991 stitches in time

Executive summary of the process and impacts evaluation of Historic England's Heritage Stimulus Fund

March 2023

morris hargreaves mcintyre

ortus ECONOMIC RESEARCH

About this summary

This summary report presents the evaluation of the Heritage Stimulus Fund (HSF).

It explores:

- The **effectiveness** with which the HSF was operationalised;
- The **impacts** of the HSF on the heritage and heritage construction sectors within the context of the Covid pandemic; and
- The **wider, long-term, impacts** of heritage repairs.

Purpose and aims of the evaluation

- To evaluate **the effectiveness** of the Heritage Stimulus Fund in supporting the nation's heritage by enabling **urgent repairs** to take place that would otherwise have been cancelled or not commissioned.
- To evaluate the effectiveness of the Heritage Stimulus Fund in **supporting the heritage construction sector** through the provision of grants and the enabling of contracts to be awarded, for repairs that might otherwise have been delayed or cancelled.
- To use the opportunity of a large number of heritage repair grants to **develop a consistent framework** of impact measures, or KPIs, to benchmark and evaluate the benefits arising from heritage construction projects.
- This required exploring both the process of **operationalising** the Fund, the **impacts** of the Fund on grantees and suppliers as well as analysing the range of impacts accruing from the programme of repairs **across the heritage sector**.

Main evaluation findings

Addressing Covid crisis head-on

Covid-19 presented England's heritage sites with a crisis as lockdown and the **catastrophic loss of income** meant that scheduled repairs were stalled and deterioration of buildings could not be addressed. The **Heritage Stimulus Fund** was part of the Government's £1.57bn **Culture Recovery Fund**, aimed to address this challenge.

991 projects, to the value of £90.3m

As a result, the HSF **successfully addressed the threat of the pandemic and achieved its aim to protect the nation's heritage** at a time of financial crisis for heritage organisations.

Broad reach and impact

The HSF **helped retain specialised skills and supported many specialist companies to survive the pandemic**, which might have been lost. Moreover, **the distribution of the Fund was representative** across a range of recipients, types of suppliers, and regions.

Intrinsic value of heritage repairs

The HSF mainly funded **repair projects that were structural in nature and therefore less visible,** and so the main impact of the Fund is in the **intrinsic value** of heritage repairs: avoiding further deterioration, protecting heritage, and saving money.

1. The need for the Heritage Stimulus Fund

Covid-19 left the industry facing an income crisis

The Covid-19 pandemic and lockdown that started in March 2020 meant that heritage sites suddenly lost all visitor and earned income. Facing an uncertain future, they revised budgets, reduced staff numbers, and diverted cash away from construction and repair projects to focus on survival.

The construction sector largely stopped work for around six weeks from March 2020 until the Government and the Construction Industry Council (CIC) issued updated guidance including measures such as social distancing.

The result was that heritage sites faced the prospect of urgent repairs going unaddressed, deterioration increasing and adding to the costs in the longer term, with the reserves, that might have funded these repairs, dwindling. Heritage suppliers saw projects being cancelled, their work pipelines drying up and longer-term prospects shrinking.

HE survey on the impact of Covid-19 on the heritage sector helped to decide where to focus the recovery effort

in April 2020, 557 microbusinesses (<10 employees) responded to the survey plus 79 larger businesses (>100 employees) and 97 volunteer-run organisations. The impact of Covid-19 was already widespread and severe:

- 76% reported lost business in the short term
- 58% had postponed or cancelled income-generating events
- 39% had decided to furlough staff
- Over 40% of these businesses forecast their businesses failing within 3 months.

- The most vulnerable of the respondents were either craftspeople / smaller crafts-based businesses or professional services (architects / surveyors / engineers). Both groups were very pessimistic over their survival beyond 6 months.

These survey findings informed HE's response and design of the Heritage Stimulus Fund.

Commitment to protecting heritage

England has over 5000 heritage sites open to the public. Prior to the pandemic England's heritage sector was in a good position adding £31bn to the economy and enjoying the support of 94% adults in UK.

Unlike the arts sector there is no statutory development agency for heritage. Historic England [HE] has a role to champion and protect the nation's heritage.

Grants for heritage repairs are mainly funded by National Lottery Heritage Fund [NLHF] and HE.

'This was once in a generation that private owners were able to apply, this was a huge step forward' GPoMW Delivery Partner [workshop]

'The HSF was transformational in that private owners are not permitted to apply for NLHF [beyond] a cap (which hasn't changed in 15 years). HSF did not have a cap and so you can see the benefit for places that were open to the public to benefit from the fund. I hope this continues.' GPoMW Delivery Partner [workshop]

Strategic threats to heritage sector

The heritage sector faces a threat of the loss of traditional heritage skills as experienced craftspeople retire, costs rise, funding drops, and educational opportunities and apprenticeships decrease.

Funding for repairs-only projects through the NLHF became harder to attract once they assimilated the Grants for Places of Worship scheme and moved to a more outcome and impact-focused approach to funding.

This left many heritage sites, particularly churches, unable to deliver the social and economic benefits demanded by NLHF in exchange for grant funding.

This meant that many repairs in heritage buildings had poor prospects of being addressed, with further deterioration adding to the threat to heritage and the potential costs of preserving it.

2. The Heritage Stimulus Fund is launched in July 2020

The scope and scale of the HSF

The HSF formed one stream of the Government's Culture Recovery Fund, a £1.57bn economic-recovery package for culture and heritage organisations.

Launched in July 2020 it was distributed across 3 separate funds over 2 rounds: 2020-21 and 2021-22.

The HSF was distributed as follows:

- Covid-19 Emergency Heritage at Risk Response Fund (C19EHAR £9.4m*)
- Grants for Programmes of Major Works (GPoMW Round 1 £37.7m and R2 £33.6m*)
- Repair Grants for Heritage at Risk (RGHAR £5.6m) and Major Repairs for Heritage at Risk (MRHAR £4.1m*)

HSF's objectives focused on urgent repairs and maintenance, nationally important sites and protecting vulnerable jobs

The objectives of the Heritage Stimulus Fund were codified as:

- To fund urgent repair and maintenance work that the pandemic would have otherwise brought to a halt,
- To restart stalled projects at nationally important heritage sites.
- To protect jobs and support skills-retention
- To deliver 800 grants (R1)
- To contribute to Government's Levelling Up agenda

Treasury imposed conditions on spending meant that projects that were ready to go were prioritised

Key to the design of the Fund was the Government requirement that each round was spent within the financial year of the award being made: Round 1 by March 31 2021; Round 2 by March 31 2022. This imposed huge pressure on HE to distribute the grants at speed so that projects could be completed within very tight deadlines, whilst ensuring due diligence in the process of making the awards, achieving value for money and following good conservation practice.

*These figures represent data available at time of reporting in January 2022 (R1) and December 2022 (R2)

C19EHAR (Covid-19 Emergency Heritage at Risk Response Fund)

Feature	Details Round 1 only
Fund prior to CRF (£)	£3m
Total awarded (£)	c.£9.42m
Grant minimum/ maximum	No minimum; up to £25k (plus irrecoverable VAT, if relevant)
Expression of interest (EOI) window	9 June 2020 to 28 June 2020
Application deadlines	28 June 2020 (Expressions of Interest) 31 August 2020 (Round 1) 21 September 2020 (Round 2) 27 November 2020 (Round 3)
Deadline for spending grant	N/A – no separate deadline to project completion deadline
Project/works completion deadline	30 September 2021 (Extensions agreed in exceptional circumstances through a robust extension process)

New fund for applications from smaller-scale projects for urgent repairs, maintenance or project development projects to be identified, planned, costed, tendered and completed within a very strict timeframe. HE established this scheme before HSF was announced with £3m from its own funds. This freed-up projects to run over the end of the financial year for completion in September 2021. Advertised widely. Round 1 only.

The grant scheme and its processes were based on the approach successfully trialled through the Taylor Review Pilot Minor Repairs Fund.

Resources: Frontier Economics (2020) Taylor Review Pilot Evaluation, Report Prepared for the Department for Digital, Culture, Media and Sport, October 2020.

RGHAR (Repair Grants for Heritage at Risk)

Feature	Details Round 1 RGHAR	Details Round 2 MRHAR
Total awarded (£)	£5.6m	c.£5m (+£322k distributed in grant increases to existing projects in December 2021)
Grant minimum/ maximum	No minimum or maximum	No minimum or maximum
Application deadline	Discussions with applicants initiated 3 August 2020 to 31 October 2020	Discussions with applicants initiated 23 June 2021 to 30 September 2021
Deadline for spending grant	31 March 2021	31 March 2021 (80% of total eligible project costs)
Works completion deadline	31 March 2021	30 June 2022 (no extensions)

An adaptation of the existing HE fund, open to organisations already in receipt of a grant, where additional funding was needed, or to projects already identified as a priority for urgent funding and where discussions with applicants were well advanced. This identified projects where work had been stalled or cancelled because of Covid-19 and also saved time and resources by building on existing applications and grant management procedures, with some adaptation. It was repeated for R2 under the scheme name Major Repairs for Heritage at Risk.

GPoMW (Grants for Programmes of Major Works)

Feature	Details Round 1	Details Round 2
Total awarded (£)	£37.7m	c.£30m (+£4.5m distributed to existing R2 grant recipients in December 2021)
Grant minimum/ maximum	£1m- £10m (inc irrecoverable VAT, if relevant)	£1m - £7m (inc irrecoverable VAT, if relevant) Individual projects had a minimum project threshold of £30,000
Application deadline	28 August 2020 (all streams)	22 July 2021 (Steams 1 and 2) 5 August 2021 (Stream 3)
Deadline for spending grant	31 March 2021	31 March 2022
Project/works completion deadline	31 March 2021 (later extended to 30 June 2021 for all projects	30 June 2022

New fund which channeled grants to projects via major partner heritage organisations, which sped up the awareness raising and application processes enabling urgent projects to be identified and re-started. Under Round 1 projects which had either stalled or been cancelled as a result of the restrictions or uncertainty of funding caused by Covid-19 were eligible, whereas under Round 2 only capital projects or discrete phases of capital projects where work had not yet started on site were eligible.

Round 1 partners - Canal & River Trust, Catholic Trust, Church of England, Churches Conservation Trust, English Heritage, Friends of Friendless Churches, Historic Houses, Historic Houses Foundation, Landmark Trust, Historic Royal Palaces, National Trust and Treasure Houses England.

Round 2 partners - the above organisations, plus the National Churches Trust and Trustees for Methodist Church Purposes.

3. Funds distributed judiciously and pragmatically

An essential 'stitch in time' injection of funds that saved public expenditure on more extensive repairs in future

HE developed a funding programme in very challenging conditions supporting and empowering grantees and suppliers to work at speed, in many cases, to achieve in 6 months what would normally take at least 12 months to complete.

- In R1 £52.7m* distributed; 805 projects completed
- In R2 £37.6m* was distributed and 186 projects completed
- A total of £90.3m* devoted to heritage repairs over 991 projects across the 3 funds.

This not only preserved heritage, but it also saved public expenditure as the costs would have increased if the repairs had not gone ahead (an estimated additional £15.4m in direct costs after five years, plus a further £23.5m in the cost of consequential repairs).

Questions were asked of applicants and specialist advisors about the design and scope of the three HSF funds in terms of addressing a wide spectrum of sector needs and enabling diversity across the projects funded.

'The HSF was transformational' GPoMW Delivery Partner [workshop]

'This was once in a generation that private owners were able to apply, this was a huge step forward' GPoMW Delivery Partner [workshop]

'The HSF was an absolute lifeline for church communities who would not have been able otherwise' GPoMW Delivery Partner [workshop]

*These figures represent data available at time of reporting in January 2022 (R1) and December 2022 (R2)

Application processes were streamlined to minimise bureaucracy while upholding due process procedures

Awareness raising effectively reached into all sections of heritage. The application procedures were deliberately designed to speed up the process.

- Applicants were not unnecessarily burdened with bureaucracy that could place a drag on timing.
- Due process procedures were in place to ensure legitimate applications and prevent fraud.
- Risks were mitigated by the requirement for projects to be led by a specialist adviser with appropriate conservation knowledge and experience.

1397 applications were received from across the heritage sector. HE allocated existing resources and staff to teams for each fund as well as recruiting new staff; the staff resource for R2 was increased in recognition of the amount of work required in R1 to implement the schemes and multiple awards at speed.

A third of grantees were alerted to the funding through peers in the sector. 67% grantees rated the effectiveness of HE's communications as excellent or good.

'The relationship with HE was fantastic, they were constructive and supportive the whole way, they were trying to help as much as possible through the two rounds. They put themselves out to be in touch throughout the projects. HE were really good partners and colleagues.' GPoMW Delivery Partner [workshop]

Deadlines meant that applications were more likely to be successful if organisations could start immediately

The tight timescale for spending the funds meant that grantees that had 'shovel-ready' projects that could be taken forward within a short period of time and had suppliers with whom they had existing relationship or contracts, were more readily able to take up the opportunity. **However, C19EHAR did encourage entirely new projects to apply.**

Unsuccessful applications tended to be those that:

- Didn't have 'shovel-ready' projects
- Relied on volunteers who were locked down thereby:
  - Missing vital communications
  - Lacking connections with professionals
  - Lacking confidence in preparing EOIs and applications

'If churches don't have contact with intermediaries, and are run through volunteers, they were likely to be slow off the starting block to get applications in' GPoMW Delivery Partner [workshop]

HE was praised by stakeholders in the sector in the highest terms for accepting essential 'no frills' repair and maintenance projects

Challenges that had to be addressed were overcome

Adherence to due diligence in awarding grants
Usual procedures were in place but accelerated. Dedicated staff teams assembled.

Procurement and Value for money
Applicants had to to demonstrate that they were achieving value for money, typically by competitive tendering. This could be challenging as suppliers were either unable to travel because of lockdown, timescales or high demand.

Monitoring of projects
Grantees were required to produce regular reports on progress and End of Project reports. They were not required to gather specific data to measure the impacts of the grant-funded repairs because of the pressure of time and the challenges of working during the pandemic. This didn't hamper internal grant management, but it did limit the evaluation of impacts.

New relationships developed in difficult circumstances
The issues arising from the need to deliver the projects through the pandemic period were addressed through HE encouraging grantees to be open and honest throughout whilst HE remained flexible and supportive within the constraints of the funding.

Treasury-imposed deadlines caused problems, to which HE responded as flexibly as possible

HE consulted holistically on the design of the Fund; involved staff across all regions; allocated staff to administer and project manage the funds and seconded people into new roles. Staffing was increased further for Round 2.

HE staff were proactive in addressing issues grantees encountered such as:

- Supplier shortages;
- Slippages in supply of raw materials;
- Wildlife constraints e.g. nesting birds / bats
- Inclement weather preventing external works from being completed.

Whilst grantees had to show funds had been spent by year end for GPoMW and RGHAR, project completion could extend beyond this time using matching funding.

Work was carried out at speed and during winter months

External works such as roofing and working with lime mortars are not generally carried out during winter months due to the risk of inclement risk and especially frost.

These issues were mitigated by the additional costs of temporary protection (temporary roofs/covered and heated scaffolds) being eligible for grant. Concerns that the speed of commission and construction might result in poor quality work were addressed through the requirement for projects to be led by a professional with relevant specialist conservation knowledge, ability and experience.

For C19EHAR, awareness of and distribution of funds was helped by specialist advisors: architects, conservation specialists and surveyors who informed client organisations of the fund and helped them prepare plans and applications on a speculative basis.

The sector particularly valued the flexibility of being able to apply for small amounts (<£25k).

4. Grants effectiveness

Grants were allocated representatively across the three funds in terms of geography, deprivation and site type

There was a representative cross section of:

Geographical spread - the geographic distribution of funds closely matched the distribution of heritage assets in England with some expected concentrations in urban areas including London.

Types of heritage buildings/ sites – there was a wide cross section of sites covered by the funds. Places of worship accounted for the highest proportion of awards reflecting both the high number of listed places of worship and the level of need in that sector.

IMD spread - In Round 1, the distribution of funds for C19EHAR closely matched the deprivation decile of the local authority in which sites were located, with 47% of projects in the 50% most deprived local authorities. In Round 1 for GPoMW, 36% of the sites funded were in the local authorities which are amongst the 30% most deprived in England. In Round 2, 44% of projects for GPoMW were in the 50% most deprived local authority areas.

Distribution of schemes by HE region

Table 8. Distribution of schemes by HE region

Region	RSA Index 2020 (Historic Built Environment)		C19EHAR		RGHAR		MRHAR		GPoMW R1		GPoMW R2	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
East of England	60,041	15%	87	17%	1	9%	3	19%	42	15%	25	15%
London and South East	98,065	25%	127	25%	2	18%	3	19%	66	24%	51	30%
Midlands	65,553	17%	108	21%	4	36%	4	25%	52	19%	32	19%
North East and Yorkshire	48,035	12%	52	10%	1	9%	2	13%	40	14%	24	14%
North West	27,106	7%	43	8%	1	9%	3	19%	31	11%	19	11%
South West	97,276	24%	99	19%	2	18%	1	6%	47	17%	19	11%
Totals	***396,076***	***100%***	***516***	***100%***	***11***	***100%***	***16***	***100%***	***278***	***100%***	***170***	***100%***

These figures represent data available at time of reporting in January 2022 (R1) and December 2022 (R2)

Distribution of schemes by organisation type

Table 9. Distribution of schemes by organisation type

Type	C19EHAR		RGHAR		MRHAR		GPoMW R1		GPoMW R2	
	No.	%	No.	%	No.	%	No.	%	No.	%
Business	26	5%	3	27%	1	6%	41	15%	24	14%
Other charity or third sector organisation	62	12%	4	36%	8	50%	98	35%	43	25%
Places of worship	341	66%	1	9%	-	-	139	50%	103	61%
Local authority	16	3%	3	27%	7	44%	-	-	-	-
Private property	10	2%	-	-	-	-	-	-	-	-
Other	61	12%	-	-	-	-	-	-	-	-
Totals	***516***	***100%***	***11***	***100%***	***16***	***100%***	***278***	***100%***	***170***	***100%***

These figures represent data available at time of reporting in January 2022 (R1) and December 2022 (R2)

Distribution of schemes by IMD

Table 10. Distribution of schemes by IMD

LA IMD decile	C19EHAR		RGHAR		MRHAR		GPoMW R1		GPoMW R2	
	No.	%	No.	%	No.	%	No.	%	No.	%
1 Most deprived	31	6%	3	27%	5	31%	31	11%	10	6%
2	41	8%	1	9%	1	6%	27	10%	9	5%
3	39	8%	1	9%	3	19%	41	15%	14	8%
4	51	10%	1	9%	1	6%	23	8%	17	10%
5	75	15%	3	27%	2	13%	34	12%	25	15%
6	73	14%	0	0%	1	6%	23	8%	26	15%
7	76	15%	2	18%	1	6%	23	8%	26	15%
8	55	11%	0	0%	2	13%	20	7%	23	14%
9	39	8%	0	0%	0	0%	34	12%	13	8%
10 Least deprived	26	5%	0	0%	0	0%	21	8%	5	3%
Unassigned	10	-	-	-	-	-	1	0%	1	1%
Totals	***516***	***100%***	***11***	***100%***	***16***	***100%***	***278***	***100%***	***170***	***100%***

These figures represent data available at time of reporting in January 2022 (R1) and December 2022 (R2)

Case Study of a Place of Worship

Set in the centre of the village this Grade I listed church has been at the heart of community life for over 700 years. It was in very poor condition with 26 roof leaks, blocked drains and was damp and cold.

There was a vision for a five year "Restoration and Renewal" Plan for a fit-for-purpose village facility but the fundraising drive was cancelled due to Covid-19 whilst bad winter weather had exacerbated the existing damage.

Through C19EHAR £11k towards total costs of £12,555 was awarded to restore rainwater goods and repair damaged/missing gutters and downpipes.

Outcomes : The work on the roof made the church a discussion point locally; support grew; a group of 60 volunteers cleared and maintained the churchyard; a local trust offered further support; success at fundraising built confidence, with over £130k raised within a year; the congregation of the church grew; donations increased; other churches noticed and asked for advice on their fundraising efforts; mentoring was offered to local churches.

Impacts: The church finances were transformed from red to black; building / heritage is more sustainable; community morale higher; belief in the ability to preserve the heritage felt by more people; more people involved and engaged in maintaining heritage; more churches in the area empowered to do same thing.

5. Effectiveness of the Fund on suppliers

At least 1,619 suppliers benefitted from the Fund

This is a conservative estimate due to the difficulty of identifying and quantifying lower layers of the cascade of sub-contractors on large projects as they are not always identified in tenders.

£47.0m was channelled into the heritage construction sector and supporting services.

Spring 2021 saw a boom in construction demand meaning HSF launched amid further challenging circumstances

Construction Leadership Council Site Operating Procedures were published at the very start of lockdown (23 March 2020) to allow construction work to continue where it was safe and practical. In practice, there were several weeks of uncertainty and paralysis until May 2020 while contractors and suppliers adjusted to the new ways of working.

2021 then saw an unanticipated boom in demand in general construction and private heritage work prior to the launch of Round 2 of HSF.

HSF launched into a situation where:

- Heritage specialists were in high demand;
- Costs were rising and contractors found that sub-contractors and staff were moving to higher paid jobs in this 'sellers' market';
- Brexit had contributed to shortages in skilled labour as European workers moved away or had gone home for lockdown;
- Supply shortages increased the costs of materials such as timber and tiles due to import difficulties, world-wide increase in demand and manufacturers being locked down long after the construction industry had returned to work; importing and haulage delays due to Brexit and Covid-19.

HSF deadlines had both pros and cons

BENEFITS

- Specialists whose work is seasonal by nature found themselves unexpectedly busy through the winter months with much increased annual turnover.
- The overall costs of hiring equipment such as scaffolding, generators, portacabins was reduced due to concentrated timescale on projects.
- Economies of scale could be achieved by undertaking jobs using scaffolding that was already erected.

DRAWBACKS

- Reduced size of staff teams to maintain social distancing rules whilst working to tight deadlines.
- Ability to deploy trainees and apprentices was reduced due to the need for 100% efficiency across smaller teams and no lead-in time to plan for their involvement.
- Suppliers could only commit to one or two projects in order to meet the deadlines, rather than spread themselves over several projects simultaneously in the expectation that deadlines would slip.
- Increased staff transport and accommodation costs due to Covid-19 rules.

Suppliers impacted by HSF were classified by size

A dataset was built to cover HSF funded transactions, 2,900 of which were with suppliers that could be classified by size.

Around three in ten contracts were with micro business suppliers (employing 1-4 people, 29%). While the average value of contracts received by these suppliers was comparatively small (£20,510), the total revenue received by this group was over 20% of the total Fund.

Around 9% of contracts went to suppliers employing more than 100 people, average value of £39,250 and 14% of total supplier expenditure went to contract values.

217 engagements were classified as being to in-house advisors (7% of contracts) and 1% was spent on their services at an average of £5,093 per supplier in-house.

Just over one-quarter of contracts (28%) were awarded to businesses that are part of large corporate groups, totalling over 34% of contract spend.

Just over half of contracts (53%) and just over two fifths of all revenue (42%) through these contracts went to construction suppliers that employ fewer than 20 people.

HSF helped or contributed to many companies staying afloat

36% of suppliers that responded to the evaluation said that the HSF had a major positive impact on their business. Of these, 71% said that the Fund helped their business survive and 61% said that the HSF projects accounted for a significant proportion of turnover in 2020/21 and/or 2021/22.

The combined analysis therefore demonstrates that **HSF significantly helped SME and microbusinesses** who could have genuinely gone out of business or suffered because their work was entirely dependent on specialist conservation work.

HSF helped the heritage construction sector to retain skills and safeguard jobs: 33% were able to retain staff who would otherwise have been made redundant or put on furlough.

Suppliers were often unaware of where the funding for their projects had come from. It is therefore possible that the figures for those that were significantly helped are an underestimate.

Other factors also influenced the survival of businesses

Diversified portfolios meant some suppliers were less reliant on heritage work alone

Large, multi-million-pound turnover businesses/ main contractors that have sufficiently diversified portfolios for the collapse of heritage work not to have threatened their survival – 9% of these in the dataset.

Privately funded heritage work increased at this time

Long-standing large companies with strong reputations often found a big up-lift in privately funded heritage work that provided substantial turnover during the pandemic to survive the fall-off in publicly funded work.

Contractors with generalist skills could take advantage of gaps in the labour market for 'all rounders'

An up-swell in general construction work meant that many sub-contractors with generalist skills could take advantage of the lack of skilled labour in the broad construction sector.

HSF funding was small relative to overall turnover

For larger companies, the size of the HSF funded project was too small to make a difference in the overall context of their annual turnover to be credited with their ability to survive the pandemic.

Constraints meant some could only take on one HSF project

For some SME specialist companies, the constraints imposed by the delivery deadlines of projects meant that they could only take on one project over the period and this was not large enough to be credited with their survival.

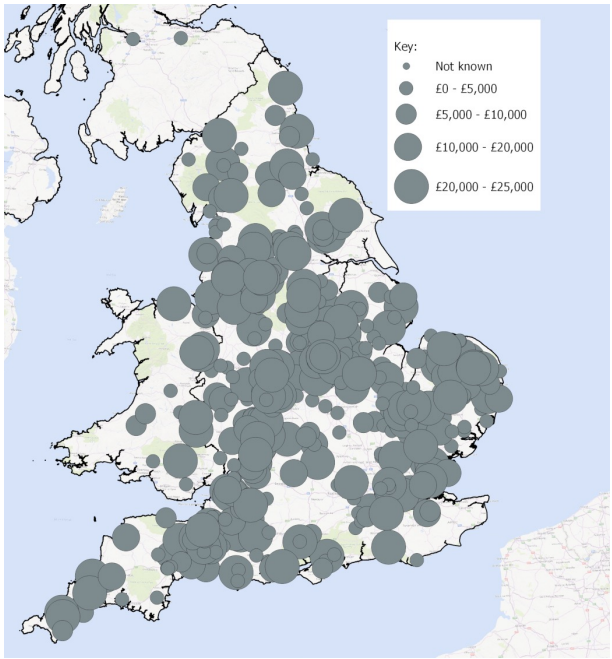
Some simply were unaware the boom was due to HSF, and attribute it to personal luck

Some businesses do not realise that the boom in demand they experienced was mainly fuelled by HSF funding and feel they were just lucky.

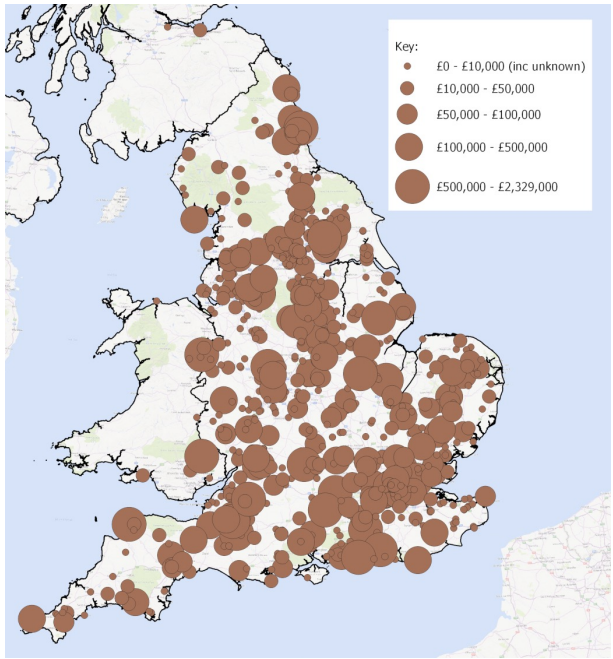
Suppliers feel more confident post-Covid in their future

Post Covid, 47% of suppliers said that they felt highly confident in their future survival, 28% were moderately confident and 25% said they had little to no confidence.

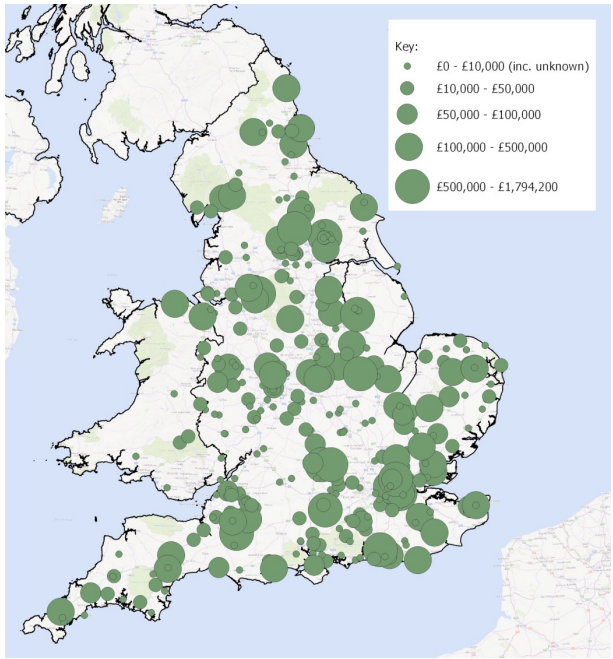
Wide geographical distribution amongst suppliers



C19EHAR suppliers by earnings



GPoMW Rd 1 suppliers by earnings



GPoMW Rd 2 suppliers by earnings

Impact evaluation - benchmarking and innovative measures

Benchmarking and Innovative Evaluation – objectives and approach

Our aims

Benchmarking (and innovative evaluation) aims to further HE's understanding of the public benefits that arise from heritage repair projects. The aims were:

- To examine whether there are instrumental benefits (economic, social and environmental, in addition to heritage benefits) that are common to heritage repair projects,
- To explore whether different types of projects yield similar results resulting in a set of normative benchmarks against which future projects can be assessed.

The objective was to develop improved measures of the public benefits of heritage repair projects. This part of the evaluation was underpinned by the development of an impact logic model.

Project classification system developed

The type of repair undertaken is highly varied. To account for this heterogeny, a classification system was developed to quantify the types of projects funded and the likely impacts these might be expected to generate. This framework has relevance for this evaluation and potential future evaluations of heritage repair projects.

The evaluation found that a majority of repairs (66%) were for projects that could only or chiefly demonstrate intrinsic impact – preserving heritage; preventing further deterioration and saving money in the longer term. This helped clarify why so many grantees were unable to point to any instrumental impacts accruing from their repairs. However, benefits did accrue from repairs – both large and small - and the benchmarks provide evidence of these.

In some cases, a relatively small project such as mending a leaking church roof could have a disproportionate impact upon the organisation whilst a very significant project for a major organisation, in terms of the size of the grant, that involved the replacement of outdated fire alarm systems, has little impact apart from helping to preserve the buildings and compliance.

6. Grantee and supplier benchmarks

Grantee benchmarks draw on data from over 150 grantees via survey and benchmark data collation

A key consideration of benchmarking was the extent to which the benefits (intended or unintended) arising from HSF-funded repairs could be measured using robust, quantitative data available from grantees and suppliers (existing data or data that could be collected with support), and the extent to which data is available consistently for different types of heritage repair project.

An exploration undertaken early in the evaluation project of the types of impacts that grantees and suppliers could measure showed some differences relating to the type of organisation receiving funding and/or the type of repair project, as well as a few diverse impacts which are common across projects.
Based on this understanding, a set of potential quantitative benchmarks was agreed with Historic England, to be explored in the evaluation.

Eight quantitative benchmark themes for grantees were explored

These themes are:

1. Repairs completed
2. Jobs safeguarded
3. Training and skill development
4. Venues open sooner/more fully
5. Buildings revitalised
6. Visitor numbers/spend increased
7. Risk and cost of further deteriorations avoided
8. Value for money achieved in repairs

Repairs completed

This indicator is designed to address a key question of the impact of HSF: did the funding allow repairs to be constructed that would not have happened without it, and did this sustain heritage construction businesses, employment and skills that would otherwise have been at risk?

The evaluation found that very few of the repairs would have gone ahead in that period without HSF funding.

- Among respondents, whilst five HSF-funded projects would have proceeded without the funding (4%), 124 HSF-funded projects would not have proceeded without it (96%).
- In other cases, the funding enabled work to be brought forward and carried out as a project rather than carried out on a piecemeal basis at a later data and at a higher cost.

This is an important indicator: it may be a useful measure in future evaluations of similar funding programmes (or rounds of funding). However, it is not a recommended measure to judge future funding applications, though it is worthwhile to consider whether funding enables a repair to proceed that otherwise would not have.

Jobs safeguarded

The benchmarking survey demonstrates the impact of the Covid-19 pandemic on heritage organisations and their staff responsible for repairs.

Data shows how HSF mitigated against these impacts. For example, based upon the available data / responses we found that 135 FTE jobs were safeguarded and a small number of new jobs created (sample too small to extrapolate reliably across the whole programme or to derive benchmarks).

This is an important indicator of the success of the HSF funding programme, and a useful indicator in assessing the benefits of future repair programmes and projects.

Case study evidence: One of the successful GPoMW applicants, having been successful in their HSF bid, took the decision to employ a full-time Grants Manager to prospect and manage all future funding applications and funded projects.

Training and skills development

140 of 150 grantees (93%) said that their HSF projects helped them deliver formal or informal training.

Those that did not were churches where repairs were managed by volunteers, or historic houses with small teams.

Further, projects enabled 177 informal on-the-job training opportunities for their staff and 15 grantees said their HSF repairs had provided 16 formal training opportunities for their staff.

Data demonstrate that HSF enabled a significant amount of informal learning among grantees. This is an important indicator - to continue to evaluate the impacts of funding on both informal and formal training opportunities.

Case study evidence: A recipient from an historic property reported that the funding and project enabled on the job training opportunities in a range of heritage crafts and skills such as lime rendering application, lead work, glazing and stained glass conservation.

Venues open sooner / more fully

This is intended as a measure of the extent to which heritage construction repairs open new spaces within heritage attractions.

Across 180 grantees and their sites, 17 respondents (9%) to the grantee benchmarking survey said that HSF had enabled them to create or make available additional internal space. Some commented that their HSF repairs had enabled them to repurpose space; for example to develop new interpretation projects or to change the visitor route through a heritage property.

Several respondents said that without HSF funding, they would soon have been forced to close spaces as they fell into increasing disrepair or that it enabled them to secure the continuing use of those buildings.

Case study evidence: The HSF funding enabled one recipient in the church sector to make use of all internal space within their building. This has led to the return of school events , county and civic events, graduation ceremonies and concerts with the events calendar back to pre-pandemic levels.

Buildings revitalised

Quantitatively, the impact of HSF in revitalising heritage assets might be measured by the number of buildings and monuments removed from the Heritage at Risk Register (or their status improved) as a result of HSF-funded repairs. Or the reduction of urgent and immediate repairs identified by a Quinquennial report.

Revitalising heritage assets is an important outcome of any repair funding, including HSF. Further work is needed to consider how the Heritage at Risk Register and/or Quinquennial Reports might be used to understand the impacts of specific funding programmes or funding rounds.

Case study evidence: One recipient (place of worship) has been removed from the HAR register and another place of worship is under consideration to be removed from the register as a result of the grant aided works.

Visitor numbers / spend increased

This benchmark was intended to measure the increase in visitor numbers and associated spending that might be directly attributed to HSF repairs (for properties which count visitor numbers).

45 of 95 grantees (47%) reported a drop in leisure visitor numbers compared with pre-pandemic levels.

39 respondents (41%) reported a change in the number of visitors for educational purposes -most seeing a fall in visits. Most attributed this to the Covid-19 pandemic.

This is an important measure of the economic impact of HSF funding. However, findings suggest it is too soon to fully understand the impacts of HSF on visitor numbers and expenditure, as the economy recovers from Covid-19 and faces new challenges.

Case study evidence: One recipient indicated that the HSF funding had enabled them to reopen previously unsafe areas as soon as lockdown restrictions were lifted. The property managed to keep leisure numbers static by extending opening hours once they were allowed to open. However, overseas visitor numbers were down due to tourism trends.

Risk and cost of further deteriorations avoided

This benchmark was intended to measure the impacts of HSF on the heritage assets managed by grantees – specifically, the impact of HSF in terms of allowing repairs to proceed that would become more expensive if left until a later date.

As with Buildings revitalised, the proposed measure relied on comparing changes in the Heritage at Risk status for buildings and monuments repaired through HSF, and/or in the proportion of urgent repairs in Quinquennial Reports.

It was not possible to develop this benchmark through this evaluation. An alternative approach is explored in the innovative evaluation. Many respondents to the benchmarking survey commented that HSF funding allowed them to proceed with repairs to heritage assets that, if left to deteriorate, would have been far more expensive.

Value for money achieved in repairs

This benchmark was intended to measure the cumulative impacts of HSF on the heritage assets managed by grantees. Impacts might be measured by the number of assets removed from the Heritage at Risk Register (or their status improved) because of repairs funded by HSF.

Due to the complexity involved and small sample sizes, it was not possible to develop this benchmark.

Additional case study evidence of grantee impacts

A recipient described the HSF programme as "a life saver" for not only the buildings that were repaired but also for the contractors, craftspeople, suppliers and consultants involved in the works. The unprecedented volume of repairs that were undertaken was a 'once in a lifetime' opportunity that would have taken many years without this funding.

Another recipient in the church sector reported that a major benefit of the high level of HSF funding (80% of what they needed) was the time and effort that they would otherwise have had to spend raising additional funds, applying for grants and organising fundraising events. The high proportion of the grant gave them confidence that they would be able raise the extra 20%. The short time scale of the funding provided and impetus to "get on with the job".

A recipient stated that the HSF programme has had a significant impact on their ability to continue operating the historic building in question for the long term. The funding for priority maintenance of their heritage assets enabled work to be undertaken that would otherwise have taken many years to fund and progress.

A small number of 'downsides' were identified; the timing of Round 1 (with the exception of C19EHAR) and Round 2 resulted in the projects running through the "worst time of year for the weather" and the funding's announcement caused a lot of demand for contractors and materials from the other grant recipients meaning huge competition for contractors and materials (and price rises).

Supplier benchmarks

The approach to benchmarking the impacts of HSF funding on heritage construction suppliers closely mirrors that adopted for grantees. Benchmarks are based on a survey of 87 suppliers.

Jobs Safeguarded

19 (22%) supplier respondents said the HSF project(s) they worked on meant that they were able to retain staff who would otherwise have been furloughed or made redundant during the pandemic.

HSF was reported to have safeguarded 176 FTEs among these suppliers. This figure is likely to be an underestimate. Suppliers with smaller teams appeared more likely to have retained staff because of HSF.

The survey demonstrates the role of HSF in mitigating against the impacts of the Covid-19 pandemic on employment. The low number of respondents to this survey means that it is impossible to reliably examine how different types of suppliers were affected.

Training and skills development

The survey suggests that HSF had a smaller impact on training among suppliers than among grantees, particularly in relation to informal on-the-job training.

- 14 of the respondents (16%) reported that the HSF projects had enabled them to deliver informal on-the-job training to their staff. At least 15 informal training opportunities were provided.
- Four suppliers (5%) reported that HSF projects had enabled them to deliver training for their staff (including Apprentices) towards formal qualifications. Five formal training opportunities were reported.
- Three suppliers (3%) said they were able to recruit new trainees (including Apprentices) because of work on HSF projects. Three new trainees were recruited.
- Three suppliers (3%) reported that HSF projects had enabled them to provide work placements for learners they did not employ. Ten work placements were provided.

7. Innovative evaluation

Objective

Innovative evaluation was intended to test new approaches to quantify the impacts of heritage construction and repair projects and to demonstrate the impact of the Heritage Stimulus Fund. A number of proposed measures were agreed with Historic England:

- Value for money achieved in repairs
- Risk and cost of further deteriorations avoided / Value for money achieved in repairs versus delaying repairs
- More social and economic activity around heritage assets
- Indirect and induced impacts (including economic spill overs)
- An environmentally sustainable heritage sector
- Improved community wellbeing
- Improved morale/wellbeing within the heritage workforce

Value for money achieved in repairs

This theme is designed to test whether standard construction metrics such as lifetime facility management cost or lifetime occupant value-added versus cost of repair could be adapted to suit heritage construction repair projects.

Feedback suggests that these are not appropriate measures for construction repairs. The nature of heritage construction repairs, where methods and materials are often predetermined by the type of heritage asset and repair project, means that choices are limited compared to general construction projects.

Also, the methodologies for assessing life cycle costs are complex, and heritage organisations often lack the capacity or resource for such measures.

Grantees report that their internal procurement processes, coupled with Historic England requirements relating to procurement, the use of tendering to contract suppliers, and the requirement for Quantity Surveyors to be part of project teams and prepare End of Project reports for larger grants all mean that their projects demonstrate value for money.

Risk and cost of further deteriorations avoided / Value for money achieved in repairs versus delaying repairs

While many grantees expected that their HSF-funded repair would cost less than if it had been delayed, most believed that cost savings would be difficult for them to quantify.

Previous research had shown that delaying repair results in a significantly increased cost liability.

Analysis suggests that the cost of repairs funded by HSF if they had been delayed by five years would have risen by £15.4m, with a further cost of £23.5m arising from additional consequential repairs.

These estimates imply considerable cost savings of a combined £38.9m which have been achieved by not delaying repairs.

Reference:
Ref APEC Architects and Greenwood Projects for Historic England (The Value of Maintenance, 2019)

More social and economic activity around heritage assets

The proposed approach was to undertake place-based modelling using secondary data sources which describe social and economic activity in the vicinity of heritage assets, which could be developed to help evaluate the longer-term impacts of heritage repair funding.

Because of the time lag in availability of data on social and economic activity in relation to specific funding schemes such as HSF, this is best considered a potential measure of the cumulative impact of repairs to a heritage asset, or to the heritage assets in any area. It is difficult to establish a direct causal relationship between the cost of heritage repairs and local changes in social and economic activity, of course.

The release of Census 2021 data at hyper-local level may present an opportunity to examine the long-term impacts of heritage repair funding in more detail in future, building on the econometric approaches developed in the research for the Culture and Sport Evidence (CASE) programme. An alternate approach, which is less reliant on secondary data and may therefore be preferable, is proposed in the next measure.

Indirect and induced impacts (including economic spill overs)

The economic impacts of heritage repair funding can be measured as direct, indirect, and induced impacts.

Our proposed approach was to model the indirect and induced impacts of HSF funding on employment and visitor spending (and their contribution to GVA), using multipliers drawn from the Heritage Economic Estimate Indicators.

Estimates suggest that additional spending the funding may have stimulated is in the region of £124.8m.

Further work is required to define a more appropriate multiplier.

Reference:
Historic England, Heritage and the Economy:
https://historicengland.org.uk/research/heritage-counts/heritage-and-economy/

An environmentally sustainable heritage sector

It is difficult to establish a measure of environmental sustainability relating to heritage construction repairs. Environmental sustainability measures largely fell outside the scope of HSF.

A simple measure of environmental sustainability is to measure improvements in energy efficiency. This would require data on energy consumption before and after the repair. It has not been possible to test such an approach, due to difficulties engaging the very small number of grantees that identified energy efficiency impacts.

Improved community wellbeing

The proposed approach to measuring the wider community benefits of heritage repairs was to model impacts using secondary data on wellbeing, social interactions, community safety. Due to the time lag in availability of data on community wellbeing in relation to specific funding schemes such as HSF, this is best considered a potential measure of the cumulative impact of repairs to a particular heritage asset, or to the heritage assets in any area.

It is difficult to establish a direct causal relationship between the cost of heritage repairs and local changes in community wellbeing. Modelling using Understanding Society data is currently being explored.

A second proposed approach was to develop a community survey which could be facilitated by grantees. This could address the challenge of attributing wellbeing effects to heritage repairs by asking respondents to do so. This was not pursued because of the disproportionate impact on grantees' capacity. An alternative approach might be to standardise a set of relevant questions within visitor feedback research.

HSF grantees commonly reported that they believed improved community wellbeing would be an outcome of their repair, but that they would only be able to provide anecdotal evidence of improvements.

Churches recognised that their buildings were often focal points for a local community, and it was notable that those dealing with the theft of lead roofing were eager to point to the community benefits of repairs. Some grantees who were responsible for tourist attractions reported that their social media engagement showed positive benefits for community wellbeing. Social media monitoring (social listening, or brand perception monitoring) might therefore be developed to evidence improvements.

Improved morale / wellbeing within the heritage workforce

Improvements in staff and volunteer morale because of HSF grants were reported anecdotally while we were investigating the impacts of heritage repairs among grantees. Several respondents reported wellbeing benefits among the small teams they worked in, and/or the volunteers they led. Among those responsible for historic houses, respondents with large-scale repair properties were more likely to report wellbeing benefits than those with smaller projects on part of an estate.

Benchmarking the impact on morale requires a baseline to be established prior to repair projects being funded, which can be compared with a measure after the repair is completed. For benchmarking purposes, a regular survey of wellbeing among the heritage workforce would be most useful.

Longitudinal analysis

Looking at recovery beyond the pandemic

- The challenges that suppliers and grantees were grappling with prior to the Covid-19 pandemic are still ongoing
- The impact of the Covid-19 pandemic and from the HSF are still being felt by suppliers and grantees (at time of writing)
- Sub-sectors that had the most negative impacts from the Covid-19 pandemic include highly specialised skills
- Grantees that depend on revenue from international tourism are bouncing back at a slower rate than those who do not
- Domestic tourism has helped other grantees recover more quickly

HSF enabled some suppliers to develop new business relationships that have extended past the end of the funding and completion of HSF projects

Methodology and limitations

To understand the long-term effects of the Covid-19 pandemic, MHM collected data through various methods.

- In-depth interviews with suppliers and grantees; some of which were repeat interviews from previous rounds of data collection
- In-depth interviews with representatives from heritage skills associations
- Supplier survey conducted online

The data collected for this section and analysis is limited by a few factors:

- Most participants mentioned that it is too soon to understand the full effects of the Covid-19 pandemic
- Some grantees similarly mentioned that it is too soon to understand the long-term impacts of the HSF grants
- The supplier survey received a low number of responses even with reminders seeking participation. Results should be interpreted with caution bearing in mind the low base size.

Cost inflation leads to expectations of a decline in the construction industry in 2023

The challenges that the construction sector was facing prior to the Covid-19 pandemic are still ongoing. The Construction Products Associations (CPA) forecasts a decline in construction output going into 2023 in the UK by 4.7%. This is exacerbated by continued challenges from Brexit and new ones such as Russia's invasion of Ukraine (which resulted in lower supplies of iron, steel, and timber). Furthermore, private housing new build, repair, maintenance, and improvements is similarly forecasted to decline due to inflation and its impact on discretionary spending.

This impacts the heritage construction and repair industry as it means that the 'boom' in construction where suppliers could readily take on alternative private work rather than heritage contracts seems to be in decline. Similarly, the CPA also expects a stalling in public sector contracting of new projects due to uncertainty over costs and the risk of costs increasing in line with further inflation. In addition, financially constrained councils are likely to cut spending on new projects to cover the rising costs of essential repairs and maintenance. After 4.9% growth in 2022, overall infrastructure output is forecast to rise by 2.4% in 2023 and 2.5% in 2024.

Suppliers still facing pre-pandemic challenges

Having experienced a short period of uncertainty at the beginning of lockdown many suppliers found themselves in the middle of a building boom. While the generalists experienced the full benefits of this huge increase in demand, specialists were also either in great demand or able to follow the work into the general construction sector. While adapting to demanding deadlines was the major challenge of Round 1 projects, exacerbated by materials and labour shortages; Round 2 saw an increase in these Brexit and Covid-19 related issues, including: an increase in haulage costs and bureaucracy; materials shortages and long delivery times; and skilled labour shortages.

As seen in the earlier chapters of this report, suppliers who worked on HSF funded projects were able to mitigate these challenges because of their involvement with this work.

HSF provided 'much needed work in a bad economic climate' Supplier [survey]

HSF 'enabled [us] to bring staff from furlough and boosted their morale and motivations' Supplier [survey]

Supplier case study. HSF impact: slight to moderate

Prior to the Covid-19 pandemic, this supplier had low confidence in their long-term survival due to a series of challenges: a decline in demand, difficulty in sourcing materials, rising costs of materials and labour, difficulties in finding skilled labour (including trainees). Because of these challenges, the supplier started to diversify their client portfolio away from heritage-only clients.

At the early onset of the Covid-19 pandemic, these challenges posed a greater threat as commissioned work was halted due to clients losing earned income and a significant increase in cost of materials. As such, the business had to postpone projects, make staff redundant and reduce working hours for remaining staff.

Fortunately, the HSF provided a relief during this period as it helped increase their annual turnover and it provided 'much needed work in a bad economic climate'.

Slow return to business as usual

The loss of two years of income and the slow return of visitors and expected visit patterns means that many organisations are still dealing with the serious financial consequences of the pandemic. Some are now needing to re-pay considerable government loans that were necessary for their survival; many are still working with reduced staff teams following re-structuring and redundancies.

The collapse and slow return of the overseas tourism industry continues to have an impact on larger sites. The increase in domestic tourism has compensated for the loss of overseas tourism in some properties and outdoor attractions.

For organisations entirely dependent upon rental income, such as the Landmark Trust, the recovery was more rapid and they bounced back quickly as UK holidaymakers opted to stay in Britain for their holidays, at least partly influenced by the difficulties in international travel in the immediate aftermath of the Covid-19 pandemic. Meanwhile, those dependent upon room hire income have found this slow to return as community groups have grown accustomed to meeting on-line.

Grantee case study

As with many other heritage properties with a reliance on visitor and commercial revenue, this grantee was faced with a massive loss of income during theCovid-19 pandemic. This resulted in staff being furloughed or even taking voluntary redundancy. However, thanks to the projects funded by the HSF, they were able to work on projects that had been halted due to the pandemic, and bring back staff from furlough, while the projects themselves improved health and safety aspects of properties, ensuring that staff could work with peace of mind.

'While we're really grateful for all the projects we did do, we couldn't have done them with our own money. It does leave the hundreds of other projects that have decayed continually over that period, we've not been able to do anything. And so now they're actually costing more and because of the inflationary costs on materials and scaffolding and so on, they're becoming ever more expensive. And in fact, next year's annual operating plan, which we're looking at now, for 23/24, I could just endlessly list projects. And we're certainly not going to have during the next two or three years, the kind of income that we used to have to fund those projects.'

Challenges for future repair funding

For some suppliers, the HSF had a very positive impact in that it enabled them to develop long-lasting relationships that have extended past the end of the funding and after projects were completed, as well as retain or grow their staff.

'[The projects we've gained as a result of the HSF funded projects] enabled us to safeguard jobs and secure at least two people's jobs in our company.' Supplier [interview]

Some suppliers articulated a fear that HSF might have 'kicked a can down the road', creating a bubble of projects brought forward, from an otherwise gradual stream of work, into a concentrated mass, that might be followed by a very long fallow period once the money dried up. However, suppliers interviewed for the longitudinal study see no sign of a slow-down yet.

It is felt that, in some of the specialist sub-sectors of heritage repair and conservation, some work will never dry up: for example, painting conservation within churches, where there are very few specialists and very many buildings all requiring the same specialised services. Whilst finance is hard to come by for other repair work in churches, funding for painting conservation has a steady (if modest) ongoing stream that can be shared by the small number of available specialists. On the other hand, suppliers who relied on one large client with a large property portfolio for most of their work (such as National Trust and English Heritage), suffered the most when their clients were forced to make cuts to their budgets – which have not yet been reinstated at the time of writing.

'We had a lot of work with the National Trust at the time and they killed everything very quickly. So, we lost about 8 million pounds worth of capital cost on projects in a day. It was quite catastrophic.' Supplier [interview]

Conclusions

HSF achieved almost a thousand repair projects

Covid-19 caused significant financial threat to heritage organisations: loss of income prevented urgent repair work from being completed or commissioned and compromised budgets for years into the future.

In this respect the HSF was instrumental in preserving heritage, preventing the further deterioration of buildings with an estimated saving of an additional £15.4m in direct costs after five years, plus a further £23.5m in the cost of consequential repairs.

The distribution of funds was representative in terms of geographical spread, types of heritage property and it contributed to the Government's levelling up agenda.

The high proportion of places of worship that were grant recipients reflect the high proportion they account for amongst heritage sites and also served to demonstrate the need of these properties to access funding to help preserve their buildings. Opportunities have reduced since NLHF changed their funding priorities and moved to an impact-led approach.

The Fund benefitted at least 1,619 suppliers

£47m was channelled into the heritage construction sector and supporting services. 36% of suppliers said that the HSF had a major positive impact on their business. Of these, 71% said that the fund helped their business survive and 61% said that the HSF projects accounted for a significant proportion of turnover in 2020/21 and/or 2021/22.

To some extent, the HSF helped the heritage construction sector to retain skills and safeguard jobs.
HSF had the greatest impact on SME and microbusinesses that would have gone out of business or suffered because their work is entirely dependent on specialist conservation work.

In the face of HM Treasury imposed deadlines to spend the funds in the financial year it was awarded HE marshalled the resources needed, and developed funding programmes, processes, partnerships and teamwork that effectively identified deliverable projects, distributed the funds and brought projects to satisfactory completion within very tight deadlines and under exacting conditions.

Internal systems could be designed for more systematic evaluation

Assumptions of what it might be possible to analyse, in terms of impacts, were not borne out in practice due to issues with data collection and management and no formal requirement was made of grantees to gather relevant data as a condition of their grant. This was out of a concern not to add to the demands they were under to deliver against tight deadlines.

Majority of repairs funded generated primarily intrinsic impacts

The majority of repairs funded generated primarily intrinsic impacts: heritage preserved; further deterioration prevented; money saved by preventing the need for further significant repairs.

Whilst social, community and economic instrumental impacts across some projects, both large and small, were identified in anecdotal qualitative data, robust quantitative data collection was either not possible in the circumstances, not relevant or not consistently gathered to enable the measurement of instrumental impacts on the smaller proportion of projects where they might have accrued.

The conclusion is that heritage repairs should be valued for their own sake, for the intrinsic impacts they generate, and that these measurements are good for heritage, serving HE's central purpose of preserving the nation's heritage.

Recommendations

Moving forward

The pandemic created conditions, and triggered a response from Government and HE, that hopefully will never need to be replicated. The HSF was implemented at great speed, expediency informed much of the operationalisation, giving rise to conditions in which the funding was distributed that were challenging for all parties.

The following recommendations, therefore, whilst being informed by the context and findings of this evaluation, can hopefully be considered in calmer times.

Creation of a new funding scheme

It is recommended that HE consider, as part of its grant-in-aid strategy, the creation of a new funding scheme to fund repairs of historic buildings, particularly places of worship, and the success to be measured through the intrinsic impact this has of protecting heritage, with the knowledge that along with this goes value for money and longer-term sustainability of the buildings.

Design and communication for non-specialists

The design and communication of such a fund should give consideration to the likely applicants, many of whom are non-specialists in heritage, often volunteers and often lacking digital literacy and strong networks. The roles of regional support officers and applicants employing competent professionals with relevant specialist conservation knowledge, ability and experience are therefore critical to success of this fund.

Building relationships and better mutual understanding with suppliers

This project has revealed a low level of awareness and engagement of suppliers with HE. This is understandable to some extent given the complex supply chain of contractors and sub-contractors. However, it has also revealed concern amongst suppliers about the sustainability of the skills they represent as they approach retirement; concerns about the cost and difficulty in facilitating and retaining apprentices and trainees; succession strategies etc.

HE should address these concerns through efforts to develop better mutual understanding in the interests of a resilient and thriving heritage construction ecosystem.

Operationalisation of future funding programme

Whilst expediency played a very large part in ensuring that many worthy repair projects were identified and completed it also had its downsides.

It is recommended that HE:

- Builds evaluation into the programme design at the design stage;
- Exerts systems thinking into the design of application forms; databases; spreadsheets; shareware to allow for systematic data processing and analysis across the programme as well as project by project;
- Publicises its funding support through every administrative contact point and communication about the project with grantees, stakeholders and suppliers, as well as public beneficiaries, (as NLHF does) so that no one is left in any doubt which organisation has enabled the project.

Impact framework related to the classification system

An impact framework related to the classification system in this evaluation could help HE to invite applicants to identify any direct instrumental impacts they anticipate, how these might be measured, as well as advising the grantee on how to measure them (following the approach to benchmarking established here, and the potential approaches to innovative themes identified).

It is recommended that HE uses the classification system as a way of helping to identify the types of impacts a repair might be expected to generate.

The system can be developed to reflect diversity in terms of scale of repairs, funding and grantees It can also be used to define a portfolio of the types of heritage repairs and amounts by which it seeks to fund a range of repair projects. The system can also help grantees identify what data would be required and how to collect it and to agree an evaluation strategy with HE as a condition of their funding.

Future approach to evaluating heritage repairing funding

Principles and findings to inform future evaluation design and implementation

- The monitoring and evaluation (M&E) approach should be decided upon prior to the intervention being launched. This allows for beneficiaries to be fully apprised of the monitoring and evidence development requirements of the evaluation and allows them to prepare to support that process.
- In the heritage sector, where connections and networks are well established, M&E approaches can and should be developed in conjunction with potential beneficiaries.
- The nature of repair and its context will influence the potential intrinsic and instrumental outcomes that might be expected.
- The nature of the work funded by investment programmes, alongside the objectives of the fund, needs to be considered when setting M&E objectives and designing approaches to M&E. There is little point in searching for a wide range of instrumental impacts in a project that seeks to achieve preparatory or exploratory work, for example.
- Future evaluations must consider the likely organisational capacity of beneficiaries to provide evidence as part of M&E.
- Finally, a key consideration in determining the ambition of any M&E activity should be the scale of funding available to beneficiaries; the smaller the grant, the more modest the ambition around M&E should be.

Designing future evaluations

In order to support the development of M&E approaches for heritage repair grants in future, the framework set out below has been developed based upon the factors and findings set out above. These are intended as non-exhaustive starting points which, it is hoped, will streamline and improve M&E in the future, for the benefit of all.

The Framework is based around three key questions:

- What is the size of the grant available? The answer to this may capture a wide range, of course, in which case multiple routes through the framework may be taken.
- What is the organisational capacity within the beneficiary to support M&E activity? How much human and other resource is available, and how capable is that resource of supporting M&E?
- What type of repair/project is the funding designed to deliver? What 'level' within the repair classification framework do the repairs sit? Again, there may be a range (as per the HSF) in which case numerous routes through the framework may be relevant.

Monitoring & Evaluation Design Framework

What is the size of grant available?

Small | Medium | Large

What is the organisational capacity of grantees?

Low | High | Low | High | Low | High

What type of repair/project is the funding designed to deliver?

Level 1-3	Level 4-5
List 1	List 1
List 4	List 4
	List 5

Level 1-3	Level 4-5
List 1	List 1
List 2	List 2
List 3	List 3
List 4	List 4
List 7	List 5
	List 6
	List 7

Level 1-3	Level 4-5
List 1	List 1
List 4	List 2
	List 3
	List 4
	List 5
	List 6
	List 7

Level 1-3	Level 4-5
List 1	List 1
List 2	List 2
List 3	List 3
List 4	List 4
List 7	List 5
	List 6
	List 7
	List 8

Level 1-3	Level 4-5
List 1	List 1
List 2	List 2
List 3	List 3
List 4	List 4
	List 5
	List 6
	List 7

Level 1-3	Level 4-5
List 1	List 1
List 2	List 2
List 3	List 3
List 4	List 4
List 7	List 5
	List 6
	List 7
	List 8
	List 9

www.mhminsight.com
www.OrtusER.co.uk

morris hargreaves mcintyre

ortus ECONOMIC RESEARCH