

The Voluntary Sector

Historic Scotland's support
for the Voluntary Sector

For Consultation



HISTORIC
SCOTLAND
OPERATIONAL POLICY
PAPER

No2/06

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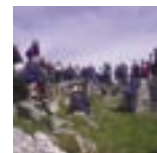
Historic Scotland

July 2006



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Introduction

The voluntary sector is a core part of Scottish community life: 50,000 voluntary organisations bring together around one million volunteers and 100,000 paid staff, all seeking to make Scotland a better place. Scottish Ministers recognise the added value that voluntary organisations can bring to public services and community life and they have outlined their vision for the voluntary sector. Their vision is of a vibrant, sustainable, strong and independent sector, which from its position of strength in communities is able to play to its strengths, and build its voice and capacity to deliver.

Historic Scotland has enjoyed a long and productive relationship with voluntary organisations involved in the historic environment and invests £1.6m in the sector each year through the provision of support for voluntary organisations and support for various initiatives such as the Buildings at Risk Register and Doors Open Day.

We aim to keep the level of investment at its current level. This paper:

- ❖ reviews that relationship;
- ❖ assesses its effectiveness in helping Historic Scotland meet the key corporate objectives set for it by Scottish Ministers; and
- ❖ asks questions on the future operational policy direction for Historic Scotland in its relations with the voluntary sector.



I. The Consultation Process

Introduction

I.1 This draft Operational Policy paper invites views on Historic Scotland's operational policies and plans for providing support to the voluntary sector.

Responding to this consultation paper

I.2 We are inviting written responses to this consultation paper by 25 September 2006. Please send your response to: hs.policy@scotland.gsi.gov.uk

or

Supporting the Voluntary Sector
Consultation

Investment and Projects Team

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Room 2.6

Longmore House

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By fax to: 0131 668 8788

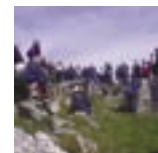
If you have any queries please contact

Martin Fairley on **0131 668 8691**.

I.3 We would be grateful if you could clearly indicate in your response which parts of the consultation paper you are responding to as this will aid our analysis of the responses received.

I.4 This consultation, and all other Scottish Executive consultation exercises, can be viewed online on the consultation web pages of the Scottish Executive website at <http://www.scotland.gov.uk/consultations>. The consultation can also be viewed on the Historic Scotland website at www.historic-scotland.gov.uk. You can telephone Freephone 0800 77 1234 to find out where your nearest public internet access point is.

I.5 The Scottish Executive now has an email alert system for consultations (SEconsult: <http://www.scotland.gov.uk/consultations/seconsult.aspx>). This system allows stakeholder individuals and organisations to register and receive a weekly email containing details of all new consultations (including web links). SEconsult complements, but in no way replaces SE distribution lists, and is designed to allow stakeholders to keep up to date with all SE consultation activity, and therefore be alerted at the earliest opportunity to those of most interest. We would encourage you to register.



Handling your response

1.6 We need to know how you wish your response to be handled and, in particular, whether you are happy for your response to be made public. Please complete and return the **Respondent Information Form** enclosed with this consultation paper as this will ensure that we treat your response appropriately. If you ask for your response not to be published we will regard it as confidential, and will treat it accordingly.

1.7 All respondents should be aware that Historic Scotland, as an agency of the Scottish Executive, is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

Next steps in the process

1.8 Where respondents have given permission for their response to be made public (see the attached Respondent Information Form), these will be made available to the public in the Scottish Executive Library by 30 October 2006 and on the Scottish Executive consultation web pages by the same date. We will check all responses, where agreement to publish has been given, for any potentially defamatory material before logging them in the library or placing them on the website. You can make arrangements to view responses by contacting the Scottish Executive Library on 0131 244 4565. Responses can be copied and sent to you, but a charge may be made for this service.

1.9 Following the closing date, all responses will be analysed and considered along with any other available evidence to help us reach a decision on Historic Scotland's investment policy. We aim to issue a report on this consultation process by 31 December 2006.

Comments and complaints

1.10 If you have any comments about how this consultation exercise has been conducted, please send them to Martin Fairley as detailed above.



2. Review Context

2.1 This review is set within the context of the Strategic Review being undertaken by the Scottish Executive, together with the Scottish Council for Voluntary Organisations (SCVO) and the Convention of Scottish Local Authorities (CoSLA) to identify the current scale and pattern of funding to the voluntary sector and to examine the scope for improving its availability, effectiveness and sustainability. A joint statement that details the principles for funding the sector was agreed in May 2005 and partners have now agreed an action plan which has been developed to deliver on the objectives of the Joint Statement. The following are the principles that have been agreed:

- ❖ Creating a culture change in funding, with funders moving towards an investment culture;
- ❖ Moving towards full cost recovery so that voluntary organisations can realistically cost their services and funders recognise that, to make organisations sustainable, a legitimate proportion of overhead costs should be included in funding agreements;
- ❖ Developing joined up policy making and meaningful partnerships between the public and voluntary sectors;
- ❖ Improving support services for voluntary organisations; and
- ❖ Joining up funding, by making funding sources easier to identify.

2.2 As part of the grants review process, in May 2005, the Minister for Tourism, Culture and Sport announced the launch of the Historic Environment Grants Programme, which brought together a range of Historic Scotland grants and funding programmes under a set of broad guiding principles. The launch also included a commitment for Historic Scotland to review how we support the voluntary heritage sector.

2.3 Historic Scotland will be conducting a separate consultation during 2006/07 on its archaeological investment programme – the Archaeological, Ancient Monuments Grant and the Management Agreement programmes.



3. The Role of the Voluntary Sector in the Historic Environment

3.1 Voluntary organisations have a long history of supporting the conservation of the historic environment. For example, the Society of Antiquaries in Scotland was founded in 1780; the Society for the Protection of Ancient Buildings was founded by William Morris in 1877; the National Trust (in England) was founded in 1895; the National Trust for Scotland was set up in 1931; and the Scottish Civic Trust was established in 1967.

3.2 Voluntary organisations play a range of roles in the historic environment:

- ❖ As curators of the historic environment – some voluntary organisations have in their care nationally and/or locally important historic treasures;
- ❖ As champions for the historic environment – some voluntary organisations campaign for the protection of, and investment in, the historic environment. They seek to shape the development and implementation of public policy, thus helping to make the policies and practices developed by government more responsive to the needs of the historic environment;
- ❖ As representative organisations – some voluntary organisations have been set up to represent their members' interests whether as owners of historic environment assets or as people with an interest in the historic environment or to represent their members' professional interests;



- ❖ As “umbrella” organisations – some voluntary organisations provide services to, and represent the views and interests of, their member organisations;
- ❖ As service delivery agents – some voluntary organisations provide services on behalf of government where it is recognised that they are better able to do so. For example there are some HS properties where voluntary organisations manage or assist in presenting properties;
- ❖ As a professional research and advisory service – some voluntary organisations have been established to fill a gap in the provision of professional services that are not currently available publicly or commercially; and
- ❖ As a focus for volunteering – tens of thousands of people volunteer across Scotland everyday, and it is an activity where everyone has something to contribute and everyone has something to gain. Voluntary sector organisations are ideally placed to provide a variety of opportunities for people to take part, and the historic environment sector is no exception, from educational activities through surveys and excavations to the provision of professional services for the restoration of historic buildings.

Question 1: Are there other roles played by the voluntary sector that have not been identified here but which are significant in the protection and conservation of the historic environment?



4. Historic Scotland's investment objectives

4.1 Historic Scotland has been set corporate objectives to ensure that the Agency's targets best serve the Historic Environment. These objectives are set out in the Agency's Framework Document <http://www.historic-scotland.gov.uk/aboutus>. More detail and target dates are set out in the Corporate Plan http://www.historic-scotland.gov.uk/annual_reviews, which is approved by the Minister for Tourism, Culture and Sport.

4.2 Historic Scotland's investment in the voluntary sector will be targeted at projects and organisations that can help the agency meet the following corporate objectives:

- (1) To care for, protect and enhance the historic environment;
- (2) To secure greater economic benefits from the historic environment;
- (3) To increase public appreciation and enjoyment of the historic environment;
- (4) To ensure that the historic environment delivers benefits for communities;
- (5) To promote and develop knowledge and skills; and
- (6) To build capacity in the voluntary historic environment sector.

Question 2: Are these objectives for Historic Scotland's investment in the voluntary sector appropriate?



5. Delivering Historic Scotland investment in the voluntary sector

5.1 Historic Scotland recognises that we can often be the largest single source of funding for voluntary historic environment organisations. We therefore aim to manage our investment in a way that is responsive to the needs of grant recipients. We also seek to make the processes underpinning our investment open, transparent and efficient.

5.2 In particular, we shall:

- ❖ make available on Historic Scotland’s website, information on the funding opportunities available and how to apply;
- ❖ have a single point of entry for grants funding for voluntary sector organisations;
- ❖ ensure that the timing and method of payments suit the grant recipient whilst still meeting audit requirements;
- ❖ review, in consultation with grant recipients, the funding conditions and monitoring systems that apply to our grants. We want to ensure that they are appropriate and proportionate while still recognising the need to account for public sector funding; and
- ❖ review these monitoring arrangements in light of Scottish Executive compact guidance.

5.3 At present, Historic Scotland provides funding to voluntary organisations in two ways: core funding and project funding.

- ❖ Core funding provides financial assistance for the “core” activities of organisations where they have a continuing role in the delivery of particular policy objectives. This has proved successful in enabling certain organisations to develop their expertise in particular areas.
- ❖ Project funding provides financial assistance to enable the completion of specific projects.

5.4 In keeping with the Scottish Executive’s Strategic Review, and in order to move towards an investment culture of funding, Historic Scotland proposes removing the current distinction between “core” and “project” funding. Instead, our funding will be aimed at securing agreed outcomes and objectives and will be made on a “full cost recovery” (FCR) basis. (FCR is the principle that an organisation recovers the full costs associated with providing a service or other output. The principle of FCR is not a new concept – it is a widely accepted accountancy principle. It has not, however, been widely applied to the voluntary sector. See www.fullcostrecovery.org.uk)

5.5 Historic Scotland would intend to make funding available on a 3-year basis where the agreed outcomes cover that length of investment.

Question 3: What are your views on providing funding on a FCR basis and making offers covering a maximum period of 3 years?



6. Establishing Priorities for 2007-2010

6.1 Scottish Ministers have launched an Efficient Government initiative as part of their public services reform agenda. The initiative aims to establish Scotland as a leader in efficiency, innovation and productivity in public services. This initiative aims to attack waste, bureaucracy and duplication in Scotland's public sector. It includes a commitment to apply best practice in asset management and through sharing support services where appropriate. We consider that there are lessons to be learned from this initiative and scope to apply some of the principles that underpin it to our support for the voluntary sector.

6.2 We are aware that the historic environment sector has many small organisations sharing the same goals and aspirations. In light of the Efficient Government initiative we would wish voluntary organisations supported by Historic Scotland to consider whether there is scope for them to consider merging or undertaking some form of sharing of common services. We have been interested that a number of voluntary groups have discussed with us the possibility of shared services such as administrative staff or use of equipment. We will consider short-term funding to enable heritage organisations to share, merge, integrate their functions or work in partnership.

Question 4: What are your views on the potential to merge organisations or share common services?

6.3 Historic Scotland, in partnership with the Historic Environment Advisory Council for Scotland and the Built Environment Forum for Scotland has carried out a three way study into mapping the infrastructure of Scotland's historic and contemporary built environment sector. (The term infrastructure refers to organisations which carry out a particular range of support and development functions for other organisations in their field.) Organisations of interest are non-governmental, primarily the voluntary sector and professional organisations. Historic Scotland intends to use the findings from this study to aid its understanding of the organisations involved in the historic environment and to ascertain where there are gaps in the infrastructure or duplication in the provision of services and areas of activity.

Question 5: Should Historic Scotland ensure that funding of gaps in the infrastructure of the historic environment is plugged?



6.4 We have received a number of approaches from local heritage organisations seeking to encourage Historic Scotland to support local initiatives that contribute to the agency's ability to deliver benefits to communities. At the current time only some of Historic Scotland's grant schemes, such as the Archaeology Grants Programme, are open to local organisations. Other grants schemes, such as the Heritage Grants Scheme, have only considered applications from organisations carrying out activities in more than one local authority area. We recognise that there may be a case for supporting local schemes, for example where an innovative approach is being developed that has the potential for more widespread application. Therefore we plan, in discussion with local authorities, to look at how best we can support local and community initiatives. We would welcome views and suggestions.

Question 6: Should Historic Scotland support local projects and if so, how and what should be the priorities?

6.5 For a number of years building preservation trusts (BPTs) have been instrumental in facilitating the re-use of redundant buildings, often turning them into vibrant community assets. Historic Scotland has supported this activity directly by providing historic building repair grants for individual projects and indirectly by providing financial support to the Architectural Heritage Fund (AHF). The AHF then makes grants and loans to a range of charitable organisations including building preservation trusts under a variety of grant programmes http://www.ahfund.org.uk/finance_grants.html.

6.6 The AHF-run mentoring programme provides direct assistance to trusts in bringing forward new projects that bring back into use redundant buildings. Historic Scotland wishes to consider how it might provide additional support to BPTs to enhance their role in caring for the historic environment. In recent years the number of projects being brought forward by BPTs has reduced. The number of properties on the Buildings at Risk Register would appear to provide opportunities for BPTs working in partnership with other organisations which are not being fully exploited. Historic Scotland wishes to consider how the Register might be used to better effect.

Question 7: How might Historic Scotland provide additional support to the Building Preservation Trusts movement?

Question 8: How should Historic Scotland support Building Preservation Trusts in tackling the Buildings at Risk Register?



7. Administration of the Heritage Grants Scheme

7.1 Historic Scotland is committed to finding ways of reducing the time taken to make decisions and improving the service provided to applicants under the Heritage Grants Scheme.

7.2 We are considering introducing new administrative arrangements that would require applications for grant from Historic Scotland to be submitted by 30 September in each year with decisions announced by 30 November. Grant would be payable from the following April for up to a period not exceeding 3 years.

7.3 Formal offers of grant, based on the agreed Scottish Executive model conditions would be introduced. These formal offers would contain the outcomes agreed between Historic Scotland and the voluntary organisation allowing Historic Scotland to measure performance during the period covered by the offer.

Question 9: What are your views on these proposals for deciding grant awards?

7.4 Historic Scotland has a small sponsorship fund which currently operates on a first come first served principle. It is used to support various events throughout the year. The fund supports many diverse projects each year with applications being accepted throughout the year e.g. sponsorship of conferences and publications. We intend to introduce new arrangements where applications that meet our new agreed priorities would be considered three times a year and decisions would be made within one month. We would not expect recipients of grant under any other stream of grant assistance from Historic Scotland to apply to the sponsorship fund.

Question 10: What are your views on these proposals for deciding grant awards from the sponsorship fund?



8. Conclusion

8.1 Grants to voluntary bodies are an essential part of wider efforts to safeguard Scotland's historic environment and promote its understanding and enjoyment. This consultation paper invites your views on the strategic direction of the investment provided by Historic Scotland.

8.2 We need your input, understanding and expertise to ensure that we can do our best to support you and your voluntary bodies in your invaluable contribution to our Historic Environment.



