

HEACS REPORTS: INFRASTRUCTURE FOR THE HISTORIC ENVIRONMENT; AND ECONOMIC IMPACT OF THE HISTORIC ENVIRONMENT

Purpose

To give the Board an opportunity to discuss the two recent reports from the Historic Environment Advisory Council for Scotland (HEACS).

Background

2. HEACS has so far produced two of the four reports commissioned from it by Ministers in 2006. This will be the final round of HEACS reports if proposals for its abolition, as part of the Government's simplification programme, are agreed by the Parliament. HEACS is holding a closing conference on 20 May, sponsored by Historic Scotland among others, for which it is planning a further, general 'Closing Report'.

Infrastructure

3. In April 2006 HEACS was asked to: 'map the infrastructure of the historic environment as it related to the voluntary sector, professional associations and private sector organisations, and to make recommendations on actions that may need to be taken to fill gaps and optimise coverage'.

4. It presented its report to the Minister just before Christmas. The executive summary with recommendations is attached as Annex A (the full text is available on HEACS' website: www.heacs.org.uk). The recommendations fall into two broad categories: those relating to the establishment of an 'intermediary body;' and those relating to Historic Scotland's relationship with the voluntary sector. HEACS commissioned work from SCVO to support its findings and also commissioned research into the scale of volunteering in the sector, which has produced a picture of local volunteering on a very significant scale.

An intermediary body

5. HEACS makes a persuasive case that non-governmental bodies in the sector lack a strong collective voice. It argues strongly that the sector needs an intermediary body (and draws analogies with Scottish Environment Link and, in England, Heritage Link). HEACS notes that the Built Environment Forum for Scotland (BEFS) does some, but far from all, of the activities of an intermediary body. But HEACS argues particularly strongly that the sector needs to be brought together and represented by a body with a specific historic environment focus. It recommends BEFS be invited to make proposals to transform itself into the sort of body HEACS argues is needed, but that if BEFS is unable or unwilling to do so, Ministers should establish a new body from scratch, working with the SCVO.

6. We wrote an exploratory letter to BEFS in January, asking whether it would

be open to making the sort of changes HEACS recommends, should Ministers accept the report's conclusions. BEFS' initial response, confirmed by a formal meeting of its members on 5 March, was to defend its existing remit and to stress the limitations placed on its activities by current resources. BEFS is largely funded by HS, at around £50,000 a year (we provide just over £0.5m pa in funding in total to the voluntary sector, excluding building project grants). We agree with HEACS and BEFS that if we want to see the sector operate more effectively as a collective entity, we will need to invest more in 'intermediary' activity, which we largely seek to achieve through BEFS at present. If the Minister agrees, the issue will be by what vehicle.

How relevant is remit?

7. HEACS feels strongly that the historic environment needs to be represented and brought together by a body which is explicitly about the historic environment. We might consider on one side:

- the relative newness of the sector, which still 'shows the join' between archaeology and built environment interests. Much more energy will need to go into building relationships between those motivated by different aspects of the historic environment before we can truly say we have a coherent sector with a strongly shared sense of common interest.
- The broad range of relationships relevant to the sector, which include but are not limited to the non-historic built environment. In particular, in other contexts the Minister has emphasised the significance of the relationship with natural environment. The membership of BEFS includes broader built environment groups, but tends not to include rural bodies; and BEFS' links with organisations such as the NFUS or the Forestry Commission Scotland, and its engagement in rural debates, has not been strong. Equally, with the Marine Bill, marine issues will increase in relevance, and BEFS has established a working group.
- The range of agendas to which the historic environment can contribute, as evidenced by discussion with Heritage Link, which has been active on social inclusion, education and equalities issues, among others, thinking holistically about how the historic environment can play a part in meeting broader social and governmental aspirations.
- Branding: a body branded as being about something other than the historic environment is more likely to be overlooked by public and private sector bodies (including the media) when they are looking for an overview from the sector. Put simply, it may not be obvious to Marine Scotland that it should include the Built Environment Forum for Scotland on its consultation list and it is far from ideal to have to rely on HS and others constantly working to explain the position to colleagues across government and beyond.

8. On the other hand, the relationship with the non-historic built environment is clearly one of the most important issues facing the sector. It is worth being aware that the SG's Built Environment Directorate remains un-persuaded that BEFS can contribute to its work to any important degree. We have been in close touch with the Directorate, in particular in relation to the current review of Architecture and Design

Scotland.

Next Steps

9. We have had an initial discussion with the Minister, which we will report to the Board. We have also had some written representations from bodies in the sector other than BEFS, from which no clear single view emerges. We are holding a ‘Chatham House’ rules discussion with representatives of the largest national voluntary sector bodies on 30 April, to explore in more depth their views on the issues raised by HEACS and in particular the key choice which seems to face Ministers here: whether to work with BEFS to take forward the HEACS agenda and, otherwise, by what means could the sector successfully be supported to develop a stronger, more coherent voice? We will be providing the Minister with further advice in the light of the Board discussion and the 30 April meeting, with a view to his then issuing a formal response to HEACS.

10. On funding, as already noted, if we take the BEFS budget as a starting point we accept that we will need to find more resources than we currently do for intermediary activities. By some relatively straightforward reprioritisation of the budget for the voluntary sector, we think we can find a reasonable increase, but not to the extent HEACS advocates, which would require more radical changes to our voluntary sector funding pattern, or finding resources from elsewhere. HEACS argues that the funds saved by its abolition should be retained in the sector and implies that those might help meet new costs. However, those savings form part of current plans to meet general pressures on the HS budget and they are not available for re-use without creating pressure elsewhere in HS.

Historic Scotland and the Voluntary Sector

11. HEACS also makes a number of observations and recommendations about HS’s relationship with the voluntary sector. The Minister has expressed a strong interest in receiving further advice on these.

12. HEACS notes that it is ‘aware of concerns when a body heavily reliant on central government funding engages in advocacy on behalf of the sector. The Scottish Compact between the Scottish government and the volunteering sectors committed the government to recognising and supporting “the sector’s independence, including its right to comment on and challenge Executive policy.” HEACS considers that advocacy is a proper function of an intermediary body supported by government’ [para. 115]. In other words, HEACS argues that Scottish Government policy means we should be prepared to fund bodies which may be critical of the government, including, by implication, ourselves. Put together with the SCVO finding that SG funding is already a significant source of income for intermediary bodies funded in a variety of sectors, this is a difficult conclusion to challenge. Do we think that raises any special issues in the context of HS?

13. HEACS ‘is not convinced that HS’s commitment to supporting the sector extends beyond providing funding. There is a question as to whether HS truly understands and appreciates the role and importance of the voluntary sector for the historic environment. The issues which culture change raises are deep-rooted. As a

first step, HS should be required to review its commitment and policies towards the voluntary sector and confirm recognition of the terms of the Compact' [para. 116]. HEACS does not provide any detail behind this conclusion and we will explore further at the 30 April discussion what the perception of these points is in the sector. We think Ministers are likely to be interested in the recommendation of a review.

14. HEACS also 'considers that HS's approach to the funding of the voluntary sector fails to take account of the wider range of Government social, environmental and economic policies to which a strong, active voluntary sector makes a significant contribution. HS should support and encourage leadership organisations in the voluntary sector to become more pro-active in making links with wider policy areas on behalf of the historic environment' [para. 124]. Again the report does not provide further detail and we will explore this further on 30 April. We have some initial ideas about activities we could undertake here.

15. HEACS argues against an aggressive policy of promoting mergers: it 'does not regard the voluntary sector as "overcrowded"'. It adds: 'HS should look to encourage the sharing of resources and facilities and working in partnership' [para. 125]. When we reviewed our funding of the sector in 2006 and issued a new policy on the voluntary sector, we emphasised our willingness to support initiatives aimed at rationalisation, but left the initiative to the sector. Nothing has changed as a result. It is hard to argue with the conclusion that successful rationalisation among bodies independent of government is most likely to succeed if it has bottom-up support. However, given the pressures on our budget, we need to open a frank dialogue with the sector about the logic of continuing to spread resources among a range of individual bodies in the way we do, particularly if we are to find resources to fund a more extensive range of collective, intermediary activities.

Economic Impact of the Historic Environment

16. In March, HEACS submitted its second piece of work, a study of the economic impact of the historic environment. HEACS' findings are based on specialist research commissioned by the Council from a consultancy, ECOTEC. Unlike the infrastructure report, these documents have not been immediately published. To take maximum advantage of the opportunity to promote the new figures provided in the report, we have agreed a presentation strategy with HEACS, which will include the Minister in providing some targeted briefing to the media. This is due to take place over the next few weeks.

17. Annex B contains the conclusions and recommendations. Copies of the full report will be available at the meeting. We would like to make a fuller presentation on this to the Board at a future meeting. For now, the Board is invited to note that we believe HEACS has put considerable effort into producing a cautious analysis of the data, which identifies significant figures in terms of employment (41,000 FTE directly employed) and GVA (£2.3 billion or 2.6% of the Scottish figure), drawn predominantly from tourism and construction, which compares strongly with other sectors better known for their economic contribution.

Conclusion

18. The Board is invited to note and comment on the recommendations made by HEACS relating to infrastructure, in advance of our providing further advice to the Minister, with whom final decisions will rest. Board members may wish in particular to discuss:

- HEACS' view that the sector needs to be represented by a body which is specifically focused on the sector; and
- the significance of HEACS' comments on the implications of the Compact for our funding of voluntary sector bodies.

19. The Board is also invited to note the findings of HEACS' report on the economic impact of the historic environment sector and our intention to bring back a fuller presentation to a future meeting; and to make any initial observations, including on how we might take forward HEACS' recommendation that the results should be widely shared.

POLICY GROUP
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Historic Environment Advisory Council for Scotland

Report and recommendations on the infrastructure of the historic environment

This report covers the issue of the infrastructure for the historic environment sector which was identified as a priority by HEACS in its first term. The issue was subsequently made one of the four priority issues on which the then Minister for Tourism, Culture and Sport asked HEACS for advice during its second term of three years (2006-09). Infrastructure describes the range of support, co-ordination and representation provided to front-line voluntary organisations by umbrella or intermediary organisations, sometimes called infrastructure bodies.

A survey to map the infrastructure of the sector was carried out by Jura Consultants for HEACS, Historic Scotland and the Built Environment Forum Scotland (BEFS), and published in 2006. In 2008 a second research project was undertaken for HEACS by the Scottish Council for Voluntary Organisations (SCVO) on the nature and functions of intermediary organisations within the voluntary sector. A further project to assess the scope and importance of volunteering in the historic environment was carried out for HEACS by Volunteer Development Scotland (VDS), also in 2008.

The historic environment sector

HEACS understands the sector to be made up of a very diverse range of organisations from the public, private and voluntary sectors. The sector includes Government departments, non departmental public bodies, local authorities, professional bodies, trade associations, training bodies, private owners, developers, academic interests, NGOs and voluntary bodies. The historic environment sector as a whole is cross-cutting in that it covers a very diverse range of interests and extends across all three areas – the public, private and voluntary sectors.

The sector also extends across geographical scales: from the local to the national, as well as the international. While many organisations operate on the local scale, a significant number operate across most or all of Scotland. This would appear to fit the model of a sector characterised by complexity and diversity, and comprising a large number of local organisations and a significant number of national organisations.

Historic environment voluntary sector

The development of the voluntary sector has taken place over a considerable period of time. The commitment and energy within the sector means that it is well able to adapt or to create new organisations to deal with emerging issues. HEACS is not convinced that the historic environment voluntary sector is 'overcrowded' and takes the view that the current number of bodies is a measure of the breadth of interest represented by the historic environment and the considerable public commitment towards it.

The membership of voluntary organisations is important not only in financial terms, but also in demonstrating public interest. It is clear that very significant numbers are involved.

Over the last 40 years or so there has been a shift within the historic environment voluntary sector from bodies run entirely by volunteers to staff-led organisations. However, the continuing involvement by significant numbers of volunteers reflects both the strong interest of the public and the public desire to participate in civic activities in the sector.

Historic Scotland's commitment to supporting the voluntary sector is to be welcomed, although there is a strong perception that the historic environment sector in Scotland is poorly resourced in financial terms. Moreover,

Historic Scotland's policy is narrowly focussed and fails to take account of the wider range of Government social and economic policies to which a strong active voluntary sector makes a significant contribution. Historic Scotland should be more proactive in making links with these wider policy areas on behalf of the historic environment.

Infrastructure bodies

The Wolfenden Report on The Future of Voluntary Organisations (1978) included a clear and systematic analysis of the emerging infrastructure. Wolfenden used the term 'intermediary bodies' to describe the organisations operating either as generalist, serving the sector as a whole, or specialist to a particular area.

These intermediary bodies are now recognised as representative bodies for the sector as a whole, or for their area of special interest, are in regular dialogue with Government and other external bodies, and have an important role in co-ordinating responses to various consultations and proposals from Government. There is a recognition by Government that intermediary bodies should be funded. Government has an important role in funding such bodies.

The infrastructure for the historic environment

There are two main generalist infrastructure bodies in Scotland serving the voluntary sector, including the historic environment voluntary sector: SCVO (Scottish Council for Voluntary Organisations) and VDS (Volunteer Development Scotland).

HEACS considered the activities of specialist intermediary bodies which relate to the historic environment sector. These include BEFS, Scottish Environment LINK, Archaeology Scotland, as well as several other bodies in Scotland. The role of Heritage Link in England was also examined.

The SCVO study commissioned by HEACS provides an overview of the structure and operations of a cross-section of intermediary bodies in the wider voluntary sector. Most were relatively small, and led by a chief

executive. Central Government funding was the most important source of funding, followed by membership fees.

The most important key functions of the intermediaries surveyed were:

- representation and lobbying (both at national and local level);
- communication, information and advice;
- policy and research; and
- promoting good practice.

Key characteristics of successful intermediaries included:

- strong and positive relations with all stakeholders;
- effective representation and leadership skills; and
- independence and the ability to challenge policy and decision makers.

To HEACS it is clear that BEFS comes closest to being an intermediary body for the historic environment sector. However, assessed against the SCVO criteria, BEFS provides only a limited range of services to its members and to the sector as a whole. While BEFS is still developing as an organisation, it cannot yet be considered an effective intermediary body for the historic environment.

HEACS concludes that the key gap in the infrastructure for the historic environment sector in Scotland is the lack of an effective intermediary body at national level.

HEACS became aware from early in its work that the historic environment sector had difficulty in identifying key current issues and lacked an influential collective voice.

The sector lacks a focal point, outwith Government, with the capacity to bring the sector together and provide the leadership which would enable the sector to be more outward looking, both to the wider voluntary sector and to Government at large. The sector also appears to have missed out on opportunities for development through Government policies and programmes not in themselves directly related to the historic environment.

HEACS considers that there is a real need for an intermediary body which can champion the historic environment on behalf of a variety of interests, not only to Government, but also to a much wider audience, in a way which would reflect the high degree of public interest in the historic environment. A voice is required which can not only complement and/or challenge Historic Scotland and act as an effective 'counterweight' to the agency, but can also be heard by other Government bodies and other sectors, including the voluntary sector as a whole.

HEACS has itself become a useful focal point for the sector and has also been a means by which views from the sector have been co-ordinated and taken forward. These are important functions which should be taken on by a national intermediary body. HEACS considers that the annual funding which has been made available to HEACS through Historic Scotland should not be lost to the sector.

Investment in infrastructure would:

- enhance the capacity of the sector to engage with policy issues and would pay dividends in producing a more coherent and more representative contribution to policy debates and policy formulation, and in response to consultations;
- assist in giving organisations influence and enable them to be heard more readily when attempting to raise concerns. In taking a common or generic message to the highest level, an intermediary body should free up other organisations' resources; and
- help to increase effectiveness within the sector and decrease the risk of wastage of time and duplication of effort on the part of other sector bodies, as well as assist in identifying gaps.

The SCVO report stressed the importance of central Government funding for infrastructure bodies. Government funding will provide an essential, continuing, and very significant portion of income for an intermediary body.

There is concern that a number of the leading voluntary organisations within the historic environment sector are highly dependent on

Historic Scotland for their funds. However, there is little possibility of revenue funding for infrastructure for the historic environment being provided by other parts of Scottish Government or by other public bodies. It should be assumed that Government funding for an intermediary body for the historic environment will be provided through Historic Scotland.

HEACS is aware of concerns when a body heavily reliant on central Government funding engages in advocacy on behalf of the sector. The Scottish Compact between the Scottish Government and the voluntary and volunteering sectors committed Government to recognising and supporting "the sector's independence, including its right to comment on and challenge Executive policy." HEACS considers that advocacy is a proper function for an intermediary body.

HEACS recommends that a bespoke national infrastructure body for the historic environment sector would be a voluntary organisation and would represent voluntary bodies within the historic environment sector. However, there are advantages in the body serving the sector as a whole, and being open to public, private and voluntary sector bodies.

HEACS would expect the following to be included amongst its functions:

- representation and advocacy;
- communication and networking;
- capacity building; and
- policy and research.

In view of the complexity of the sector, it is crucial that the infrastructure body has a remit targeted on the historic environment sector. To be effective the infrastructure body must have a chief executive or director who can bring about a consensus within the sector, represent the sector at the highest level, and take a lead in developing policy. A team of five staff, including a chief executive and policy and development officers, would enable the body to play an effective role.

Next steps

The creation of a bespoke intermediary body for the historic environment can be seen to be

attended with a number of issues. Although BEFS is the nearest to an intermediary body, HEACS is uncertain whether an organisation can serve both the contemporary and historic built environments effectively. While in some crucial respects BEFS is anchored in the historic environment, HEACS is concerned that BEFS may not be fully committed to undertaking the role of the intermediary body for the historic environment.

Notwithstanding these concerns, HEACS recommends that BEFS should be invited by Historic Scotland to submit proposals and a business plan showing how it could develop as the national intermediary body for the historic environment. BEFS should be prepared to appoint a chief executive or director with the authority to manage and represent the organisation, and to represent the sector at large from time to time.

Should BEFS choose not to submit such a proposal, or if the proposal is not acceptable to Historic Scotland, HEACS recommends that the recommendations in the SCVO report should be followed to establish a new bespoke intermediary body for the historic environment.

Other issues

As has been noted, there are other organisations which provide a range of infrastructure functions for a particular part of the sector. HEACS concludes that these organisations fulfil important functions and recommends that they should continue to be funded for these purposes.

HEACS is not convinced that Historic Scotland's commitment to supporting the sector extends much beyond providing funding. Welcome though this is, there is a question as to whether Historic Scotland understands and appreciates the role and importance of the voluntary sector for the historic environment. As a first step, Historic Scotland should be required to review its commitment and policies towards the voluntary sector and confirm recognition of the terms of the Compact.

HEACS accepts that duplication of effort amongst organisations should be avoided.

However, Historic Scotland should look to encourage the sharing of resources and facilities and working in partnership as a more productive approach than seeking the merger of organisations with different aims and objectives.

Recommendations

HEACS recommends that:

(1) the historic environment sector should have a bespoke national intermediary body to fulfil the functions as identified in the SCVO report;

(2) the Scottish Government through Historic Scotland should provide sufficient and sustainable funding for this body to a level which would provide for a team of five staff, including a chief executive;

(3) the annual funding which has been made available to HEACS through Historic Scotland should not be lost to the sector;

(4) BEFS should be invited by Historic Scotland to submit proposals and a business plan to reconstitute itself as the national intermediary body for the historic environment sector;

(5) if BEFS does not wish to become such a body, or if its proposals are not acceptable to Historic Scotland, the steps set out in the SCVO report should be followed;

(6) funding for other bodies providing infrastructure functions for parts of the historic environment sector should continue to be provided through Historic Scotland;

(7) Historic Scotland should be required to review its commitment and policies towards the voluntary sector and Compact requirements;

(8) Historic Scotland should look to encouraging the sharing of resources and facilities and working in partnership by voluntary bodies as a more productive approach than seeking the merger of organisations with different aims and objectives; and

(9) Historic Scotland should support and encourage leadership organisations in the voluntary sector to become more proactive in making links with wider policy areas on behalf of the historic environment.

HEACS' Report and recommendations on the economic impact of the historic environment in Scotland

Executive Summary and recommendations to Scottish Ministers

This report is submitted by HEACS, the Historic Environment Advisory Council for Scotland, which was established in 2003 to provide Scottish Ministers with strategic advice on issues affecting the historic environment.

In its second term HEACS was asked by the Scottish Ministers: *To identify for Scottish Ministers the economic impact of the historic environment in Scotland.*

In 2008 HEACS commissioned an economic impact study of the historic environment from ECOTEC Research and Consulting Ltd. The Project Steering Group comprised the HEACS Economic Significance Working Group, augmented by economists from the Scottish Government and the Fraser of Allander Institute. The project also benefited from close liaison with Historic Scotland throughout.

The primary aim of the economic impact study was that it should establish for the first time a *robust* set of estimates for the economic contribution of Scotland's historic environment to the nation's economy.

The remit of the project was tightly drawn in order to ensure that the Government and wider sector could have confidence in the results. The results of this study should therefore be regarded as a *conservative assessment* of the economic contribution of the historic environment in Scotland.

This HEACS report is intended to be read as an introduction to and in conjunction with the ECOTEC report, *Economic Impact of the Historic Environment in Scotland*, which is also submitted in its entirety to the Scottish Ministers.

Key findings of the ECOTEC report: *Economic Impact of the Historic Environment in Scotland*

The key findings of the ECOTEC study are as follows (a glossary of terms can be found in Annex 5 of the ECOTEC report).

- The historic environment is a highly significant contributor to the Scottish economy, directly supporting approximately 41,000 FTE (full-time equivalent) employees.
- Including indirect and induced effects, it is estimated that the historic environment sector supports in excess of 60,000 FTE employees in Scotland.
- Overall, the historic environment sector is estimated to contribute in excess of £2.3 billion to Scotland's national GVA (gross value added).
- The historic environment sector is estimated to contribute some £1.4 billion in employees' income.
- The greater share of economic impacts relate to tourism expenditure attributable to the historic environment. Indeed, tourism expenditure attributable to the historic environment is estimated to support some 37,000 FTE employees in Scotland, with this representing nearly £1.3 billion in respect of GVA.
- The built heritage construction sector also accounts for a substantial share of the total economic impact. Including work funded by grants and expenditure by core historic environment organisations (such as Historic Scotland, the National Trust for Scotland and the Heritage Lottery Fund), the built heritage construction sector supports some 20,000

FTE employees in Scotland, and generates approximately £1 billion in respect of GVA.

- Within the context of Scotland's national economy, it is estimated that the historic environment sector's contribution to the national economy is equivalent to 2.6% of Scottish GVA. Similarly, it has been estimated that the Scottish historic environment sector accounts for 2.5% of Scotland's total employment.

Conclusions

The ECOTEC study confirms the importance of the historic environment to the economy of Scotland. It demonstrates that the economic contribution of the historic environment is comparable with many other significant Scottish industries and sectors of economic activity, including those traditionally taken as measures of the health of the Scottish economy. It highlights the relevance of the historic environment to the Government's overarching purpose of creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.

The study establishes a baseline for considering the appropriate levels of investment in the historic environment. Traditionally, the sector has argued for increased investment to ensure the protection and enhancement of the historic environment, and to foster its understanding and enjoyment. Now there is also a strong case for increasing investment in order to maximise the contribution the historic environment can make to the prosperity of the nation.

HEACS recognises that a full and definitive measure of the value of Scotland's historic environment would require a comprehensive programme of research, probably involving the application of several complementary methods and analytical techniques.

HEACS' recommendations

In the light of the results of the ECOTEC study, HEACS makes the following recommendations:

(1) There needs to be increased awareness of the importance of the historic environment to the economy of Scotland. HEACS recommends that the results of the ECOTEC study be publicised as widely as possible, to policy makers and the public alike, by Historic Scotland and other major players in the historic environment sector.

(2) There is a compelling case for increased investment in the historic environment. Traditionally, the case has been made for greater investment to ensure the protection and enhancement of the historic environment. The results of this study demonstrate that there is also a strong economic rationale for increased investment in order to maximise the contribution the historic environment makes to the prosperity of the nation. The Scottish Ministers should consider the appropriate level of investment in the historic environment against this wider background.

(3) There needs to be increased awareness of the importance of the historic environment to employment in Scotland. Jobs related to the historic environment in Scotland (in all three principal areas: the core organisations, the built heritage construction sector and tourism) are by their very nature internal to Scotland and non-exportable. This is particularly pertinent in view of the current economic downturn. A 'virtuous circle' of investment in the built heritage construction sector, for example, could help secure and increase the number of jobs in the construction industry in Scotland and improve the condition of Scotland's wealth of historic buildings, thereby attracting more visitors and producing wider economic and social benefits.

(4) There is a need for further research to establish more fully the economic contribution, impact and benefits of the historic environment, and the wider social and cultural value of the historic environment. HEACS recommends that Historic Scotland views the results of the present study not as an end in

themselves, but as a springboard for further research. Given that the historic environment cuts across several sectors of the Scottish economy, HEACS recommends that Historic Scotland explores the possibilities for engaging in research with a range of potential partners, including VisitScotland, Scottish Enterprise, Highlands and Islands Enterprise, and major construction industry bodies.

(5) There is a need to improve the baseline data in respect of the economic contribution of the historic environment, and to determine more precisely the importance of the historic environment in encouraging visitors to Scotland. The priorities for the Scottish Historic Environment Audit (SHEA) should be reconsidered in the light of these results. The findings of the ECOTEC study (and other relevant research) should be incorporated into the SHEA headline indicators.

(6) HEACS recommends that Historic Scotland should discuss with Government economists and statisticians how to improve the recording of economic activity related to the historic environment. It will be important to ensure that it can be compared more readily with other sectors of the Scottish economy; that trends can be monitored over time; and that the economic benefits of investment in the historic environment can be properly measured.