
Impact Report 2023/24



September 2024

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Cover image: Autism Together at the Giles Shirley Hall in Bromborough Pool Village, England, which received a grant during 2023/24. Credit - Autism Together.

Introduction

In April 2023, the Architectural Heritage Fund (AHF) launched a new five-year **Strategy** focused on delivering against three core aims. These aims – **Fund, Support and Inspire** – capture the various elements of our activity that help communities conserve and adapt historic buildings for reuse.



University of Third Age visit to the Equatorial Observatory, Wales, which received a grant during 2023/24. Credit - Stuart Hemsley-Rice.

As a second step in implementing our new Strategy, we looked again at our existing evaluation framework, which has guided our reporting since 2020. This framework had clear strengths in distinguishing between, on one hand, the direct impacts our support has on helping projects to progress through their development, and on the other, the indirect impacts that our support enables projects to create within their communities. However, projects frequently tell us (particularly via the Exit Survey that all beneficiaries complete at the conclusion of their grant or loan period) how much they value the advice and guidance our team provides. This non-financial support may range from guidance on different governance models to suggesting which elements of project development are most critical at each stage to signposting other funders and sense-checking business plans. Our existing framework did not allow us to systematically capture the impact of this non-financial support on project outcomes.

Therefore, in autumn 2023, we began updating our evaluation framework to better fit our new Strategy. Alongside our continued measurement of the Key Performance Indicators that show our Direct Impacts on projects and Indirect Impacts within communities, the new framework has been designed to better assess the impacts of the non-financial support provided by our team. Our new framework has been fully in operation since April 2024. Its development, purpose and our hopes for what it will help us to understand, are detailed below.

As the 2023/24 financial year has marked a transitional phase in our evaluation work, we are providing highlights showing some of the key indicators against which our performance can be measured. Additionally, we are reporting on the initial responses from our revised Longitudinal Survey and on the sector-level activities undertaken by our team as part of our aim to Inspire policymakers, our peers in the heritage and social impact sectors, and other funders. Our next report, covering the 2024/25 financial year, will be the first fully utilising the new evaluation framework.

2023/24 Highlights

Grant and Loan Activity

Below are the 2023/24 funding highlights, including the total amounts of new grant and loan funding offered. In addition, we give the percentage of funded projects located within the top 30% most deprived areas according to the four national Indices of Multiple Deprivation (IMD). We provide this figure because we believe that adaptive reuse of heritage buildings can deliver strong regenerative impacts within deprived areas, and we therefore aim for 50%+ of our funding to go to projects located within the 30% most deprived areas.

Grants and Loans offered in 2023/24: 176

Total value of Grant and Loan offers in 2023/24: £5,480,336

Grants #: 169

Value: £4,515,336

Average grant: £26,718

AHF Loans (Endowment and Heritage Impact Fund) #: 7

Value: £965,000

Average loan: £137,857

These projects form part of our current loan portfolio comprising £9.5 million in loans to 49 projects across the UK.



Gorleston Pavilion Theatre and Bandstand, England, which received a loan in 2023/24. Credit - Gorleston Pavilion Trust.

In addition to our direct support, during 2023/24 our team of grant and loan specialists also worked across three new partnerships to support heritage regeneration projects to access grant funding or loan financing. These partnerships related to the government's Community Ownership Fund grant programme, the Thrive Together Fund led by a partnership of social investors, and the Energy Resilience Fund pilot scheme.



The Old School House, Milford, Northern Ireland, which received an AHF grant and was successful in its bid to the Community Ownership Fund during 2023/24.

Through the Community Ownership Fund delivery partner group led by Locality with eight other partners, our team **supported 37 projects to apply for capital funding for acquisition or conservation works related to historic building projects.** The Thrive Together Fund is an innovative blended-finance fund providing support to small- to medium-sized charities and social enterprises that are looking to grow or diversify their business models; the AHF has worked to launch this fund in collaboration with Social Investment Business, Co-operative and Community Finance, the Fredericks Foundation, Groundwork and Homeless Link. Our team led the development of one loan of £150,000 during 2023/24, with many more projects now moving through the system.

During 2023/24, we also partnered with Key Fund to develop the pilot Energy Resilience Fund, providing blended grant and loan support, including energy audits, to charities and social enterprises in England looking to retrofit historic buildings. This fund, which focuses on stabilising or reducing energy costs through the installation of efficiency measures, **supported nine energy audits for heritage properties during the year**, helping project teams understand how retrofit and renewable energy generation tools can benefit their organisations.

% of projects in the top 30% IMD score of grant and AHF loan recipients: 51.8%

This average is derived from the regional percentages: 42% in Scotland, 43% in Wales, 50% in Northern Ireland, and 64% in England. Across the UK, therefore, the AHF is exceeding in its objective of allocating 50%+ of its funding to projects located in and benefiting underserved areas. The use of IMD as an indicator of underserved areas, however, has some limitations. The IMD does not account for projects located in areas not officially classified as deprived but that still serve disadvantaged communities nearby, such as rural hinterlands.¹ Additionally, Northern Ireland and Wales have lower GDP per capita compared to much of England, reflecting higher levels of overall deprivation and greater economic need, but this comparative national deprivation is not accounted for within the national indices. Broader economic context, therefore, might not be fully captured by the IMD, potentially underestimating the level of support offered in some areas. Despite these limitations, the data provides a valuable indicator of the AHF's progress toward its goal.

¹ Furthermore, each nation uses different measures and methodologies to assess deprivation, so the criteria for what constitutes a deprived area can vary.

Longitudinal Study Highlights

The evaluation framework developed in 2020 introduced a new element: a longitudinal survey sent to projects five and ten years after they received AHF support. The purpose of this survey was to understand the progress and status of the projects at those points. This study was a critical innovation in our previous evaluation framework because the majority of our work is focused on supporting early-stage projects, which often means projects are not fully operational until some years after our intervention. Last year, we completed the first phase of our Longitudinal Study, covering the period 2009/10-2018/19 inclusive, and this data was included in the **2020/23 Impact Report**.



Children's creative making class at Liskeard Library, England, which received a loan in 2023/24. Credit - Sean Hurlock.

As part of our new evaluation framework, we have revised the Longitudinal Study to better understand a number of specific queries. New elements of the survey include:

- Desk research to understand the overall number of projects that have failed and those that remain in development or are operational;
- Clearer understanding of the social infrastructure opportunities provided by heritage buildings, including those with temporary or 'meanwhile' uses during ongoing conservation, as well as those where conservation work is complete; and
- Greater understanding of the types of uses that historic buildings are being adapted for and the roles they are serving in their communities.

The 2023/24 Longitudinal Study marked the start of Longitudinal Phase 2. The report gathers insights from organisations funded ten years ago in 2014/15 and five years ago in 2019/20. Out of 196 organisations contacted, 68 (35%) completed the online survey² — representing the largest number of responses to date. The overall response rate of 35% is higher than the average of 32% from the previous five studies.

The following key highlights provide a snapshot of the comprehensive data captured in the new longitudinal survey and report:

% projects moved through project life cycle or reached sustainability

historic buildings in active, community-led use

The AHF is unique in offering support to heritage regeneration projects at every stage in their life cycle, but the majority of our activity is concentrated in the early stages of a project's development. One of our key Longitudinal indicators is the percentage of funded projects that are still in use following our support. In the new Longitudinal Survey, we have divided this indicator into two parts: the number of projects still 'active' after five and ten years, and the life-cycle stage of those that remain active.

² Surveys were received from all four nations: 47% from England, 26% from Scotland, 9% from Wales, and 19% from Northern Ireland.

We conducted desk research to determine how many projects were still ‘live’ (meaning either still in development, undergoing capital works, or operational) and to identify those that had failed. This research revealed that 81% (117) of projects were ongoing at five years and 76% (39) at ten years³. Every project that had failed had received an AHF Project Viability Grant, which are the very earliest phase of funding and which are grants designed to test the feasibility of project plans. **All later-stage grants and loans remained active at five and ten years.**

When we looked further into the viability-stage grants that were no longer ‘live’, we learned more useful context. Five years after receiving our grant, 19% (4) of these buildings were still being developed for new uses, but by different organisations than had received our funding; at ten years, this figure rose to 27% (3). In some cases, buildings were now being managed by the local authority, while in others they had been transferred to another charity or taken over by a private developer. These buildings therefore remained in active reuse or redevelopment even though the proposed uses had often changed.

To understand where along the project life cycle ‘live’ projects were⁴, we asked survey respondents to provide the current status of their projects.

Figure 1: Project Status (Survey)

What is the status of your project?	5 years post funding	10 years post funding
Capital works are complete	20% (10)	39% (7)
Project development or capital works are ongoing	59% (30)	33% (6)
The project is long-term stalled ⁵	6% (3)	5% (1)
The project has closed unsuccessfully	14% (7)	22% (4)

³ At 5 years, 5% (7) of projects had stalled, and this figure decreased to 2% (1) by 10 years. The rate of projects that closed unsuccessfully was 14% (21) at the 5-year mark, rising to 22% (11) at 10 years. A 22% failure rate for heritage projects is notably lower than the overall failure rate for small businesses in the UK, where around 60% fail within the first ten years: Office for National Statistics (ONS), *Business Demography, UK: 2021*.

⁴ The project lifecycle refers to four stages: viability (assessing the feasibility and potential of the project), project development (planning and securing necessary approvals and funding), capital works (undertaking the physical restoration and construction), and finally operational use (in which the heritage building is again in active use).

⁵ ‘Stalled’ refers to a project that has encountered issues significant enough that it cannot presently move forward, but the organisation still has a medium- to long-term expectation that project could be delivered successfully. Closed means the project has been terminated, either because the building has been sold or the organisation has decided not to pursue it further.



Portsoy Marble Warehouse, Scotland, which was awarded a grant during 2023/24 and is part of the 17th-century harbour being conserved and redeveloped by one of our new Heritage Development Trusts. Credit - North East Scotland Preservation Trust.

There is a noticeable shift in the status of ongoing projects and capital works over time. Five years ago, 59% of projects were still in progress, but only 33% of projects funded a decade ago remain in the development or capital works stage. In terms of capital works, 20% are completed at the five-year mark, and this increases to 39% by the ten-year mark. This demonstrates the long-term effort necessary to fully complete what are normally highly complex conservation programmes.

Additional data, however, shows that projects which are still undertaking capital works are often already also in use. We asked organisations 'Is the building currently in operational use, including meanwhile uses?'. **At the five-year mark, 63% of buildings were reported as in use, significantly rising to 93% by the ten-year mark.** This indicates that even where organisations have not yet been able to complete their conservation programmes, they are usually able to make active, community-led use of their buildings.

buildings in community ownership/control

Promoting the community ownership of historic buildings has long been core to the AHF's work. We asked survey respondents about their ownership or control over their buildings⁶. **Five years after receiving our support, 80% of respondents reported they owned or held a long lease (of 25+ years) on their building, rising to 87% at the ten-year mark.** The other projects reported either shorter leases or that the building was not yet owned or leased.

Types of use of the buildings - workspace, community space, cafe, cultural organisation

A new aspect of the Longitudinal Survey is a series of questions designed to better understand how groups are using their historic buildings. In particular, we want to collect consistent data to determine if the general belief that adapted heritage buildings are providing valuable social spaces is accurate across a wider range of cases. To determine the types of social infrastructure provided through heritage buildings, respondents were asked to select up to two options from a list, highlighting their primary services. A slight shift in the data from projects supported ten and five years ago indicates an increasing prevalence in mixed-use projects: 59% (7) of projects supported ten years ago reported using their buildings for multiple purposes, while this same figure rose to 76% (19) projects supported five years ago⁶. In both cohorts, a typical successful AHF project involves a mix of uses. Our experience has shown that mixed-use projects that can rely on multiple streams of income are often more resilient over time, so it is unsurprising that projects that are still 'live' have adopted a mixed-use approach.

When asked about the uses to which historic buildings are being put, cultural and community-focused uses were most common among respondents reporting a mixed-use approach. Culture, community-focused uses, and tourism were the most common responses among projects reporting only one primary use.

Figure 2: Word cloud showing uses of buildings in AHF projects



⁶ The data on specific uses from 10 years ago comes from 12 and not 13 organisations. Although 13 organisations confirmed that their buildings are in use, only 12 provided details on the specific uses. This was a mandatory question, so there may have been a glitch in the survey.

Further Insights into the AHF's Long-term Impact

In addition to the quantitative indicators and data that help measure the progress projects have made in the last five-ten years, survey comments also provide valuable insights. These narratives reveal a rich perspective on how the AHF supports and influences the conservation and adaptive reuse of heritage buildings. The two main themes that emerged from the comments are 'Essential Funding and Early-Stage Financial Support' and 'Valuable Mentorship and Support'.

'So far we have had amazing support and encouragement from our contact at AHF which has given us a firm foundation as we work towards the long term goal.'

Comments also highlighted the catalytic impact of early funding, which enabled projects to attract additional financing over time.

'Reflecting on the support AHF gave to the project, the key elements were that it was made available at the very early stages of the project, allowing us to develop it to the point when other funders could be persuaded of its impact and likely success.'

'Help from the AHF assisted in producing viability studies and initial architectural plans, which enabled the building of a business case. That has then enabled the receipt of over £1.5m of funding, with a further £2m awaiting decision. Construction will start August 2024.'

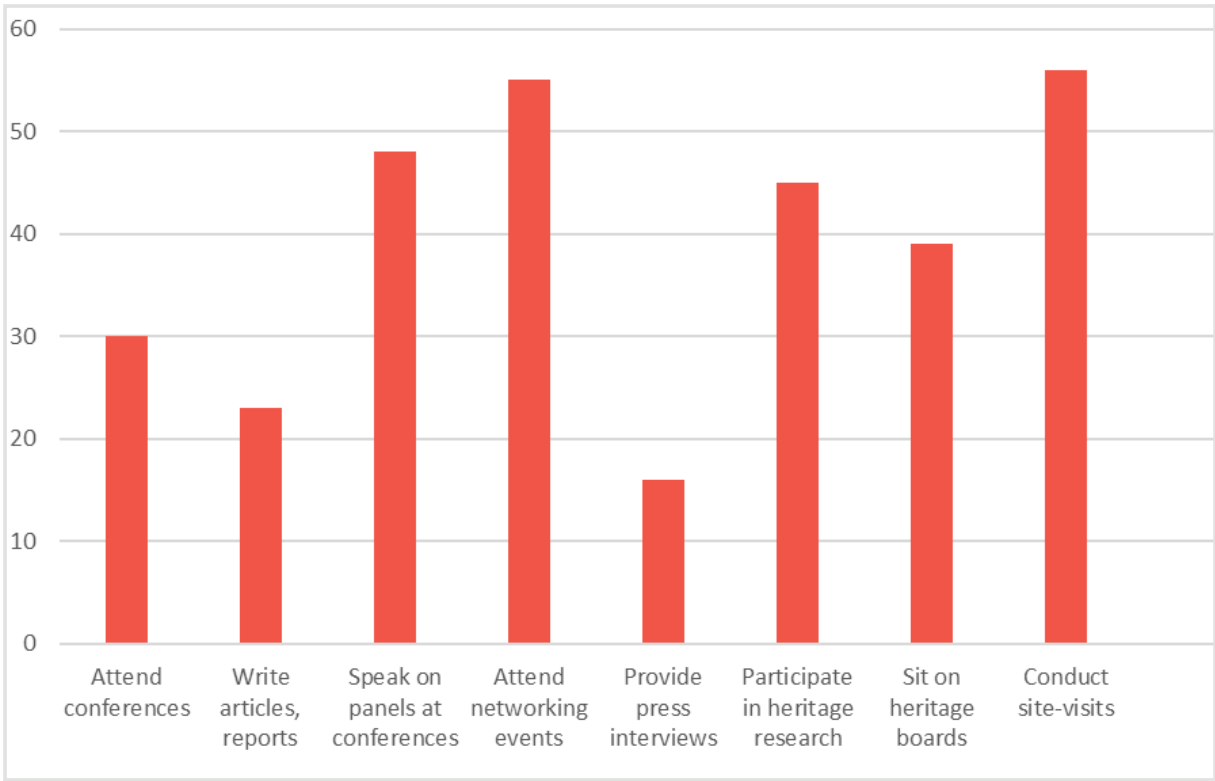
Numerous comments focused on projects' perception of the AHF as a flexible funder with deep understanding of the complexities involved in conserving heritage buildings. Projects commented on our readiness to adapt to unforeseen challenges, such as delays from COVID -19, and how our responsive approach to the evolving needs of projects has been essential in providing continuous support and achieving successful outcomes. **Importantly, several comments highlighted the catalytic impact of the AHF's funding and support on conserving and revitalising important heritage buildings.** These contributions have not only secured buildings of historical significance but have also ensured they continue to serve and benefit future generations and local communities.



Burnmouth Bothy, Scotland, which received a grant during 2023/24. Credit - The Hoy Trust.

How the AHF is Working to Inspire

A key strategic aim for the AHF is to inspire a better environment for heritage-regeneration projects to succeed. This includes demonstrating to policymakers the potential for adaptive reuse of historic buildings to provide regeneration benefits, working to build best practice across the heritage and social impact sectors, and inspiring other funders to direct more resources into community-led heritage regeneration, thereby enabling more organisations to access the resources they need. To gauge progress towards this goal, a poll was conducted among staff in December 2023 to explore if and how our team are influencing decision-makers. Of those surveyed, 68% of staff (13 respondents) reported engaging in activities such as speaking at conferences, writing public- or sector-facing articles, sitting on distinct heritage- and social investment-sector boards, and participation in other initiatives within their role as AHF staff during 2023. The table below shows the number of distinct interactions carried out by our team.



The findings highlight a versatile and broad approach adopted by AHF staff in reaching decision-makers. Informal networking and on-site visits that include both project and external stakeholder representatives rank prominently, closely trailed by participation in heritage research and presence on sector boards.

Moving forward, we plan to capture not only the number and types of events attended, but also the key themes and talking points addressed in these engagements. We are also now monitoring references to our work in the media, and will report on ‘media mentions’ in future years. These new data points will help us better understand and refine our approach to inspiring and influencing the sector and the wider public.

Our Theory of Change

The Problem

Struggling local economies and changes in consumer behaviour have driven a decline in our social infrastructure and an increase in the number of unused historic buildings. But these buildings are valued by local communities and provide a sense of continuity and identity. Innovative regeneration projects recognise that repairing and re-using historic buildings makes good use of existing energy and resources and are converting them into purposeful spaces for their communities.

But these initiatives are under threat. Lack of funding and support means they cannot access the resources they need. There is significant untapped potential for social organisations to support long-term community-led regeneration in the places that need it most.



Our Work

We identify and support organisations with grants, loans and expertise that give historic buildings new and relevant purpose, now and for future generations.

We forge partnerships to lever in more funds for heritage-led regeneration, directing these resources to under-served places and communities across the UK.

How we help:

WE FUND

We provide targeted funding to charities and social enterprises leading to the sustainable reuse of historic buildings that serve community needs.

WE SUPPORT

We provide expert support to charities and social enterprises, building their capacity to take ownership of and re-purpose valued buildings.

WE INSPIRE

We inspire others to direct more resources into community-led heritage regeneration by using data, evidence and insights to champion the impact.

The Change

Project benefits

- ✓ Confident and knowledgeable project leaders
- ✓ Financially resilient and environmentally sustainable organisations
- ✓ Organisations leverage more resources to continue their work

Place benefits

- ✓ Heritage buildings are conserved and re-used contributing to local economies and environments
- ✓ Jobs opportunities are created, contributing to economic regeneration
- ✓ Access to historic buildings safeguarded and social capital fostered contributing to civic regeneration



Our Impact

Local communities across the UK are equipped to regenerate and maintain the historic buildings they value, benefitting the people, the place and the planet



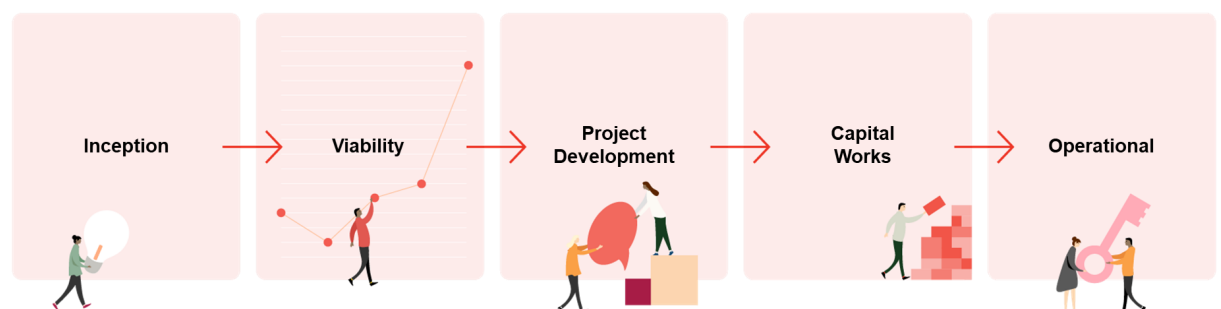
The AHF's New Evaluation Framework

Our new Strategy has three core aims: Fund, Support and Inspire. These aims guide all of our corporate activity, including our grants and loans programmes, the advice we provide to project teams working at all stages in the project lifecycle, and our partnerships. As mentioned above, our 2023 review of our former evaluation framework suggested opportunities for strengthening this framework. In particular, we hoped to better understand the impact of our non-financial support on projects' abilities to move forward along the lifecycle, and to evidence this.

Working over the Autumn 2023-Spring 2024 period with impact specialist consultant Hannah Stranger-Jones and a staff team comprising members from across our organisation, we developed a new evaluation framework. This revised framework has included a **new Theory of Change** that is provided on the preceding page, **revised and expanded Exit and Longitudinal Surveys** to capture more information about the social value AHF projects offer to their communities, and a new data collection tool: the **Diagnostic**.

All of these elements are rooted in our **Values** of being: Enabling, Collaborative, Expert, Grounded and Inclusive.

The primary purpose of the Diagnostic is to improve our understanding of the specific ways that our support – including funding and non-financial support – helps projects to move forward through the **AHF Reuse Lifecycle** (below).



Working with our front-line team, we have codified the milestones we expect a typical heritage regeneration project should have achieved by the end of each lifecycle stage, detailing what deliverables or progress is necessary to know a project is ready to move forward to the next stage of its development. At each stage, we are looking for progress in five core areas: the organisational development of the charity or social enterprise leading the project; the capacity and skills of the project team; the ownership status of the building that is the project focus; plans to maximise the environmental sustainability of the project; and information and plans related to the building's current condition, its design and planned adaptations, and ultimate reuse for the benefit of its community.

Since April 2024, our team have been speaking with every project in receipt of an AHF loan or grant soon after their award. We discuss with project teams the five core areas of development and agree which milestones (relevant to their present lifecycle stage) have been completed already, which will be the focus of our funding package, and which we can support through providing guidance and advice. At the end of their grant period (for grant holders) or one year after the draw down of their loan (for investment clients), our team will review the Diagnostic materials with the project teams to assess the progress that has been made. We hope through this additional step to better understand project readiness at the beginning and end of our support, and thereby to improve our understanding of the particular roles our funding and our non-financial support play in helping projects advance towards completion.

The Diagnostic process also offers an opportunity for sharing knowledge about the process of conserving and adapting a historic building for community reuse, and we hope that what has primarily been developed as a data gathering tool may also help us to build capacity among less experienced groups taking on adaptive reuse projects.

For the first time, **we have also incorporated into our evaluation framework our work to inspire policymakers and funders about the potential for heritage-led regeneration to create positive change in our communities.** We will do this by continuing to be evidenced in designing new or expanding existing programmes; by sharing case studies that demonstrate the potential of heritage regeneration and impact reports that analyse our programme efficacy and delivery; by monitoring the success of our communications work to promote stories of heritage regeneration within the media; and by collecting and sharing evidence to inform new sector-wide funds and policy priorities.

Next year, we will report for the first time using all the new data points from our revised Evaluation Framework. We anticipate that report will allow for:

- Greater specificity around what elements of project development our financial support is making possible – relating to our FUND aim;
- Better understanding of the critical ‘added value’ delivered by our team of regional officers who are providing bespoke advice and guidance throughout a project’s relationship with the AHF – relating to our SUPPORT aim; and
- Evidence that our team is helping to INSPIRE an improved environment for heritage-regeneration projects to succeed, including through the establishment of new funding streams and policy improvements.

We look forward to sharing more about this new framework in 2025.

Thank you to our team, our funders, and the hundreds of projects across the UK whose work is reported on here.



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