

# ANNUAL OPERATING PLAN 2021-22



HISTORIC  
ENVIRONMENT  
SCOTLAND

ÀRAINNEACHD  
EACHDRAIDHEIL  
ALBA



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# FOREWORD

The world we live in is changing. Covid-19 has had a significant impact on everyone. The historic environment and Historic Environment Scotland are no exception. It's been a challenging year and continues to be: our colleagues, partners, stakeholders, visitors, members, grant recipients, planning applicants and suppliers have all been affected in many ways. As we move through 2021-22, this uncertainty is set to continue, in particular around the tourism industry, which is not expected to recover to pre-Covid levels within the foreseeable future.

In this Annual Operating Plan, covering 2021-22, we make a commitment to delivering activities that bring real public benefit to support the sector to recover from Covid-19 and to build a wellbeing economy that works for everyone.

As a sector, the historic environment is supporting efforts across Scotland to reduce the four harms of Covid-19 – both direct and indirect health impacts, social impacts and economic impacts. Making up much of Scotland's towns, cities and rural infrastructure, the historic environment is well-positioned to drive a green recovery.

Our Annual Operating Plan builds on what we have achieved so far and reflects the work ahead of us to reimagine how we lead, deliver our services and support the historic environment sector to build back better.

It demonstrates how, in pursuit of the long-term outcomes set out in our *Corporate Plan 2019 Onwards – Heritage for All*, we:

- help local economies throughout Scotland to thrive
- support town and city centre renewal
- provide skills and knowledge to support a green recovery
- support the transition to a low carbon economy
- provide opportunities to promote wellbeing, equalities and inclusion
- support economic recovery through responsible tourism

In 2021-22, we will be reviewing *Heritage for All* to ensure that the historic environment plays its part in preparing for a better tomorrow.



Skara Brae, Orkney

## WHO WE ARE

The historic environment is Scotland's story.

It belongs to all of us. It's part of our everyday lives. It shapes our identity. It tells us about the past, the present – and even points the way to the future.

We are a charity and public body leading the way in protecting, understanding and sharing Scotland's historic environment, for today and for the future.

We want the historic environment to make a real difference to all our lives: to our health, to our economy, to our culture, to our environment. We want heritage to involve everyone so that all can benefit.

## THE DIFFERENCE WE MAKE

Through our role as lead body for the historic environment, we work with our partners and stakeholders to ensure that the historic environment thrives and delivers economic and social benefits for the people of Scotland. Here are some examples of our valuable contribution to Scotland.

- We look after over 300 sites of national importance, more than 41,000 objects in the collections and five million archives on behalf of the people of Scotland.
- We enable change to our most significant heritage assets while providing the protection they need through designations and consents, ensuring this resource is available for generations to come.
- We award millions of pounds each year to local communities to repair, revitalise and reuse their historic environment to foster social cohesion and a strong sense of place. For every £1 invested in 2020, projects funded by HES attracted a further £3.44 in additional investment.
- We make a strong contribution to a green recovery and a fairer, more sustainable economy through promoting the benefits of traditional forms of construction.
- We run visitor attractions at the Properties in our Care to support Scottish tourism and generate income for our activities.
- We enhance wellbeing and learning by providing access to Scotland's history and heritage through site visits and digital experiences.
- We support the conservation and reuse of the historic environment in Scotland by providing advice and technical expertise.
- We seek to grow understanding of Scotland's historic assets, the benefits they bring and the diverse stories that make up our shared histories.
- We help develop the knowledge, skills and materials Scotland needs to look after our heritage, particularly to respond to the changes in our climate and the impact it has on our heritage.
- We are at the forefront of investigating and researching the historic environment and addressing the impacts of climate change on its future.
- In every aspect of our work we strive to follow our five organisational values – we are collaborative, professional, innovative, open and respectful.

# WHAT WE WANT TO ACHIEVE

Our vision is that:

*The historic environment is cherished, understood, shared and enjoyed with pride, by everyone*

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Our *Corporate Plan 2019 Onwards - Heritage for All*, sets out five outcomes that we want to achieve that will help us work towards this vision:

- 1. The historic environment makes a real difference to people's lives**
- 2. The historic environment is looked after, protected and managed for the generations to come**
- 3. The historic environment makes a broader contribution to the economy of Scotland and its people**
- 4. The historic environment inspires a creative and vibrant Scotland**
- 5. The historic environment is cared for and championed by a high-performing organisation**

These are long-term, aspirational outcomes and it will take a number of years to make a difference, towards which we set annual indicators of progress.

This Annual Operating Plan 2021-22 outlines the activities we will undertake to support achievement of these outcomes, building on the progress we have made in the first two years of *Heritage for All*. We will be reviewing our Corporate Plan this year to ensure that it remains fit for purpose in the current circumstances, but we anticipate that our outcome framework will stay largely the same.

## How we will measure success

Our Corporate Plan sets out 10 Key Performance Indicators (KPIs), which we will use to measure our success in achieving our outcomes. Achievement of these KPIs will be measured against the indicators set out in the tables throughout this Annual Operating Plan and its predecessors, and will include an analysis of survey results, contextual data and case studies.

In order to ensure progress towards delivery, the actions and supporting indicators will be monitored closely throughout the year with risks to delivery systematically identified and managed. Results will be published in our *Annual Report and Financial Statements*. Data relating to equalities, health & safety, sickness absence, staff training, supplier payment, greenhouse gas emissions and freedom of information performance will also be reported in our *Annual Report and Financial Statements*.

We also publish a range of more detailed performance reports: *Our Place in Time Annual Performance Report*, *Properties in Care of Scottish Ministers Annual Report*, *Planning Performance Report* and *Annual Procurement Report*.

Our reports are supported by a strong framework of controls, including a growing use of external review, which helps to validate our performance and grow trust and confidence in our organisation.

# CHALLENGES AND OPPORTUNITIES

There are big challenges ahead that we will need to address in order to deliver our plans. We continue to grapple with the impacts and uncertainties of the Covid-19 pandemic and these impacts exacerbate many of the challenges we have been facing for a number of years. However, these challenges also present opportunities for us to do things in new and different ways to maximise the impact our work can have.

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| <p><b>Young People</b></p> <p>Scotland's young people have been particularly affected by the impacts of the pandemic, so we are looking at ways to better involve and engage young people with our work and the opportunities the historic environment sector can offer.</p>   | <p><b>Inequalities</b></p> <p>The pandemic has highlighted disparity in outcomes and deepening inequality. Our historic environment is spread throughout Scotland and the sector, along with other partners, can play its part to address inequalities and support recovery of local communities.</p>   | <p><b>Climate Change</b></p> <p>Climate change and the effort required to mitigate and adapt to its effects continue to have a significant impact on our historic environment. At the same time, our heritage assets can provide opportunities to build on circular economy principles to lower carbon impact.</p>  | <p><b>Green Recovery</b></p> <p>There is huge potential for our historic environment to support a green recovery from the pandemic. As use of our town and city centres changes, the reuse and retrofit of historic buildings in particular will provide opportunities for the creation of high quality green jobs and skills development.</p>  |
| <p><b>Infrastructure</b></p> <p>Our economy has been massively affected by the pandemic. This impacts on the availability of funds and investment to support the reuse or revitalisation of our historic environment. There was already a backlog in the work required to maintain our historic environment, so we need to think differently about how we invest in and manage these assets.</p> | <p><b>Sustainable Tourism</b></p> <p>With the restrictions over the past year, the visitor profile for Scottish tourism has shifted. As the world continues to recover from the pandemic, it is likely that international tourism will continue at lower levels for some time to come. This provides an opportunity to rethink how we approach tourism in Scotland in a more sustainable, responsible and low-carbon way.</p> | <p><b>Sector Resilience</b></p> <p>The care and maintenance of our historic environment depends upon local materials, traditional skills and the work of many heritage organisations. Their source is often small businesses and voluntary groups, many of whom have been adversely affected by the pandemic and Brexit. Supporting the resilience of these partners is crucial to success for the historic environment sector.</p> | <p><b>Wellbeing Economy</b></p> <p>Our communities and lifestyles are changing and our population is ageing. The changes in how we go about our lives due to the pandemic may also have a lasting impact on our interactions with each other and our environment. Our historic environment can support recovery with wellbeing at its heart through opportunities to engage with each other and the heritage on our doorstep.</p> |

Our 2021-22 operating plan has been developed with these challenges and opportunities in mind. We have sought to balance a desire to reimagine what we do and build back better, with the realities of the continuing social and economic difficulties and other pandemic impacts.

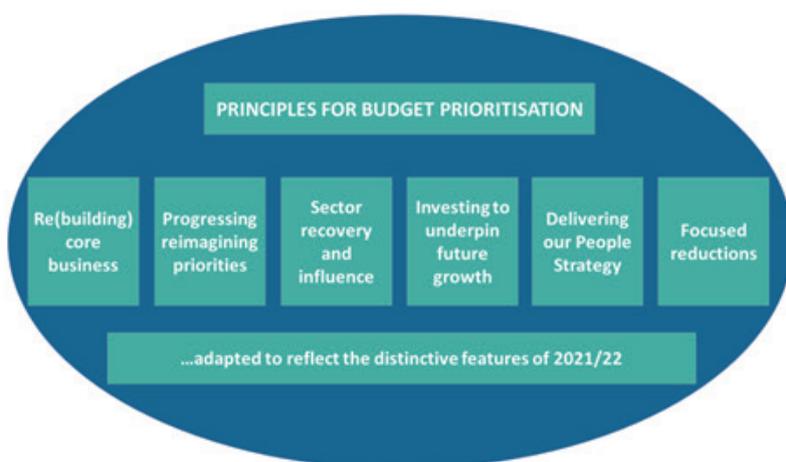
# IMPACT OF THE PANDEMIC AND MAKING CHOICES

Like everyone, the historic environment sector has been significantly affected by the impacts of the Covid-19 pandemic, as shown in [our sector surveys](#) and research undertaken by our partners and stakeholders. Given the continually evolving situation and the impacts of the UK departure from the European Union, this year is likely to be a period of continued disruption and uncertainty. Like last year, however, we will continue to deliver our core activities and provide support to the historic environment sector. Our operations will be flexible to adjust to changes in Government restrictions and responsive as we learn about how tourism and other sectors will resume.

One of the biggest impacts for us, and the sector, has been the reduction in visitors. This year we anticipate a continued focus on domestic audiences, encouraging everyone to discover and enjoy the heritage on their doorstep. While we are unable to open all our sites straight away, we will prioritise the sites we are able to open taking into consideration, as much as possible, the circumstances in the local area. Our work on recovery and resumption last year will stand us in good stead as we move forward.

The disruption of the past year also provides us with an opportunity to reimagine our future, respond to sector research and identify the big issues that will frame our operating context: global recession, climate change, digitisation, and more. The historic environment in Scotland has an important role to play in our recovery. Our heritage contributes to high quality places, thriving local economies and strong communities. The revitalisation of our towns and cities through the reuse and retrofit of historic properties will support job creation, skills development and a move to a low-carbon future. Taking the time to enjoy our heritage, make use of it and engage in decisions which affect it can support our wellbeing and quality of life.

We are grateful to the Scottish Government for the allocation of grant in aid (GiA) funding of £76.2 million for 2021-22, which we will supplement with a level of self-generated income. In prioritising our budget for 2021-22 we have been guided by the following principles:



In prioritising our budget and how our people spend their time we have made difficult but deliberate choices. Even under normal circumstances, we cannot do everything we would want to do and that is particularly true right now.

Everything we do supports delivery of our *Heritage for All* outcomes and so each of our functions are protected. The choices we have made concern the ways in which we deliver these functions and/or the extent to which they are delivered. Some examples of the choices we have made include:

- Prioritising resources to ensure the properties in our care are able to reopen safely and securely. However, not all of our sites will re-open as lockdown restrictions are lifted. For example, some of our seasonal sites will not be opened, and we will be focusing on services to our members and domestic audiences rather than international visitors;
- Continuing to plan for a different tomorrow with heightened focus on a green recovery, localism, sustainable tourism, skills and young people;
- Continuing to operate our grants programmes to help the sector recover;
- Investing in developing future income streams such as fundraising and commercial activity, including ecommerce to drive retail;
- Investing in our people whose expertise, hard work and dedication are the heart of our organisation; and
- Focusing reductions on those activities where we can choose how much we can do. For example, strategic property investment and infrastructure work is on hold this year or has been scaled back. We are also continuing with activity that can be delivered virtually rather than physically, which enables savings to be made, for example, on travel and subsistence.

While the priorities set out in this plan seek to maintain the progress we have made in the first two years of *Heritage for All*, bringing forward actions from 2020-21 which were still to be fully complete at year end, we cannot underestimate the impact that Covid-19 has had on our people. Over the next year we will continue to invest in our people through our People Strategy, optimising our culture so people feel supported, included and enabled within a safe environment where wellbeing is part of everyday conversation. This plan is therefore based on pragmatic prioritisation with our people's wellbeing at its core.

In order to support the delivery of our annual priorities and long-term outcomes, over the course of this year we will be re-shaping our organisation. Our new approach will provide a stronger customer and community focus through an enhanced regional model; foster and encourage more collaborative working and create an organisation where all our colleagues want to work with opportunities to develop and progress.

The sections which follow provide more detail on how the work to achieve our outcomes will evolve in response to the impacts of the pandemic, to support the historic environment sector and to promote the use of our heritage across sectors to build back better.



Caerlaverock Castle

## HERITAGE AND SOCIETY

### 1. THE HISTORIC ENVIRONMENT MAKES A REAL DIFFERENCE TO PEOPLE'S LIVES

#### WHY IT MATTERS:

The historic environment is a vital part of all of our lives, right now. It has the power to change lives for the better – to make us feel happier, more informed and better connected, to encourage us to get outdoors and get active, to speak to the diversity of our nation. Heritage sits at the heart of what makes a place feel special and tangible for our communities. We want to ensure that communities and local organisations are supported to look after their heritage assets to deliver real improvements in people's lives.

The pandemic has affected all our lives in significant ways, with maintaining positive mental wellbeing a key issue for many people in the face of disruption to our normal activities. Local communities came together to support each other, and many people found value in the natural and built historic environment within their local area. It is important that we continue promoting the benefits of the historic environment and working with communities to put wellbeing and localism at the heart of all our decisions.

#### OUR CORPORATE PLAN PRIORITIES:

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| <p><b>Create heritage without boundaries</b><br/>- widening opportunities for everyone to understand, enjoy and connect with the historic environment, making it a part of our everyday lives.</p> | <p><b>Use the historic environment to build strong and sustainable communities</b> - demonstrating the crucial role of heritage in placemaking.</p> | <p><b>Promote knowledge about the historic environment</b> - continually improving our collective understanding through research and investigation, and sharing it through interpretation, engagement and education.</p> | <p><b>Use our historic places to help us live healthy and active lives</b> - promoting the social impact of the historic environment at all levels and harnessing its potential to offer spaces for living, recreation, reflection and entertainment.</p> |
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#### OUR PLANS FOR 2021-22:

We want to make more use of digital in our work. In particular, we want to involve young people, using their input to help shape the future of our sector. Covid-19 is impacting disproportionately on young people's education, employment prospects, and mental health requiring targeted intervention from governments. Focusing on this will ensure that we deliver relevant outcomes for the young people of Scotland and strengthen the future resilience of our sector.

Diversity and inclusion have also come into sharp focus over the last year. The stories we tell about our shared history can play an important role in building a more cohesive society where all feel respected, represented and included. Our new Equality Outcomes set ambitious goals for driving reductions in inequality and improvements in inclusion through digital and community involvement.

WHAT WE WILL DO IN 2021-22:

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| <p><b>KPI 1: Increase wellbeing from Scotland's historic environment</b><br/><i>What success will look like:</i></p> <ul style="list-style-type: none"> <li>Increased the percentage of people who self-report benefit from the historic environment</li> <li>Evidence of increased impact on wellbeing such as health, happiness and satisfaction with life</li> </ul>           |  |
| Indicators for 2021-22  | What Success Will Look Like 2021-22  |
| Promoted the wellbeing benefits of the historic environment   | Integrated the wellbeing benefits of the historic environment into our communications and marketing for 2021-22                            |
| Continued to promote volunteer participation in the historic environment  | Rebuilt volunteer numbers to 150 or more by 31 March 2022  |
| <p><b>KPI 2: Increase engagement with Scotland's historic environment</b><br/><i>What success will look like:</i></p> <ul style="list-style-type: none"> <li>Increased the numbers and diversity of people who engage with the historic environment</li> <li>Increased the range and accessibility of channels for engaging with the historic environment</li> </ul>              |  |
| Indicators for 2021-22  | What Success Will Look Like 2021-22  |
| Implemented our <i>Equality Outcomes Action Plan 2021-22</i> , which incorporates ambitions on our society, our services and our people   | Delivered 60% or more of 2021-22 high level planned actions in the <i>Equalities Outcomes Action Plan</i> by 31 March 2022                 |
| Worked with our partners to involve young people in decision-making and co-creation of services, including digital  | Developed an Action Plan based on recommendations from #HistoricScot forum report working with Young Scot by 31 March 2022                 |
| Connected people with the heritage on their doorstep by using social media, digital and real-world experiences  | Highlighted opportunities to engage through our online events, diversity of online content, marketing and social media activity in 2021-22 |
| Improved digital access to information on the historic environment as part of our long-term strategy for our digital information, archives and collections  | Completed Heritage Hub project procurement stage, approved full Business Case and begun Year 1 of development by 31 March 2022             |
| Grown our digital archive to increase access to information on Scotland's historic environment with priority given to historic photographs which are consulted most often by our users  | Increased the total number of historic photographs digitised and visible online from 900,000 in 2020-21 to 975,000 by 31 March 2022        |
| <p><b>KPI 3: Enhance communities' use of their heritage in placemaking</b><br/><i>What success will look like:</i></p> <ul style="list-style-type: none"> <li>Evidence that more communities are using the historic environment in their placemaking activities</li> <li>The historic environment is increasingly integrated into local, city and regional placemaking</li> </ul> |  |
| Indicators for 2021-22  | What Success Will Look Like 2021-22  |
| Delivered advice and guidance through a place-based approach to help communities understand, promote and develop the benefits of their heritage   | Delivered 50% or more of high-level planned actions in the multi-partner <i>Community Support Action Plan</i> by 31 March 2022             |



Learn at home project

## HERITAGE AND THE ENVIRONMENT

### 2. THE HISTORIC ENVIRONMENT IS LOOKED AFTER, PROTECTED AND MANAGED FOR THE GENERATIONS TO COME

#### WHY IT MATTERS:

From buildings and archive collections to traditions, stories and even ways of life, the historic environment is always changing. Things will be lost – through decay, erosion, fire, neglect or, simply, just by slipping from memory. It is only by looking for ways to reuse and adapt our heritage that the historic environment will not just be conserved – but alive and thriving, for generations to come.

The Covid-19 pandemic has made it increasingly difficult to look after our historic environment. Repairs, maintenance and development work were unable to be undertaken during the lockdown and many of the groups which look after our heritage are struggling with the economic impacts. At the same time, climate change is continuing to take its toll on our historic environment.

However, there are also opportunities for the historic environment to shape recovery. Many of the buildings that make up our towns and cities have stood the test of time, by changing use and embracing new technologies and they stand ready to help us rebuild now. With the principles of sustainability at the heart of the historic environment and the skills and expertise of the sector, we believe that Scotland’s past can help us to build a greener future.

#### OUR CORPORATE PLAN PRIORITIES:

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| <p><b>Look after the historic environment assets in our care</b><br/>– managing the long-term future of the properties, sites, collections and archives that we look after on behalf of the people of Scotland.</p> | <p><b>Encourage everyone to work together and drive support and innovation in caring for our heritage</b> – promoting ‘collective stewardship’ to develop and share the knowledge, resources, skills and expertise of all who work with or depend on the historic environment – putting into practice what we have learned and learning from others.</p> | <p><b>Respond to the challenges of climate change</b> – making it central to our policy and practice, and better understanding, managing and mitigating its impact.</p> | <p><b>Enable sustainable change in the historic environment</b><br/>– working with people, communities, government and developers to ensure decision making across all aspects of our heritage which is inclusive, informed, open and forward-thinking.</p> |
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#### OUR PLANS FOR 2021-22:

Our historic buildings present an opportunity for retrofit and reuse as the preferred alternative to carbon heavy new builds. We want to support communities, asset owners and the construction sector to manage and adapt historic buildings while maintaining the elements that make them important parts of our shared heritage and the life of our local areas.

Climate change is also at the forefront of our plans, with the recent Intergovernmental Panel on Climate Change report on the impacts of global warming and the climate emergency declared by the Scottish Government. Addressing these impacts needs an international response and the collaboration of many organisations from diverse sectors. We will continue to use our platform as a leader in climate change research in the historic environment to promote climate action.

#### WHAT WE WILL DO IN 2021-22:

| KPI 4: Strengthen the resilience of Scotland's historic environment  |   |
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| What success will look like:   |   |
| <ul style="list-style-type: none"> <li>Improved prioritisation of investment in the historic environment according to need</li> <li>Evidence that the historic environment is being appropriately managed to enable viable use or reuse</li> </ul> |   |
| Indicators for 2021-22   | What Success Will Look Like 2021-22   |
| Developed a regulatory framework to set out HES's role in the planning system  | Regulatory framework approved by 31 March 2022  |
| Developed tools and guidance to support the care, management and re-use of the historic environment  | Delivered 3 new or revised guidance notes on managing change (current published total: 29) by 31 March 2022 guiding changes in line with the <i>Historic Environment Policy for Scotland</i> and Scottish Planning Policy |
| Dealt with regulatory activities, consultations and decisions within stated timescales, ensuring our decisions are open, transparent and easy to understand  | Maintained delivery at 90% or more dealt with within stated timescales in 2021-22   |
| Published our annual <i>Planning Performance Report</i> to show HES's performance in the planning system   | <i>Annual Planning Performance Report</i> approved by 31 August 2021  |
| Finalised a long-term strategy for the properties in our care (PIC) that considers how we manage and operate these assets in a sustainable and innovative way to maximise their contribution to wellbeing now and for the generations to come      | PIC Strategy approved by 31 March 2022  |
| Delivered activity in line with the <i>Scheme of Delegation for Properties in our Care</i> in accordance with our <i>Asset Management Plan</i>   | Delivered 90% or more of estate maintenance, conservation and investment projects prioritised in line with our <i>Asset Management Plan</i> and available budget by 31 March 2022   |
| Ensured the safe reopening of the sites in our care  | Carried out inspections at all sites scheduled for re-opening, with a focus on compliance in 2021-22  |
| Enhanced the care and management of collections associated with the properties in our care in line with the <i>Scheme of Delegation</i>  | <i>Scheme of Delegation</i> collections condition assessment framework, aligned to industry standards, approved by 31 March 2022  |
| Improved the storage conditions of the archives in our care  | Business Case for Archive House approved and design and development work well advanced by 31 March 2022   |

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| <p>Strengthened statutory compliance by completing sample inspections at our Properties in Care within Phase 1 of the High-Level Inspection Programme and agreed next steps</p> | <ul style="list-style-type: none"> <li>Completed Phase 1 sample inspection programme and agreed next steps by 31 March 2022</li> <li>Implemented mitigation measures for the highest life safety risks, including high level masonry failures by 31 March 2022</li> </ul> |
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| <p><b>KPI 5: Increasingly lead the sector in climate change action</b><br/><i>What success will look like:</i></p> <ul style="list-style-type: none"> <li>Reduced our own greenhouse gas emissions and evidence of reducing emissions in the wider historic environment sector</li> <li>Evidence that more of the historic environment sector is able to adapt to the effects of climate change</li> </ul> |  |
|--|--|
| Indicators for 2021-22   | What Success Will Look Like 2021-22  |
| <p>Lead and enabled the sector to articulate our collective contribution to the transition to a low carbon economy to inform policymaking and infrastructure investment decisions</p>  | <p>Launched a historic environment sector climate heritage manifesto by 31 March 2022</p>  |
| <p>Leveraged the opportunity presented by the 26th UN Climate Change Conference of the Parties (COP26) to highlight the potential of cultural heritage to support climate change goals, working with a range of partners</p>   | <p>Developed an action plan to maximise our contribution to COP26 by 30 September 2021 and a legacy plan by 31 March 2022</p>          |
| <p>Continued to implement our ambitious <i>Climate Action Plan (CAP)</i> to support the green recovery and to promote the value and knowledge of the heritage sector in supporting a transition to a low carbon economy, including the development of a carbon budget for the <i>Annual Operating Plan 2022-23</i></p>   | <p>Progressed delivery of CAP from 20% of sub-actions at 31 March 2021 (Year 1 of 5) to 30% or more by 31 March 2022 (Year 2 of 5)</p> |
| <p>Implemented Year 1 of our <i>Waste Management Strategy and Plan</i> supporting a reduction in our waste, increasing recycling opportunities and educating staff on sound waste management</p>   | <p>Increased recycling rate of all waste from 50% in 2019-20 (latest available data) to 55% or more by 31 March 2022</p>               |



Linlithgow Palace

## HERITAGE AND THE ECONOMY

### 3. THE HISTORIC ENVIRONMENT MAKES A BROADER CONTRIBUTION TO THE ECONOMY OF SCOTLAND AND ITS PEOPLE

#### WHY IT MATTERS:

Heritage is important to every part of our country, making a significant contribution to local economies by boosting tourism, regenerating our historic assets and providing jobs and skills development. Therefore, how we invest in, look after, and celebrate our past is at the heart of how we make Scotland a more prosperous and equal nation.

The Covid-19 pandemic has had a massive impact on our economy and the tourism, cultural and heritage sectors have been disproportionately affected. With the likelihood of continuing restrictions, particularly around international travel, and enhanced hygiene/physical distancing measures continuing for at least part of 2021-22, it is unlikely that these sectors will see significant recovery this year.

#### OUR CORPORATE PLAN PRIORITIES:

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| <p><b>Promote sustainable tourism</b><br/>– working to make our historic sites outstanding attractions that tell Scotland’s story, while respecting the needs of local communities, visitors, our cultural heritage and the environment.</p> | <p><b>Encourage enterprise and investment in the historic environment</b><br/>– enabling more people to benefit from the historic environment, providing support through our own grant schemes and our role in the planning system.</p> | <p><b>Advance the use of science and technology</b> – working at the forefront of research and development in the historic environment and promoting the benefits of innovative new techniques.</p> | <p><b>Increase the quality, availability and demand for skills</b><br/>– showing how understanding, caring for and celebrating the historic environment adds value to the economy, providing attractive career opportunities, skilled employment and business growth.</p> |
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#### OUR PLANS FOR 2021-22:

The provision of financial support through our refreshed grant programmes will be fundamental to ensuring the resilience of many heritage organisations to make it through this pandemic. We are building strategic partnerships at local and national levels, for example with economic and development agencies and Growth Deals, to focus our investments towards local needs.

We will also use this time to help steer Scotland towards a more sustainable tourism model, using our expertise as the largest operator of paid visitor attractions in Scotland. A key focus will be on spreading the benefits of tourism across Scotland, addressing the negative impacts of high-volume tourism for particular sites and communities, and looking at lower carbon ways for people to explore our country.

Job creation and skills development are also vital during this time of recovery. The historic environment has a lot to offer as a source of good, green jobs as we seek to build a wellbeing economy with opportunities for young people to thrive. This includes the traditional skills that are required for a more sustainable future as well as digital skills that are crucial to an increasingly online economy.

WHAT WE WILL DO IN 2021-22:

| KPI 6: Increase economic benefits from Scotland's historic environment   |  |
|--|--|
| What success will look like:   |  |
| <ul style="list-style-type: none"> <li>Increased the amount generated for Scotland's national and regional economies from the historic environment</li> <li>The historic environment provides a greater range of opportunities for local economic activity</li> </ul>  |  |
| Indicators for 2021-22   | What Success Will Look Like 2021-22  |
| Promoted the contribution of the historic environment and the sector in national and regional economic planning and investment strategies  | Promoted contribution with a focus on key Growth Deal and related infrastructure plan consultations within stated timescales in 2021-22  |
| Progressed the phased launch of our refreshed grants programmes to increase the impact of our grants and support Covid-19 recovery   | <ul style="list-style-type: none"> <li>Developed final version of HES Grants Framework by 30 November 2021</li> <li>Completed Phase One of Grants Management System rollout by 31 March 2022</li> <li>Launched refreshed Conservation Area Regeneration Scheme programme by 31 March 2022</li> </ul> |
| Refreshed our Procurement Strategy with a focus on sustainable procurement and increased opportunities for local suppliers   | Published our <i>Sustainable Procurement Strategy</i> by 31 December 2021  |
| Developed our approach to sustainable tourism through our <i>Climate Action Plan</i>   | Delivered an approach to sustainable tourism for HES and a model framework by which to baseline performance in a pilot area by 31 March 2022   |
| Developed and implemented our marketing for domestic audiences, designed to ensure a spread of visitors across the country   | Implemented a marketing plan for 2021-22 with a focus on domestic audiences delivered throughout the year and completed by 31 March 2022   |
| Grown our membership, providing access to days out at castles, abbeys, cathedrals and many more heritage attractions across the whole Scotland   | Increased membership from 155,521 members in 2020-21 to 193,000 at the high point of the year in 2021-22   |
| Provided quality visitor experiences at reopened sites while the public health restrictions are in place   | Maintained or improved visitor feedback scores at or better than 9.25 in 2020-21   |
| Developed and tested innovative approaches to improve visitor experience at reopened sites in our care   | Trialed 50 pieces of innovative interpretive content at 15 sites in our care by 31 March 2022, maintaining pace of development from 2020-21  |
| Delivered Year 3 of the sector's multi-partner <i>Historic Environment Skills Investment Plan</i> , now evolved to respond to the pandemic challenges, including working with partners to develop more accessible pathways into the sector, promoting the sector as an employer and extending our training offer to support the retention of the traditional skills required to support a green recovery | Delivered (or for multi-year actions, made good progress in delivering) the majority (60% or more) of actions in the <i>Skills Investment Delivery Plan</i> by 31 March 2022   |
| Continued implementation of our multi-partner <i>Research Strategy 2019-22</i> , with a focus on research to support the historic environment sector to build resilience, recover from the pandemic and continue to contribute to a greener, fairer society  | Delivered 60% or more of the multi-partner <i>Research Strategy</i> actions by 31 March  |

# One unicorn between us.

Please keep 2 metres  
from other visitors.



## HERITAGE AND CREATIVITY

### 4. THE HISTORIC ENVIRONMENT INSPIRES A CREATIVE AND VIBRANT SCOTLAND

#### WHY IT MATTERS:

The historic environment is the story of Scotland. It is not just one story, it is everyone's stories put together and how we talk about it, how we share it and what it means is not fixed. It is in everyone's hands to define what the historic environment is and what it can be, to explore its potential to influence and be influenced by everything from music, literature and art to theatre, film and gaming.

Over the past year we have increased digital engagement opportunities to access heritage experiences while sites were closed. We also introduced digital interpretation codes at our sites, which were accessed 80,000 times which were positively received by our visitors. We have also inspired creativity through the Creative Informatics challenge, which is now live, and xPO North Heritage which we are supporting in partnership with Museums and Galleries Scotland and Creative Scotland.

#### OUR CORPORATE PLAN PRIORITIES:

|  |  |  |  |
|--|--|--|--|
| <p><b>Celebrate the cultural value of heritage</b> - using the historic environment to champion diversity and inclusiveness, and strengthen communities.</p> | <p><b>Promote the historic environment as a key resource for creative inspiration</b> - working with people to explore the values, meanings and uses of heritage, and developing new partnerships between the historic environment and the creative economy.</p> | <p><b>Use the historic environment to enrich education and learning</b> - promoting the cultural role and importance of our heritage, from buildings and places to stories and traditions, archives and information.</p> | <p><b>Share our heritage with the world</b> - developing innovative and creative international partnerships by opening up our historic environment to a global audience and exploring its worldwide impact and legacy.</p> |
|--|--|--|--|

#### OUR PLANS FOR 2021-22:

In 2021-22, we will focus on digital innovation to explore further opportunities to complement and extend our existing services. We have seen over the last year the potential of the historic environment to support learning and creativity within a digital environment. Our online portal [Learn, Create & Play](#) contains a set of digital resources and we will use innovative, flexible and inclusive approaches to increase participation and support positive destinations for our learners.

While the world has not been able to come to Scotland to explore our heritage, we have still been able to share our heritage with the world through digital means. We will continue to grow our international networks to support the global recovery. Our knowledge, expertise and experience in conservation, heritage tourism, research, technical science, data, and reuse and retrofit of historic buildings has huge potential to inform management of the historic environment, and how heritage can be used to support a green recovery and a wellbeing economy, around the world.

WHAT WE WILL DO IN 2021-22:

| <b>KPI 7: Increasingly inspire creativity and innovation</b><br><i>What success will look like:</i> <ul style="list-style-type: none"> <li>Increased use of the historic environment for creative inspiration, events and activities</li> <li>Evidence that our work is safeguarding intangible cultural heritage in Scotland</li> </ul>                          |  |
|---|--|
| Indicators for 2021-22  | What Success Will Look Like 2021-22  |
| Implemented our revised digital strategy <i>HES-Digital</i> to facilitate innovation that fosters creativity and inclusion through digital access and experiences   | Launched our refreshed digital strategy <i>HES-Digital</i> and established a route map for implementation by 31 March 2022   |
| Used our learning framework to implement a blended programme of inclusive partnership projects, visits and online resources that support education, skills and wellbeing outcomes to inspire learners of all ages and abilities   | <ul style="list-style-type: none"> <li>Increased the number of learners actively engaged from 2,537 in 2020-21 to 5,000 (with around 40% from youthwork and Scottish Index of Multiple Deprivation/ rural schools) by 31 March 2022, building back to 15,000 learners by 2023-24</li> <li>Resumed free learning visits at our sites</li> <li>Delivered 25 online learning resources, building on the 84 curated in 2020-21, completing the redevelopment of our Learn web pages</li> </ul> |
| Continued to deliver the core commitments of our <i>Gaelic Language Plan 2018-23</i>  | Progressed delivery of our <i>Gaelic Language Plan</i> from 68% of actions at 31 March 2021 to 80% or more by 31 March 2022  |
| Developed an action plan to support delivery of our intangible cultural heritage policy statement, mainstreaming intangible cultural heritage across our organisation   | Action plan and multi-partner programme of activity with a focus on Year of Stories 2022 approved by 31 March 2022   |
| <b>KPI 8: Increase international recognition of the quality of Scotland's historic environment</b><br><i>What success will look like:</i> <ul style="list-style-type: none"> <li>Scotland's international reputation for being rich in historic buildings and sites remains strong</li> <li>Our expertise is increasingly sought after internationally</li> </ul> |  |
| Indicators for 2021-22  | What Success Will Look Like 2021-22  |
| Continued implementation of our multi-partner <i>International Strategy 2019-29</i> Partnering Globally, ensuring our international activities utilise our skills and expertise to support the global recovery focusing on developing partnerships and COP26 delivery   | Delivered 50% or more of actions in the multi-partner <i>International Strategy Action Plan</i> for 2021-22 by 31 March 2022   |
| Helped to sustain our shared international cultural heritage, by working with partners to deliver World Heritage Site management plans  | <ul style="list-style-type: none"> <li>Published a new management plan for the Heart of Neolithic Orkney and developed a new management plan for the Antonine Wall by 31 March 2022</li> <li>Produced an Outline Business Case for the Orkney Gateway Islands Deal submission by 31 March 2022</li> </ul>  |



## HERITAGE AND US

### 5. THE HISTORIC ENVIRONMENT IS CARED FOR AND CHAMPIONED BY A HIGH-PERFORMING ORGANISATION

#### WHY IT MATTERS:

Scotland's historic environment is outstanding and it is our aim to be outstanding too. We want to be seen as a world-leading heritage organisation – with our expertise in demand nationally and internationally, and the ways we work recognised as examples of how to do it right. We will aspire to be the best across all aspects of what we do – driving innovation and enterprise, but always in the service of value for money as a public body.

2020-21 highlighted our strengths as an organisation: our people and our ability to adapt to new circumstances, our partners in the historic environment sector, and the impact that the historic environment can have in supporting wellbeing. But it was also a tough year. It required all of us to be resilient in a way we had not faced before and strengthened our resolve to improve the sustainability and flexibility of the organisation and wider sector to prepare for future challenges.

#### OUR CORPORATE PLAN PRIORITIES:

|  |  |   |  |
|--|--|---|--|
| <p><b>Lead and enable the historic environment sector</b> – working to set the agenda, act as a catalyst, address key challenges and develop opportunities for ourselves and others.</p> | <p><b>Build productive partnerships</b> – making sure we are open and responsive, emphasising working together to meet the needs of people around the historic environment, and encouraging collective action.</p> | <p><b>Invest in our people</b> – striving to be an ‘employer of choice’ and creating a safe and welcoming workplace that promotes equality and diversity and that encourages and supports all staff and volunteers to develop, innovate and achieve their full potential.</p> | <p><b>Demonstrate sustainability in a changing environment</b> – actively prioritising our resources to deliver our outcomes in financially challenging times.</p> |
|--|--|---|--|

#### OUR PLANS FOR 2021-22:

The year ahead will continue to test our resilience and we need to continue to prioritize the health and wellbeing of our people. This will require us to balance our ambitions with an understanding of our operating context and the impacts of the pandemic our people continue to face.

We want to build on our experiences last year to ensure our operating model and ways of working help us to build our resilience. This includes diversifying our income streams and moving to a digital first approach. We also want to find ways to better engage with young people on career pathways within the historic environment and highlighting the opportunities this sector provides to tackle their priorities, from wellbeing to climate change. As the lead body for the historic environment in Scotland, we will continue to provide a range of support. We will also work with the sector to ensure that the sector strategy, *Our Place in Time*, represents sector priorities as we move forward from this crisis.

WHAT WE WILL DO IN 2021-22:

|  |  |
|--|--|
| <p><b>KPI 9: Grow trust and confidence in Historic Environment Scotland</b><br/><i>What success will look like:</i></p> <ul style="list-style-type: none"> <li>Improved our corporate reputation with stakeholders and the public</li> <li>Increased the number and range of organisations seeking to partner with us</li> </ul> |  |
| Indicators for 2021-22   | What Success Will Look Like 2021-22  |
| Lead the <i>Our Place in Time</i> working groups to support the sector to recover from the impacts of the pandemic   | Chaired, participated in and reviewed all 5 <i>Our Place in Time</i> working groups by 31 March 2022   |
| Begun work with the sector on reviewing the strategic priorities and actions in <i>Our Place in Time</i> , to ensure that the sector is well placed to respond to the challenges and opportunities of the post-Covid world   | Drafted a report with sector recommendations for future priorities of <i>Our Place in Time</i> by 31 March 2022, based on research into the support needed to recover from the pandemic and outputs from the first Scotland's Historic Environment Forum (SHEF) event  |
| <p><b>KPI 10: Enhance the sustainability of Historic Environment Scotland</b><br/><i>What success will look like:</i></p> <ul style="list-style-type: none"> <li>Increased the diversity of our income sources</li> <li>Our people have the skills to deliver our strategic priorities</li> </ul>                                |  |
| Indicators for 2021-22   | What Success Will Look Like 2021-22  |
| Built our organisational resilience diversifying our funding sources in line with our fundraising and commercial strategies  | Generated income of £22 million or more through fundraising and commercial activity by 31 March 2022   |
| Implemented Year 2 of our <i>People Strategy 2020-25</i> , focusing on engaging our colleagues, improving our overall employee experience, developing new ways of working and growing skills for now and tomorrow  | <ul style="list-style-type: none"> <li>Delivered 75% or more of Year 2 actions in our People Strategy by 31 March 2022</li> <li>Developed a strategic workforce plan by 31 March 2022</li> </ul>   |
| Reshaped the organisation to ensure it is set up to deliver our corporate priorities in the future and enhance customer and colleague experience of HES  | Implemented new arrangements throughout the year in line with transition plans and completed by 31 March 2022  |
| Defined an approach for our future working environment and a truly flexible working model  | <ul style="list-style-type: none"> <li>Developed plans for return to office working taking account of Covid-19 restrictions in line with Scottish Government working from home guidance by 30 June 2021</li> <li>Developed a strategy for smarter working and commenced implementation by 31 March 2022</li> </ul> |
| Continued to transform the way we work to ensure our operations are efficient and effective, in particular completed Document Centre implementation and progressed proposals for further development of our Corporate Management Information System (CMIS) and our PIC Asset Management System (PICAMS)                          | <ul style="list-style-type: none"> <li>PICAMS Phase 2 Business Case approved by 30 June 2021</li> <li>Completed Document Centre implementation by 31 December 2021</li> <li>CMIS Business Case reviewed, updated and approved for Phase 2 by 31 December 2021</li> </ul>   |
| Delivered a strategy and policy for the sustainable management of our fleet that meets organisational need, our commitment to greening our fleet and reducing our fleet numbers  | Developed a strategy and operating policy for fleet management by 31 March 2022  |



Blackness Castle

## RESOURCES

We are committed to achieving best value with our resources. Our budget is approved by our Board in order to deliver the aspirations of our Corporate Plan, this Annual Operating Plan and to fulfil our statutory obligations.

Our objective is to be transparent about how we allocate resources in pursuit of our outcomes.

Covid-19 had a major impact on HES in 2020-21. We are in a unique position compared to that of other public bodies who are predominantly funded by grant in aid as we have a volatile income stream, which brings with it uncertainty of funding, and a largely fixed cost base. This volatility of income is inextricably linked to the tourism industry, which has effectively shut down since March 2020 and is not expected to recover to pre-Covid levels within the foreseeable future.

Our projected income at the start of 2020-21 was therefore reduced significantly by around £53m. Through additional support from Scottish Government, effective financial controls and vacancy management, and a focus on business-critical activity while reducing costs, we maintained delivery of our core functions which remained operational within the restrictions in place.

The continued impact of the Covid-19 pandemic is expected to result in further significant losses of commercial income in 2021-22 compared to pre-Covid levels. With the continued support from the Scottish Government we will continue to make savings where we can while seeking to deliver the full range of our services and the associated benefits. The focus for 2021-22 will again be on recovery and resumption including a degree of immediate catch-up required particularly for maintenance on the properties in our care due to lockdown restrictions which prevented access for an extended period. We have also embarked on a programme of work to reimagine how we deliver our services and our support for the historic environment sector in the future. Part of this work includes re-shaping our organisation to ensure we deliver the best possible experience for our customers, our colleagues and our stakeholders.

Our Income and Expenditure for 2021-22:

| Income                  | £m   | Expenditure             | £m   |
|-------------------------|------|-------------------------|------|
| Grant in aid (Resource) | 67.2 | Staffing                | 54.9 |
| Grant in aid (Capital)  | 6.0  | Operational Expenditure | 21.7 |
| Capital charges         | 3.0  | Cost of sales           | 1.4  |
| Gross commercial income | 21.4 | Grants                  | 12.0 |
| Other income            | 2.0  | Capital charges         | 3.0  |
|                         |      | Investment              | 6.6  |
| Total income            | 99.6 | Total expenditure       | 99.6 |

# SUPPORTING GOVERNMENT OUTCOMES AND POLICIES

This Annual Operating Plan, along with our *Corporate Plan 2019 Onwards: Heritage for All*, is informed by, and makes a contribution to, wider national strategies.

By working with our partners in the public, private and voluntary sectors to successfully achieve our five strategic outcomes, we will contribute to the achievement of the following National Outcomes in the Scottish Government’s *National Performance Framework*.

| National Outcomes  | The historic environment makes a real difference to people’s lives | The historic environment is looked after, protected and managed for the generations to come | The historic environment makes a broader contribution to the economy of Scotland and its people | The historic environment inspires a creative and vibrant Scotland | The historic environment is cared for and championed by a high-performing organisation |
|--|--|---|---|---|--|
| We have a globally competitive, entrepreneurial, inclusive and sustainable economy       |  | •   | •   | •   |  |
| We are open, connected and make a positive contribution internationally                  |  |   | •   | •   | •  |
| We tackle poverty by sharing opportunities, wealth and power more equally                | •  |   | •   |   | •  |
| We live in communities that are inclusive, empowered, resilient and safe                 | •  | •   |   | •   |  |
| We grow up loved, safe and respected so that we realise our full potential               | •  |   |   |   |  |
| We are well educated, skilled and able to contribute positively to society               | •  |   | •   | •   |  |
| We have thriving and innovative businesses, with quality jobs and fair work for everyone |  | •   | •   | •   |  |
| We are healthy and active  | •  | •   |   |   | •  |
| We value, enjoy, protect and enhance our environment                                     | •  | •   | •   | •   |  |
| We are creative and our vibrant and diverse cultures are expressed and enjoyed widely    | •  |   |   | •   |  |
| We respect, protect and fulfil human rights and live free from discrimination            |  |   |   | •   | •  |

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

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HISTORIC  
ENVIRONMENT  
SCOTLAND

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