



# STRATEGIC PLANNING FOR ASSET MANAGEMENT IN HISTORIC ENVIRONMENT SCOTLAND – PROPERTIES IN CARE 2018



HISTORIC  
ENVIRONMENT  
SCOTLAND

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ALBA

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# INTRODUCTION

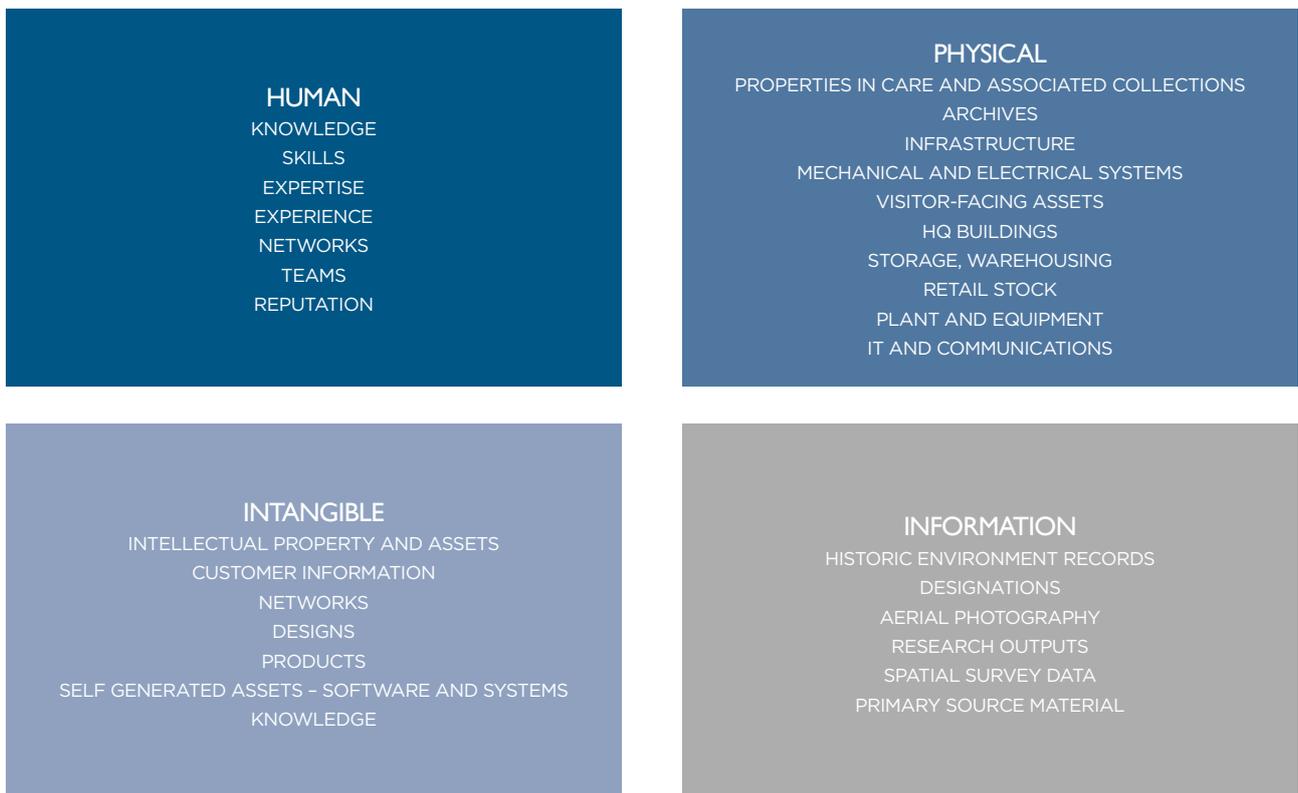
Historic Environment Scotland is the lead body for Scotland’s historic environment, a charity dedicated to protecting Scotland’s places and sustaining the historic environment and its benefits for future generations. We’re at the forefront of researching and understanding the historic environment, and addressing the impact of climate change on its future.

We investigate and record architectural and archaeological sites and landscapes across Scotland, look after internationally significant collections and archives, and protect our places and promote sustainable development through designation, consents and our role as part of the planning system. More than 300 properties of national importance are in our care, over 70 of which we operate commercially, including many which are among Scotland’s most popular visitor attractions.

Historic Environment Scotland manages a diverse range of assets. These include physical operational infrastructure, extensive archives and collections, datasets and other forms of information. Some of these assets are historic in nature, others are very

new. In delivering our functions, we generate new information assets on a daily basis. How we deploy and manage those assets has the potential to add significant value to our corporate objectives and to realise benefits for others.

Asset management is a dynamic field that covers a range of areas. We are currently developing our visitor services strategy and other asset management plans, and future iterations of this document will reflect this work. We are alive to the sector-wide challenges in balancing conservation, access and commercial activity. It is important, therefore, to consider asset management in a holistic manner to ensure an appropriate balance is maintained.



**FIGURE 1: Organisational Asset Model (After the Institute Of Asset Management)**

## I.0 CONTEXT FOR ASSET MANAGEMENT

It is important to contextualise the drivers and key influences around our asset management.

The legal basis on which we deliver the management of properties in care and the assurance mechanisms around this, combined with national policy and

corporate objectives, provide the framework for activity.

We see Scotland's changing climate and Scottish tourism as the two key dynamic influences that feature prominently over the next decade.

### 1.1 Legislation and Scheme of Delegation

Under section 3 of the Historic Environment Scotland Act 2014, Scottish Ministers have delegated to HES their general functions of managing the properties in care including ensuring their conservation; articulating and safeguarding their cultural significance; in providing public access for current and future generations and managing the associated commercial operations; and the functions of the Scottish Ministers under sections 13, 15(3) to (4), 19 (other than subsections (3) and (4)) and 20 of the 1979 Act.

In delivering these functions, HES must have regard to Ministers' strategic priorities in the exercise of the delegated functions. In particular, in exercising these functions, it is expected that HES shall:

- provide public benefit
- contribute to the delivery of the priorities set out in *Our Place in Time* and by the Strategic Historic Environment Forum
- contribute to the delivery of the Scottish Government's National Performance Framework and relevant Scottish Government Strategies including the Government Economic Strategy and the Tourism Development Framework for Scotland.

The Scheme of Delegation requires that HES delivers these delegated functions in a manner that is transparent, accountable and effective. It requires that delivery fulfils Ministers legal obligations, strategic guidance provided by them, and to work with others to realise broader benefits.

The Scheme of Delegation requires that HES develops and maintains an Asset Management Plan (AMP) for the properties in care that should have an associated Strategic Investment Plan. The AMP should include a methodology and programme for ongoing condition assessment and a methodology for how investment will be prioritised.

It also requires a range of assurances and outcomes relating to condition monitoring and reporting, and a set of principles and standards by which both assurance and assessment may be undertaken.



Blackness Castle

Stirling Castle

## 1.2 National policy context and Historic Environment Scotland corporate objectives

The delivery of asset management sits within a broader legislative and policy context of Scotland's strategy for the historic environment, *Our Place in Time*.

Historic Environment Scotland corporate objectives are aligned with contributing to and delivering this strategy and the delivery of the AMP has significant potential to contribute to both.

As the lead public body for the historic environment, HES can set an example to the sector to lead, enable and innovate through the management of our own assets.

The properties in the care of Scottish Ministers contribute significantly to the Scottish economy. The effective management of these assets has the potential to influence not only the tourism sector, but also the communities across Scotland in which the properties in care sit.

Our asset management planning is closely aligned with our Corporate Plan in delivering our Vision, Mission and the outcomes from our five strategic themes.

Our **Vision** is that Scotland's historic environment is cherished, understood, shared and enjoyed with pride, by everyone.

Our **Mission** is to:

- enhance knowledge and understanding of Scotland's historic environment
- protect, conserve and manage the historic environment for the enjoyment, enrichment and benefit of everyone – now, and in the future
- share and celebrate our cultural heritage with the world.

Our five **strategic themes** provide the framework for our work:



### 1.3 Key external influences – Scotland's changing climate

Scotland's climate is changing and it has a significant impact on the current and future management of properties in care.

The last century has been characterised by overall warming, with altered precipitation patterns leading to wetter winters, drier summers and increased frequency of extreme and unpredictable weather, including heavy rain and storm events.

Since the 1960s, average precipitation has increased by more than 20 per cent, and in northern Scotland winter precipitation has increased by more than 70 per cent. Sea level rise around the Scottish coast has accelerated in the last two decades and now exceeds three-four millimetres per year around most of Scotland.

These changes are predicted to continue and intensify through the present century, accelerating damaging impacts on Scotland's environment and infrastructure, with significant consequences for our monuments.

The exposure of historic assets to everyday natural and anthropogenic influences (weather, pollution, visitor 'wear and tear' etc.) results in a gradual and continual decline in their physical state.

Climate change is acting as a multiplier to the natural incremental deterioration of traditionally built structures due to changes in several aspects of weather.

### 1.4 Key external influences – Scotland and tourism

Tourism is an important sector in the Scottish economy, and we are important players in the tourism sector.

In 2015, total overnight and day visitor expenditure in Scotland was about £8.9 billion and spending by tourists in Scotland generates around £11 billion of economic activity in the wider Scottish supply chain, contributing about £6 billion of Scottish GDP (in basic prices). This represents about 4.5 per cent of total Scottish GDP.

Employment in the tourism-related industries sector (as measured by the Scottish Government's Sustainable Tourism Growth Sector) in Scotland was 217,000 in 2015 – accounting for about 8.5 per cent of employment in Scotland.

Significant geo-political events in 2016 have seen us enter a period of uncertainty, while at the same time, tourism has continued to grow. Our commercial performance in 2016-17 has been the best on record, welcoming the highest numbers of visitors to internationally recognised sites such as Edinburgh Castle. VisitScotland sees the next 18-24 months as a period where consumer behaviour may change and the industry in Scotland needs to remain focused on being flexible in response.

Authenticity of experience, being 'off the beaten track', digital connectivity and fluid travel arrangements are identified as emerging trends, as well as wellbeing and making informed sustainable lifestyle choices.

Cultural heritage tourism is increasing, with film and media continuing to encourage visitors to Scotland, spanning literature and television in particular.

## 2.0 ASSET MANAGEMENT IN HES

Asset Management Planning for cultural heritage assets is a developing field with relatively few asset management plans for large historic property portfolios produced. The diversity of cultural heritage asset portfolios often exhibit a remarkable variety and, in so doing, a range of challenges.

There are nearly 300,000 identified heritage assets in Scotland. About 57,000 of these have formal protection through designation. Scottish Ministers' collection represents 0.12 per cent of these heritage assets and 4 per cent of scheduled ancient monuments.

By definition, the portfolio comprises properties of national significance, but the quality and importance of many of these sites are of international significance. The collection comprises nationally iconic and diverse sites such as Calanais and Skara Brae to Edinburgh Castle and Stanley Mills.

Generic asset management approaches for non-cultural assets are driven by life costs and a definitive life cycle for an asset. This is not a valid policy basis for a portfolio of culturally significant assets, where our approach is to minimally intervene in order to preserve the authenticity of that asset and where we can perpetuate its holistic significance. Nevertheless, many of the approaches developed can be applied to our asset management approach and this is the approach we have followed.

ISO 55000 is an international standard covering management of physical assets. Initially a Publicly Available Specification (PAS 55) published by the British Standards Institution in 2004, the ISO 55000 series of Asset Management standards was launched in January 2014.

In developing an asset management approach for HES, we have adopted the central principles of PAS 55 and ISO 55000 and have also looked in detail at the approaches taken by other bodies that manage similar assets. We are grateful for the willingness of our colleagues to share their experiences in approaching asset management of cultural heritage sites.

The *PIC Asset Management Policy* sets out the high-level guiding principles in relation to asset management in Historic Environment Scotland. This PIC Asset Management Plan sets out the parameters for delivery. This includes contextual drivers, key objectives in delivering policy, challenges and opportunities, how we deliver asset management in terms of resources and processes, our decision making approach, and our standards.



Dun Dornaigil Broch

## 2.1 Objectives of the Asset Management Plan for the properties in care

The properties in care of Scottish Ministers represent some 6,000 years of Scottish history and include a number of iconic sites of international significance.

While we employ some accepted asset management principles in delivering our objectives, there are key differences in the outcomes we expect and therefore our approach requires specificity to the assets we care for. We accept that this requires bespoke solutions to our particular challenges and embrace this.

Our asset management approach is underpinned by eight key principles set out in our *Asset Management Policy* document:

- a conservation ethic driven by our Conservation Principles and exacting technical standards
- a risk-management approach in managing the safety of our visitors and staff and in safeguarding the cultural significance of the asset, whether known or yet to be discovered
- a holistic approach to managing our assets and considerate of our stakeholders
- a knowledge-based approach driven by research, understanding and experience
- ensuring we meet and exceed our regulatory and statutory compliance obligations

- a focus on providing access unless conservation or safety reasons prevent this
- adding value in pursuit of our broader corporate objectives through our asset management
- acting in a demonstrably sustainable manner and leading by example at every opportunity.

The primary aim of the Asset Management Plan is to “...deliver economic, social and environmental benefits to the people of Scotland from the properties in care of Scottish Ministers without compromising the cultural significance of the assets”.

At the heart of our approach to asset management and decision-making are four key asset management objectives. These four objectives recognise the inter-related nature of our work, provide a holistic view of the challenges and opportunities provided by the sites in our care and assist in prioritising our resources and decision-making.

The relative balance of the four objectives will vary from site to site and will be informed by analysis, research and visitor feedback. In the following sections, we outline how these dimensions will influence our asset management and how we will deliver asset management within HES.

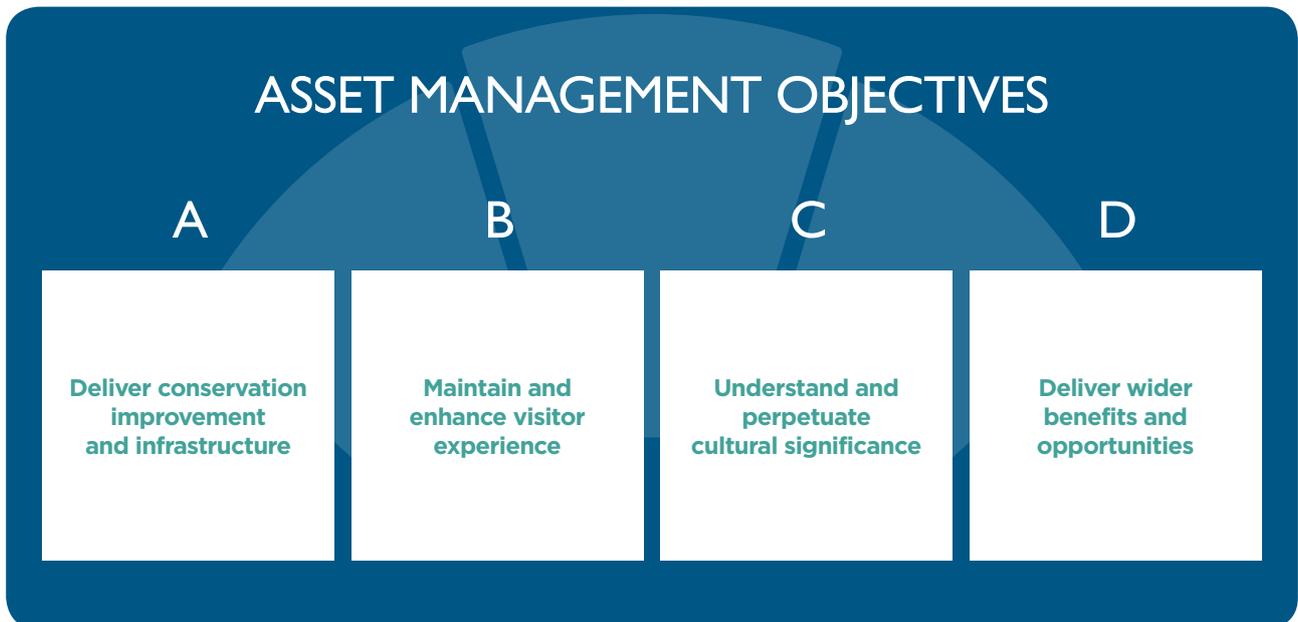


FIGURE 2 : Asset Management Objectives for Historic Environment Scotland

### A. Delivering conservation, improvement and infrastructure

Our approach to asset management has at its core a cyclical approach of inspection, understanding, prioritisation, planning, delivery and continuous improvement.

This approach is relevant to our overall asset management, in addition to its application to our conservation work outlined below. More detail is covered in the *Asset Management Plan for the Properties in Care of Scottish Ministers*.

The conservation needs of the assets are determined through our condition survey programme. Monument Condition Indicators (MCI) are one of the criteria used to assess the needs and vulnerability of the monuments.

A Monument Condition Indicator was calculated for each monument as part of our Baseline Condition assessment in 2015.

Development of programmes of work are subsequently developed, prioritised and regulatory permissions secured prior to delivery.

## PIC ASSET MANAGEMENT

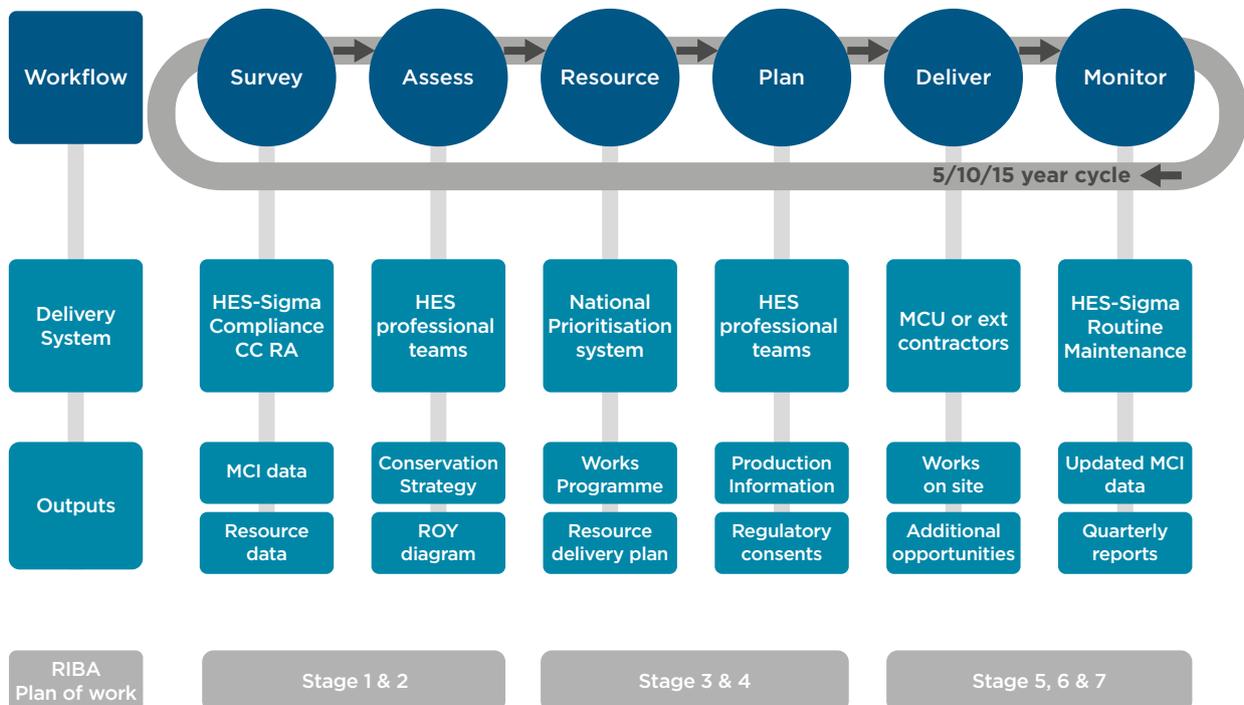


FIGURE 3: Delivery approach

### PRIORITISATION OF CONSERVATION AND MAINTENANCE ACTIVITY

The natural process of decay and a changing climate, combined with finite resources, mean that prioritisation is inevitable.

Corporately, Historic Environment Scotland uses a matrix approach to inform the allocation of resources in relation to properties in care. For conservation and maintenance, we use a simple prioritisation tool as a primary filter to allocate available resources nationally. This filter allocates resources on a needs basis driven by risk.

### PLANNING AND DELIVERY

Project proposals are assessed and developed as part of the Corporate budget process. On allocation of resources, work schedules are produced along with drawings, specifications and necessary consents secured from statutory authorities. These are specialists with many years of specific experience in the care of ancient monuments.

Our conservation principles, standards and technical specifications are used throughout to guide our project development and execution. The teams are supported by the Technical Research and Science

teams. This close working relationship ensures that our standards are maintained and appropriate interventions are based on current research outcomes. Designed interventions are subject to internal scrutiny.

The Conservation Directorate delivers asset management on behalf of HES. The Director of Conservation has delegated authority from the Chief Executive to:

- fulfil HES obligations under the Schemes of Delegation for properties in care of Scottish Ministers and associated collections
- deliver a range of statutory compliance functions in relation these properties
- deliver relevant projects for other parts of HES as clients
- fulfil HES obligations in relation to climate change
- act as Agent for HES in relation to regulatory consents
- deliver conservation and maintenance works to a high standard and meet the aspirations of this *Asset Management Plan*
- manage available resources within agreed parameters.

The Head of Estates assesses resource requirements against planned works. Depending on the nature, scale and timing of works, these projects are either delivered using our in-house conservation team, sub-contracted to external contractors, or a mixture of both. There are some areas of expertise not carried within HES that are primarily outsourced.

## B. Maintaining and enhancing visitor experience

With between seven and eight million visitors each year, an evolving geo-political environment and a desire to respond to the changing needs of our visitors, a key driver of our asset management is our interaction with visitors.

We seek to provide a world-class welcome to an increasingly diverse range of visitors from Scotland, the rest of the UK and overseas, and to help those visitors to enjoy and understand the importance of Scotland's properties in care and their place in Scotland's rich history, with the aim of generating more visits, income, local and national economic impact, and better understanding of Scotland's heritage, culture and history.

Historic Environment Scotland is a member of the Scottish Heritage Tourism Group, with the specific task of developing and implementing a strategy for Heritage Tourism – People Make Heritage 2020.

Tourism Scotland 2020, the national tourism strategy for leadership and growth, was launched in 2012 with the goal of making Scotland “a destination of first choice for a high-quality, value-for-money and memorable visitor experience, delivered by skilled and passionate people”.

This growth will be achieved through quality authentic visitor experiences that highlight those aspects of our assets that are uniquely Scottish – contemporary or traditional – and are delivered to the highest possible standard at each and every stage of the journey. Heritage is recognised as one of the key sectors with potential for growth, with new and emerging markets making an increasing contribution.

During 2017, Historic Environment Scotland will develop a Visitor Services Strategy for the properties in care and associated collections which will further inform our asset management plan.

Many factors influence visitor experience and impact on our management of the properties in care.

### ENABLING ACCESS

Our overarching visitor strategy is informed by our Access Policy. Balance is required in finding access solutions that are appropriate and effective in relation to the assets in our care.

Many of the properties are fragile, in remote, physically challenging locations, many are unstaffed, have no mains services, no car parking facilities or made-up paths or roads to them, and many have limited or no connectivity. Many were built to keep people out, they are above and below ground, they are prehistoric, industrial, medieval and more. Their Associated Collections are at the properties, in local museums, in central archives, in stores, on loan and more.

It is accepted that many of the properties in care cannot be fully physically accessible; to make them so would mean their destruction, so other solutions have to be found. Enhancing access to all of the properties and their collections requires a wide range of solutions, some of which are site-specific, others object-specific and many audience-specific.

To meet the access challenge effectively for as many people as possible, Historic Environment Scotland will apply an evidence-led approach that delivers effective access solutions that do not damage or reduce the cultural significance of the properties and collections.

### BALANCING PRIORITIES

At the heart of HES is the dual purpose of conserving and maintaining properties in care and ensuring they can be enjoyed by current and future generations.

Conservation and visitor experience are inseparable, and an appropriate balance needs to be struck between the two priorities.

Scotland's tourism industry is experiencing exceptional growth in visitor numbers. Across HES staffed sites, visitor numbers have increased by 38 per cent, or one million additional visits, in the 10-year period from 2006-07. We make a very significant contribution to Scotland's economy through tourism expenditure at our sites, both directly and indirectly.

While such growth is welcome in many ways, we are conscious of the risks to reduced visitor experience that increasing numbers of visitors at certain sites may bring, and the physical impact on sites.

As part of our Visitor Services Strategy, we will consider how best to balance the different priorities of volume, value and visitor experience. However, we are actively exploring ways of effectively managing visitor numbers and flow through promoting online ticketing and pre-booking, flexible pricing, timed ticket entry, capacity management and working more proactively with our trade partners.

### **CAPTURING VISITOR EXPERIENCE**

We employ a range of techniques to capture visitor experience information and insights.

**Condition surveys** – these are undertaken as part of our conservation surveys and cover visitor-facing infrastructure such as roads, car parks, bridges, piers and footpaths. In addition to assessing experience, these issues also impact site closure and safety. Condition surveys are also being extended to cover toilets, cafés, retail and other visitor spaces. The condition of our collection is also a key driver for focusing the delivery of site-based projects.

**Visitor research** – HES undertakes a rolling programme of research to inform our visitor activities. These include research with our membership and through our three castles visitor research programme. The scope of this research covers aspects of our sites as noted above, plus visitor service, demographics, value for money, quality rating, propensity to recommend, interpretation and events etc. Our visitor books are also a rich source of immediate feedback on the quality of our visitor offer and service.

**Data analytics** – the above research is supplemented by insights obtained from TripAdvisor and other travel sources and from analysis of data captured by our in-house systems. We receive real-time visitor data from our admissions and retail system including visitor numbers, spend, country or origin and type of visit.

**Trade visitor feedback** – trade visitors are a very significant component of visitors' profile at many sites. We operate an account management system

that enables us to plan and facilitate group visits. Our Account Managers also seek feedback from trade visitors on their experience.

**Industry benchmarking** – several HES sites are among the most popular visitor attractions in Scotland and the UK. It is important, therefore, that we not only strive to provide the best experience possible, but that that experience is benchmarked against other leading attractions. We do this primarily via the Association of Leading Visitor Attractions (ALVA) Financial Benchmarking and Qualitative Research programmes. Participating in such benchmarking studies, and through our membership of key tourism bodies, such as ALVA, ensures we also have access to industry trends that impact on visitor experience.

### **VISITOR EXPERIENCE STANDARDS**

The standard of our visitor experience is measured through Visit Scotland's national visitor attraction quality grading scheme. We aim to have 92 per cent of our staffed sites with a grading of four stars or above. This ongoing process provides objective advice and guidance on expected levels of visitor infrastructure and issues potentially affecting the grading of our properties.

Interpretation infrastructure is developed to our interpretation principles and standards document *The Magic of the Real*, updated in 2017. Service standards are measured through our mystery visit programme and, increasingly, through comments from visitors on social media and through our complaints and compliments process.

### **HOW WE USE VISITOR EXPERIENCE INFORMATION**

Results from our research and analysis is used to inform our:

**Product development** in three key areas – Admissions Products, Interpretation and our Retail and Catering offer. We need to be flexible and able to adapt to evolving markets and expectations.

**Visitor marketing** – covering people living in Scotland, visitors to Scotland from other parts of the UK and international visitors. Within this we develop key messages for specific markets.

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**Visitor operations and service delivery** – our visitor operations team welcomes visitors to our properties, brings the properties to life, ensures they have a great time, looks after their health and safety and encourages them to support our work by buying product or upgrading their admissions tickets.

**Scheduling of work** – feedback received from any of the sources outlined above will be considered in prioritising the undertaking of works. For example, matters that might affect site opening or visitor safety will receive quick attention.

**Investment planning** – maintaining and enhancing visitor experience is an integral element of our Investment Plan and is an essential aspect of creating new products to market to our various audiences.

### C. Cultural significance

Cultural significance is the term generally used to mean the sum of the heritage values that people ascribe to a place. Each property in care has a Statement of Cultural Significance.

These statements are key management documents informing our care and operation of any particular site.

In common with national and international good practice, HES uses a broadly based assessment of the heritage values of the sites in its care as a guide to conservation and management activity.

We recognise that these assessments are based upon our current knowledge and understanding of the site and acknowledge that this may change over time, either as a result of new knowledge or of changing circumstance or cultural perceptions. Therefore each statement is revised periodically.

Our framework for assessment is divided into six categories or values:

- evidential value
- historical value
- architectural and artistic value
- landscape and aesthetic values
- natural heritage values
- contemporary (social and community) values.

These values do overlap with each other and the template is to be regarded as a framework rather than a straitjacket.

The categories relate closely to similar evaluation frameworks used across the cultural heritage sector. The assessment addresses all aspects of the monument/place i.e. fabric, tangible and intangible associations, collections, finds, natural heritage, gardens and historic planting, landscape setting, and known or potential buried archaeological remains.

As well as assessing this range of more “objective” heritage values, the Assessment also attempts to address the range of more “subjective” values that make the place important to people.

These can include aesthetic or emotional connection, the feelings evoked by a place and the contemporary or use values which pertain to the site. Articulating these values, which often matter very much in how people perceive and value a place, is often quite challenging.

Cultural significance influences our asset management, particularly asset condition monitoring and conservation works, in two main ways:

- Statements of Significance provide general information for individual sites
- the input of Cultural Resources Advisors on specific projects and at a more detailed level than in Statements of Significance.

Consideration of cultural significance is designed to address both risk to loss of cultural significance without intervention, and opportunities to enhance cultural significance as a result of new insights and understanding of specific sites.

Given the difficulty of comparing or ranking cultural significance between sites, this dimension of our asset management framework will typically be incorporated as part of our conservation assessment, becoming more prominent if either risk or opportunity is escalated.

### D. Delivering wider benefits and opportunities

It is more important than ever that we maximise and articulate the broader benefits that Scotland’s historic environment can deliver at a national and local level.

We believe that the activity we undertake in delivering asset management has the potential to add broader value. This *Asset Management Plan* reflects that and our approach to asset management is underpinned by leveraging additional cultural, social, environmental and economic benefits. These benefits reach beyond

the heritage sector and demonstrate the value and potential heritage brings.

We seek to maximise the added value of our activity around our assets to realise these benefits in delivering our core business, in prioritising resources and in project delivery. From providing skills training opportunities, opportunities for enhanced access to sites and sustainable retail practice, our asset management approach will seek to add tangible value.

## DELIVERING ADDED VALUE

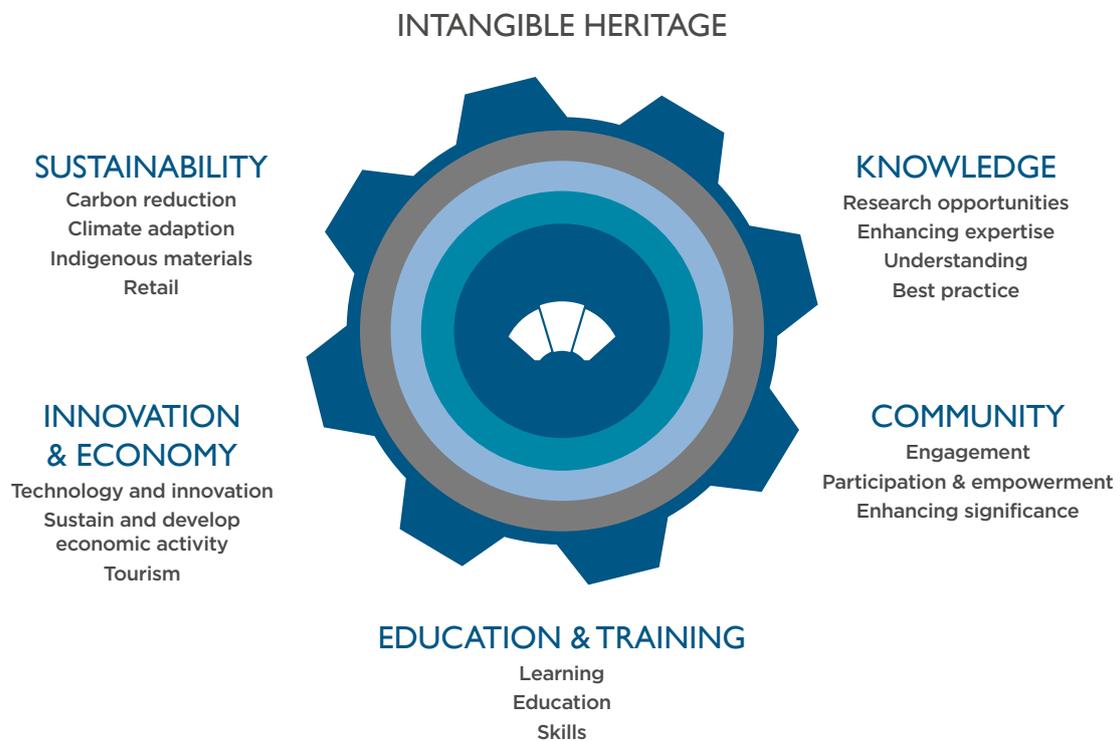


FIGURE 4: Delivering added value through asset management

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**KNOWLEDGE**

Our work provides opportunities for technical, scientific, archaeological and historical research within HES and with our partners.

We use research to understand and manage the historic environment, create an evidence base for our work, develop specialist knowledge and expertise, care for and promote the value of the historic environment, inform our collections, recording, designation and consents, and advice decisions and develop our audience-focused visitor experiences, admissions products and marketing.

The knowledge we gain from this work is often applicable to a broader range of interests. We will ensure that we maximise the potential opportunities presented and disseminate our knowledge to others.

**COMMUNITY**

Our properties are national in importance and local in presence. We recognise that the assets we care for are for the benefit of the people of Scotland, now and in the future, and we must consider the views of our many stakeholders.

We shall ensure that local communities in particular shall be engaged where decisions are to be made in

relation to properties in care, and understand that the relationship of communities with a particular place adds to its cultural significance.

We will be open and transparent in dealing with the many stakeholders who have an interest in the properties in care and be open and responsive in our relationships. We will actively engage with local communities in the management and use of properties.

As of January 2017, Part 5 of The Community Empowerment (Scotland) Act 2015 – relating to Asset Transfer Requests (ATRs) – came into force. The Act was created to provide community bodies with legal rights, including extending the right to buy land and buildings, participation in decision-making, and the right to make asset transfer requests to public bodies for land and buildings.

Historic Environment Scotland is included in the Act as a public body with delegated responsibility for properties in care of Scottish Ministers.

As the lead public body for the historic environment, HES also has an important role in utilising the new legislation to enable communities to engage with, celebrate and protect their historic environment.



Amazing Ages! 2017 event at Fort George

We will respond to all enquiries and will be open and transparent in the way we assess requests and take decisions. We will work to support applicants as they develop plans and business cases for managing the asset in the long term.

Our Asset Transfer Policy Statement, Procedure and Guidance sets out how we will do this. Assets that are eligible under the Act are listed on our website.

### **EDUCATION AND TRAINING**

Our properties and collections are a rich educational asset in themselves, and their care and management present opportunities for training and development – from perpetuating centuries-old craft traditions to visitor management.

Historic Environment Scotland has a key role in maintaining traditional craft skills. We deliver this through training and qualification initiatives across the sector and through employing a range of skilled craftspeople across Scotland.

We require these skills to fulfil our conservation purpose, but also for the broader benefits they bring to Scotland's historic environment. Investment in the technical training and education of our staff is of critical importance.

By facilitating access during our conservation work, we can maximise the technical education potential of our activity, often in highly specialised areas and, as a significant tourism operator, we have a national position to provide education and training opportunities for our own staff and new entrants to the sector.

### **INNOVATION AND ECONOMY**

We have a tradition of using our work to drive and facilitate technological innovation. That innovation can be internal, in partnership with others and also assisting SMEs to grow.

We have a particular interest in digital documentation and visualisation, and increasing the application of digital technologies for asset management of cultural heritage. We will continue to work with

others to maintain Scotland's position as a world leader in this area.

The delivery of our work across Scotland provides for employment and economic activity in many forms. The employment of local staff to conserve and operate our properties, the local procurement of contractors and indirect benefits to hotels and other tourism businesses and attractions are positive outcomes of our asset management approach, particularly in rural and remote areas.

### **SUSTAINABILITY**

The properties in our care are unique sustainable assets in themselves, but also provide rich opportunities to lead by example in the use of low-carbon indigenous materials, ethical and sustainable procurement and social enterprise.

The use of local traditional skills and approaches in new build at our properties will also follow this approach.

We shall use traditional materials on a like-for-like basis in repairing historic fabric, and seek to use them in any new build undertaken on our estate to demonstrate their continued relevance and to perpetuate their supply.

We shall seek to recycle materials where possible and pursue collaboration with other bodies in maximising efficient use of materials.

### **INTANGIBLE CULTURAL HERITAGE**

Cultural heritage includes traditions or living expressions inherited from our ancestors and passed on to our descendants, such as oral traditions, performing arts, social practices, rituals, festive events, knowledge and practices concerning nature and the universe or the knowledge and skills to produce traditional crafts. Many of these contribute to a sense of place.

We recognise the cultural significance of the traditions, materials and techniques employed in caring for properties particularly and seek to ensure these traditions are perpetuated and encouraged.

### 3.0 OUR APPROACH TO INVESTMENT

Investment in properties in care is a component of the HES Investment Plan Framework, which combines priorities from across all aspects of HES work.

The prioritisation of investment is complex given the wide range of variables and demands. With investment resources finite, we have developed

a multi criteria assessment tool that informs our decision-making process and is aligned to our asset management objectives.

This approach considers a range of different indicators of monument status and performance, as shown below.

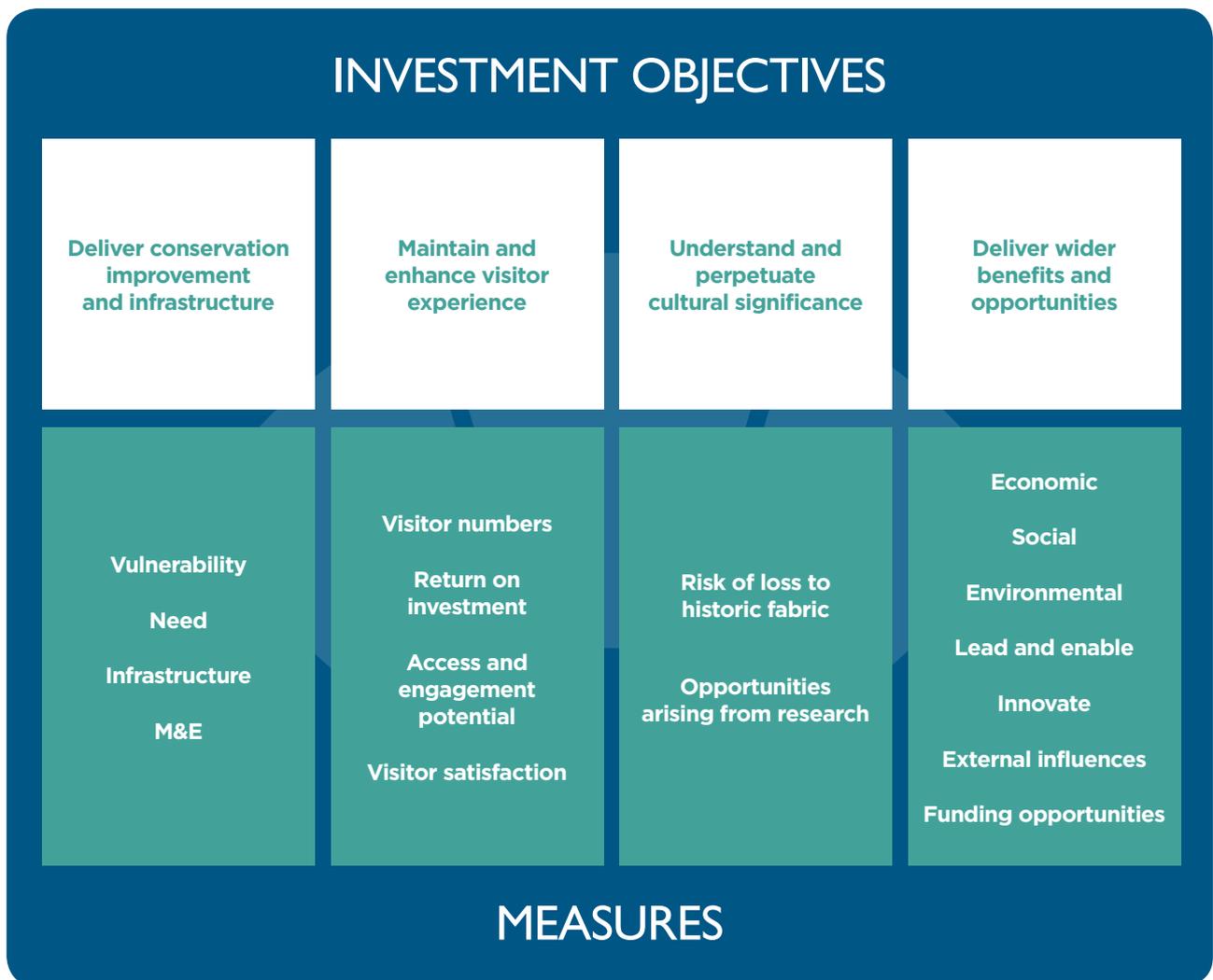


FIGURE 5: Our investment objectives

By assigning each of these indicators a value, a total measurement of the corporate need, benefit and opportunity for a site can be determined and used as a comparator tool to assist with resource prioritisation across our sites. A range of data sources feed into the process that shall be enhanced and developed over time.

This matrix approach can also assist with the identification of sites to deliver particular aspects of corporate activity.

These total value scores can also be presented as individual measurements to articulate the delivery of the four categories for each site. Any of the four drivers can be selected or de-selected, or given a weighting to compare particular requirements.

For example, it is possible to identify sites where investment will maximise wider benefits and opportunities to map across to wider government objectives, local community initiatives or particular funding streams.

The high-scoring sites across all four categories are likely to be the priority sites for investment. The prioritisation of investment based on the site data scores within each category is a powerful tool to assist and articulate the allocation of often limited resources.

This multi-criteria approach also encourages a mix of investment for a broad range of reasons, for example, sites that are unlikely to ever provide a return on investment can be prioritised on the basis of wider economic, social or community benefit. Investment can therefore be categorised as output driven and linked to the four objectives above.

This strategic investment tool demonstrates how the use of robust, measurable data underpins investment decisions to deliver our corporate priorities and our obligations under the Scheme of Delegation.

The evolving process for developing and prioritising investment options has been designed to recognise that joint corporate priorities supersede the priorities from individual parts of HES, and have to be factored accordingly into the over-arching Historic Environment Scotland Investment Plan.

By assigning each of these indicators a value, a total measurement of the corporate need, benefit



St Anne's Maltings workshop

## HISTORIC ENVIRONMENT SCOTLAND INVESTMENT PLAN



- **CONSERVATION**  
 Conservation and maintenance of SM Properties in care and Collections under the SOD.
- **VISITOR FACING ENHANCEMENT**  
 New projects - experiential, developmental.
- **PROPERTY**  
 HES Archives and PIC Collections, JSH and LH. Houses, depots and stores.
- **CORPORATE**  
 Other investment requirements including ERDM.
- **PIC INFRASTRUCTURE**  
 Non historic infrastructure - roads, piers, car parks, water courses and footpaths. Visitor facing infrastructure - toilets, admissions, cafes. Staff welfare.
- **M&E**  
 Non historic mechanical and electrical systems, gas, water, waste, BMS, renewables.

**FIGURE 6: Corporate Investment Plan**

and opportunity for a site can be determined and used as a comparator tool to assist with resource prioritisation across our sites. A range of data sources feed into the process, which shall be enhanced and developed over time.

Our Investment Plan therefore presents a balanced combination of projects from the corporate prioritisation process and broadly fall into one or more of the following investment categories:

**Must do** - including Health & Safety, Compliance and Regulatory projects

**Need to do** - projects to ensure effective operation of sites and maintain / improve the quality of visitor experience

**Want to do** - development projects that typically are larger in scale, require more significant investment, and represent a step-change in delivery, thus generating substantial impacts.

Based on this model, and allowing for gaps and evolving data sources, we can create profiles of priority sites within each indicator with the combined indicative ranking delivering the best absolute gain across all four criteria.

While the matrix captures the best snap-shot data available at present, there are some particular cases and specific individual circumstances related to certain sites that are not captured by the matrix, but do require immediate intervention.

As the process evolves and is refined, we will look to build in additional indicators to address such issues.

## 4.0 STANDARDS AND COMPLIANCE

Historic Environment Scotland is required to fulfil a range of operational, legislative and regulatory frameworks in relation to the properties in care and our operations. This covers a vast number of areas of responsibility ranging from managing visitor safety, to testing M&E systems, to managing bats at our sites.

The legislative frameworks include: Occupier's Liability (Scotland) Act 1960; Health and Safety at Work (Scotland) Act 1960; Workplace (Health, Safety and Welfare) Regulations 1992; Waste (Scotland) Regulations 2014; Construction (Design and Management) Regulations 2015; Fire (Scotland) Act 2005 and Fire Safety (Scotland) Regulations 2006; Fleet, plant and equipment management; Factories Act 1961; Historic Environment (Scotland) Act 2014; Ancient Monuments Act 1979; Equality Act 2010; Climate Change (Scotland) Act 2010; Nature Conservation (Scotland) Act (2004); Electrical Regulations and CoSHH regulations.

### 4.1 Compliance management roles and responsibilities for physical assets

Internal delegation from the Chief Executive assigns responsibilities in relation to compliance and properties in care, principally discharged through the Senior Management Team. This delegation is extended to senior managers in operational teams.

In January 2017, a new Estates Compliance Management process was established with a new estates compliance team to collate, audit monitor, and report on all areas of compliance across the estate and estate operations. This comprises a Compliance Manager and three regional Facilities Managers who sit within the regional teams.

The objective of the Estates Compliance Management process is to ensure that compliance is achieved and maintained across all estate operations and establish a nationally consistent approach.

It will highlight areas where we are non-compliant and the risks associated with this. It will also identify actions and resources required to achieve compliance.



Amazing Ages! 2017 event at Fort George

We are developing a live data status reporting system for key areas of safety critical compliance.

The Compliance team will provide a Compliance Status Report to the Head of Estates every quarter. An annual update report will be included within the Annual Conservation Report. Residual risks and resource requirements to mitigate known risks beyond available budgets will be passed to SMT for consideration for action or acceptance.

The Compliance team will work closely with the regional works teams on delivery and the HES H&S team on relevant issues.

#### 4.2 Visitor safety management

The safety of visitors at our sites is paramount. Our legal obligations and responsibilities under the Occupier's Liability (Scotland) Act 1960 are clear.

We seek to manage risks to visitors at our sites in a way that is sensitive to the heritage value of our properties and landscapes. We are committed to promoting a sensible and proportionate approach to managing visitor safety across our estate.

#### 4.3 Fire safety management

The purpose of fire safety management in HES is to ensure the safety of people and also the stewardship of the structures and collections in HES care. The HES Fire Safety Management System facilitates compliance with the Fire (Scotland) Act 2005 and Fire Safety (Scotland) Regulations 2006.

The Management System is made up of the Fire Safety Policy Statement and a suite of guidance documents published on the HES Intranet setting out fire safety roles for all staff with specific responsibilities.

#### 4.4 Conservation principles and standards

Recognised principles of conservation are enshrined in the numerous international charters that have developed over many years and reflect an evolving approach.

Our principles are informed and, in some instances, aligned with these charters, but they also recognise our specific circumstances and particularly how our approach can realise other benefits without compromising our conservation objectives.

#### 4.5 Project management and consents

HES policy and procedure for project delivery is based on the Scottish Government's mandatory policy and procedures for construction works projects that will deliver value for money (VFM).

The approach is based upon the Construction Procurement Manual produced by SG Procurement and Finance and is applicable to all bodies that are subject to the Scottish Public Finance Manual.

#### 4.6 Management of consent processes

Historic Environment Scotland is required to apply for and fulfil a range of consents to regulators in relation to properties in care, the principle regulatory bodies being Scottish Natural Heritage, SEPA, Historic Environment Scotland - Heritage Directorate and Local Authority Planning Authorities.

The internal scheme of delegation from the Chief Executive assigns responsibilities in this regard to the senior responsible person who acts as agent.

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## 5.0 REPORTING AND ASSURANCE

### 5.1 Reporting

The Scheme of Delegation established the requirement for an Annual Report on properties in care to be submitted to Scottish Ministers. This will normally be published together with more routine corporate reporting, including the submission of an Annual Report and Accounts that are laid before the Scottish Parliament, and reporting to OSCR, the Charity Regulator.

### 5.2 External Peer Review

Under the Scheme of Delegation, a peer review group will assess and report on asset management activity. The group will be chaired by a member of the HES Board and the remit of the group specified in terms of reference.

Peer review provides a measure of external validation which can examine our approach, methods and output against explicit principles, standards and procedures. The peer review process will therefore be a key element in providing assurance to the HES Board and Scottish Ministers.

### 5.3 Internal Audit

HES operates an Audit, Risk and Assurance Committee (ARAC) chaired by a member of the Board. All asset management activity is in scope within the assurance framework overseen by the ARAC.

The peer review group forms an important element of this assurance framework. In addition, HES has a Head of Internal Audit and Continuous Improvement who works with all Directorates to secure assurance and improvement.

Internal management arrangements provide a hierarchy of performance and reporting in respect of all asset management which operates within the assurance framework overseen by the ARAC, and the performance framework, including the Scheme of Delegation, for which the Chief Executive is accountable.





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Historic Environment Scotland is the lead public body established to investigate, care for and promote Scotland's historic environment.

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