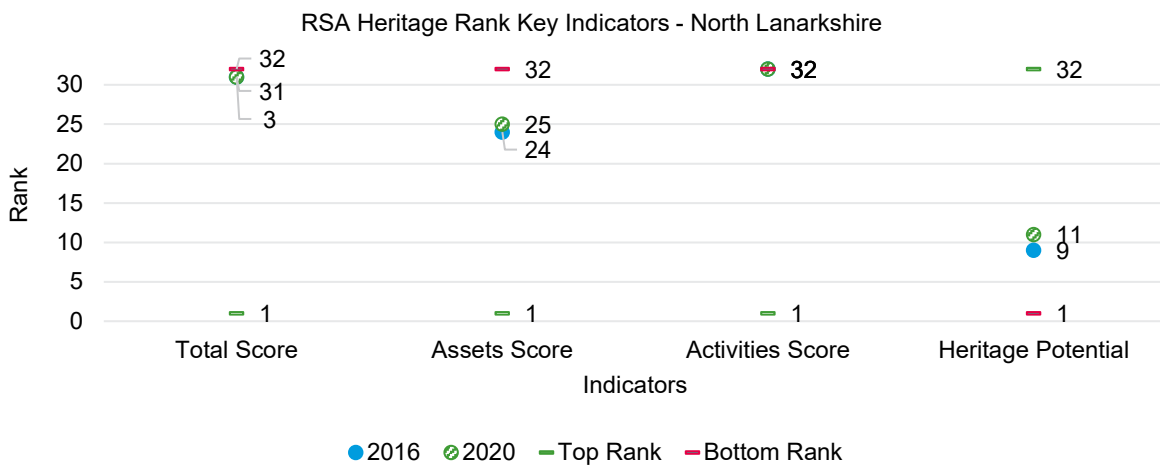
Case Study 3: North Lanarkshire

Area Context

In 2020, of 32 local authority areas in Scotland, North Lanarkshire ranks the second lowest in terms of its overall heritage context and ranks the lowest with regard to heritage activities. It is parks and open space that North Lanarkshire sees its highest heritage ranking (10/32) and

evidence from qualitative research highlights North Lanarkshire strong industrial tradition, and the potential underutilised industrial heritage in North Lanarkshire.

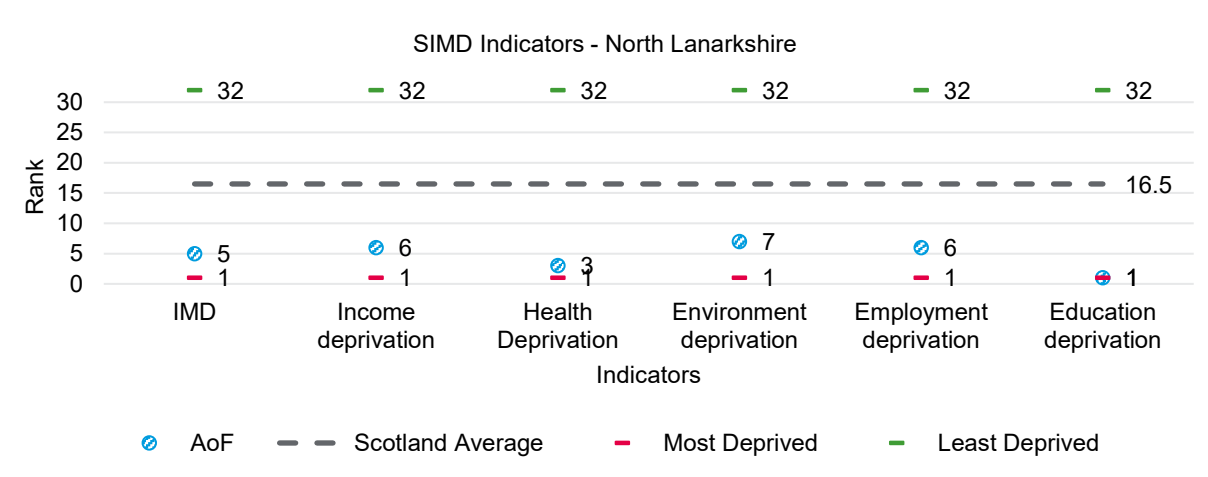
Figure A1.7: North Lanarkshire RSA Heritage Rank key indicators



Source: RSA Heritage Index (2020)

As with all other case studies, North Lanarkshire ranks poorly relative to its national context in terms of deprivation, as shown in Figure A1.8.

Figure A1.8: North Lanarkshire Scottish Indices of Multiple Deprivation (SIMD) indicators

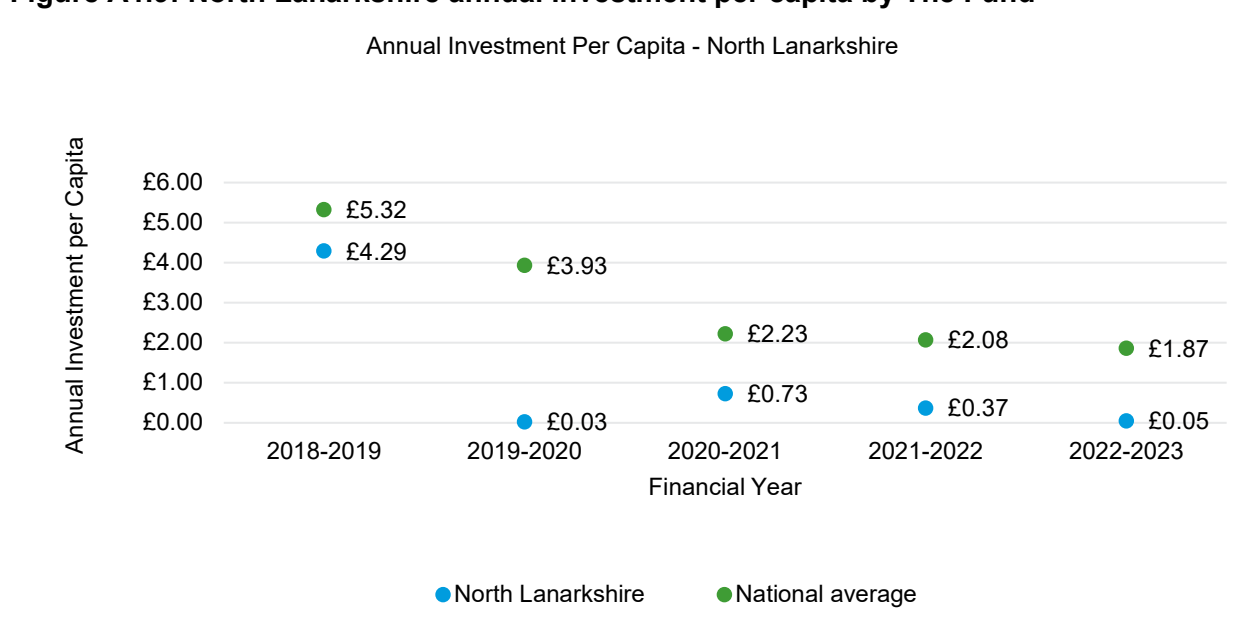


Source: Scottish Index of Multiple Deprivation (2020)

North Lanarkshire’s baseline investment per capita performance was strong; however, this is likely skewed by one significant grant that was received in the first round of 2016, therefore, the results of FY2018-19 are skewed and unrepresentative of just the 12-month timeframe. FY2019-20 presents a worse picture, with investment in this year less than 1% of average investment per capita nationally. This gap has closed in the years of FY2020-21 to FY2021-22;

however, the discrepancy has grown in FY2022-23 with the annual investment per capita at 3% of the national average. This is detailed in Figure A1.9.

Figure A1.9: North Lanarkshire annual investment per capita by The Fund



Source: The National Lottery Heritage Fund

Rationale for Intervention

As is evident from North Lanarkshire’s area context, a clear rationale for intervention through the AoF programme is North Lanarkshire’s performance across the two key indicators determining AoF selection: per capita spending from The Fund and indices of multiple deprivation. Across the stakeholders consulted, the issue of poverty, inequality and social exclusion continues to inhibit to a lack of interest in heritage and, therefore, a lack of deliverable applications coming forward. The Fund representative reported “*a disconnect in the prioritisation of the strategic bodies in terms of poverty being of focus.*” While there are projects that will materialise in the coming years aimed at tackling the deprivation in the area, the approach taken at the conceptualisation of The Fund was based “*too heavily on data and not on the actual need of the communities.*” The Fund representative has commented this is continuously being addressed, evident through projects aimed at the built environment (a priority for the community in Airdrie) and projects aimed at the social history of the region, such as the Museum of Industrial Life project in Summerlee.

Across all stakeholder groups in North Lanarkshire (Fund representative and engagement teams), there is a recurring theme in North Lanarkshire (as evident in the Year 3 report) that local communities do not have a clear understanding of what heritage is and how it relates to them, or how they can make their projects eligible for funding. This has been tackled through events during Black History Month where the Engagement team partnered with an African tie dye project from Greater Glasgow which was highly attended. A stakeholder commented that

from this event, “three people approached [The Fund] afterwards and they couldn’t believe we would fund something like this, and they pitched their own idea” and, therefore, there is progress being made in changing perceptions of what heritage means and how it can tie into an array of projects.

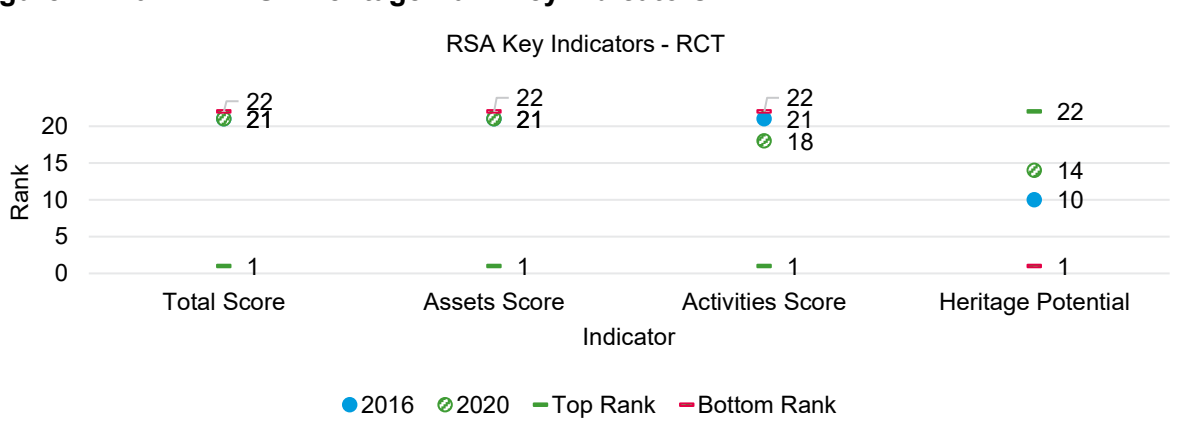
As per the Year 3 report, stakeholder consultation identified the difficulties that exist in forming a sense of identity and culture with communities in the area.

Case Study 4: Rhondda Cynon Taff

Area Context

As evidenced in Figure A1.10, RCT has a combined overall rank of second last in Welsh local authorities.

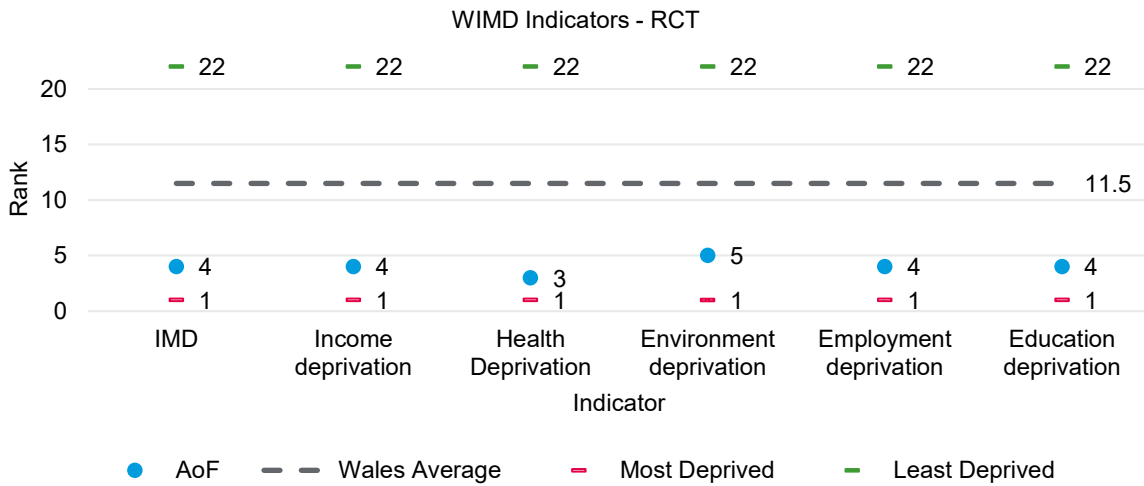
Figure A1.10: RCT RSA Heritage Rank key indicators



Source: RSA Heritage Index (2020)

Across deprivation indicators, the Borough is ranked amongst the bottom of Welsh local authorities, despite some pockets of affluence, particularly in the South of the Borough (see Figure A1.11).

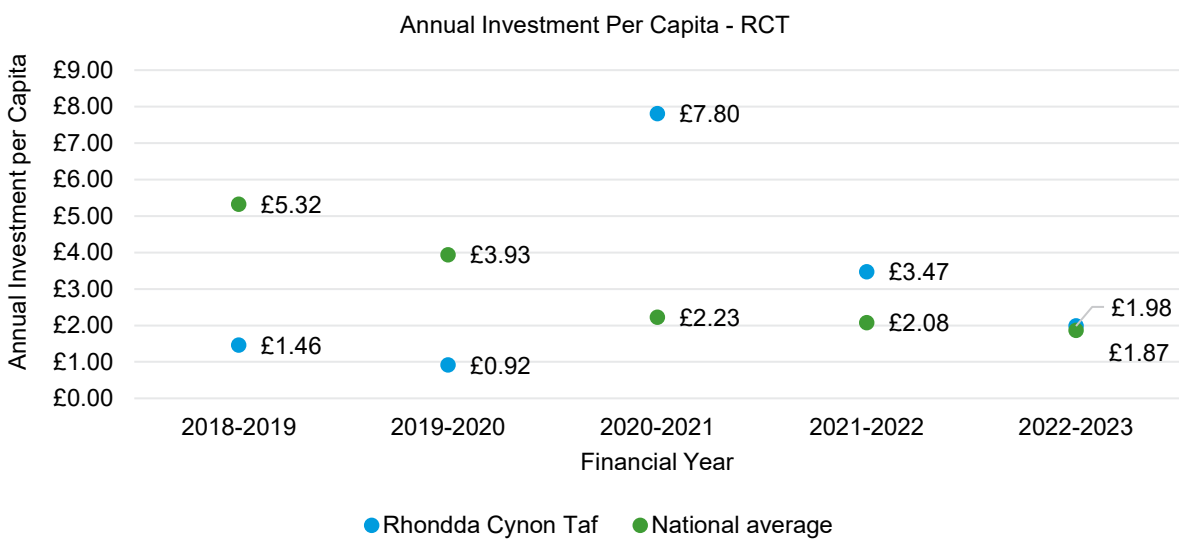
Figure A1.11: RCT WIMD indicators



Source: Welsh Index of Multiple Deprivation (2019)

The baseline level of The Fund’s investment per capita (FY2018-19) shows that RCT was significantly below the national average, however, trends show this gap closing over time, overtaking the national average by FY2020-21. In FY2022-23, the investment per capita was marginally above the national average (105%).

Figure A1.12: RCT annual investment per capita by The Fund



Source: The National Lottery Heritage Fund

Rationale for Intervention

As is evident from the context, a clear rationale for intervention through the AoF programme is RCT's performance across the two key indicators determining AoF selection: per capita spending from The Fund and indices of multiple deprivation. Through multiple consultations, stakeholders commented that the local authority hasn't been as strategic as it had hoped and that this has affected the degree of impact being felt from the heritage funding to the area. A stakeholder commented that as local authorities now have access to Levelling-up funding (providing higher values of funding), priorities have shifted from using heritage as a catalyst for socio-economic growth to more traditional forms of public assistance.

Stakeholder consultation identified that a lack of ambition was also limiting heritage projects, as third sector organisations who receive funding from the local authority do not have sufficient ambition to look for further funding to deliver bigger projects and are not outward looking when it comes to developing new project ideas.

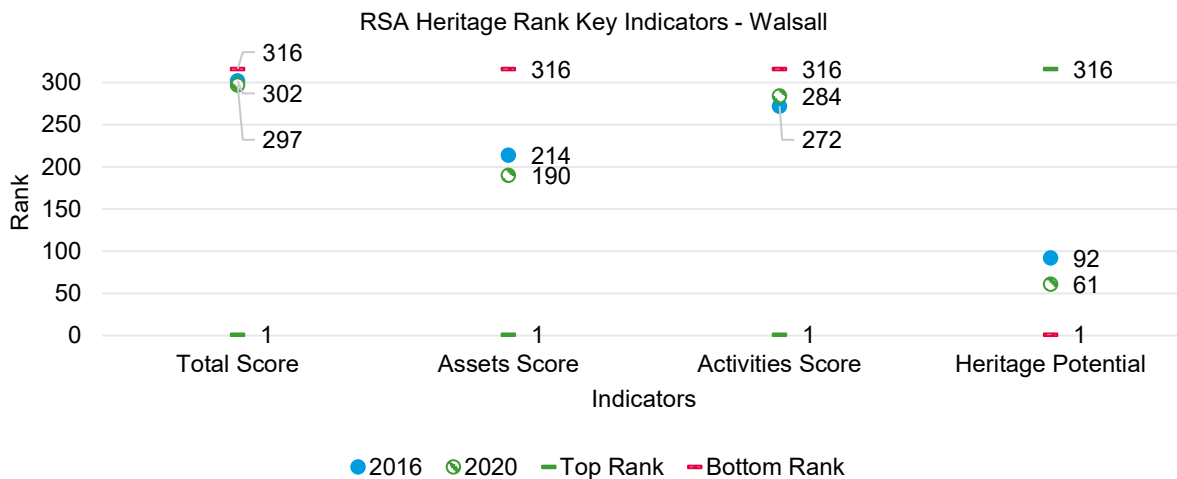
The RCT area is economically deprived, worsened by the cost-of-living crisis which has meant *"people are far less likely to volunteer, or people simply don't have the time to volunteer anymore"* according to a stakeholder. The location of RCT was identified as determinant for low levels of investment and engagement from communities. Two stakeholders consulted reported *"there is no transport over and between the mountains, so each valley becomes very insular"*. This was believed to be worsening the economic deprivation in the area as a stakeholder alluded that *"most people who pass through (RCT) are heading onto Cardiff"*, causing visitor numbers in the region to be lower than hoped for.

Case Study 5: Walsall

Area Context

RSA Heritage indicators show that, in 2020, Walsall was the lowest overall ranked local authority of the three English case studies and is in the bottom 6% of local authorities in England. However, as is shown in Figure A1.13, the Heritage Assets rank is much higher than the activities, suggesting strong potential to utilise the assets of the area, with improved focus and activities.

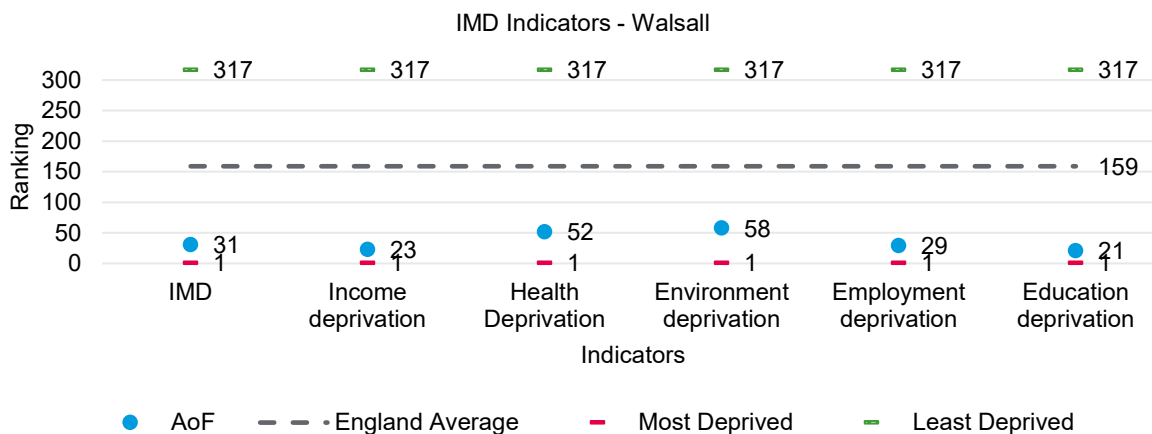
Figure A1.13: Walsall RSA Heritage Rank key indicators



Source: RSA Heritage Index (2020)

As highlighted in Figure A1.14, Walsall is one of the most deprived areas in AoF, with all indicators significantly below the English average, and in the realms of some of the most deprived local authorities.

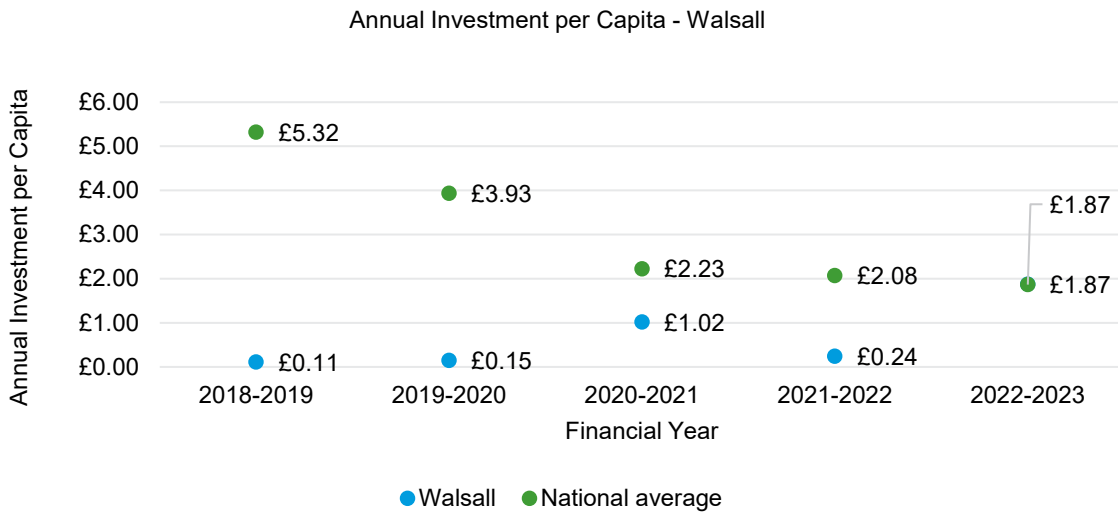
Figure A1.14: Walsall IMD indicators



Source: English indices of deprivation (2019)

The baseline level of The Fund's investment per capita (FY2018-19) shows that Walsall was significantly below the national average, however, trends show this gap closing over time, equalling the national average by FY2022-23.

Figure A1.15: Walsall annual investment per capita by The Fund



Source: The National Lottery Heritage Fund

Rationale for Intervention

As is evident from Walsall’s area context, a clear rationale for intervention through the AoF programme is Walsall’s performance across the two key indicators determining AoF selection: per capita spending from The Fund and indices of multiple deprivation. While Walsall boasts a rich industrial and cultural heritage, with a long history of industry, trade dating back to the 18th and 19th centuries; the general consensus that heritage only applies to the aforementioned classification continues, as The Fund representative commented *“heritage is important for the people of Walsall, but they don’t see their identity, culture or their sense of place as heritage.”*

Support for heritage provision through collaborative partnerships has been highlighted in previous reports as demonstrating value in increasing the sphere of influence The Fund has and encouraging more communities to get involved. Collaboration between The Fund representatives and the Local authority has enabled heritage to come to the forefront of public programmes/funds. The Fund organised a [green funding information event](#) in collaboration with the West Midlands Combined Authority Community Green grants and the National Lottery Community Fund, which provided information about how each funder can support not-for-profit groups and organisations to deliver nature and environment projects in Walsall. The Fund representative alluded to the success of the collaboration in improving the awareness of heritage and how it can relate to many different thematic projects, not specifically ‘built’ or ‘historic’ heritage, that was predominantly the thinking in the past.

Walsall is in an adverse position in that *“areas of the town are deprived, and other areas are much more affluent”*, and, therefore, there is not a homogenous picture of the value heritage could bring to the area. Deprived communities face economic pressures and limited availability of free time to engage in volunteering or write applications, meaning The Fund have struggled in

the past to engage with both sides of the community. The [Walsall Heritage Strategy](#) is designed to address these barriers and engage in all communities to exhibit how heritage can apply to everyone and in an array of projects and themes.

Unprecedented macroeconomic events such as the Covid-19 pandemic and the cost-of-living crisis have intensified the rationale for heritage investment in Walsall, as a wider stakeholder commented *“are the area is still in post-pandemic recovery, site visits are down, and it can’t be understated how our organisations have been in survival mode for the last two years.”* Therefore, the rationale for continued investment into heritage awareness and importance remains prevalent in Walsall to ensure the region continues to place an emphasis on community engagement and valuing the heritage and historic significance of the area.

Investing in the awareness, preservation and the importance of heritage has a multitude of benefits to the area. With the rich history serving as an essential part of the cultural identity in Walsall, continued investment in the area can help to preserve and promote the cultural significance of the area for future generations to enjoy. There are also economic and educational benefits to investing in heritage, through driving tourism (which can then create jobs, increase footfall in local businesses and generate revenue for the area) and providing an educational resource, offering community groups and schools the opportunity to learn about the rich history in Walsall that can benefit the local residents.

APPENDIX 2: ASSESSMENT OF TOTAL COSTS OF PROGRAMME DELIVERY (2021/22)

An assessment has been undertaken to identify the total cost of programme delivery (i.e., AoF) within a single financial year (FY). The year selected for analysis was FY21/22 (due to the completeness of the data available). This has been undertaken as a high-level, indicative assessment to test the feasibility (and value add) of undertaking a detailed cost assessment to gain a clearer insight to Value for Money for the programme.

This assessment has considered:

- the costs relating to grant funding;
- costs relating to staff resource allocated to the delivery of the programme; and
- RoSS consultancy costs, identified as **£33,773** in FY21/22 (source: The Fund).

Table A2.1 provides a summary of costs relating to grant funding in FY21/22.

Table A2.1: Grant Funding per AoF (FY21/22)

AoF	Total Grant Funding Allocated
Brent	£350,740
Corby	£198,478
Enfield	£167,300
Inverclyde	£149,051
Knowsley	£215,092
Luton	£660,843
Neath Port Talbot	£1,152,136
Newham	£462,424
North East Lincolnshire	£2,723,727
North Lanarkshire	£127,700
Rhondda Cynon Taf	£533,975
Tendring	£508,100

AoF	Total Grant Funding Allocated
Walsall	£68,800
Total	£7,318,366

Table A2.2 provides a summary of the assessment of the cost of resources / staff time. This is based on an analysis of time spent on AoF related activity across The Fund. An average gross hourly pay estimate of £19.55 has been used (based on a mean hourly gross pay in Great Britain in 2022, source: Annual Survey of Hours and Earnings, 2022, NOMIS).

Table A2.2: Cost of Staffing / Resource (FY21/22)

Region	Number of Hours	Estimated Cost of AoF
London and South	1,178.75	£23,045
Midlands and East	1,338	£26,158
North	716	£13,998
Wales	200	£3,910
Scotland	362	£7,077
	Total	£74,187

Based upon the preceding analysis, a total cost of delivery for the AoF programme in FY21/22 has been estimated to be **£7,426,326**, of which 98.5% relates to grant funding, 1.0% relates to staff costs and 0.5% relates to RoSS consultancy costs.

Based on the analysis above, and despite a low sample size, it is considered that it would be unlikely that repeating the analysis for subsequent evaluations would yield significantly different results. Therefore, it is proposed that in future reports, a benchmark figure of 1.0% for staff costs and 0.5% for consultancy costs can be attributed (where required).

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