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Constitution, Europe,
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Dear Clare,

Delivering on the priorities of Our Past, Our Future: The Strategy for Scotland's Historic Environment

I write following my predecessor Christina McKelvie's appearance at the Constitution, Europe, External Affairs & Culture Committee evidence session on 7 December 2023 which focused on the delivery of the priorities of Our Past, Our Future: The strategy for Scotland's Historic Environment. Firstly, I would like to thank the Committee for its detailed work in this important area. The rich and informative evidence you have gathered aligns well with the discussions my predecessor was having with sector representatives and will inform my future meetings with stakeholders and help shape our thinking going forward. There are undoubtedly challenges to the delivery of the strategy but there are clear opportunities as well.

When Christina McKelvie appeared before you on 7 December, she gave an undertaking to update the committee on several points which were raised by Committee members. I will address each of these in turn in this letter and will provide further details where relevant.

Provide website link for HES High Level Masonry inspection data and updates to committee.

This following webpage is reviewed by Historic Environment Scotland on a regular basis.
https://www.historicenvironment.scot/about-us/what-we-do/managing-the-estate/conservation-works-happening-at-our-sites/#inspections-programme_tab

Look into the Local Authority Historic Environment Group, which was not achieved as a structure, but showed there may be a barrier to engagement with local authorities.

The Local Authority Historic Environment Group (referenced in the Our Place in Time (OPiT) strategy as a joint central and local government group') was established before the publication and launch of OPiT in October 2014. It predates HES and was supported by SG Officials (the then Historic Environment Policy Unit). HES believe the group met 3-4 times a year for the first two years or so and stopped meeting in 2016.

In 2017 the OPiT CEOs Forum was established to replace the earlier Historic Environment Operational Group (mentioned in OPiT). The COSLA CEO, then Sally Loudon, was a member and attended meetings for the first few meetings. The COSLA CEO has remained on the circulation and invitation list for the CEOs Forum up to its last meeting in 2023 but has not attended since pre-COVID (2019).

COSLA have been invited to join the new Our Past Our Future (OPOF) Strategy Steering Group which will meet for the first time on 4 March 2024. HES have received confirmation that James Fowle, COSLA Director of Place, will attend.

Consult the SG Skills team about what SG analysis has been done on the Traditional skills gaps and what the targets are to address them.

‘The Purpose and Principles for Post-School Education, Research and Skills’, and the ‘Independent Review of the Skills Delivery Landscape’ publications both make clear that the skills system needs to be reformed for better delivery - both for the learner and the needs of employers. This includes a commitment to national, regional and local skills planning to ensure that the education and skills system continues to be responsive to learner and employer needs.

On 30 November 2023 Skills Development Scotland published a report which has assessed the known investment, the skills demand now and in the future, and current training and learning support for green skills in Scotland. This report is available at <https://www.skillsdevelopmentscotland.co.uk/news-events/2023/november/90-billion-of-investment-in-green-industries-signals-need-for-net-zero-skills>.

Furthermore, the forthcoming publication of the refreshed Skills Investment Plan for the Historic Environment will present the findings of extensive research undertaken to review and refresh the 2019 Skills Investment Plan to ensure it is fit for purpose for 2024 onwards and able to fully support delivery of Our Past, Our Future and other national strategies and plans. The research was supported by a wide range of individuals and organisations including employers, contractors, volunteers, sector organisations, funders, training providers, social enterprises, public and professional bodies, and key stakeholders who took part in interviews, workforce surveys and roundtables. I will ensure that the Committee is provided with copies of the revised Skills Investment Plan when it is published in the spring.

SG Sponsorship and Historic Environment officials to meet with SG Scottish Connections team on diaspora work and explore how we can promote historic sites and places.

My Culture and Major Events officials are engaging with the Scottish Government Connections team and exploring future opportunities to promote Scotland’s cultural and historic environment through the Connections digital offering, which is in its early stages and through our network of overseas offices.

Look into whether HES has information on heritage assets that allows them to explore ways to maximise their potential in revenue raising – can HES do a complete audit of all assets in their care on what opportunities there are for each asset?

Historic Environment Scotland possesses valuable information on the Properties in Care (PICs) that enables them to maximise their revenue potential, an ongoing priority for them.

The overarching PIC Strategy work which HES are undertaking will articulate the values and potential of each PIC, with revenue generation one outcome of many taken into consideration. It will ensure a holistic approach to HES's revenue enhancement initiatives.

As part of the PIC Strategy work, the application of the [Sustainable Investment Tool](#) will demonstrate how PICs contribute to positive outcomes for people across the wellbeing, climate, and economic agendas. This will involve collation of data against the following economic criteria that pertain to a 'revenue raising audit' for each PIC: partnerships, financial sustainability, leverage for further investment and economic benefit, enabling evidence-based decision-making for further resource prioritisation and visualisation of the wider benefits (or 'values') that PICs can provide.

This approach, alongside HES's Monument Investment Plans, provides a framework for multi-project management that ensures focus remains on heritage and the unique nature of each PIC, but also enables HES to identify opportunities that target revenue generation through property investment strategies.

The principal source of revenue from PICs comes from admissions income which accounts for circa 72% of HES's total commercial income. This includes income from individual sites – online and in person, multi-site passes, trade visits and membership. The level HES can charge depends on the level of the experience at each site and is established through their pricing framework. The revenue delivered from admissions at each site is also dependent on area and visitor patterns.

Other examples of how HES are currently undertaking this work and potential opportunities HES have identified are as follows:

- **Diverse Revenue Streams:** PICs often have multiple potential revenue streams, including entrance fees, guided tours, merchandise sales, venue rentals and educational programs. The PIC Strategy involves identifying and optimising these different revenue channels.
- **Visitor Experience Enhancement:** Targeting improvements to the overall visitor experience will contribute to increased revenue. This involves investing in interpretive exhibits, multimedia presentations and interactive displays that engage visitors and encourage longer stays.
- **Partnerships and Collaborations:** Collaborating with local businesses, event organisers or other stakeholders creates additional revenue opportunities. We host cultural events, workshops, and partner with nearby businesses.
- **Membership Programs:** Continuous membership programs provide a reliable source of income. In addition to free admission, other benefits include events and discounts on merchandise and catering, which encourages repeat visits and loyalty.
- **Digital Presence and Technology Integration:** Leveraging digital technologies will enhance the visitor experience and open new revenue streams. This includes online ticket sales, potential future virtual tours, as well as interactive mobile apps that provide additional information and services.
- **Venue Rental and Special Events:** PICs have unique and picturesque settings making them ideal for weddings, corporate events, and other special occasions.

Ongoing development of a strategy for renting out these spaces remains critical to generate and maximising additional income.

- **Conservation and Restoration Projects:** Public support for conservation and restoration projects can be leveraged to raise funds. This can involve grant applications or partnerships with philanthropic organisations interested in preserving cultural heritage.
- **Retail and Merchandising:** Developing and marketing branded merchandise related to the historical sites is a lucrative revenue stream. This includes books, souvenirs, and replicas of historical artifacts and *'Made in Scotland'* ranges.
- **Data-Driven Decision Making:** Utilising data analytics to understand visitor patterns, preferences, and behaviours also inform decision-making. This ensures we can tailor offerings and marketing strategies to maximise revenue potential.
- **Community Engagement:** Engaging with local communities and involving them in the preservation and promotion of historical sites helps foster support and can potentially lead to community-driven initiatives that contribute to revenue generation.

In summary, a comprehensive PIC Strategy approach with PIC Monument Investment Plans considers the unique characteristics and challenges of each PIC, with the ultimate goal of preserving cultural heritage while generating sustainable revenue.

Scotland's Historic Environment Forum (SHEF) Event

The Committee may also be interested to hear that Scotland's Historic Environment Forum (SHEF) annual event was held on Wednesday 7 February 2024, at The Barracks in Stirling. The event focused on the delivery of the [Our Past, Our Future Strategy](#) and was attended by a diverse range of stakeholders discussing key OPOF priorities and organisation's action plans for the year ahead. The second half of the event involved group discussions, focussed on future activity, action, and the National Strategy Delivery Framework. A report from the event is to be drafted and I will ensure that the Committee is provided with copies of the report.

In conclusion, I welcome the Committee's declared intent to continue scrutiny of the strategy in 2024 and to consider progress made on delivering the strategy's priorities and actions. As you consider future evidence sessions to revisit this work, I will continue to keep the Committee updated on areas of interest and look forward to engaging with the Committee on the delivery of the OPOF strategy.

Yours sincerely,



KAUKAB STEWART