

Evaluation of HLF Catalyst: capacity building programmes

Interim Report – Summary

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Table of Contents

KEY FINDINGS - UMBRELLA PROGRAMMES	1
KEY FINDINGS - SMALL GRANTS	1
INTRODUCTION.....	2
AIMS OF HLF CATALYST: CAPACITY BUILDING PROGRAMMES	2
Aims of the Evaluation.....	2
Overview of the Umbrella Programmes	3
Context and Background for the Umbrella Programmes	4
Programme Delivery Arrangements.....	4
Reaching and Engaging Target Beneficiaries	6
Collaboration and Partnership	6
Progress and Achievement So Far: Activities and Outputs.....	7
BRICK	7
Giving to Heritage	7
Investing in Northern Ireland’s Heritage	8
Resourcing Scotland’s Heritage	8
Catalyst Cymru.....	8
Inspiring a Culture of Philanthropy	8
SHARED Enterprise	8
Cornwall Catalyst.....	9
Progress and Achievement So Far: Outcomes and Impacts	9
BRICK	10
Giving to Heritage	10
Investing in Northern Ireland’s Heritage	10
Resourcing Scotland’s Heritage	10
Catalyst Cymru.....	11
Inspiring a Culture of Philanthropy	11
SHARED Enterprise	11
Cornwall Catalyst.....	12
LESSONS LEARNED	12
OVERVIEW OF THE SMALL GRANTS	13
Summary of Small Grants Awarded	13
Current Fundraising Status of Small Grantees.....	13
SMALL GRANTEE ACHIEVEMENTS: HLF CATALYST OUTCOMES	14

<i>Developed Skills</i>	15
<i>More Resilient</i>	16
<i>Additional Private Money</i>	16
OVERALL REFLECTIONS ON THE IMPACT OF THE HLF CATALYST	
SMALL GRANT	17
Key Lessons Learned	18
Legacy Impacts	19

Key Findings - Umbrella Programmes

The **need for HLF Catalyst is even more pronounced** now than it was when Catalyst started. The broader context of on-going austerity and public sector spending cuts increases the need for, and importance of, Catalyst.

An **on-going issue is the capacity of the heritage sector to engage with HLF Catalyst**. Limited capacity in the heritage sector (and increasing pressures on it) reduces the ability of organisations to engage. There is also an **on-going issue with low fundraising confidence in the heritage sector**.

Across almost all of the Umbrellasⁱ **one key success is the scale of engagement achieved** – i.e. the number of participants/organisations that have received some form of support, training, mentoring, etc. Delivery has been successful in terms of achieving (and surpassing) expected levels of engagement.

As well as the scale of engagement, **Umbrella programmes are pleased with the level of positive feedback** received about the various activities that have been delivered, via end of event survey forms, their own evaluation findings, etc.

Overall, the **Umbrella programmes have also reported that they have reached and engaged with their specific target beneficiaries**.

For some Umbrella programmes, the partnership underpinning the programme has notably changed over time whilst for others the original partnership is still strongly in place. One notable change for some has been **changes to delivery** – including moving some delivery 'in house'. Others have evolved to use different, and in some cases a broader range of, deliverers.

Common themes around outcomes and impacts include: **increased confidence** (general confidence and confidence specific to fundraising); **changes in fundraising practice**; **attitudes** towards fundraising; **awareness** of fundraising issues; and **appreciation** of the importance of fundraising. Whilst it is still early for notable evidence of **additional private money, there are encouraging signs, and some notable achievements reported**.

Key Findings - Small Grants

All Small grantees have, or are developing, a fundraising **strategy** - just under two-thirds already have one in place. Furthermore, all respondents indicated that raising income from private sources formed a part of their fundraising strategy.

Nearly all Small grantees (94%) indicated that **raising income from private sources** was either 'critical' or 'very important' to their organisation.

80% of Small grantee organisations felt that they were either 'significantly' or 'moderately' **better managed** as a result of their HLF Catalyst: Small grant.

The vast majority (83%) indicated that the organisation's staff had **developed skills** to either a 'significant' or 'moderate' extent due to the Small grant project.

The great majority of Small grantees felt they were now more **resilient** - almost 85% indicating their organisation was 'significantly' or 'moderately' more resilient.

Just less than three-quarters of Small grantee organisations stated they had brought in **additional private money** to a 'significant' or 'moderate' extent.

Over 92% of respondents indicated that the **legacy impact** from the Small grant project was expected to continue into the foreseeable future.

Introduction

DC Research Ltd., have been commissioned by Heritage Lottery Fund (HLF) to carry out an Evaluation of the HLF Catalyst: capacity building programmes. The evaluation started in summer 2014 and continues until March 2017.

This document summarises the Interim Report for the Evaluation, produced in mid-2016, which reports on the findings to date, focusing on activity delivered during 2015. The research phase that underpins this report was carried out between October 2015 and February 2016.

Aims of HLF Catalyst: Capacity Building Programmes

The Catalyst programme is part of a broader partnership initiative between HLF, the Department for Culture, Media & Sport (DCMS) and Arts Council England (ACE). It is a national programme **designed to encourage more private giving to culture and heritage**, and to **build the capacity and skills of organisations to diversify their income streams and access more funding from private sources**.

There are three HLF Catalyst strands:

- Catalyst: **Endowments** – Grants of £500,000 to £5million.
- Catalyst heritage: building fundraising capacity (**Umbrella grants**; £100,000 to £500,000).
- Catalyst heritage: building fundraising capacity (**Small grants**; £3,000 to £10,000).

This evaluation focuses on the two Catalyst capacity building programmes in which a total of £4.6 million has been invested: the Umbrella grants and the Small grants.

The Catalyst capacity building grants are expected to deliver the following four outcomes:

- Outcomes for heritage - With our investment, heritage will be: **better managed**.
- Outcomes for people - With our investment, people will have: **developed skills**.
- Outcomes for communities - With our investment, your organisation will be **more resilient**.
- In addition, the Catalyst programme will seek to achieve the following: **bring additional private money into the heritage sector**.

Aims of the Evaluation

HLF has commissioned this evaluation in order to develop a greater understanding of the impact of Catalyst funding, as well as support HLF's

discussions with policy makers and stakeholders and also to contribute to the wider body of knowledge relating to private giving to heritage.

Overview of the Umbrella Programmes

The Catalyst Umbrella grants programme was open to organisations and partnerships working across the heritage sector or parts of the sector, and across the UK or a part of the UK. Grants from £100,000 to £500,000 were available for Umbrella bodies providing support services for heritage organisations.

HLF's original intention was for Umbrella projects to deliver a range of capacity building services, learning and networking opportunities to enable heritage organisations to increase the funding they receive from private sources, such as individual and corporate donations and trusts and foundations.

According to HLF¹, the initiative was intended to:

- Increase the capacity of heritage organisations to access funding from private sources.
- Bring additional private money into the heritage sector.
- Improve the financial sustainability of heritage organisations.

Following a two-stage application process, a total of £3.46 million² across nine grants was awarded to Umbrella organisations:

- **Resourcing Scotland's Heritage** [Arts and Business Scotland]
- **Cornwall Museum Partnership - Cornwall Catalyst** [Cornwall County Council]
- **Inspiring a Culture of Philanthropy (ICOP)** [Hampshire Cultural Trust]
- **SHARED Enterprise: developing business minded museums** [Norfolk Museums and Archaeology Service]
- **Investing in Northern Ireland's Heritage** [Northern Ireland Environment Link]
- **Giving to Heritage** [The Heritage Alliance]
- **Fundraising for Archives** (previously Giving Value) [The National Archives]
- **Building Resources, Investment and Community Knowledge (BRICK)** [The Princes Regeneration Trust (PRT)]
- **Giving the past a future – sustainable heritage in Wales (Catalyst Cymru)** [Wales Council for Voluntary Action (WCVA)]

The Umbrella projects are running for varying lengths of time – originally this was approximately from eighteen months to just over three years, although a number of programmes had their original delivery timescale extended. Furthermore, subsequent to the research phase for this Interim Report all nine Umbrella programmes were awarded additional funding by HLF to extend delivery to match the timescales of HLF's current Strategic Framework.

¹ [Catalyst Umbrella - HLF website](#)

² The £3.46 million includes the development grants awarded to each Umbrella programme – which was a total of £146,000. The total funding for delivery is £3.32 million, and taken together these total £3.46 million.

Each of the nine Umbrella organisations have been delivering separate programmes of activity with coverage tailored to different geographical areas and heritage sectors.

For the Umbrella programmes, the Interim phase of the evaluation involved carrying out a range of one-to-one consultations with the programme managers from each of the nine Umbrella Programmes, as well as a number of key stakeholders. In addition, the evaluation study team observed some of the training events, meetings and workshops that took place in 2015 and 2016.

Context and Background for the Umbrella Programmes

Reflections from the Umbrella programme managers and the key stakeholders reaffirmed that **many of the context issues for HLF Catalyst: capacity building continue to be relevant.**

In general, the **need for a programme such as Catalyst is now even more pronounced** than it was when the programme started. The broader context of the **on-going austerity programme and public sector spending cuts increases the need for, and importance of, HLF Catalyst.** In addition, for some areas the **on-going or forthcoming restructuring of government** (especially in Northern Ireland and Wales), and the **related cuts to core government funding** further emphasise the importance of what HLF Catalyst is trying to achieve.

An **on-going issue is the capacity and ability of the heritage sector to engage with HLF Catalyst.** Limited capacity (and increasing pressure on this existing or declining capacity) within the heritage sector reduces the ability of organisations to engage with the offer from the Umbrella programmes. Alongside this, the **low skills base around fundraising** (and **low awareness** about and experience of fundraising) within the heritage sector continues to be an issue.

There is also an **on-going issue about the low confidence of the heritage sector around fundraising.** The achievements from many of the Umbrella programmes show that there has been progress on this for those individuals and organisations that have engaged with the HLF Catalyst: Umbrella programmes but the issue of low confidence around fundraising across the sector remains an issue.

Programme Delivery Arrangements

Across almost all of the Umbrellas³ **one key success is recognised as the scale of engagement achieved by each of the programmes** – i.e. the number of participants/organisations. that have received some form of support, training, mentoring, etc. The general finding is that programme delivery has been successful in terms of achieving (and surpassing) expected levels of engagement.

Importantly, as well as the scale of engagement, **the Umbrella programmes are pleased with the level of positive feedback** they have received about

³ The exception is The National Archives, who reviewed delivery over the past 12 months. Looking forward, it has been oversubscribed in terms of applications for recent cohort places to the restructured Fundraising for Archives Umbrella programme.

the various activities that have been delivered, via end of event survey forms, their own evaluation findings, etc.

Within this scale of engagement, some Umbrellas note that there have been **multiple attendees from the same organisation engaging with the programme and/or the same person attending multiple events or activities**. Both of these types of occurrence are thought to be positive.

Firstly, **multiple attendees from the same organisation is helping to embed the learning, skills development, awareness, and capacity development across the organisation** rather than it sitting with one individual.

Secondly, **sustained engagement of one person in various activities is helping with the continuous (rather than one-off) development of their fundraising skillset**, as well as their wider appreciation, awareness and knowledge of the issues around fundraising.

One notable trend recognised by a number of the Umbrella programmes is **the influence of the improvement in the level of capacity and skills within the heritage sector during the delivery of the programmes**. At the outset, many of the Umbrella programmes noted that the low skills, low awareness and low confidence influenced the type of support delivered – in that there was a need to provide ‘broad brush’, generic training and support about fundraising, and also to provide more general organisational development support.

As the skills, awareness and confidence of those engaging with the programmes has developed, the demand for what is on offer has changed – there is a **general movement** within the focus of the training being delivered from **broad to narrow** (or general to specific) themes. This **reflects the development of the heritage sector** in terms of fundraising awareness, capacity and capability – and the Umbrella programmes are already reflecting this.

A theme for many of the Umbrella programmes is about the **issue of developing trust with some organisations to get them to engage with the support being offered**. For many heritage organisations, fundraising and especially private giving is a new area and can be ‘scary’ or ‘daunting’. This increases the need for one-to-one support and ensuring that opportunities to engage with potential beneficiaries to get them involved and interested in the offer of support.

A **common area that has proved to be a challenge for all of the Umbrella programmes that had planned to include it is Action Learning Sets (ALS)**. None of the Umbrella programmes have successfully implemented these as part of their delivery programme. Many of the programmes noticed this early on, and amended what was on offer – focusing on emphasising the peer support network elements, and mentoring arrangements instead, and found that renaming/representing the offer in this way helped.

One important aspect of delivery relates to the **various networking opportunities** that each of the Umbrella programmes has been able to facilitate. In particular, the programmes adopting a cohort approach have been able to facilitate on-going networking opportunities with the same organisations. In addition, all Umbrella programmes, whether ‘open’ or ‘cohort’ in their

approach, have been able to facilitate and offer networking opportunities that provide various benefits to the individuals attending the specific activities.

Reaching and Engaging Target Beneficiaries

Overall, the **Umbrella programmes have also reported that they have reached and engaged with their specific target beneficiaries⁴**.

For those programmes that adopted a 'cohort' approach the challenge (which they have all achieved) was to maintain engagement of the cohort throughout the relevant timescale of the programme. For the **programmes with an 'open' approach, the challenge was about ensuring sufficient levels of attendance** at each of the events or activities offered.

Overall, the **levels of attendance achieved have been satisfactory**, although some Umbrellas have cancelled planned activities or events when insufficient numbers expressed interest in attending.

A number of Umbrellas noted that it has **becoming increasingly difficult to fill the places at workshops** (e.g. Giving to Heritage, Catalyst Cymru, and Resourcing Scotland's Heritage all note that significant time and efforts are required to be dedicated to ensuring good attendance levels).

This **need for on-going support was emphasised by many of the Umbrella programmes that have an open element to their programme**. Feedback suggests that one-off support and training can stimulate the need for on-going support, and that this has increased the demand for one-to-one support for some Umbrellas.

Collaboration and Partnership

For some of the Umbrella programmes, the **partnership underpinning the programme has notably changed over time** (e.g. Investing in Northern Ireland's Heritage, Fundraising for Archives) whilst for others (e.g. Resourcing Scotland's Heritage, Catalyst Cymru) the **existing partnership is still strongly in place**. For others there has been change, but to a lesser degree (for example, Cornwall Catalyst is now part of the formally established Cornwall Museum Partnership; ICOP has seen a change of partnership and the programme is now part of a Trust; and BRICK has expanded its use of external collaborators for delivery).

One notable change for some of the Umbrella programmes has been **amendments to the delivery models** over time – where delivery of some of the programme has moved 'in house'. Other Umbrella programmes have also evolved their models to use a different, and in some cases a broader, range of deliverers going forward.

Other positive aspects of partnership working include:

- The Programme Advisory Group for ICOP has provided invaluable donor insight and facilitated introductions, and now includes business members as well as funders and fundraisers.

⁴ Again, the exception is The National Archives, who reviewed delivery over the past 12 months. Looking forward, it has been oversubscribed in terms of applications for recent cohort places to the restructured Fundraising for Archives Umbrella programme.

- In terms of wider collaborations, the three 'museum specific' cohort programmes (SHARED Enterprise, ICOP and Cornwall Catalyst) all note that they have worked well with the regional Museum Development offer and that this has enhanced the programme.
- In terms of collaboration between Umbrellas – the joint meetings held each quarter have been key to this. These meetings work well, helps the programme managers to share ideas, share knowledge, work together to promote training, discuss issues, etc.
- There are also examples of collaboration between Umbrella programmes at an individual level too – e.g. in relation to specific events/workshops being promoted when they are held by the UK-wide programmes in areas served by other Umbrella programmes.

Progress and Achievement So Far: Activities and Outputs

The **Umbrella programmes have achieved (or are on track to achieve) the planned scale of delivery of the various activities, and as a result the related outputs** (number of people engaged, number of organisations engaged, etc.). For each of the programmes a summary of the scale of achievement of some of the key activities and outputs is provided below⁵.

BRICK

- The BRICK programme has now delivered **19 workshop events** across the UK, attended by over **760 participants** representing over **480 organisations**.
- The BRICK mentoring programme provides bespoke support for over **25 community groups** working on heritage regeneration projects.
- The 2015 BRICK conference was held in December 2015 at the Museum of Science and Industry, Manchester, bringing together **275 people** from the public, private and voluntary sectors.
- The BRICKwork social networking website has had **over 56,000 page views** since its launch, while some 45 projects have been signed up to the website by community groups to share advice and best practice.

Giving to Heritage

- To December 2015, Giving to Heritage delivered **85 workshops**, 14 webinars, and 124 one-to-one consultancy/surgery sessions were undertaken. In total, **223 delegate training opportunities - 209** of which were **face-to-face training opportunities**.
- Through this, Giving to Heritage hosted a total of **1,005 delegates** across its face-to-face training opportunities - **881 attendees to the workshops**, and a further 124 delegates in 1-2-1 support and support surgery sessions. There had been a total of **142 webinar viewers**.
- Overall, the total number of **unique engagements** across all programme activities was **786 individuals**, representing **485 organisations**.

⁵ Due to The National Archives programme being at an earlier stage of delivery as a result of the review of delivery last year, it is not included. Early indications for the refreshed programme are positive, with the total number of applicants for the cohort element exceeding the available capacity – 78 applications for 48 places.

Investing in Northern Ireland's Heritage

- Initially, the programme had intended to reach 780 individual participants, and around 50 heritage sector organisations.
- However, these targets were revised upwards early in the programme to **1,500 participants** and **100 organisations**.
- According to the most recent Progress Report, the programme participation targets have already been met and surpassed.

Resourcing Scotland's Heritage

- Resourcing Scotland's Heritage has delivered a total of **51 events**.
- These events have attracted **399 participants**, representing a total of **287 organisations**.
- Additional activity has included the delivery of the Train the Trainer days and the publishing various tools and resources on the RSH website.
- In Year 2, **70% of participants have been new** to the programme, showing the on-going demand for, and growing reach of, Resourcing Scotland's Heritage.

Catalyst Cymru

- Overall, Catalyst Cymru has engaged with a total of **551 participants**, covering **346 organisations**.
- Other activities delivered include a range of one-to-one support sessions with individual organisations, as well as diagnostic visits (as part of the Executive Coaching programme).
- Catalyst Cymru has also developed an online Learning Zone, and there are a range of materials here.

Inspiring a Culture of Philanthropy

- The project currently supports **15 organisations** through **19 cohort places** (nine in cohort one and ten in cohort two).
- Capacity building activities have engaged **56 individuals** from these museums so far.
- 10 topic specific workshops have been delivered, and workshops have been attended by **77 participants**.

SHARED Enterprise

- **311 individuals** engaged across the various training activities and other sessions thus far, for a total of **390 engagements** to date.
- Additionally, **all five cohorts have now completed** and been evaluated.
- **19 resources** are currently available on the SHARED Enterprise website.

Cornwall Catalyst

- Cornwall Catalyst programme has delivered **19 formal sessions** in all, with a total of **341 attendees**.
- Cornwall Catalyst has also **worked with over 40 museums** and heritage organisations on a **one to one/small group** basis, providing help, advice and training.
- The programme has engaged with **87 museums** and heritage organisations overall.
- The demand for the programme has been overwhelming - most courses have been fully booked (20 places per course) often with a waiting list in operation.

Progress and Achievement So Far: Outcomes and Impacts

Some common emerging themes around outcomes and impacts include:

- **Feedback from workshops and events is positive**, and **satisfaction ratings are high** for all the Umbrella programmes that collect this information.
- **Increased confidence** from those engaging with the various activities is a **common outcome**. This relates to both **general confidence** and also **confidence specific to fundraising**.
- The Umbrella programmes typically highlight **changes in practice** around fundraising, **attitudes** towards fundraising, **awareness** of fundraising issues and **confidence** in fundraising as the main outcomes being achieved.
- Other key outcomes that are evident from feedback from various Umbrella programmes (from the beneficiaries) relate to **changes in the culture** of organisations, **changes in the structure** of organisations around their fundraising activities, and an **increasing appreciation** of fundraising and the importance of fundraising to heritage organisations.
- Another achievement noted by many of the programmes is about **networking** – and the increase in networking opportunities and activities that have been achieved. These have led to various outcomes – including the development of new partnerships between organisations.
- Still early for notable evidence of **additional private money, but there are encouraging signs (and some achievements reported)** for some of the Umbrella programmes (e.g. Giving to Heritage estimate it has helped achieve £250,000 of additional fundraising for those engaging in the programme; Catalyst Cymru highlight an example where support for an individual museum led to more than £100,000 in additional funding from trusts and foundations).
- There is a challenge in attributing impact directly back to support from the Umbrellas programmes to some of the longer term outcomes.

Examples of impact and achievement, including feedback from participants at training and events are set out below:

BRICK

- In the first 18 months BRICK achieved an average increase in delegates' confidence levels of 31%.

"Very uplifting to hear and see the amazing projects which are being supported and the energy of those attending to deliver change across N. Ireland."

"Excellent approach that can bring experts together with skilled youth to drive the projects into the future"

Giving to Heritage

- Before engaging with Giving to Heritage, respondents rated themselves around 2.13 on average (on a scale of 1 to 4 - 4 being 'excellent') for Fundraising Strategies and techniques. The rating rose to 3.16 following engagement.

"Broadened knowledge base. Had no previous experience of approaching major donors. Programme gave me tools and confidence."

"Through strategy of identifying outcomes and impacts relative to an organisations own objectives we were able to secure our first grant award from a charitable trust."

"Since participating in the Trusts and Foundations workshop, I have led three successful applications, albeit for fairly small amounts of funding ... In all three cases, a little research meant I was able to exploit contacts to enable a conversation and found that when the ask was made, they were very amenable."

Investing in Northern Ireland's Heritage

"... The programme provides a good informal forum through which opportunities for partnership working can be explored. The first phase of programme fundraising capacity building and training has laid a firm foundation for future growth, development and delivery..."

"...Participating in the programme has given me a much better understanding of the capacity in the heritage and environment sector."

"I found the one-to-one sessions in the programme particularly useful. I realised the inter-connectedness of our area of work and that innovative ways of looking at and implementing our work brings further options to us."

"...awareness of options for fundraising..."

"...a more strategic approach to fundraising..."

Resourcing Scotland's Heritage

- The programme's own evaluation showed that 75% of respondents had seen a strong or moderate improvement in their level of skill in fundraising from private sources.

- Similarly, 71% of respondents indicated that they felt they had made a strong or moderate improvement in terms of their confidence in fundraising from private sources.
- Just under two-thirds of respondents expressed that they had been able to use some of, the majority of, or all of the training received in their role.

Catalyst Cymru

- Catalyst Cymru found in their own evaluation (carried out by WCVA) that 100% of courses showed an increase in participant's self-scored skills and knowledge.

"It has been incredibly useful to have advice and support from the Catalyst consultant... It is especially helpful to have an experienced fundraiser to point us in the right direction so we can focus our time on what is most likely to work."

"Catalyst Cymru has been an invaluable programme for us, we were starting from scratch and had little experience... I am certain that we wouldn't have progressed as far as we have without both the formal training events and the extra support the staff have given us..."

"A most valuable course ['Building your fundraising team'] – well structured with plenty of opportunity for interaction and networking."

Inspiring a Culture of Philanthropy

- Overall, an average of 94% of participants were either satisfied or very satisfied with the session delivered.
- Satisfaction in relation to core sessions delivered was also very high, and again in the vast majority of sessions, all attendees indicated that they were either satisfied or very satisfied with the session.

"The day was extremely useful and well organised."

"One of the best courses I've been on in a long time."

"This day brought together a lot of previous learning points and put them into practical scenarios..."

SHARED Enterprise

- Feedback from one of the programme's cohort evaluation workshops found: level of success in fundraising activities increase by 17%; having a fundraising strategy increased by 86%; fundraising strategy being useful in securing funding for the museum increased by 36%.

"...the training [the museum] got from a SHARE event in Marketing to come up with new ideas and decided to go out to all solicitors in the area with their legacy leaflets."

"... [the museum is] producing a new membership leaflet they plan to launch in March 2016."

"... [the Gallery's] new donation box which cost £800 but has raised them £900 in just 6 weeks compared to the £1000 per year earnings from the old box. They have raised £2000 for a new gallery and this was partly due to advice from the cohort programme..."

Cornwall Catalyst

- All seven partner museums now have a fundraising strategy and have made notable progress in taking forward their organisational fundraising from strategy development to firm actions and activities.
- Results from an evaluation survey showed that all respondents had seen a positive impact upon their confidence (and their organisation's confidence), and all had seen tangible, positive impacts on skills and knowledge of their organisation.
- More than one third of attendees indicated that they had experienced a significant increase in confidence. Alongside this nearly 70% of respondents to an online survey indicated that they are doing something different as a result of the training.

"The main difference for us is that fundraising is at the heart of the organisation and everyone is encouraged to have a go."

"Kickstarter Fundraising Campaigns, working on relationships with donors, thinking more creatively about possible funding streams."

Lessons Learned

Based on evidence from the consultations with the Umbrella programmes, training/event observations, and the document review, there are a number of lessons learned that can be drawn from across the Umbrella Programmes:

- Underpinning **need for a programme such as Catalyst for the heritage sector is just as strong**, if not stronger, than it was at the outset of the programme – especially given the on-going austerity programme, public sector spending cuts and (in some areas) forthcoming/recent local government restructuring.
- **Good levels of engagement** achieved across the Umbrella programmes, however, it is important to recognise that **significant effort can be needed to engage with target beneficiaries** – especially for those operating 'open' programmes.
- **General movement** within the focus of the training being delivered from **broad to narrow** (or general to specific) themes, **reflecting the development of the sector** in terms of fundraising awareness, capacity and capability – and the Umbrella programmes are already reflecting this and should continue to do so going forward (into their extended delivery periods).
- However, there is **still an issue with capacity and confidence** in the sector around fundraising – and it is important to acknowledge this as it can create issues for programme delivery, in terms of engagement generally and the specific support and training needs required.
- **Action Learning Sets continue to be a challenge** across all Umbrella programmes that initially sought to include them within their offer – with no clear solution having yet emerged as to a successful way forward.
- The **on-going support needs of the heritage sector** that exist subsequent to the main training they engage with are recognised by many of the Umbrella programmes. Those programmes that include a 'cohort' approach are likely to already be addressing this as part of the offer. The 'open'

programmes face more of a challenge here (although some do offer more in-depth support to individual organisations where capacity allows). It will be important for all Umbrellas that this on-going need is addressed as the programmes come to an end and prepare for their own legacies.

- In terms of both strategic **partnership and collaboration** around delivery, successes have included the **regular meetings between the Umbrella programmes** (for sharing lessons and ideas); as well as the partnership arrangements that remain in place for some Umbrellas and continue to work well.
- Some programmes have **changed their partnership (or delivery arrangements) to address issues and challenges** – either widening the cohort of trainers they use, or taking some of the training ‘in house’ – in both circumstances, this has helped to address challenges and over-reliance on some partners, ensuring that there are no delivery issues going forward.

Overview of the Small Grants

The HLF Catalyst: Small grants initiative was open to heritage organisations or partnerships of heritage organisations across the UK, and intended to build fundraising capacity and encourage more private giving to heritage.

Grants of between £3,000 and £10,000 were available, and there were two rounds of applications, both of which took place in 2013.

According to HLF, the initiative was intended to achieve the following:

- Increase the capacity of heritage organisations to access funding from private sources.
- Bring additional private money into the heritage sector.
- Improve the financial sustainability of heritage organisations.

Summary of Small Grants Awarded

A total of £1.13 million across 125 grants was awarded through the two application rounds. The first round of Small grant awards was made in June 2013 (a total of 44 awards with a total value of £410,400) and the second in October 2013 (a total of 81 awards with a total value of £727,200). Since the original awards were made, two of the Small grant recipients did not proceed with their projects, and so the analysis relates to 123 awards with a total value of £1,121,700.

Current Fundraising Status of Small Grantees

Just under two-thirds (63%) of Small grantee organisations stated that they had a fundraising plan or strategy, with the remaining 37% indicating that they had one in development. **Overall this shows that all survey respondents already have, or are developing a fundraising strategy.**

Further to this, **all respondent organisations indicated that raising income from private sources formed a part of their fundraising strategy**, whether it was completed or in development.

Small grantee organisations were asked to indicate **how important they felt fundraising and income diversification is to their organisation**, with

almost all respondents (98%) indicating that it was either 'critical' (67%), or 'very important' (32%).

Small grantee organisations were also asked to express **the level of importance that raising income from private sources** currently has for their organisations. Again, **nearly all respondents (94%) indicated that it was either 'critical' or 'very important' to their organisation**, with just over half (53.7%) indicating the former. The remaining respondents stated that raising income from private sources was 'moderately important' to their organisation.

Survey respondents were asked to score or rank their own organisation against a range of statements about fundraising and their organisation's capacity, capability and successes around it. (The scale ranged from 0 (none) to 5 (very high), so higher scores equate to better performance on each issue).

The findings showed that the statements receiving the greatest proportion of high scores related to **staff capability and skills** (for both **fundraising generally** and also specifically for **fundraising from private sources**). This was followed by a range of organisational wide factors which were most commonly scored medium. The lowest ranked statements related to volunteer capability and skills around fundraising (which was most commonly ranked low) and governing body capability and skills (where were most commonly scored as low or low/medium).

To allow a direct comparison between the ranking of the statements, average scores were calculated for each statement and the statements then ranked in order (with the highest average score being ranked 1, etc.).

The **three statements receiving the highest average scores** (all of which achieved an average score higher than 3) are:

- Staff capability and skills on fundraising in general - rank 1 (score = 3.2)
- Staff capability and skills on fundraising from private sources - rank 2 (score = 3.04)
- Success in fundraising from all sources - rank 3 (score = 3.02)

Conversely, the **statements with the lowest average scores** (both of which achieved an average score of less than 2) relate to the capacity and capability of volunteers around fundraising:

- Volunteer capability and skills on fundraising from private sources - rank 11 (score = 1.71)
- Volunteer capability and skills on fundraising in general - rank 10 (score = 1.77)

Small Grantee Achievements: HLF Catalyst Outcomes

The survey also asked grantees about the impact of the project in relation to the specific outcomes for HLF Catalyst: capacity building (i.e. better managed; developed skills; more resilient; and additional private money). Perspectives on the extent to which Small grantee organisations have achieved these outcomes are set out below.

Better Managed

In terms of better management, 80% of Small grantee organisations felt that they were either 'significantly' (36%) or 'moderately' (44%) better managed with a further 14% indicated that they thought they were 'marginally' better managed.

A number of organisations indicated that their organisations had **developed a better understanding or awareness of the issues around fundraising and income diversification**. This included understanding generally, but also the importance of particular processes e.g. the need for good governance, awareness of challenges.

Increased capacity and structural changes were highlighted frequently as factors that had supported better management. This included the **hiring of new staff** members, and **organisational restructuring**.

Also frequently mentioned was the **development or improvement of a fundraising strategy**, or **changes and shifts in the organisation's strategic approach** to fundraising.

The development of new, or enhancement of existing schemes, or processes were common activities. This included **new or improved membership and Friends schemes**, but also **enhanced internal processes** (e.g. finance management procedures, staff procedures, membership management etc.)

Developed Skills

In relation to staff skills the vast majority of Small grantee organisations (83%) indicated that the organisation's staff had developed skills to either a 'significant' or 'moderate' extent.

From the open responses, the main strands by which staff developed skills were specific **training sessions** (e.g. bid writing), **experience via active working on fundraising, dissemination of skills** within the organisation, and also through **observing hired fundraising consultants** where applicable.

Improved understanding was highlighted on a number of occasions, across those where skills development was 'significant' or 'moderate' - most frequently within the latter. This included **sector specific understanding**, as well as generally **understanding the fundraising basics**.

The impact on governing body, trustee's, or board member's skills development was less marked, although more than half (58%) of the Small grantee organisations still indicated that the governing body etc. had developed skills to a 'significant' or 'moderate' extent.

In contrast to responses around staff skills, responses mainly covered ways in which the governing body had shifted its attitude or approach in the context of the organisation's work. Frequently, this entailed **greater consideration as to the importance of fundraising**, as well as **attitudinal shifts** towards **greater engagement and participation** in fundraising activity.

Where skills development was mentioned more generally, responses most frequently expressed that members of the governing body had developed **greater awareness and understanding**. Greater awareness in particular, was

often associated with an emphasis on new levels of engagement from members of the governing body, in line with the above attitudinal shifts.

A fifth of respondent organisations indicated that the governing body had developed skills to a 'marginal' extent, and the remaining 22% expressed that the governing body had not developed skills; a larger proportion than in any of the other indicators. For most, this was as a consequence of the fact that the governing body was not involved in the project. Some indicated that though this was the case for the project, the governing body would be involved in further developments, such as future training, and joint development of a new fundraising strategy.

More Resilient

The vast majority of Small grantee organisations felt that their organisation was more resilient following completion of the project, with almost 85% of respondents indicating that their organisations was either 'significantly' or 'moderately' more resilient. A further 14% expressed that their organisation was 'marginally' more resilient.

Amongst organisations which felt that they were 'significantly' or 'moderately' more resilient, some of the most commonly highlighted reasons related to **structural or organisational shifts**. This included **changes to the composition or organisational structure** of the organisation, but more frequently related to the **attitudes and approaches** of the organisation, and individuals. Furthermore, alongside the above, **directional clarity** and the role of the various **business plans and fundraising strategies**, were also highlighted frequently amongst responses.

Another key factor was the impact that **experiences of fundraising success** had had on organisations in developing **confidence**, but also more tangible benefits, such as more members, and the **actual funds raised** through activities.

Also frequently highlighted by organisations was the importance that **new procedures** had had on their resilience. In particular, this related to **internal management processes**, such as membership or data management. Alongside this were **new systems** which had been put in place, again covering membership.

Alongside the benefits that had already occurred, a number of organisations stated that they were **optimistic for the future**, expressing their expectation that the benefits highlighted would continue. However, some organisations took the opportunity to highlight that challenges were still being faced, and in spite of success, some are still cautious going forward.

Additional Private Money

Just less than three-quarters of Small grantee organisations (74%) stated that following the grant project the organisation had brought in additional private money to a 'significant' or 'moderate' extent. A further quarter of respondents indicated that it was to a 'marginal' extent that their organisation had brought in additional private money.

Common themes, in terms of the sources for the additional private money, emerge across all groups irrespective of the scale of impact reported. For

example, **trusts and foundations** were identified by all groups, as was **individual giving** (both **onsite donations** and also **legacies**, as well as the reviving or establishment of friends/members schemes), as key areas that have contributed to the additional private money achieved:

Other respondents noted that the **corporate market**, including **sponsorship**, had been an area of success.

A number of respondents also highlighted challenges encountered in terms of bringing in additional private money - which included people moving on from the organisation without sharing knowledge, and another expressing that they did not receive any benefit (in terms of additional money) through the operation of new schemes that had been introduced.

Overall Reflections on the Impact of the HLF Catalyst Small grant

The survey asked organisations to respond to a list of statements regarding the overall impact the Small Grant project had, stating the extent to which they agreed or disagreed with each statement about the impact of the grant on various aspects of the organisation.

The results show that the top ten responses in terms of level of agreement (i.e. those that strongly agreed or agreed with the statement) and in ranking order are as follows:

- ...Our organisation has attracted more private sources of funding. (94.0%).
- ...Our organisation has developed new/improved links with funders and donors. (92.0%).
- ...Our organisation has developed and tried new approaches to fundraising. (88.2%).
- ...Our organisation has developed a better understanding of funders/donors needs and expectations. (88.0%).
- ...Our organisation has developed a (more effective) fundraising strategy. (88.0%).
- ...The attitude of staff towards fundraising and diversifying income has improved. (86.3%).
- ...Our organisation has developed a more diverse range of income streams. (86.0%).
- ...Our staff have developed new fundraising skills. (85.7%).
- ...Our organisation has attracted more funding in general. (84.0%).
- ...Our organisation has extended its reach into our local community. (82.4%).

Also worth noting are the three statements which received the highest proportions of respondents strongly agreeing with them:

- ...Our organisation has developed a (more effective) fundraising strategy. (38% strongly agreed).
- ...The attitude of staff towards fundraising and diversifying income has improved. (29% strongly agreed).

- ...The attitude of our governing body/board/trustees towards accessing funding from private sources has improved. (24% strongly agreed).

These **results show that Small grantee organisations have experienced clear success across the board** – reinforced by the fact that in addition to the 'top 10' statements highlighted above, a further three statements received more than 80% agreement from respondents. In particular, the areas **of sourcing new and more funding, developing new and improved links with funders and donors and developing and testing new approaches to fundraising are highlighted by the vast majority of respondents**. Significant success is also seen in other key areas, including developing a more effective fundraising strategy as well as changes in staff attitudes and development of staff skills.

Conversely, the lowest ranked responses (where the scale of agreement was less than (or just more than) half of all respondents) were:

- ...The attitude of our volunteers towards accessing funding from private sources has improved. (46.0%).
- ...Our volunteers have developed new fundraising skills. (48.0%).
- ...The attitude of our volunteers towards fundraising and diversifying income has improved. (54.0%).

Key Lessons Learned

Small grantee organisations were asked to describe some of the key lessons from the project in terms of both the **key lessons from raising funds from private sources**, and **key lessons from fundraising in general**.

One of the more common key lessons highlighted by respondents in relation to lessons around raising fund from private sources, was the importance of **communication**. This included communication **internally**, but more importantly, it related to communication **with funders, with members** and particularly **with donors**. Linked to this, other respondents highlighted the importance of working at **relationships with donors**, expressing the importance of **time investment**, and emphasis on **donor needs**, and **being knowledgeable** about donors to support a constructive relationship.

Time investment was also highlighted with some frequency by respondents generally, with a number indicating the importance of investing time into private fundraising, and the extent to which this investment was likely to be justified on the back of impacts and outcomes.

Other respondents took the opportunity to express the importance attached to **careful planning and strategic planning** in relation to fundraising from private sources.

Other lessons highlighted by Small grantee organisations included the importance of getting out and **making 'the ask'**, the importance of **enthusiasm and engagement** on the part of staff and volunteers, and the importance of **being persistent**.

Some organisations also highlighted **challenges** which they had encountered as part of the project, which had included issues of capacity, the availability of time, and general difficulties in implementing organisational changes.

Key lessons in relation to fundraising more generally were varied, and respondents highlighted a great range of lessons that they had taken away from their projects. Some of the recurring lessons were similar to those highlighted above, and included the required **time investment**. This also related to **donor relationships** in terms of **putting time and effort into the development of these relationships**.

A handful of others highlighted the importance of **staff and personnel skill**, and the impact that this could have.

Opinion differed on the benefits of bringing in outside help/external capacity, with some organisations indicating that external consultancy did not substitute for internal staff (referring to the importance of having detailed knowledge of the organisation) and other concerns included the need to embed skills within the organisation – something that some organisations feel is more likely if internal capacity is expanded rather than buying in short-term external capacity. Conversely, others extolled the virtues of external support, and the skills and expertise that this can provide – as well as the benefits of being able to draw on an independent perspective, especially when organisational change is needed.

Other lessons highlighted included, the importance of **enthusiasm and engagement** on the part of staff and volunteers, and the potential impact of staff moving on (and as such the importance of knowledge sharing).

A small number of respondents also indicated the importance of **diversifying income** – that is seeking to broaden the range of income sources that the organisation receives to reduce the level of reliance on any particular source.

Legacy Impacts

The survey asked Small grantees about the legacy impacts of their projects in terms of both **legacy impacts in relation to raising funds from private sources**, and **legacy impacts in relation to fundraising in general**.

Legacy impacts in relation to fundraising from private sources varied. Frequently, respondents used the opportunity to indicate specific **fundraising successes** which had already occurred, and the subsequent legacy impact these had on the organisation. This included specific **successes in appeals**, in **securing grant funding**, and in securing increased **private donations**, amongst other things.

The legacy impacts from such specific fundraising successes included the improved **financial stability** of the organisation associated with secured additional funding, as well as developing learning and skills within the organisation as a consequence of **learning what works well** in terms of fundraising.

Also highlighted more widely were general **learning and understanding** outcomes (i.e. an improved understanding about fundraising from private sources), as well as **skills development** that had occurred as a legacy of the project.

A minority of organisations did indicate that it was too early to discern what the legacy impacts would be, although some did express that they expect there would be legacy impacts from the project in the future.

In relation to fundraising in general, the overwhelmingly occurring theme was that of **diversification** of sources of funding. For respondents this meant a number of things, particularly, the **establishment of entirely new sources of income** and fundraising, the **development of existing but under-utilised sources** of income, and a **change in approach to existing sources** (such as a shift in the way the organisation goes about fundraising). Across the Small grantee organisations, the diversification of fundraising sources was clearly an important legacy of their Small grant projects.

Another important Small grant legacy highlighted by respondents is **strategy and planning** on the part of organisations. This has not only been in the context of the **development of fundraising strategies** on the part of organisations, but also generally **planning and forethought about processes and methods** by which Small grantees can go about fundraising effectively and efficiently, and the impact that this has had on their organisation.

A handful of Small grantee organisations also took the opportunity to highlight **challenges** that they still faced going forward, though the overwhelming majority appeared **optimistic that the legacy impacts in terms of fundraising in general would be sustainable**, and contribute to the resilience of their organisation for the future.

In summary, **over 92% of respondents indicated that the legacy impact from the Small grant project was expected to continue into the foreseeable future.**

ⁱ The exception is The National Archives, who reviewed delivery over the past 12 months. Looking forward, it has been oversubscribed in terms of applications for recent cohort places to the restructured Fundraising for Archives Umbrella programme.