



1 GRANTS FROM THE ARCHITECTURAL HERITAGE FUND

We strongly advise you to discuss your project with us before applying to ensure that we can meet your needs. See our website for the contact details of your local Support Officer.

1.1 The Architectural Heritage Fund's grants are designed to help us deliver our overall strategic objectives and outcomes for heritage and communities:

Objective One: To support people, communities and organisations to take ownership, to repair and to adapt historic buildings and places for new sustainable uses.

Objective Two: To attract more investment for the conservation and sustainable re-use of the UK's architectural heritage.

Objective Three: To inspire the start up and growth of new community enterprises that utilise historic buildings and places for public benefit.

Objective Four: To demonstrate the value of a well-managed historic built environment by championing and showcasing the impact of the projects we have supported.

1.2 We have developed a Theory of Change model to demonstrate the lasting difference we want to make with our advice, grants and loans. This sets out the outcomes we want to deliver for our clients, the built environment and the wider community, such as more financially resilient community organisations, individuals developing new skills, increased volunteering and historic buildings brought into beneficial ownership and sustainable use. Our grants are intended to help our clients' progress through the relevant stages of the model.

1.3 All applications must concern projects that have recently involved or will result in a **change of ownership** and/or a **change of use**. The development work we fund should enable you to make measurable progress towards the goal of acquiring an historic building and/or adapting it for a new use.

1.4 Many of our beneficiaries go on to secure capital funding for their projects from organisations such as the Heritage Lottery Fund (HLF), as well as national and local grant-making trusts and foundations. We work closely with staff in other funding



bodies to ensure that the projects we support will be developed in line with their requirements where appropriate. We are particularly interested in helping clients develop good quality bids to HLF's Heritage Enterprise programme.

2 OUR PRIORITIES

2. We will assess whether your grant application is a HIGH, MEDIUM or LOW PRIORITY in each of the following categories:

1. HERITAGE NEED

*We will give priority to projects involving historic buildings that have statutory protection (i.e. listed or in a Conservation Area and of acknowledged historic significance) and **at risk**. We will consider applications for unlisted buildings if you can show that they are highly valued as heritage assets by the local community. This may include local listing or being identified as a heritage asset in a neighbourhood or parish plan. We will need to see that there will be a conservation-led approach to development in all cases. If your building is not on a national or local register of heritage at risk then you should explain why it is under threat. This may be due to the building's condition, redundancy, change of ownership or a current use that is economically unsustainable.*

2. SOCIAL IMPACT

*We will give priority to projects that have the potential to make a significant positive social impact, particularly (but not exclusively) in **disadvantaged areas**¹ such as urban communities experiencing structural economic decline or isolated rural areas with poor access to services. We want to help build stronger and more cohesive communities by supporting projects that will create employment, training and/or volunteering opportunities both during the project's development and in the years following completion. We want to encourage **community ownership** of heritage assets and support the growth of **community businesses**, bringing disused or under-used historic buildings back into productive use. High priority projects will show evidence of active community engagement. The building may*

¹ As defined by the Assisted Areas Order 2014, see <http://www.ukassistedareamap.com/>



be listed as an Asset of Community Value or you may be planning a Community Share issue, for example.

3. WHY NOW?

*The work you carry out with our grant support should help you reach planned milestones in your project's development and there should be a tangible outcome – for example, a funding bid submitted, a business plan created, a partnership agreed, the acquisition of a property. Is the work absolutely essential at this time? What difference will it make? What might happen if the project is not progressed now? You must be able to show that the project will move forward as a result of our investment. We have identified the key stages of a project's development on our **Theory of Change** model. Your organisation should be better equipped to deliver the project as a result of our funding.*

4. FINANCIAL NEED

*We will assess your organisation's ability to contribute towards the cost of the work. We give priority to applications that can provide at least **50% partnership funding** from other sources. (In England this is a minimum requirement.) This helps to demonstrate a wider commitment to your project and a willingness to share some of the risk. Even small donations from the local community and funds raised through crowdfunding help to show wider community 'buy-in' to what you are trying to achieve. Pro bono work or volunteer time contributions will only be accepted as partnership funding in exceptional circumstances.*

Our grants are in high demand and it is likely that your application will be in competition with others. Successful applications will usually be assessed as a HIGH PRIORITY in at least three of the categories above.

3 WHAT DO WE FUND?

3.1 We offer two types of project seed-funding: *PROJECT VIABILITY GRANTS* (up to **£7,500**) and *PROJECT DEVELOPMENT GRANTS* (up to **£30,000**). Our grants are for project development costs only and not for on-site capital works.



3.2 The primary purpose of our *PROJECT VIABILITY GRANTS* is to enable you to work out whether a proposed use for a building will be economically viable. The grant will contribute towards the cost of exploring different options for reuse, or testing a single option. If relevant to your project, it should give you sufficient information to calculate the likely **conservation deficit** (the gap between the project cost and the end value of the building, if indeed one exists). On completion of the work we fund we ask you to bring the results together in a **viability appraisal**. This will need to be produced and agreed by us before you can claim payment of the grant. At the end of the process you should be in a position to make an informed decision on whether your organisation should commit to further cost, risk and effort in developing the project. There is a standard template **viability appraisal** form to help you with this, available to download from our website.

We have developed this in collaboration with the Heritage Lottery Fund, which requires a viability appraisal to be submitted in support of an application to its Heritage Enterprise grant programme. We encourage all clients to follow this format, although it is not mandatory to do so. See the list at 3.4 below for examples of work that can be funded with this grant.

3.3 To qualify for a *PROJECT DEVELOPMENT GRANT* you must be able to show that your project proposal is broadly **viable**. To demonstrate viability, we would usually expect you to submit a viability appraisal, a feasibility report or similar. In assessing your application we will consider how likely it is that the project will be able to attract the capital funding required and whether there is sufficient evidence of demand for the proposed use(s) of the building. At this stage we will also need to be convinced that your proposals will not harm the historic character of the building. We will need to see evidence that you have sought conservation advice from the relevant authority and that there is no reason in principle why planning permission and listed building consent would not be granted, if appropriate.

3.4 For both *PROJECT VIABILITY GRANTS* and *PROJECT DEVELOPMENT GRANTS* we will consider funding any work that is essential for taking your project forward towards the goal of revitalising an historic building. You must explain how a particular piece of work or activity will enable this. Examples include:



- Employment of a project co-ordinator (either someone appointed externally on a consultancy basis or an existing employee(s) working additional hours or on this specific project)
- Fees for consultants needed to help progress your plans (e.g. architect, quantity surveyor, structural engineer, mechanical & electrical engineer)
- Property valuation by a RICS registered valuer
- Fundraising consultants
- Business planning consultants
- Costs associated with developing a bid to the Heritage Lottery Fund or other capital funders (e.g. Activity Plan, Training Plan, Conservation Management Plan)
- Costs of community engagement work (e.g. pop-up events, consultations)
- Legal costs where this is critical in establishing ownership or the viability of proposed uses (e.g. advice on restrictive covenants) or for advice on governance (e.g. to develop your constitutional model to best enable you to take the project forward).
- VAT costs that cannot be reclaimed
- Your organisation's overheads/administration costs
- Costs associated with converting an existing charity or social enterprise into a Community Benefit Society

Please note: you must obtain at least three competitive quotes for each item of work costing over £10,000 that you are seeking funding for unless there are compelling reasons not to do so.

3.5 As a social investor, we may wish to purchase Community Shares if your project offers us the opportunity to do so. We may decide to do this instead of offering a grant or we may want to exchange a grant for Community Shares at a later date. This will give us a long-term association with your project which can be beneficial for both parties.

4 WHO CAN APPLY?

4.1 To apply for a grant you must be a formally constituted charity or social enterprise whose members have limited liability. This includes:



- Unincorporated charities (for Project Viability Grants only)
- Charitable Incorporated Organisations (CIOs)
- Charitable Companies Limited by Guarantee
- Charitable Community Benefit Societies
- Community Benefit Societies
- Not-for-private-profit Companies Limited by Guarantee
- Community Interest Companies (CICs) Limited by Guarantee
- Parish and Town Councils; Community Councils (in Scotland and Wales)

4.2 If your organisation is not a registered charity then it must have an **asset lock** in place. This is a provision in the governing document to protect its assets. It means that if the organisation is wound up any assets must be transferred to a similar not-for-profit organisation (another asset-locked body) once creditors have been paid.

4.3 Applicant organisations must have the powers necessary to undertake a project involving the acquisition and conversion of a historic building – i.e. specific powers within the governing document to acquire and own property, raise funds, borrow money and enter into contracts. Priority will be given to grant applicants that are willing to consider loan finance as a means of delivering the project.

4.4 We welcome applications from organisations working in **partnership**, including joint applications from voluntary sector groups with commercial partners. A not-for-profit organisation must be nominated as the lead applicant. You must provide a signed partnership agreement indicating the involvement of each partner and how the project will be managed.

4.5 In exceptional cases we will accept applications from third parties applying on behalf of unincorporated organisations but normally the organisation applying for a grant must be the one intending to carry out the building's repair and conversion to new use.

5 EXCLUSIONS

The following applicants and project types will generally be considered a low priority and are highly unlikely to qualify for an AHF grant.

- Private individuals



- Local authorities and other public sector bodies (except in cases outlined in 4.8 above)
- Universities, colleges and other mainstream educational institutions including independent schools
- For-profit companies, unless in a partnership led by a not-for-profit organisation
- Unincorporated organisations (e.g. charitable trusts and associations) that are not intending to incorporate
- Organisations established primarily for the benefit of their members (e.g. co-operative societies)
- Organisations with fewer than three Trustees or Directors who are not spouses or partners or otherwise related to each other
- Limited liability partnerships
- Churches or other places of worship, where the building will remain in use primarily as a place of religious worship – defined as hosting more than six religious services per year and therefore qualifying for VAT relief.
- Projects that mainly involve enhancing or facilitating existing uses within a building. Work intended to test and develop new uses for disused or derelict parts of a partly occupied building is eligible, however.
- Capital costs (such as building repairs, installation of services, landscaping, access improvements or heritage interpretation displays)
- Retrospective costs (i.e. the cost of work or activities that will take place prior to us notifying you of our decision on your application)

6 HOW TO APPLY

6.1 Applications can be made online at www.ahfund.org.uk/grants.

6.2. A sample application can be downloaded in PDF format from our website.

6.3 If you are applying for up to £7,500 the deadline is the last day of each calendar month and you will get a decision within 8 weeks. Decisions on applications for over £7,500 are made by our Grants Panel, which meets quarterly. The dates of meetings and deadlines for applications (6 weeks before the relevant meeting) are published on our website.



7 REPORTING REQUIREMENTS

7.1 If you receive a grant offer from us you will be required to report regularly on the work you are undertaking with our support. This will include a report to accompany your final grant payment claim. All grants are claimed in arrears, once the work has been done. The final report should provide us with the information we need to assess how our funding has helped your project progress through the development stages identified on our Theory of Change model. We will help with this.

7.2 We will also contact you one year after your grant expiry date and at annual intervals for up to 10 years afterwards to find out what progress you have made towards your overall goal of delivering the regeneration of an historic building. You will be asked to complete our online **client survey form** so that we can capture vital information about the long-term impact of our funding. We will measure to what extent your project has achieved the intended outcomes for your organisation, the project building and the wider community, as identified on our Theory of Change model. It is important for us to monitor the performance of our grants and ensure we are meeting the needs of our clients. It is also critical that we are able to report to our funders and partners on the social impact of our work and the leverage value of our grants in terms of the additional investment it brings into the sector.