

HISTORIC SCOTLAND BOARD

GRANTS: GETTING TO 2013

1. The purpose of this paper is to stimulate a discussion of what the grants regime might look like in 4 to 5 years' time, as an input into the planned review of the grants programme during 2009.

Background

2. This paper focuses on buildings grants. But there is also a broader discussion to be had about how the agency chooses to place resource across its three major strands of external grant which are: buildings; archaeology; and the voluntary sector.

3. A review of the buildings repair grant (BRG) is planned for 2009. This needs to be informed by a clear corporate view of what the purpose of the BRG is, where it sits in our broader grants strategy and where we want to be by around 2013. Ahead of the review we propose we should agree a clear grants strategy setting out where we want to be and how we want to get there, including our specific priorities over the period.

Key areas for discussion

4. The existing grants programme has many strengths. We have a good story to tell on completion rates and quality. We have a good track record in terms of responding flexibly as projects' needs have changed. The schemes are well-administered, with a clear audit trail. Partnership working with the HLF has been productive. All of this we should be seeking to maintain.

5. Flexibility and opportunism have historically been important to us in making an impact through grants. We cannot predict or control where the right combination of opportunity, enthusiasm, skills and funding will turn up. Open bid-in schemes (mainly the BRG) have been the means we have had to respond to opportunities but the BRG is in danger of becoming too small to bear the weight placed on it. **We need to be clear about our commitment as an organisation to continuing with open bid-in scheme.** If we continue to want to have such a scheme, we might want to identify a minimum amount at which it is sensible to run this.

6. The grants programme has become progressively tied up in recent years with large recurring commitments. We have relatively little room to manoeuvre in response to changing ministerial or agency priorities. We do not know what priorities our successors will have by 2013, but we can anticipate that the agency will want more flexibility than we currently have. **We could make *reducing recurring commitments* a specific aim**, accepting that this will not be achieved overnight and realistically will met as much by resisting new recurring commitments as by forcing the early end of very many current ones. **We could also adopt a firm policy of *preferring time-limited schemes*** (as the successful CARS scheme has been) for particular priorities rather than locked-in arrangements (eg CHTs).

7. All our grant schemes are run on the basis of response to local initiative, although some – eg CARS and CHTs – attempt to steer and entice. We can tell a strong story about

how the grants programme is supporting wider SG initiatives (particularly regeneration, but also sustainability). We do not however give ourselves any real scope as an organisation to take initiatives and show leadership in relation to specific buildings or categories of buildings. There is no systematic mechanism for identifying priorities for the agency (eg in terms of types of building or parts of the country) emerging from our regulatory role and then considering how the grants regime could support work on those. **We need to consider how we could do more to use grants spend to make progress on specific agency priorities.** For example, within individual English Heritage regions particular types of building are identified as priorities over a particular period for their equivalent to the BRG. This does not preclude other types of project being funded but provides a way of encouraging a particular focus, without setting up entirely separate long-term schemes. There is also scope to think further about the scope for the agency to be funding feasibility studies for particularly hard-to-tackle cases.

8. It is not yet clear what impact the current economic downturn may have. Only a small minority of projects are reliant on funding which is at first sight vulnerable. Historically, recessions have been associated with an increase in demand. Similarly, it is hard to judge what impact the decrease in the HLF budget will have. Potentially we will be the first port of call for more bids. Equally, however, it may reduce the number of projects, particularly large projects, which get off the ground at all.

Where we could be in 2013

9. The overall shape of the grants programme might not look radically different in 2013, but taking the points above:

- The balance between long-term commitments and more manoeuvrable funding would have shifted more in favour of the latter
- An open bid-in scheme would continue to form a significant element of what we offered
- But we would be able to point more easily to ways in which the grants spend was supporting both ministerial and agency priorities.

Conclusion

10. The Board is invited to comment on this paper, as a contribution to producing a grants strategy which will inform review work over the course of 2009.

**POLICY GROUP
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