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HES GRANTS PROGRAMME

STRATEGIC ENVIRONMENTAL ASSESSMENT SCREENING REPORT

28 August 2020

Plan, programme or strategy (PPS) title:

HES Grants Programme (refresh)

Responsible Authority:

Historic Environment Scotland

Contact:

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What prompted the programme:

HES is undertaking a refresh of its grants programme to reflect [updated powers](#) within the Historic Environment (Scotland) Act 2014 as well as the strategic outcomes set out within our current Corporate Plan, [Heritage for All](#). We want to continue using our grants to look after the historic environment but also drive change across wider areas such as inclusion, climate change and wellbeing. We also plan to streamline our application processes and align these with other funders where possible.

With the arrival of COVID-19 in March of this year, there is an even stronger and compelling need to refresh our approach to ensure that it meets the needs of the sector and the wider communities who look after and value the historic environment. To this end, we have been developing a strategic framework to guide our grants activity for the next 4-5 years. We have also recently commissioned research on the impact of our grant funding in recent years, commenced stakeholder engagement and will hold a public consultation in the coming months.

We hope to have a refreshed grants programme in place by Autumn 2021.

Programme subject:

The historic environment

What Section of the 2005 Act does the programme fall within?

Section 5(3)

Section 5(4)

What is HES's view on whether an environmental assessment is required prior to adoption?

SEA is not required, as the environmental effects are unlikely to be significant

SEA is required, as the environmental effects are likely to be significant

Context for the programme:

HES is the main funder for Scotland's historic environment. A list of the grants issued since April 2019 can be viewed on [our website](#). Historically, we have provided grants to look after the historic environment, develop skills and support organisations which deliver important outcomes for the sector. Whilst it is our intention to retain this core focus, a more flexible approach is needed to enable our grants to support the delivery of the wider social, economic and environmental outcomes set out in our Corporate Plan, [Heritage for All](#).

The foundation of this flexible approach will be the development of a strategic framework for grants which identifies current priorities whilst providing flexibility to respond to new needs and opportunities as they arise.

In addition to continuing to support organisations and communities to look after the historic environment, objectives will be refined to align with key areas where our grants can make a difference, including skills development, community ownership and development of assets, organisational resilience and recovery, well-being, economic recovery, climate change and green recovery. With the arrival of COVID-19, these wider outcomes are of increasing importance.

Alongside these, we want to realise a number of operational objectives relating to increasing and demonstrating impact, targeting our investment and providing a more streamlined and flexible experience for grant applicants.

Description of the programme:

HES is responsible for distributing grant funding to the value of approximately £14.5 million per year. This is currently managed through six different programmes with multiple deadlines throughout the year:

- Historic Environment Repair Grants – 3 deadlines per year
- Historic Environment Support Fund – 3 deadlines per year
- Archaeology Programme Funding – 1 deadline per year
- Conservation Area Regeneration Scheme (CARS) – 1 deadline per year
- Organisational Support Fund – 1 deadline per year
- City Heritage Trusts – 1 deadline every three years

Each programme has a different focus and the eligible costs (the type of works and activities that we are able to fund) can vary between programmes. Applications for grant support from HES are also normally part of a wider funding package, with applicants seeking match funding from a range of other sources, including the [National Lottery Heritage Fund for Scotland](#).

Key components of the programme:

Refresh of our existing grants programme will consist of four components:

1. Reviewing our funding objectives
2. Streamlining our grant funding streams
3. Refining our targeted programmes
4. Automating the grants process and improving our service

1. Reviewing our funding objectives

This component will involve reviewing our current policy on eligible costs to enable more outcomes to be met through our grants. For example, an applicant to the current [Historic Environment Repair Grant](#) scheme is expected to demonstrate how their project will respond to the challenges of climate change, but the installation of insulation is not an eligible cost. Recent legislative changes mean we can now build greater flexibility into our eligible costs policy and potentially fund such works. This will be a focus of our engagement in the coming months.

2. Streamlining our grant funding streams

This component will involve simplifying the number of separate funding streams within the [existing grants programme](#). While the details of this have yet to be developed, we anticipate that we will have fewer funding streams which instead focus upon level of value, risk and fit with the updated strategic objectives and outcomes we want to achieve.

3. Refining our targeted programmes

This component will involve reviewing some of our long running targeted funding initiatives, such as our [Organisational Support Fund](#), [Conservation Area Regeneration Schemes](#) and funding for City Heritage Trusts. We are also exploring the potential for the introduction of a new time-limited funding campaign each year to enable targeting of current issues as they arise.

4. Automating the grants process and improving our service

This component will focus upon the customer journey and experience when applying for grant funding and involve enhancing some of the systems used to support HES grant functions e.g. the development of new digital management systems. We also plan to enhance our existing reporting and evaluation tools in order to generate improved grant impact and monitoring reports.

Have any of the components of the programme been considered in previous SEA work?

No. However, when defining the priorities for our grants, we will consider a range of inputs including [The Historic Environment Policy for Scotland](#) and our Corporate Plan ([Heritage for All](#)) the outcomes for which have both been assessed for their environmental effects ([SEA/01365](#)) and [SEA/01366](#)).

In terms of the information above, what components of the programme are likely to require screening?

The component of the grants programme refresh of most relevance to this screening exercise is the refreshed **strategic objectives and outcomes** which, subject to consultation and feedback, will play a key role in the decisions taken on individual grant applications and can be tailored to deliver wider environmental objectives.

Specific objectives have yet to be developed, but we anticipate they will focus upon:

- Continuing to use our grants to help others to look after the historic environment, with a greater focus on supporting communities and projects which deliver lasting public benefit.
- Taking a more strategic approach to increasing the quality, availability and demand for skills within Scotland's historic environment sector – supporting implementation of the Skills Investment Plan at local and regional levels and responding to skills gaps resulting from COVID-19.
- Supporting historic environment organisations to explore innovative approaches to increase their resilience and ability to recover from challenges such as COVID-19.
- Investing in historic environment activities which deliver social, economic and environmental benefits, with an emphasis upon well-being, economic recovery, green recovery and climate change.
- Increasing the impact and sustainability of our grant-making and better demonstrate this to stakeholders.
- Ensuring our investment is better targeted in line with factors such as need, geographic distribution and the [Place Principle](#).
- Streamlining our grants approach and portfolio to provide a simpler and more efficient experience for applicants.

A summary of how our refresh of our grants programme relates to the criteria for determining the likely significance of effects on the environment is set out below.

Table 1: Consideration of the PPS (plan, programme or strategy) in relation to the criteria for determining the likely significance of effects on the environment (Schedule 2)

Criteria for determining the likely significance of effects on the environment	Summary of our views on the likeliness of significant environmental effects (negative and positive)
1(a) the degree to which the PPS sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources	The programme will set the framework for how resources are allocated, but will not set a framework for projects or activities with regard to their location, nature or size. While the programme will set the overarching framework for funding decisions, any land-use planning, consenting requirements or other permission required to deliver the project are out with scope of the programme. In many cases it would be a requirement for applicants to demonstrate any consents were in place – or capable of being granted – before they would be validated for consideration by HES and other funders.
1(b) the degree to which the PPS influences other PPSs including those in a hierarchy	The programme is expected to influence the decisions taken by HES in allocating grant support and in turn may influence other PPS to be developed in such a way that they would attract grant support for certain activities. However, we do not anticipate this influence to be strategically significant.
1(c) the relevance of the PPS for the integration of environmental considerations in particular with a view to promoting sustainable development	Supporting and promoting sustainable development has been a key feature of the grants programme in the past and will continue to be going forward. The refresh of the programme will also look at how wider environmental considerations, such responding to the climate emergency, tackling vacant and derelict land and supporting COVID-19 green recovery, can be incorporated and aligned where relevant.
1(d) environmental problems relevant to the PPS	The programme will continue to focus on the care, protection and enjoyment of our heritage, including ways in which we can support projects and activities that tackle a range of challenges facing the historic environment.
1(e) the relevance of the PPS for the implementation of retained EU law on the environment (for example, PPS linked to waste management or water protection)	The programme will continue to operate within the requirements of any retained EU law where relevant (e.g. State Aid) but is unlikely to have any significant effects in this regard.
2 (a) the probability, duration, frequency and reversibility of the effects	No effects expected.
2 (b) the cumulative nature of the effects	No effects expected.

Criteria for determining the likely significance of effects on the environment	Summary of our views on the likelihood of significant environmental effects (negative and positive)
2 (c) transboundary nature of the effects (i.e. environmental effects on other EU Member States)	No effects expected.
2 (d) the risks to human health or the environment (for example, due to accidents)	The programme will not exacerbate or increase risks to human health or the environment.
2 (e) the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected)	The programme will be relevant to the historic environment across the whole of Scotland.
<p>2 (f) the value and vulnerability of the area likely to be affected due to-</p> <p>(i) special natural characteristics or cultural heritage;</p> <p>(ii) exceeded environmental quality standards or limit values; or</p> <p>(iii) intensive land-use.</p>	<p>(i) The programme should have a positive effect on the historic environment in Scotland (that is its purpose). Potential effects (positive and negative) on special natural characteristics will depend on the nature of specific projects and will be addressed through any consenting or licencing requirements as necessary (e.g. any conservation works affecting protected species).</p> <p>(ii) It is unlikely the programme will significantly affect environmental standards or limits.</p> <p>(iii) The programme will fund relatively small-scale targeted interventions and development activities. In most cases these activities will relate to heritage assets or existing places and will not significantly affect intensity of land-use.</p>
2 (g) the effects on areas or landscapes which have a recognised national, Community or international protection status	The programme will fund targeted interventions on heritage assets, historic places or other activities relating to the care, protection and enjoyment of the historic environment (e.g. archaeological excavation). As for other criteria detailed above, various permissions would be required if projects affect areas designated for their national or international significance. It is therefore unlikely that the programme itself will affect these areas, with such issues addressed by individual projects as they are planned and delivered.

SEA Screening Report – Summary

Historic Environment Scotland has committed to a refresh of its grants programme. The updated programme will change the way some of the funds are structured, refresh our decision-making criteria, improve user experience and deliver new digital solutions for processing applications.

The outcomes from the programme are expected to be positive for the historic environment and will seek to address other environmental issues to contribute to relevant environmental objectives where possible. Indeed, our existing grant programme and its predecessors have done this for many years.

Our refresh of the programme will be high level, presenting broad strategic outcomes, direction & priorities. These are largely procedural and as noted in table 1, in themselves, unlikely to result in any significant environmental effects. Whilst the programme will determine the way HES delivers funding for projects, it is important to recognise that these projects will often be subject to planning or other consenting procedures. Typical requirements for grant funded projects include planning permission, building warrant, listed building consent and scheduled monument consent or licenses for protected species. These consenting and licensing processes will ensure that any negative environmental effects can be avoided or minimised.

Our grants programme has and will continue to have positive environmental effects beyond the historic environment. While this refresh provides some opportunities to potentially support different activities and projects, incorporate wider environmental objectives and respond to new and emerging issues, we do not consider these additions will be strategically significant and require an environmental assessment.

Historic Environment Scotland
28 August 2020



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SEA Gateway ref: 01585
29 September 2020

Dear Ms Georgieva

Environmental Assessment (Scotland) Act 2005 HES Grants Programme

Following the submission of our Screening Report for the HES Grants Programme, submitted to the SEA Gateway on 28th August 2020, I write to confirm our formal determination on the requirement for environmental assessment under the above legislation.

Screening process

Historic Environment Scotland has consulted The Scottish Environment Protection Agency (SEPA) and NatureScot on their view as to whether changes to our grants programme is likely to have significant environmental effects. Responses from the Consultation Authorities were forwarded to us by the SEA Gateway on 17 September 2020. With reference to their environmental areas of interest, both SEPA and NatureScot considered that the programme is unlikely to have significant environmental effects.

Our determination

Taking these views into account and with reference to the criteria included in Schedule 2 of the Act, we have now formally determined that our grants programme is unlikely to have significant environmental effects. A Strategic Environmental Assessment (SEA) is therefore not required.

I would be grateful if you could forward this to determination the Consultation Authorities and advise that we will shortly publish the attached notification in The Edinburgh Gazette.

Please feel welcome to contact me should you require any further information.

Yours sincerely

Amy Eastwood
Head of Grants

Historic Environment Scotland



Edinburgh Gazette public notification

Environmental Protection

Historic Environment Scotland

ENVIRONMENTAL ASSESSMENT (SCOTLAND) ACT 2005: SECTION 8(1) – HISTORIC ENVIRONMENT SCOTLAND GRANTS PROGRAMME

Under section 8(1) of the above Act, Historic Environment Scotland has determined, in consultation with The Scottish Environment Protection Agency and NatureScot, that the above programme is unlikely to have significant environmental effects and an environmental assessment is not required. Copies of this determination are available from Historic Environment Scotland, Longmore House, Salisbury Place, Edinburgh, EH9 1SH and can be viewed online at: www.historicenvironment.scot/publications. To discuss access to copies in an alternative format please contact hmenquiries@hes.scot.