

The Architectural Heritage Fund and the Heritage Investment Working Group

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The Architectural Heritage Fund

The AHF supports the repair and sustainable re-use of historic buildings throughout the UK, bringing social, economic and cultural benefits to communities, by providing loans, advice and support to charities and other not-for-profit organisations

Eagle Workshops and Exchange Buildings, Sunderland



The AHF

- Independent charity established 1976 as a revolving fund for heritage projects – only specialist heritage lender in the UK
- Set up as a result of study during 1975 European Year of Architectural Heritage
- Loans since 1976, grants since 1990, plus advice, lobbying and capacity building for sector
- Promotes the role of historic buildings in regeneration, liaises with key stakeholders
- Ongoing support to c100 projects a year, urban and rural, usually in partnership with other funders
- Five staff based in London, six in rest of England/Scotland, plus 12 Trustees throughout UK
- AHF Chief Executive also chairs Heritage Investment Working Group, Northern Ireland Built Heritage Forum, member of Welsh Minister's Historic Environment Group

The AHF - finance

- Endowment fund of £14million, from Government, public and charitable trust donations
- Loans offered since 1976 - £113 million
 - Acquisition or Working Capital, to maximum £750,000 per project, short-term, low interest
- Grants offered since 1990 - £6.5 million
 - Project Viability Grants (up to £3,000)
 - Project Development Grants – total c£20,000 per project including capacity building for less experienced groups

The AHF – how we are funded

- Support from Government in all four home nations (English Heritage, Historic Scotland, Cadw, NI Environment Agency) towards grants programme and core costs
- Interest on loans and endowment fund
- Contributions from public (donations and bequests), trusts and foundations – including £2million Challenge Fund supported by Andrew Lloyd Webber Foundation and English Heritage

AHF criteria for support

- Building must have ‘statutory protection’ – i.e. on the national ‘list’ or in a conservation area
- Must be ‘at risk’ (on a register or otherwise clearly vulnerable)
- Must be capable of viable new/re-use – no monuments or consolidated ruins
- Project must be able to demonstrate long-term financial sustainability
- Applicant must be not-for-profit, properly constituted and able to own property and to borrow (because AHF primarily a lender)

Castlemilk Stables, Glasgow



Variety of projects and clients

- Redundant churches
- Civic and public buildings – from Town Halls to Swimming Baths, Schools to Hospitals
- Domestic heritage – Victorian terraces to country houses
- Industrial and commercial buildings – mills, factories, railway goods sheds and stations
- Clients: Building Preservation Trusts, community groups, development trusts, arts groups, museums

Dunster Tithe Barn



Dunster Tithe Barn



Success Stories

- The most successful projects are those where communities work in partnership with the local authority and other agencies
- Such a partnership will have access to the broadest range of funding and other support
- Heritage-led regeneration can bring a wide range of benefits, not just economic but also around social capital, community cohesion, cultural diversity and capacity building
- Many successful projects involve a mix of uses for the building(s) so are not over-reliant on one income stream

Where can it go wrong?

- Reluctant/obstructive/untraceable owners
- Unexpected delays/hitches (funding, asbestos, contractor goes bust etc.)
- Lack of community buy-in
- Working with the wrong community...or...
- No community at all!
- Group fails to build its capacity and evolve through three stages of the life of a project
- Market values drop, causing issues for loan security and for end of project sales
- Recession meaning business failures and lack of available re-financing
- Delays to repayment of AHF loans affecting our liquidity



Heritage Investment Working Group

- Founded in 2007 to look at new forms of investment in heritage projects
- Brings together public, private and voluntary/charity sectors
- Members include English Heritage, Heritage Lottery Fund, Architectural Heritage Fund, Prince's Regeneration Trust, Churches Conservation Trust, British Property Federation, Igloo Regeneration, Locality (representing community groups), Heritage Alliance, Joint Committee of the National Amenity Societies, Historic Houses Association

HIWG - 2

- Have made representations to UK Treasury on taxation, including VAT, and on reliefs for owners
- Now promoting alternative investment models for heritage, including work with EIB Institute
- Seeking new partnerships to benefit sector
- Held major event in 2012 using real projects to show potential impact
- Working with Heritage Lottery Fund on new Heritage Enterprise funding programme

HIWG – Heritage Enterprise

- Heritage Lottery Fund scheme launched April 2013 to encourage partnerships between commercial and voluntary sectors, HIWG advises on scheme
- Seeking projects with profitable end uses
- Tourism and regeneration impacts
- Investments of up to £5million per project
- Nine grants offered so far, total £22million
- Projects in all parts of UK, including Titanic drawing offices in Belfast, music venue in Stockton, pub and church in Northampton, swimming baths in Manchester

Conclusions

- New funding opportunities are in 'social finance' not conventional heritage finance
- Partnerships more essential than ever
- Measurement of social impacts of heritage projects is very important to demonstrate case for investment
- Finding sustainable uses for historic buildings is difficult, especially the highest graded ones such as World Heritage Sites
- Too much reliance on tourist and other visitor income is risky
- Revolving funds are good as long as the money does revolve!



Architectural Heritage Fund

- www.ahfund.org.uk
- www.ffhb.org.uk (directory of funding sources online)
- <http://newlifeforoldbuildings.wordpress.com/> - AHF blog
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Thank you