



# HERITAGE & PLACE PROGRAMME PROGRAMME GUIDANCE (v.2025)



HISTORIC  
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SCOTLAND

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# USING THIS GUIDANCE

This is the principal guidance document for Historic Environment Scotland’s Heritage & Place Programme (H&PP). It aims to:

- Help you understand the aims of our area-based grant programme
- Provide you with information about eligibility requirements
- Explain the application process and provide information to help you plan your application
- Signpost examples of previous successful heritage-led schemes and their activities
- Provide information on requirements during scheme delivery and after it has completed

We recommend that you read this guidance in full before submitting your Expression of Interest form, and if invited, before filling in both your Development Phase and Delivery Phase applications. We also advise you do this even if you have previously applied for, or delivered, an area-based scheme funded by Historic Environment Scotland (HES), as this programme differs to the previous Conservation Area Regeneration Scheme (CARS).

Text highlighted in bold will provide a hyperlink to relevant sections of this programme guidance. Other programme resources are listed below and include specific topic-based guidance, case studies, and templates for use when making your funding application. These are highlighted in blue throughout this guidance and can be found on the H&PP Resources page on our website. We recommend that you read these where signposted, and the full **H&PP Development and**

**Delivery Phase Contract terms and conditions** in particular. We also recommend that you have your legal department or legal representatives review the Contract terms and conditions in the initial stages of the application process.

## Other programme resources

The following **resource documents** are available:

Application resources	Other programme resources
H&PP Traditional Skills Training and Materials Guidance	H&PP Development and Delivery Phase Contracts
HES Guidance for Repair Grants & Annex: HES advisory standards	H&PP Local Authority Grant Terms and Conditions
HES Outcomes Planning Guidance and Templates	H&PP Third-Party Grant Templates
H&PP Development Phase Cost Breakdown Template	PDF version of HES Grants Data Report

Application resources	Other programme resources
H&PP Scheme Budget Profile Template	Case Studies
H&PP Capital Projects Summary Sheet Template	
Traditional Skills Training Plan Template	
Community Heritage Activities Plan Template	
PDF version of H&PP application forms	

### Contact us

If you have any questions or would like further support in making an application for funding, please contact us on [grants@hes.scot](mailto:grants@hes.scot), and one of our team will be happy to discuss your proposals with you.

# INTRODUCTION AND OVERVIEW

## Programme overview

Historic Environment Scotland's Heritage & Place Programme (H&PP) aims to contribute to the development of vibrant and sustainable places in Scotland, through community-led regeneration of the historic environment.

The programme supports the development and delivery of heritage-focused schemes within conservation areas, or alternatively, distinctive heritage areas with local authority recognition.

Schemes will involve partnerships of local, regional, and national interests, with the aim of reviving heritage areas based on a shared vision. The programme supports a combination of activities, including the repair and reuse of historic environment assets, training to strengthen local traditional skills, and building the capacity of communities to value and look after their historic environment in the longer term.

The programme has a two-stage application process, which includes a development phase to enable a meaningful place-making approach with strong community engagement. Please note that being awarded a Development Phase grant will not guarantee that you will be successful at Delivery Phase application stage.

## Programme objectives

Heritage & Place Schemes have the potential to deliver a range of outcomes for local places, their communities, and the historic environment. As such, this programme has a number of key aims which are aligned with our **Grants Priorities**:

- Enable communities to prioritise investment in local historic environment assets
- Renew communities' sense of place and appreciation of their local historic environment
- Strengthen the resilience of local historic environment assets and build the capacity of communities to look after them
- Build a sustainable base of traditional skills for the local area
- Contribute to climate action outcomes for the historic environment
- Result in sustainable and inclusive benefits for the local economy

## Programme criteria

The H&PP is open to applications from local authorities, national park authorities, or not-for-profit organisations; individual property owners are not eligible to apply directly to this programme. If you are a not-for-profit organisation you will need to demonstrate that you have a track-record of successfully managing a similar type of work and level of funding. You will also need to enter into a Joint Delivery Agreement with the relevant local authority or national park authority to develop and deliver the scheme.

To qualify for HES funding under this programme, your scheme should meet the following criteria:

- Will take place within a defined area of the historic environment with heritage significance. This can be either a designated conservation area or a heritage area with a distinct character that is recognised by your local authority.
- Scheme objectives fit within the local authority's strategic framework for Place and Regeneration and are supported by the local community through relevant participatory activities such as preparation of local place plans and other community action plans.
- Demonstrable risk to the heritage and a need for repair and regeneration of the historic environment, including a financial need for HES funding.
- Identified demand within the local community for a range of projects and activities within the historic environment that will focus on its repair and resilience, traditional skills training and materials, community heritage engagement and future management and maintenance.
- Ability to attract local authority funding and preferably other match funding.

Refer to **Part 5** for further information on what we can and cannot fund under the H&PP.

We will consider the above criteria when assessing your application and determining how well your scheme will deliver against HES Grants Priorities. Alongside this, we will also consider the following:

- Risk: the deliverability of your scheme, and how well the benefits of your scheme will be sustained in the longer term.
- Quality: how you will ensure high standards in managing your scheme, and delivery of project workmanship. The skills and experience of your team and the professionals you intend to engage.
- Value for money: including your match funding budget, financial need, and scheme costs. If private owners or not-for-profit organisations are involved in a project, we expect public benefit to be demonstrably greater than private gain.

Refer to Part 1 for further information on **programme criteria**.

### Programme funding

Funding can be requested from HES towards Development Phase and Delivery Phase costs, but match funding will need to be secured. For the Delivery Phase, this should include a contribution from the local authority, contributions from owners of historic environment assets who will receive Third Party grants, and funding from other sources, such as the National Lottery Heritage Fund or Scottish Government's Regeneration Capital Grant Fund.

HES will normally contribute up to 50% of Development Phase costs. The amount of Delivery Phase funding applied for will vary depending on the scheme and available match funding, but it is anticipated that HES funding for the Delivery Phase will typically range between £750,000 and £1.5m.

Refer to Part 1 for further information on **funding**.

### Application process and time frames

Expressions of Interest (EOIs) for this round of the programme are now open, and there are four steps to the application process, the timescales for this fourth application round are outlined below:

		Deadline	Decision timeframe
1	Expression of Interest	16 January 2026	No later than 6 weeks after EOI deadline
2	Development Phase application	07 August 2026	4 months
3	Development Phase	Up to 12 months	N/A
4	Delivery Phase application	12 months from start of Development Phase	4 months

To apply for funding under this programme, you must first register on our online grants portal and complete and submit an Expression of Interest (EOI). The EOI must be submitted before the advertised deadline, but you are encouraged to submit this earlier if you are ready. We will use the EOI information to decide whether your scheme is likely to meet the programme criteria and to provide feedback on your initial proposals. If successful at the EOI stage, you will be invited to make a Development Phase application. Receiving a positive response at EOI stage does not guarantee that your Development Phase application will be successful.

Development Phase applications must be submitted by the advertised deadline on our website and will be evaluated as a batch in a competitive process.

The Development Phase is intended to give you the time and resources to thoroughly design and research your scheme. We will expect you to use this time to produce your **Area Action Plan** and the other **supporting documents** which you will need for your Delivery Phase application.

Delivery Phase applications must be submitted within 12 months of the date of when you received permission to start your Development Phase.

If successfully awarded a grant for delivery of your scheme, you will have five years to do this. We will then require post-completion monitoring of the management and maintenance of your scheme. This will be over a period of up to 15 years from scheme completion which will include the ongoing maintenance of any grant aided historic environment assets.

Refer to Part 2 for further information on the **application process**.

# PART I PROGRAMME CRITERIA

## Who can apply?

Applications can be accepted from local authorities, national park authorities, or not-for-profit organisations. It is possible for a scheme to be delivered by one or more organisations, but a signed Joint Delivery Agreement will need to be provided in these cases, and one of the organisations will need to assume the role of lead applicant. The local authority, or national park authority, must be one of the organisations in this agreement.

We anticipate that local authorities will be the principal applicants to this programme and take the lead role in any joint delivery. They are best placed to deliver schemes due to their statutory and strategic functions, and inhouse services (planning, economic development, transport, community planning, and housing). We would expect that one local authority department will lead in the application, with participation and support from other relevant departments.

Where the lead applicant is not the local authority or national park authority, a not-for-profit organisation will need to demonstrate that it has a trackrecord of successfully managing a similar level of work and funding and will need to enter into a Joint Delivery Agreement with the relevant local authority or national park authority to develop and deliver the scheme. Notfor-profit organisations will also need to be formally constituted with a clear governance and financial structure and bank account and be able to demonstrate that they have the capacity to cash flow the scheme. Refer to **supporting documents** for further information.

A number of local authorities have established working agreements with a local Building Preservation Trust, City Heritage Trust, or other not-for-profit organisation (e.g., local housing associations) to deliver historic environment schemes. A good example of this can be seen in our **Joint Delivery Agreement** case study which explains about the well-established collaboration agreement between Fife Council and the Fife Historic Buildings Trust.

## Taking a place-based partnership approach

Effective Heritage & Place schemes will take a place-based partnership approach to maximise resources and ensure that the local community, organisations, and other stakeholders in the locality are fully participating in the design and delivery of the scheme. This will be based on a joint understanding of the needs of the area and a shared vision on how appropriate investment in the historic environment can lead to improved outcomes for the community, the environment, and the economy.

You will need to explain in your application and in your **vision and strategy** how your scheme will align with and help to deliver against relevant key strategies at a local, regional, and national level (for example, the historic environment, community wealth building, community planning, wellbeing, regeneration, economy).

### Community participation

Communities should be at the heart of your scheme, with emphasis on meaningful participation from its inception. The design of your scheme should evolve from participatory exercises particularly on place-making such as Local Place Plans or similar activities (charrettes, town centre toolkits or audits, Community Action Plans). Where applicable, you may also consider broader community needs such as the priorities set out in a Local Community Plan.

### Area partnership

An area partnership approach is central to developing and delivering a successful scheme. You will be required to form an **Area Partnership**, which will normally be led by the applicant organisation. The composition of this partnership will be dependent on your local circumstances, but we would expect to see representation from the local community, the local authority and other local, regional, or national partners as applicable to your location and area strategy.

We will ask you to outline the structure of your partnership and tell us which groups will be formed to oversee and support your scheme. We will ask you to draft an **Area Partnership Agreement** for your Development Phase application outlining the parties involved and their shared objectives for the scheme.

We will ask you to confirm the partnership's members, and clearly set out roles, responsibilities, and the decision-making structure for your scheme in your Delivery Phase application. This will be set out in your final signed Area Partnership Agreement.

Refer to Part 4 for further information of the **Area Partnership**.

### Scheme Area

Your **Scheme Area** should be clearly defined through your assessment of the character and appearance of its historic environment, risk to the heritage, and demand for improvement and regeneration. There should be a clear case for the need for funding, and alignment with our **programme objectives** and our **Grants Priorities**.

The Scheme Area can be recognised either formally or informally. For example, it may be a designated conservation area (or part thereof), or other heritage area such as an historic townscape. The area is likely to have a mixture of buildings of different uses including community, residential, retail and business, as well as public spaces that give it a unique character and sense of place. We do not support individual buildings or other types of historic environment assets through this programme. Please refer to our Historic Environment Grants programme for more information if your project relates to an individual asset.

Justification for your choice of the Scheme Area will require to be evidenced in your Development Phase application through area survey, community and property owner engagement, and alignment with local authority strategies. The Scheme Area should form part of a wider strategy to improve the condition and management of your local historic environment and help people to connect with it.

You will be required to produce an **Area Character Appraisal** to provide an assessment of the area's special character, as well as threats to the area and opportunities within it. We will also ask for an **Area Management Plan** where you will set out policies and actions for management of the area in the future.

Refer to Part 4 for further information about the **Scheme Area**.

### Scheme Plan

Your **Scheme Plan** will describe the group of physical projects and other activities that you intend to deliver as part of your scheme, founded on your Area Character Appraisal and stakeholder consultation. Your Scheme Plan will form part of your **Area Action Plan** which we will ask you to prepare during your Development Phase.

In line with our **programme objectives**, your Scheme Plan should be structured around the following four programme themes:

- Repair and resilience
- Traditional skills training and materials
- Community heritage activities
- Management and maintenance

It is expected that your scheme will deliver activities under all four themes. In our assessment, we will look for a balanced portfolio of work that responds to the needs of your area, and that represents overall value for money.

A typical scheme will have emphasis on repair and resilience projects to historic environment assets (e.g., listed, and traditional buildings, monuments, historic public realm), with traditional skills training, community heritage activities, and management and maintenance activities in support (fig. 1). However, your scheme should be prepared to address the specific needs and demands of the historic environment in your locality, so different distribution across the four themes is possible as long as it can be demonstrated to meet your needs, support community aspirations, and meet HES Grants Priorities.

A description of each theme is given below, with detailed guidance on the information we will need you to develop in **Part 4**.

Further guidance on **what we can fund** under each theme is outlined in Part 5.



Figure 1: Illustration of Scheme Plan

### Repair and resilience

Your repair and resilience projects will likely all be capital projects based on physical work to historic environment assets in your Scheme Area. We will ask you to identify and outline your capital projects in your Development Phase application and describe them in detail in your **Scheme Plan** within your **Area Action Plan**.

Repair and resilience projects will be informed by your Area Character Appraisal and take account of your Area Partnership’s vision for the historic environment of your Scheme Area.

Projects may include works to a range of historic environment assets including:

- Historic buildings, i.e., listed, or non-listed traditional buildings.
- Other ‘non-building’ heritage assets, for example historic structures such as a mercat cross or Victorian fountain, or a Scheduled Monument.
- Areas of the **historic public realm**

You will create a package of different projects. This may include a targeted approach to a number of individual buildings, or groups of buildings, with the aim of awarding grants to their owners (called **Third Party Grants**). Or you may want to do work to a local authority owned building or area of historic public realm where community benefit can be evidenced. You may also consider having an ‘open’ grant initiative on a themed approach such as shopfronts, high-level residential repairs etc. Here not all individual projects may be identified at the start of your scheme, but you will have identified the focus of this grant initiative and have appraised possible grant levels.

The types of repair and resilience work could include:

- Comprehensive **external fabric repairs** i.e., taking a ‘whole building’ approach.

- Partial external fabric repair on a themed approach, for example as part of a targeted grant initiative to private owners. Read our [Small Grants](#) case study which explains about this type of initiative which ran as part of Selkirk CARS.
- **Interim repairs** to external fabric in exceptional cases.
- **Reinstatement** of external fabric.
- Repair and reinstatement of traditional shopfronts. Read our [Shopfront Repair and Reinstatement](#) case study which explains about this type of initiative which ran as part of Falkirk CARS.
- **Climate mitigation and energy efficiency measures** to traditional building fabric as part of a wider scheme of repair.
- Repair and reinstatement of **historic public realm**. Read our [Public Realm](#) case study which explains about a public realm project delivered as part of Cupar CARS.
- Conservation and restoration of historic assets in the public realm.

Further detailed guidance on eligible **repair and resilience** work is provided in Part 5.

We will ask you to prioritise your projects and identify those which will be your principal targets in the delivery of your scheme. High priority projects will involve work to key historic environment assets whose repair, reuse and/or reinstatement will positively contribute to the regeneration, vitality, and sense of place of the Scheme Area.

Examples may include:

- Repair and re-use of redundant or underused buildings, including Buildings at Risk, where the project will result in a viable end use being identified and delivered on completion. Such buildings may have been identified by the local community as important due to their function and/or historical significance. Read our [Priority Projects](#) case study which explains about how this worked in Portsoy CARS.
- Repair and conservation of a building, or a group of buildings, in use, either in single or multiple ownership, whose condition is having a detrimental impact on the Scheme Area. This may include works to a specific type of asset such as traditional shopfronts or targeted streets of your town centre.
- Repair and reinstatement of historic environment assets, other than buildings, which are identified as important to the locality's sense of place and of benefit to the wider community. For example, a historic mercat cross or fountain, or a distinctive feature of your historic public realm such as traditional closes.

You may also wish to identify 'reserve' projects which can be instigated if others cannot be delivered or your budget changes.

HES funding is to be used for repair and resilience works that meet consistently high conservation standards following our [Guidance for Repair Grants](#). All HES grant-aided projects, irrespective of grant value, must meet our standards. It will be your responsibility to ensure these technical standards are met, including specification of grant-aided works, and monitoring compliance and workmanship on site.

Ensuring that your scheme will achieve our standards can be approached in several ways, including using the experience and skills of your dedicated scheme staff, and a **Professional Advisor** where applicable. You will need to consider the complexity of projects, how to meet our technical repair standards and management of co-owners in multiple ownership properties. HES can support the appointment of a Professional Advisor on all capital projects in your scheme. Professional Advisors must hold appropriate conservation accreditation from a recognised organisation such as the Royal Incorporation of Architects in Scotland (RIAS).

Refer to Part 4 for detailed requirements on **repair and resilience capital projects** and Part 5 for **what we can fund**.

### Traditional skills training and materials

To strengthen local traditional skills knowledge, workmanship, and capacity, your **Scheme Plan** will include opportunities and initiatives which provide access to traditional skills training and promote the use of traditional materials. For the H&PP, traditional skills can be defined as those that are required to manage, protect, maintain, and repair historic environment assets.

We will ask you to detail these activities in a well-developed **Traditional Skills Training Plan** within your **Area Action Plan**. You must be able to demonstrate how the activities included in your plan will benefit the historic environment sector, and ideally at a local level in relation to your scheme area. We will also expect you to demonstrate how your proposed activities will support and align with the objectives of your scheme and how our Grants Priorities will be met.

The plan will be informed by your Skills Audit and Materials Audit to be undertaken as part of your Development Phase work, more information on which can be found in our **Traditional Skills Training & Materials Guidance**. In your Development Phase application, you will need to explain about the availability of traditional skills locally and outline the nature and scope of any training and activities you may be thinking of undertaking which could address gaps and raise awareness in your locality. Activities should be developed in collaboration with relevant local authority departments (e.g., education, economic development, and employability), as well as partners such as local further education colleges and Developing the Young Workforce (DYW).

Refer to our **H&PP Traditional Skills Training & Materials Guidance** for more information on the types of activities you could consider including in your plan. More summarised information is also provided in **Part 4** and **Part 5** of this guidance.

### Community heritage activities

To engage the local community in their heritage, your **Scheme Plan** will include activities which increase people's understanding and enjoyment of their local area, and its value. In your Development Phase application, you will need to outline the nature and scope of the activities that you are intending to deliver. We will then ask you to detail these activities in a well-developed **Community Heritage Activities Plan** within your **Area Action Plan**. We

will expect you to demonstrate how your proposed activities will support and align with the objectives of your scheme and how our Grants Priorities will be met.

The plan will be informed by your community engagement undertaken as part of your Development Phase work. It can include a broad range of activities from events exploring local heritage and recording places, to maintenance demonstrations for property owners that contribute to the area's long-term management.

Refer to Part 4 for detailed requirements on **community heritage activities** and Part 5 for what we can fund.

### Management and maintenance

Looking after our historic environment is a long-term process. Whilst this programme can provide financial support for a period of more intense activity, our funding should be part of a wider strategy to sustain the area by stimulating further activity and providing a lasting legacy.

HES cannot fund any maintenance work to be undertaken to properties during or after the end of the Delivery Phase. However, during the Development and Delivery Phases, we can fund activities to support the development and implementation of future management and maintenance

policies. We will ask you to set out these policies in your **Management & Maintenance Strategy** to cover a period of five years after completion of the Delivery Phase. As the post-completion monitoring period is likely to be longer than five years, we will also expect to see your Management & Maintenance Strategy updated throughout this time. Your non-cash contributions to support and monitor this strategy both during delivery and for five years after the scheme completes can form part of your granteligible funding budget.

Refer to **Part 4** for detailed requirements on management and maintenance, and **Part 5** for what we can fund.

### Managing your scheme

HES expect your scheme to be designed and delivered to achieve a high standard in its **quality of work**. To assist you in this, we can support your dedicated staff costs and specialist external consultants including a **Professional Advisor**.

Who you choose to develop and deliver the scheme is your decision and can be a combination of your own staff, partnership staff and external consultants. We will ask you to explain how you will develop and deliver your scheme in your Development Phase application and your **Area Action Plan**. The latter should include a narrative and a diagram that shows who will be responsible for the different aspects of your scheme, what expertise they will have and how decisions will be made.

The requirement for external consultants will in part depend on the experience and expertise you require for any internal posts and how consultants will support this. For example,

traditional skills training and community heritage activities are often delivered by external consultants, however you could employ specific staff to this role.

Historically, some local authority-led schemes have been supported in their development and delivery by local third sector organisations. Read our [Partnership Working](#) case study which explains about how this worked in the Union Street (Aberdeen City) and Fraserburgh CARS. This usually occurs where there is a local organisation with expertise in working in the historic environment. If this is an option for your scheme, please tell us about this in your Expression of Interest.

Whilst we support professional fees for external consultants, we also expect value for money. If you are a Local Authority you must comply with your own policies and procedures in relation to public procurement activity for expenditure of any of the HES Grant. For not-for profit organisations, we will need to approve your procurement policies and procedures before grant will be approved. Refer to Part 4 for detailed requirements on **managing your scheme** and Part 5 for **what we can fund**.

### HES Grants Priorities

HES has six Grants Priorities which are linked to our corporate outcomes.

These are listed below, and more detailed information is available on the Grants and Funding pages on our Website.

Grants Priority 1:	Increase understanding of and engagement with Scotland’s historic environment
Grants Priority 2:	Enhance communities’ use of the historic environment in place making
Grants Priority 3:	Strengthen the resilience of Scotland’s historic environment
Grants Priority 4:	Use the historic environment as a catalyst for climate action
Grants Priority 5:	Increase the quality and availability of historic environment skills
Grants Priority 6:	Increase economic benefits from the historic environment in a sustainable and inclusive way

You will need to outline your proposed outcomes against our Grants Priorities in your Development Phase application. As this programme aims to achieve social, economic, and environmental outcomes, it is expected your scheme will aim to deliver outcomes against most or all of the six Grants Priorities, however some priorities may be more or less significant to your locality.

## Evaluating your scheme

We will ask you how you will evaluate your scheme and its outcomes. In the Development Phase application, you will need to outline your plans for evaluating your scheme, including a summary of evaluation activities to be undertaken, who will carry them out, and when they will take place. This should include information about baseline data that will be collected during the Development Phase.

During your Development Phase, the Evaluation Strategy for your scheme will be developed in your **Area Action Plan** and should include a completed **Outcomes Plan**.

If you are awarded funding for the delivery of your scheme, we will ask you to report against the specific objectives set out in your Outcomes Plan as part of your quarterly reporting and also submit an annual **HES Grants Data Report**. This is a tool to help HES collect data about the impact of our grants. It is important that you check what information is to be collated for this to ensure that it is incorporated into your evaluation work where necessary as early as possible. You will also be asked to provide an Evaluation Report at the end of your Delivery Phase to describe the impact of your scheme. You should therefore consider what resources you will need to evaluate your scheme during your Development and Delivery Phases. This evaluation can be done in-house, or by an external consultant, and the costs for evaluation are eligible for funding.

## Funding

### HES funding

HES can make a grant award to eligible parts of your Development and Delivery Phase projects and activities. Part 5 sets out in detail **what we can fund**.

You can apply for a Development Grant, normally of up to 50% of eligible costs, for research, investigations, and reports to be produced during your Development Phase, as well as a dedicated Development Officer.

You can apply for a Delivery Grant for projects, activities, and management costs to be undertaken during your Delivery Phase. The percentage of HES grant will be assessed in relation to your local area context and the overall match funding package and value for money.

You will be able to use your HES grant award to make **Third Party Grants** to property owners within the Scheme Area on identified projects to carry out eligible work to their properties.

HES grant can also be awarded to local authority owned assets which have a community focus and benefit, or where wider benefits for the area can be demonstrated. For any local authority owned asset which has been identified (including any historic public realm) as a repair and resilience capital project, HES will need to approve the grant eligible repairs prior to commencing, and a grant offer will need to be signed by both HES and the local authority. This will oblige the local authority to agree to meet the **LA Terms and Conditions** of the grant offer including the requirement for a conservation burden to be put in place over the asset where appropriate. Where applicable, we will also have one of our district architects visit the asset either during the development phase or at the start of the delivery phase to prepare a

report to advise on repairs to be included in the project. For some historic public realm, we may also seek advice from colleagues in our Heritage Directorate on the eligibility of the works being proposed. For projects in local authority ownership, we would not expect the HES funding contribution to exceed 25% of eligible costs.

In addition to capital project grants, funding is available to support the delivery of your **Traditional Skills Training Plan** and **Community Heritage Activities Plan**, implementation of your Management & Maintenance Strategy, to evaluate your scheme and administration costs, including staff and external consultants.

#### Match funding

You will need match funding from other sources for the development and delivery of your scheme, including a contribution from the local authority. You can also include non-cash **contributions/volunteer time** in your funding package.

We anticipate that most organisations applying to the H&PP will also approach the National Lottery Heritage Fund to discuss the possibility of applying for match funding for an area-based scheme under their 'Grants for Heritage' programme.

There should be a match funding contribution from owners of the historic environment assets who receive Third Party Grants. We will ask you to research suitable and appropriate grant intervention rates (the percentage of grant you intend to offer) for these as part of your Development Phase work. This may include the use of property valuations and calculation of the **conservation deficit**. Further information on **Grant Intervention Rates** can be found in our case study for Kelso CARS.

Match funding may also be available from other sources depending on the types of projects and activities included in your scheme. This could range from other local authority capital funding budgets (e.g., Housing), SG funding programmes (Regeneration Capital Grant Fund), training providers (e.g., CITB) or other smaller grant giving Trusts and Foundations. Read our **Match Funding** case study which contains information on the partnership funding for Maybole CARS.

# PART 2: APPLICATION PROCESS

## Expression of Interest

To apply for funding under this programme, you must first complete an Expression of Interest (EOI). This is mandatory for all development phase applications, and you must ensure that you submit your EOI before the deadline published on our website.

We will use the information you provide in the EOI to decide whether your scheme is likely to meet the programme criteria and to provide feedback on your initial proposals.

We aim to provide you with a response within a maximum of six weeks after the published EOI deadline. We may need to consult with other funders or colleagues within HES, especially if your **Scheme Area** is not in a conservation area.

If you are ready, you are encouraged to submit your EOI earlier so that you have sufficient time to develop your Development Phase application if your EOI is successful. If successful at the EOI stage, you will be invited to make a Development Phase application. We will provide guidance and feedback and discuss your proposals directly with you. We may also visit your area at this stage, especially if your Scheme Area is not a designated conservation area.

You should note that an invitation to apply does not guarantee that your Development Phase application will be successful.

## Development Phase application

Development Phase applications must be submitted by the advertised deadline on our website and will be evaluated as a batch in a competitive process.

We will ask for information and **supporting documents** in your Development Phase application, including your draft **Area Character Appraisal** and **Development Phase Cost Breakdown**. We will also ask for outline costs for the capital projects and activities that you anticipate undertaking during your Delivery Phase. Part 5 sets out in detail **what we can fund**.

We will notify you of our decision on your Development Phase application within four months from the application deadline. If you are successful and are awarded Development Phase funding, you will have up to 12 months to submit your Delivery Phase application from the date of when you received our permission to start for your Development Phase. If your Development Phase application is unsuccessful, we will provide you with feedback to explain our decision.

## Development Phase activities

The Development Phase is intended to give you the time and resources to thoroughly research and design your scheme. This will involve the development of your Scheme Plan, including identifying projects and activities under our four programme themes: repair and resilience, traditional skills training and materials, community heritage activities, and management and maintenance.

You should use this time to gather evidence of ownership, owner interest and their willingness to take part in your projects and other activities. You will need to provide evidence of consultation with owners of the capital projects and their indicative support, and ability to financially contribute as part of your Delivery Phase application.

We will also expect you to use this phase to produce your **Area Action Plan** and the associated **supporting documents** which you will need for your Delivery Phase application.

This will include:

- Final Area Character Appraisal
- Draft Area Management Plan
- Materials Audit
- Management & Maintenance Strategy

Full details of documents required for your Delivery Phase application are provided in **Part 4** and **Appendix 1**.

HES will aim to provide support to you during the Development Phase. The type of support we offer will depend on the needs of your area and the experience of your team, but we are likely to meet with you and visit your area, and we may provide advice on the development of key Delivery Phase application requirements.

### Delivery Phase application

Delivery Phase applications must be submitted within 12 months of the date from when you receive our permission to start your Development Phase. You can submit at any point during the 12-month period, but this should be agreed in advance with HES.

Your application should include fully costed proposals for the capital projects and activities proposed for your Delivery Phase, as well as costs to manage and deliver your scheme. We will ask you to highlight any proposed changes to your scheme following the Development Phase and also to provide evidence of interest from the owners of the capital projects and their capacity to contribute financially to the repair work being proposed. We will also ask for your **Area Action Plan** and other **supporting documents**.

We will respond to your Delivery Phase application within four months from submission.

If your Delivery Phase application is unsuccessful, we will provide you with feedback to explain our decision.

### Consents

Consents such as Listed Building Consent, Planning Permission and Building Warrant may be required for works planned as part of your projects. Please note that these processes and approvals are separate to the HES grant application process. Our acceptance of your application for grant should not be regarded as implying that these consents will be given or have been obtained. An award of Listed Building Consent or Scheduled Monument Consent should not be regarded as implying that HES grant support will be given or has been obtained.

# PART 3: IF YOU ARE AWARDED A GRANT

## Development and Delivery Phase Contracts

If you are awarded a Development Phase or Delivery Phase grant by HES, you will be required to enter into a formal contract with HES and agree to the terms and conditions outlined in the agreement. You are encouraged to read the [H&PP Development and Delivery Phase Contracts](#) on our website.

We can only enter into this contract with a local authority, national park authority or qualifying not-for-profit organisation.

If you intend to work with another organisation to deliver your scheme, we will require you to have a **Joint Delivery Agreement**, for example a Service Level Agreement, Memorandum of Understanding or equivalent document.

During the development and delivery phases, there may be times when some of the agreed projects, activities and/or outcomes are unable to be delivered or undertaken. Or it may be that one of the projects or activities is going to cost more than anticipated, and you are looking to reallocate the budget for this from another project or activity which is unable to proceed. If this arises with your scheme, then you should discuss this as soon as possible with your Grants Manager to agree a way forward.

## Third Party Grants

Third Party Grants is the term we use for grants you award using our funding to historic asset owners and leaseholders. For leaseholders, you can only award HES grants where they have in place a full repairing lease with a minimum term of 21 years from the date grant award. You will need to enter into a contract with all owners receiving HES funding to ensure the terms of our funding are met, including maintaining the asset on completion of the repair works supported with HES funding. You will also need to introduce a fair and transparent application process which all grantees will need to go through prior to a grant being approved. This is something that you could consider drawing up during your Development Phase. We will provide standard [Third Party Grant Contract Templates](#) for you to use.

There are some optional conditions included in these contracts, especially around end use and access, which can be adapted and/or removed to suit the type of project that is being funded. You will also need to include conditions around claiming and reporting, including post completion, to suit your own processes and procedures. These will all need to comply with the conditions of the [H&PP Delivery Phase Contract](#). For any clarification around this or if you want to make any changes to the conditions then you should discuss this with your Grants Manager.

Where owners are awarded HES funding of more than £50,000, they will need to consent to a Standard Security and Deed of Conservation Burdens. A Standard Security is the only form of fixed security over heritable property in Scotland. It is a legal document that results in putting the grant-aided asset up for security against receipt of the HES grant, should the grantee default or trigger certain contract conditions. Conservation burdens are used to protect heritage aspects. Legal advice will be required to establish both these documents. Further details are available in the [H&PP Delivery Phase Contract](#).

There is a clawback condition in the Third Party Grant contracts, meaning that grant can be recovered if the property is disposed of or the grantee defaults on the contract during the grant control period. Grant is recovered proportionately on a depreciating basis during this period. The grant control period is determined by the size of the grant to ensure that requirements are proportionate:

Grant amount (HES Funding)	Grant Control Period
Up to £25k	5 years
Over £25k and up to £100k	10 years
Over £100k	15 years

### Promoting your Scheme

For the Delivery Phase, we will expect you to promote the scheme through the creation of a dedicated scheme website or webpage to go live within six months from the start of the Delivery Phase. This should provide details of the **Area Action Plan**, the grant funding available and guidance or applications relevant to the Third Party Grants. We will also expect you to use other methods to promote the scheme and the funding opportunities and activities available to the local community (e.g., local press, newsletters, social media).

### Acknowledging your Funding

As part of the conditions of our funding, we will expect you to acknowledge the funding from HES in all publicity and promotional activities either in print or on social media. More information on ways in which you can acknowledge our funding be found on the Grants and Funding pages on our website. For the repair and resilience projects, we will also expect for our HES funded signboards to be displayed on site while the work is being undertaken. Alternatively, you may wish to produce scheme signage which acknowledges all the funders, but you should seek our prior approval for the final design.

### Claiming and reporting process

Development and Delivery grants will normally be paid on a quarterly basis in arrears unless there is a case for an advanced payment being required, in which case you should discuss this directly with HES. We will withhold a 10% retention against each claim submitted. This will be released once we are satisfied that the grant has been delivered in line with the agreed Objectives, and the final reporting and evaluation has been approved.

You will be required to submit a Claim Form and Progress Report Form within four weeks of the end of each quarter (each quarter ends June; September; December and March in each financial year) via the Grants Portal. The Progress Report Form will ask you to update us on

your progress against your agreed Objectives, notify us of any material changes or risks to your scheme and provide details of any Third Party Grants awarded (at Delivery Phase).

For the Development Phase, we will also ask you to upload an updated **Development Phase Cost Breakdown** with each report and claim. For the Delivery Phase, this will be an updated **Scheme Budget Profile** to update us on the project costs, project income and actual and projected HES grant claims. An updated **Capital Projects Summary Sheet** must also be submitted with your quarterly report where a grant has been awarded to a project and the HES funding is being claimed. Payment will be made following review and approval of the Progress Report and Claim Form. The final Progress Report at the end of the Development and Delivery Phases will request summary information relating to the entire grant funded period.

Local authorities and national park authorities will be required to submit an Accountant's Report to evidence grant expenditure in line with the terms and conditions of the contract with HES. There is not a standard template provided for the Accountant's Report, but further information on what it should contain is outlined in the **H&PP Development and Delivery Phase Contracts**. For the Development Phase, the Accountant's Report is due within three months of the Final Progress Report. For the Delivery Phase, the Accountant's Report is due within six months of the end of each financial year of the scheme (by 30 September). Annual accounts covering the scheme must also be provided by 30 September for each year of the Delivery Phase. Not-for-profit organisations should contact HES to discuss requirements for evidencing expenditure.

To assist with programme evaluation, a **HES Grants Data Report** will also need to be completed on the Grants Portal within three months of the end of each financial year during your Delivery Phase.

#### At the end of your Delivery Phase

At the end of the Delivery Phase, you will be required to submit a number of documents to HES, including:

- A Final Progress Report via the grants portal with final information about your Scheme.
- A final version of the Grants Data Report via the grants portal.

Within six months of Scheme completion, you will be required to submit the following documents to enable the 10% retention to be released:

- An Evaluation Report for your Scheme.
- Images showing before and after views of all grant-aided historic environment assets and evidence of training and community activities. Final Scheme Accounts to cover the full duration of the Delivery Phase. The Accountant's Report for the final year of the Scheme.
- The final version of the Area Management Plan which will need to have been formally adopted by the local authority.
- The final version of the Management & Maintenance Strategy.

The final retention payment will be made once we are satisfied with the final reporting information and have received confirmation that all other conditions have been met.

#### Post-completion monitoring

In your application, we will ask you to explain how you intend to ensure monitoring of all the Third Party Grant conditions and to check and enforce maintenance post-completion. As part of the **H&PP Delivery Phase Contract** conditions, you will be required to complete and submit an annual Post Completion Monitoring Report throughout the Scheme Control Period. This will request a general update on your scheme area, an update on your **Management & Maintenance Strategy** including the ongoing maintenance requirements for grant aided historic assets, details of any grants repaid over the year and evidence of any in-kind cost expenditure included in your Delivery Phase application.

As part of your Delivery Phase application, we will ask you to provide the details of who will be responsible for completing and submitting this information on your behalf following scheme completion. If these contact details are to change at any point, you must advise us of this and provide a new contact. If required, we will also expect you to participate in evaluation activities led by HES to help us assess the impact of our investment.

# PART 4: AREA ACTION PLAN & SUPPORTING DOCUMENTS

You will need to provide information and documents to support your proposals in both the Development Phase and Delivery Phase applications. This section provides detailed information to help develop your proposals and supporting information and will cover the following topics:

- Area Action Plan
- Vision and strategy
- Area Partnership and Area Partnership Agreement
- Scheme Area including your defined area, Area Character Appraisal and Area Management Plan
- Scheme Plan including management and monitoring post-completion
- Traditional skills training and materials
- Community heritage activities
- Evaluation Strategy
- Managing your scheme
- Preparing your scheme costs

A full list of the **supporting documents** required at each stage can be found in Appendix 1.

## Area Action Plan

If your Development Phase application is successful, you must produce an Area Action Plan. This will be your principal supporting document for your Delivery Phase application and will describe in detail your proposals and how they will be delivered. The plan is the responsibility of the **Area Partnership**, and its members will need to provide input and take ownership of the final plan.

The plan should incorporate all the different aspects of your scheme into a coherent and integrated whole. It should embody the shared aspirations and intentions of the scheme partners, and it should demonstrate a clear vision for during and beyond your scheme.

HES has closely aligned its Area Action Plan requirements with those of the National Lottery Heritage Fund's (NLHF) area-based schemes. However, there are some differences, and we therefore recommend you refer to NLHF's detailed guidance on its Area Action Plan if you are also applying to them. Please note it is the applicant's responsibility to ensure both funders' requirements are met.

Your Area Action Plan should:

- Explain the physical characteristics of the area, about different people, and organisations with an interest in the area, and the way those groups and individuals relate to it.
- Summarise what it is about the area that matters and to whom and why.
- Present your Area Partnership's agreed vision for the area.
- Identify and provide details of the projects and activities that will help the scheme achieve our **Grants Priorities**.
- Explain how your scheme will be delivered, including staffing, timetables, costs.
- Outline the intended long-term legacy of your scheme and how this will be secured.

In preparing your Area Action Plan, you should consider how and what resources you will need to evaluate your scheme.

In addition to meeting your Delivery Phase application requirements, a wellproduced plan will:

1. Demonstrate to everyone, including partners and other funders, that your scheme is well thought through, will achieve important outcomes, aligns with wider strategies, and will be delivered to the highest professional standards.
2. Be the focus of communication, both within the Area Partnership and beyond.
3. Provide you with an essential project management tool.

The plan should be structured to include the following:

- Executive summary (max. 1 A4)
- Content list
- **Vision and strategy**
- **Area Partnership** and Area Partnership Agreement
- **Scheme Area**
- **Scheme Plan**
  - Repair and resilience capital projects
  - Traditional skills training activities
  - Community heritage activities
  - Management & maintenance strategy
- **Evaluation Strategy**
- **Managing your scheme**
- **Scheme costs**

There are a number of pieces of information which we will need to see as stand-alone **supporting documents** including your Area Character Appraisal, Area Management Plan and Materials Audit. A full list is provided in **Appendix 1**. Any additional information you may want to include can form an appendix to the plan.

### Vision and strategy

This section of your Area Action Plan should set out your aims and strategic objectives for the historic environment of the area and how you will address the needs and aspirations of the local community, local businesses, and visitors to the area.

It is important to show a clear link between the vision and strategy for your scheme and:

1. Local, regional, or national strategies (for example, place planning, regeneration, tourism), and local social and economic needs.
2. The reasons why people value their heritage.
3. Potential threats faced by the heritage in your area, and the opportunities to address these.
4. Addressing our **Grants Priorities**.

You should provide information on any relevant wider strategies for the area in your **supporting documents**.

### Area Partnership

This section of your Area Action Plan should provide:

1. The structure and operation of your Area Partnership, including the form of its group(s), a description of the composition of all groups and the roles and contribution of each partner.
2. A signed Area Partnership Agreement.

We expect the Area Partnership to be made up of a variety of organisations who all have a shared purpose to develop, manage and deliver the scheme for the benefit of the area and the local community. We would expect to see:

1. The local community represented by individuals from membership organisations (with clearly stated mandate/objectives) such as local area action groups, Community Development Trusts, Community Councils, local amenity / heritage organisations.
2. The local authority represented by relevant departments including as applicable: planning, economic development, transport, community planning, and housing.
3. Other relevant partners, local, regional, or national as applicable to your location and area vision.

The partners in the group should have the expertise or authority to advise on, and support decisions on, all aspects of the scheme. These partners, whether as organisations or individuals, must be linked together as partners through a written agreement, with a lead partner identified. We expect the lead partner in most cases to be the applicant as they will take responsibility for the grant award and administration. The Area Partnership group(s) may change between the Development Phase and Delivery Phase applications.

An example of a possible structure is set out below in figure 2. Here the Area Partnership Executive Group would have executive powers to award grants.



Figure 2: Example of Area Partnership structure

### Area Partnership Agreement

Your Area Partnership will have a collective responsibility for the vision and strategy for the scheme, and this should be clearly articulated in your Area Partnership Agreement. This document will set out the objectives of your Area Partnership, the organisations represented and their roles and responsibilities, and how the scheme will be collectively managed. The agreement should also include, or append, proof of formal adoption of your **Area Management Plan**. This should be in the form of an adoption statement, and/or minutes of a relevant meeting.

You will need to provide a signed copy of this agreement as a **supporting document** to your application. You will need to submit a draft agreement with your Development Phase application, and your final agreement, signed by all partners, with your Delivery Phase application.

### Scheme Area

Your Scheme Area should be clearly defined through your assessment both of the character and appearance of its historic environment, and also in terms of need, risk to the historic environment and demand for regeneration.

Your Scheme Area is likely to be a designated conservation area (or part thereof) which will reflect heritage prioritisation and protection in your local authority area. However, you are not restricted to working solely within a designated conservation area. A flexible approach will allow your scheme to be locally responsive and maximise opportunities to meet community aspirations and our **Grants Priorities**.

Examples of a non-designated area may be:

1. 'Conservation area plus' i.e., a designated conservation area (or part thereof) plus identified target buildings at the edge of the conservation area which lie out with its boundary. This may include locally important unlisted buildings, as well as listed buildings which perhaps are not part of the character of an adjacent conservation area. Such buildings could be important to the local community and the area's regeneration and heritage.
2. 'Local area definitions' i.e., an area defined by the local authority as of local heritage significance, and where need and opportunities to meet HES Grants Priorities can be demonstrated. Such areas may not have been deemed special or cohesive enough for conservation area designation but have been identified by other methods such as the Local Development Plan or Community Planning processes.
3. 'Town centres' i.e., traditional town centres or high streets, where later inappropriate development may have affected the potential for conservation area designation, but where a considerable number of valuable historic environment assets make a positive contribution and could have a key role in building a sustainable and vibrant area. For example, Town Centre definitions in Local Development Plans can lie out with a conservation area but may have heritage-led regeneration opportunities.

Please note that whilst the scope of area definition is broad, this doesn't mean the Scheme Area should be expansive. Schemes that are geographically concentrated can maximise impact and smaller, more focused areas have proven in the past to be the most successful.

The Scheme Area may include spaces, buildings and other heritage assets which are not eligible for grant from HES but are being funded through other partners, and which contribute to the wider outcomes of the scheme. For example, the NLHF's Grants for Heritage programme can support green spaces within area-based schemes.

HES will consider your area definition when you submit your Expression of Interest. We may also visit your area at this stage, especially if your Scheme Area is not a designated conservation area. If you need support in defining your area you can contact the Grants Team. Within your Area Action Plan, this section should include:

- A summary that explains the distinctive character of your Scheme Area including spaces, structures, buildings, and features that make or could make positive contributions.
- Information on how the area is currently managed and protected; including assessment of current strategies and policies, and availability and need for traditional skills.
- Analysis of the area's demographic, social and economic conditions; an assessment of the different interest and concerns of stakeholders such as owners of traditional buildings, local communities, businesses, and visitors.
- Threats to the area and opportunities to address these such as climate change, the broader political environment and policy issues, social and economic changes, and local attitudes and understanding of the heritage.
- Summary of the type and category of work which could be carried out to repair and improve the resilience of the historic environment assets of the Scheme Area.

- The rationale for choosing your Scheme Area and defining its boundary. Tell us why this particular area has been identified as a priority over other local heritage areas including conservation areas in the local authority or national park authority. If the boundary of your Scheme Area is a smaller portion of a designated conservation area, please explain why this has been selected and if this has been identified as a specific character area within the conservation area, or if there are other factors, for example an economic focus.
- An assessment of policies and statutory powers that need to be put in place to protect the area's character and sustain the benefits of your scheme in the long-term for the benefit of the heritage and local community.
- Information which will help you design activities which you will run as part of your scheme in order to raise awareness and understanding, and engage local people, with the area's heritage.

Much of the above information will develop through other detailed aspects on the Area Action Plan and its supporting documents such as the Area Character Appraisal, Area Management Plan and Scheme Plan, as well as your Traditional Skills Training Plan and Community Heritage Activities Plan. We would ask that the key findings of these documents are summarised in this section.

### Area Character Appraisal

In order to ensure a well-defined area is selected for your scheme, and that it is fully understood, we will ask you to submit an Area Character Appraisal (ACA) with your Development Phase application. Your ACA is the foundation for developing your scheme in detail. There should be a clear relationship between the findings of the appraisal and the projects and activities of your scheme.

We will expect you to follow best practise guidance in the preparation of your ACA whether for a conservation area or not. Planning Advice Note 71 Conservation Area Management can provide you with advice on this.

The community should be involved in preparing your ACA so that their views and aspirations for the area are considered. The ACA should be used to support relevant supplementary planning documents such as Local Development Plans and Community Action Plans and inform planning policy and planning decisions affecting the area.

The ACA can be submitted in draft with your Development Phase application but must have been prepared within five years of the date of submission. We would strongly urge you to review this prior to application. This should include a boundary review which will ensure that the designation is robust and could help to identify any priorities out with the boundary.

If your Scheme Area is not a designated conservation area, please explain why the area is not to be designated. We will need to know what alternative means of statutory/non-statutory protection you intend to put in place for that area and its heritage. In this instance, protection could come via an adopted local authority policy (e.g., Local Development Plan designation, heritage or economic strategy, local lists of historic buildings, Town Centre Action Plan, etc). We anticipate such a policy may be in addition to the adoption of your Area Character

Appraisal and Area Management Plan as part of our funding requirements. In some cases, the undesignated area may include listed buildings which have alternative protection.

Your ACA will be formally reviewed by HES as part of your Development Phase application, and we will provide feedback where relevant.

The Area Character Appraisal must be adopted by the local authority prior to commencement of your Delivery Phase as a condition of our grant award.

### Area Management Plan

In order to manage change within, and support maintenance of, your Scheme Area during and after delivery, we will ask you to submit an Area Management Plan (AMP) with your Delivery Phase application. Your AMP builds on your Area Character Appraisal.

The AMP can be submitted in draft, with your Delivery Phase application, but must have been prepared within five years of the date of submission. We would strongly urge you to review this prior to application, and we would expect to see your AMP policies align with and support your proposed scheme activities.

Your AMP will be formally reviewed by HES as part of your Delivery Phase application, and we will provide feedback where relevant.

Your Area Partnership must formally adopt the AMP before we give you permission to start delivery of your scheme. This should be in the form of an adoption statement, and/or minutes of a relevant meeting, which should be part of your **Area Partnership Agreement**.

The AMP should also be updated prior to your scheme completion to include any relevant work and activities delivered as part of the scheme, with the final Area Management Plan formally adopted by the local authority prior to completion of your Delivery Phase.

Your AMP should include mechanisms to protect, enhance and maintain the area in the future. It should set out the measures you have, or will, put into practice to make sure that the benefits of your scheme are maintained. Whilst the plan will focus on the physical historic environment, it should also consider relevant social and economic factors, local sustainability, and resources, as well as educational possibilities. You must show that you have consulted widely whilst developing your AMP and explain how the community will be involved in managing the area in the longer term.

Your Area Management Plan must consist of:

1. A description of the heritage and conservation value of the area, and potential threats to it.
2. Policies and strategies.
3. Proposed planning measures.
4. A framework for design and maintenance standards.
5. Evidence of community consultation and engagement.
6. A short statement about how you will put the plan into practice.

Your Area Management Plan must also:

- Consider whether any training and learning activities are necessary to sustain a conservation-led approach to managing the area over the longer term and build upon your traditional skills training and community heritage activities completed during the scheme.
- Set out good practice standards that owners of historic assets will be expected to achieve in work to their buildings and places, including maintenance.
- Express how the long-term vision for your area will be achieved.
- Provide fully costed proposals for managing and maintaining your area over the five years after completion of your scheme, to show how you will sustain the benefits of our funding.

The plan should cover a period of at least five years after your scheme has ended as a condition of our grant. We will ask you to report on the outcomes of your AMP in your annual post completion monitoring report.

### Scheme Plan

In this section of your Area Action Plan, you will describe in detail the capital projects and other activities which will make up your scheme. Your Scheme Plan should be structured around our four programme themes:

- Repair and resilience
- Traditional skills training and materials
- Community heritage activities
- Management and maintenance

### Repair and resilience capital projects

We will ask you to complete a **Capital Projects Summary Sheet** for each capital repair and resilience project included in your scheme. Where you have identified any projects in your Scheme Plan relating to stand-alone historic environment assets, please provide one sheet for each of these. If you are proposing repair and reinstatement of an area of historic public realm, please complete one summary sheet. Similarly, if you propose a small grants initiative for private property owners, please describe this in one sheet. We do not need to know about individual projects within such an initiative but do tell us about any type of work or building that will be targeted.

We will also ask you to identify any 'reserve' projects although this is not a requirement for every scheme. These will be capital projects which could come forward, for example if you have difficulties with your other projects, or more funding is secured. They should not be costed as part of your HES funding request at application stage, and we do not need a summary sheet completed for these. However, we will ask you to list reserve projects and you may wish to provide a short description in the Scheme Plan.

In this summary sheet, we will also ask you to provide detailed elemental costs, based on professional advice and your budget costing of the proposed works which has been determined during the Development Phase.

If you wish to add to the summary sheet information, please provide a more detailed narrative in this section of the Area Action Plan as required. If any of your capital projects relate to the planned traditional skills training or community heritage activities, please refer to this in your Scheme Plan.

An updated Capital Projects Summary Sheet must also be submitted with your quarterly report where a Third Party Grant has been awarded and the HES funding contribution to this is being claimed.

Please note that if you are also applying to the NLHF's Grants for Heritage area-based programme, small grant initiatives will come under their Community Heritage Grants category and some additional requirements may be needed in relation to these for their application and Area Action Plan.

### Traditional skills training activities

Work undertaken during your Development Phase, including your Skills Audit and Materials Audit, will inform preparation of your **Traditional Skills Training Plan** for your Delivery Phase. This will form part of the Scheme Plan and we ask that you summarise your proposed activities in this plan. Additional information and narrative should be provided under this heading in your Scheme Plan.

The plan should include traditional skills training and activities which promote knowledge, access to, and use of traditional materials. It should be developed in collaboration with relevant areas of your local authority such as education, economic development, and employability. If any of your activities relate to any of your capital projects, please refer to this in your plan.

It is anticipated that training will involve traditional specialisms such as leadwork and lime work, however other training to raise the general level of traditional skills in your locality could be considered, such as training for maintenance and small repairs to traditional buildings. You can include training topics that have not been identified as problematic in your audits, but these should be treated as lower priorities. Topics can be directly or indirectly related to traditional buildings though they must have some relevance to the historic environment (for example it would be acceptable to deliver training on working at height). The plan can also address recognised skills gaps at a national level.

We would expect for these activities to be targeted to local educational establishments and local contractors and other professionals or those known to work in the area. However, we realise that, depending on the location of your scheme and also on the number and availability of local contractors, these activities may need to be extended to participants from outwith the local area. If this is the case, you should explain in your application why this approach is necessary and also how it will still benefit the scheme area.

For more advice on the types of activities that could be included in your plan please read our **Traditional Skills Training & Materials Guidance** document.

### Community heritage activities

These activities are those which will engage the local community in its heritage. In comparison to traditional skills training, these activities may be thought of as more 'informal learning'.

Things for you to consider:

- How and why local people currently interact with the heritage of their local area and how this can be improved.
- The views of community stakeholders and how these will shape your final plans.
- Opportunities to embed good practice and provide new skills that maintain the benefits you aim to achieve.
- Improving civic pride and a shared sense of ownership in the wider community for the local area.

During your Development Phase, the activities outlined in your application should be fully developed to allow preparation of your **Community Heritage Activities Plan** for your Delivery Phase. This will form part of the Scheme Plan and we ask that you summarise your proposed activities in the template provided. Additional information and narrative should be provided under this heading in your Scheme Plan. You should describe the activities and explain the following:

- How the local community perceive the Scheme Area and its heritage; how they engage with it and any barriers to engagement.
- How you have involved the local community in developing your activities.
- What activities you will deliver and the groups that will benefit, and how this aligns with your Area Partnership's vision and the objectives of your scheme overall. If any of your activities relate to capital projects, please refer to this.
- What resources you require and any partnerships you will put in place to help deliver your activities. Depending on the detail of your activities you may consider dedicated staff or specialist external consultants.
- How you will meet our **Grants Priorities**.

### Management and maintenance strategy

As part of your Delivery Phase application, we will ask you to prepare a Management & Maintenance Strategy in which you should outline your proposed actions which will address historic environment management and ongoing maintenance which will need to be complied with during the delivery phase. The strategy will then need to be updated with the final version agreed with HES on scheme completion.

Each Management & Maintenance Strategy will be considered by HES on a case-by-case basis and should be your response to the needs and priorities of your area, the character of its historic environment, the types of buildings, local resources, and skills in your area.

Your proposed solutions may include a number of approaches, examples include:

- Adoption and proactive use of the **Area Character Appraisal** and **Area Management Plan** which will set out your approach to effective maintenance.
- Use of Planning legislation such as Article 4, Control of Advertisements and other supplementary guidance and adopted Local Authority strategies to protect and enforce.
- Activities in a subsequent grant scheme or support initiative.
- Engaging a professional to inspect grant-aided properties regularly and report to you.
- Undertaking management and maintenance activities during your Delivery Phase, refer **Part 5**.
- The publication of any relevant guidance produced during the delivery phase being available throughout the scheme control period.

Individual Management & Maintenance Plans will be required for all historic environment assets in receipt of a HES grant of £50,000 or more. For example, where a tenement building is in multiple ownership and a number of smaller grant awards are made to individual flats for a common repair, we would need a plan where the total HES investment is £50,000 or more. The content of the plans should also take into account the maintenance conditions in the **Third Party Grant Contracts**. We may also request a plan for other assets where this is deemed to be an essential requirement of future care, for example those in community or multiple ownership. Where your scheme has buildings of a similar type, for example traditional tenements, it may be possible to establish a template plan for use across a number of buildings, with support from a Conservation Accredited Professional Advisor. Buildings which will have an individual plan should be identified during your Development Phase and identified in your Management and Maintenance Strategy.

### Evaluation strategy

In your Development Phase application, you will have outlined your proposed outcomes against our **Grants Priorities**, and the baseline data you plan to collect during the Development Phase, to prepare your Evaluation Strategy.

During the Development Phase, your strategy will be developed as your projects and activities plans come together. You will need to explain how projects and activities will be evaluated in this section of your Area Action Plan and provide an Evaluation Strategy including a completed **Outcomes Plan**. This template will help you to consider what Key Performance Indicators (KPI's) you will set to measure the success of your scheme objectives, what evidence you will need to collect to document your impact, and how and when you will do this.

### Managing your scheme

In this section of your Area Action Plan, you will explain how you will manage a number of key aspects in the delivery of your scheme.

### Project management structure

You will provide an organisational plan with a narrative and a diagram that shows who will be responsible for the different aspects of your scheme, what expertise they will have and how

decisions will be made. Explain how you will ensure communication is effective internally and with us.

### Quality of work

HES funding must be used for repair and resilience works that meet consistently high conservation requirements and follow our **Guidance for Repair Grants**. It will be your responsibility to ensure these technical standards are met, including specification of grant-aided works, and monitoring compliance and workmanship on site.

Proposals for controlling the quality of work should form part of your organisational plan and could be a combination of your dedicated Project Officer, other experienced local authority/partnership staff and a **Professional Advisor**. The form of the proposal will be dependent on your local authority and the skills required for your scheme. We will consider your approach as part of your Development and Delivery Phase applications.

Ensuring that your scheme will achieve a high standard of works can be approached in several ways:

1. Your project team: ensure there is suitable experience within your scheme delivery staff, in particular your dedicated Project Officer. Consider the level of experience and skills the Project Officer should have and any relevant professional training and membership (e.g., of the Royal Incorporation of Architects in Scotland (RIAS) or Institute of Historic Building Conservation (IHBC)). Where the appropriate skills will not be fully met by your staff, this should be addressed by seeking additional support from a Professional Advisor or by providing staff training. HES support continued professional development (CPD) and opportunities for project staff to work towards professional accreditation and membership.
2. Project monitoring: sufficient and robust monitoring during on-site works is essential to ensure that workmanship and use of materials meet our standards. Consider who in your project team will do this and make this an essential requirement of any Professional Advisor's services.
3. Traditional skills training: consider if project-based training is required. This could align with any contractor and professional skills gaps identified in your Skills Audit. Training should be identified in your **Traditional Skills Training Plan**.

### Professional Advisor

HES can support the appointment of a Professional Advisor on all capital projects in your scheme. Professional Advisors must hold appropriate conservation accreditation from a recognised organisation such as:

- Royal Incorporation of Architects in Scotland (RIAS)
- Royal Institute of British Architects (RIBA)
- Architects Accredited in Building Conservation (AABC)
- The Royal Institution of Chartered Surveyors (RICS)
- Conservation Accreditation Register for Engineers (CARE)

Whether the Professional Advisor is an Architect, Chartered Building Surveyor or registered Structural Engineer will be dependent on the individual project needs but is in most cases it is likely to be an Architect.

Where the building is Category A-listed the Professional Advisor is required to have advanced accreditation as follows:

- RIAS Advanced Level Conservation Accreditation
- RIBA Specialist Conservation Architect (SCA)
- AABC Architect Accredited in Building Conservation

We anticipate that in most schemes, a Professional Advisor will be engaged on all but the most straightforward projects to assist owners and/or the project officer. This may vary depending on the skills of your in-house team and your resources, but be sure to consider the complexity of projects, how to meet our technical repair standards, and the management of co-owners in multiple ownership properties. The Professional Advisor can therefore be engaged on individual capital projects, and in a broader advisory role on smaller grant initiatives for example.

Several local authorities have adopted a Framework agreement as part of their schemes, reflecting local circumstances. Please read our [Millport CARS case study](#) on how this worked for North Ayrshire Council.

Assessment of local professional skills can form part of your Skills Audit to assist in identifying local need or opportunity. There may be potential to encourage conservation accreditation and use your scheme to offer opportunities for mentoring of those working towards accreditation. This could provide a more practical and formal route to professional training than say informal CPD.

### Procuring goods, staff, and services

Tell us how you will approach appointing people to new posts, engaging your Professional Advisor and other specialist consultants. If you are a Local Authority you must comply with your own policies and procedures in relation to public procurement activity for expenditure of any of the HES Grant. Please also provide job descriptions for all new posts and briefs for any external consultant's work. For not-for profit organisations, we will need to approve your procurement policies and procedures before any grant will be approved.

### Scheme level risk assessment

Tell us about the main risks that could affect the delivery of your scheme and how these will be managed and mitigated. This should include all aspects of delivery including managing your scheme, projects, and activities. Your reserve projects may form part of your mitigation.

## Timetable

You will need to provide a timetable that shows when you plan to deliver all the projects and activities in your scheme. We expect this to be detailed for the first two years, with future years in outline.

## Preparing your scheme costs

As part of the Area Action Plan, you will tell us about the costs to deliver your scheme. This will include the following:

- A cost breakdown for individual capital projects and investments using our **Capital Projects Summary Sheet**.
- A cost breakdown for your traditional skills training activities using our **Traditional Skills Training Plan**.
- A cost breakdown for your community heritage activities using our **Community Heritage Activities Plan**.

The above costings will form part of your **Scheme Plan**.

We will also require a number of supporting documents:

- Costs, funding budget and projected spend profile for the Delivery Phase. Please use our **Scheme Budget Profile** template.
- A detailed cash flow for the Delivery Phase if you are a not-for-profit organisation.
- How you have calculated any **volunteer time**, if you wish to include the cost of time spent on the scheme.
- How you have calculated any costs under **Full Cost Recovery**, if you are a not-for-profit organisation and wish to include the cost of time spent on the scheme.

In this section of your Area Action Plan, please let us about any other relevant costs and how you have calculated these. This may include:

- How you have calculated your Third Party Grant intervention rates with appropriate evidence and rationale, including valuations and **conservation deficit calculation**.
- Detailed costs to implement your **Management & Maintenance Strategy**.

We will ask you to provide the following cost information in your Delivery Phase application:

- A summary of your total costs and funding for delivering your scheme.
- Details on match funding secured and anticipated sources for match funding.
- Detailed costs under summary budget headings.

In addition to this guidance, we recommend that you refer to the **Application Form** before completing your cost information, and **Appendix 2** for full details on how to complete the cost headings in the application form.

### Note on VAT

We do not pay grant on VAT that can be recovered. If a grant is awarded including VAT which is subsequently recovered, the grantee will be required to repay the proportionate amount of grant to HES. If this is a Third Party Grant, we will expect the delivery organisation to facilitate this.

VAT on work associated with historic buildings and other conservation repairs can be complex. You may not pay VAT on certain types of work or may only pay it at a lower rate. Please take appropriate professional advice and check with HM Revenue & Customs to identify how much VAT is liable.

# PART 5: WHAT WE CAN FUND

This section will provide applicants with detailed information on what we can fund during the Development Phase, Delivery Phase, and post-completion. Eligible costs for development, capital projects, other activities, and management of your scheme are described below.

## Development Phase: eligible costs

It is possible to request a grant from HES for your Development Phase activities as outlined in Part 2.

This includes a funding contribution for new dedicated project staff posts. This may include additional time for an existing staff post, secondment of staff from another role, or new staff recruitment. We will ask you to provide job descriptions as **supporting documents** for all posts created for your scheme, and this should describe the skills and experience required for each role. Even if you are redeployed existing staff, we will expect to see your new job descriptions for all dedicated project staff, and you will need to demonstrate that they have the relevant skills and experience. If you are redeploying staff in full or part, we will ask to see proof of this through due local authority process such as committee papers or a letter from the relevant authority.

Typical costs under the Development Phase may be:

- Your project staff including a dedicated Project Officer for the Development Phase to develop your **Area Action Plan, supporting documents** and application.
- In some instances, you may propose other staff posts to support the Project Officer or provide specialist skills.
- Professional fees for your **Professional Advisor** with conservation accreditation to assist you in developing your capital projects in your **Scheme Plan** including condition reports, project costs etc. and preparing any other relevant supporting documents.
- Specialist consultancy fees to produce your Materials Audit. More information about this can be found in our **Traditional Skills Training & Materials Guidance** document.
- Community engagement events to inform your scheme design and develop your **Community heritage activities** and your **Community Heritage Activities Plan**.
- Professional fees for building valuations to calculate your intervention rate and **conservation deficit calculation**.
- Professional fees for planning your **evaluation strategy**.

Where you intend to engage external consultants, please include the details of this in your Development Phase application and attach the consultancy or services brief as part of your supporting documents.

## Delivery Phase: eligible capital project costs

We can support capital projects under our repair and resilience theme. **Part 1** provides an overview of this theme, and further detail on the information we will need for your Delivery

Phase application can be found in **Part 4**. The guidance below provides information on eligible works under this theme.

Eligible categories of work under the repair and resilience theme may include:

- Fabric Repair
- Reinstatement
- Climate mitigation and energy efficiency measures
- Historic public realm

### Fabric Repair

The basis of sustaining our historic built environment is adopting a fabric first approach, i.e., that the external fabric of the building envelope is in sound condition, prior to any internal adaptation or repair, or any energy efficiency improvements. Maintenance of a traditional building in good repair can be managed more effectively in the future.

HES supports a fabric first approach through the H&PP. To receive HES grant, such works are required to fall within eligible types of work, usually to the structure and external fabric of traditional buildings. Works must use appropriate techniques or methods of construction and high-quality materials proven by tradition, normally using the same materials as were used in the original construction. Substitute or artificial materials are ineligible, and their use should be discouraged on grant-aided projects.

Eligible work on the external fabric of traditional buildings includes:

- Roofing
- Rainwater disposal
- Windows & doors
- Stonework repair and repointing

Comprehensive fabric repair projects which secure a sustainable future for historic buildings are our focus. However, we recognise that this may not be realistic or appropriate in all cases.

In exceptional cases, we can consider providing funding up to £50,000 for 'interim repair works' such as emergency repairs or temporary protective measures. When considering such requests, relevant factors such as heritage significance, immediate risk of loss or damage, financial need, recent maintenance record, and future sustainability of the building will be considered. Please note interim repair funding is not available for private residential buildings. Any interim repair project should be identified in your Development Phase application and will require to be formally approved by HES prior to grant award.

In general, internal works are not grant eligible under this programme, except where they relate to the external envelope of the building or its structural integrity. This does not mean that internal work cannot form part of the project and be funded by other project partners or the owners in parallel with the eligible works.

## Reinstatement

This category may include a range of activities from historic shopfront reinstatement to small domestic elements, the latter usually part of a fabric repair project rather than standalone work.

Such works should represent efficient use of our funding and not be solely based on aesthetic reasons. Some elements of reinstatement could meet HES outcomes strongly, such as the regeneration benefits of reinstating historic shopfronts, and where a number of specialist traditional skills such as sign writing and traditional awnings are supported.

Other reinstatements may have environmental resilience benefits such as reinstatement of lost copes or chimneys, and where poor-quality repairs or alterations in the past are having a detrimental effect on the fabric of the building.

The overall value of the reinstatement should be justified for the property, street, or area against our **Grants Priorities**. The value of the work may be reflected in your proposed grant intervention rates.

We would expect for any reinstatement to be based on sound physical or photographic evidence and to retain any remaining significant historic fabric, for example historic elements of an existing shopfront. However, this evidence may not be available in every case. In those exceptional circumstances, new works designed by your **Professional Advisor**, based on local precedent and using appropriate traditional materials may be considered. For these, we will ask you to explain the case for, and benefit of, the work and you will need our permission to proceed with these.

## Climate action

To address our Grants Priority “Use the historic environment as a catalyst for climate action”, we will ask you how your scheme aims to mitigate climate change, improve energy efficiency, and adopt a sustainable approach. At the Development Phase application, we will expect a short statement of your intent and ideas, which can be developed during the Development Phase to prepare detailed proposals, as applicable, for your Delivery Phase projects and activities.

Things for you to consider:

1. Assess and analyse the possible impact of climate change in terms of the existing historic environment asset, and any potential measures that can be taken as part of the proposed project. Can mitigation/improvements be made in a sustainable way?
2. The following possible impacts on changing weather patterns should be analysed and risk assessed:
  - Increased severe weather events relating to frequency and intensity of rainfall/snow.
  - Increased frequency of storm events relating to high wind speeds and/or lightning strikes.
  - Impacts of longer periods of low rainfall/drought conditions and higher or lower temperatures/frost damage.

- Potential for flooding/sea level rise that might affect the asset or Scheme Area.
3. Proposals for mitigating the findings of the above should be collated and assessed against each other to ensure the proposals have been assessed holistically. For instance, if the capacity of rainwater goods is increased, can the below ground drainage cope?
  4. The proposed construction process, materials used, and methods of construction should also be analysed in association with findings from the above analysis to ensure that the wider effect on carbon footprint is understood and minimised. The whole life impact of selection of materials and their source should be considered carefully.

### Climate mitigation measures

Your external fabric repair projects should consider the building's resilience to climate change, and climate mitigation works should be undertaken, as appropriate, to the individual traditional building. You can refer to our HES Technical Research Short Guides and Case Studies for advice on this. A number of measures may be grant eligible and further detail can be found in the [Guidance for Repair Grants](#).

Examples of climate mitigations measures may include:

#### 1. Measures to address increased / heavier rainfall:

- Improving the performance of/increasing the capacity of rainwater goods;
- Enhancing detailing to assist rainwater disposal, e.g., sacrificial lead flashings, weathering, and cope drip details;
- Improvements to external surface drainage adjacent to the building to address damp ground conditions;
- Re-instatement of traditional renders and masonry finishes to create a weather-proofing layer.

#### 2. Measures to address potential overheating:

- Improving passive cooling and ventilation, e.g., repair / reinstatement of traditional cupolas and roof lights;
- Repair / reinstatement of passive ventilation as applicable e.g., underfloor vents, chimney flues, roof level ventilators, attic ventilation etc.

Any measures that propose a change to the character and appearance of the asset, or loss of original fabric, must be carefully assessed and receive necessary consents prior to any grant award.

### Energy efficiency

External fabric repair will support the sustainability and energy performance of a traditional building. As part of any comprehensive repair project, or where a building is being brought back into use, there may be opportunities to improve the sustainability of that building by implementing sympathetic energy efficiency measures as part of the project works.

We will ask you how you are improving the energy efficiency of your building projects, some of which may be eligible for grant funding.

This may be addressed in several ways:

- Grant-aided repairs will normally be undertaken using traditional materials (locally sourced or recycled where possible) and techniques, promoting a circular economy, and reducing waste.
- You should consider how to minimise waste from construction and the longer-term use of your building.
- Where appropriate, you should also aim to reduce the longer-term energy use through the installation of low-energy heating systems and / or use of renewables.

HES can support some energy efficiency works that relate to the repair and reinstatement of the external envelope of the building and where the external fabric wraps into the interior. Please note that funding will not be eligible in cases where other energy efficiency grants or loans are available to property owners.

Other new work associated with energy efficiency retrofit or Building Standards energy requirements (for example for conversion) is not eligible for HES grant. However, we will require that any of your projects with new retrofit works comply with best practise for traditional building construction and respect the character and appearance of the heritage. Further guidance can be found in our HES Technical Research Short Guides and Case Studies and expert advice should be sought from your **Professional Advisor**.

#### Historic public realm

Historic public realm work is not a requirement of our H&PP but may be relevant to your locality. Where a project within the historic public realm is important to your objectives, it may be a prioritised.

In terms of the HES grant, historic public realm is external space within your Scheme Area that may or may not be in public ownership but is accessible to the general public. Under this category consideration will be given to the following approaches:

1. Projects involving the repair or relaying of existing historic surfaces and/or projects involving the repair of historic features such as a mercat cross or public fountain.
2. Projects involving reinstatement of surfaces of a street or public space in matching materials, based on sound physical or photographic evidence.
3. Only in exceptional circumstances, projects consisting of new works of resurfacing streets or spaces in appropriate traditional materials, and then only for works that respect the configuration of existing streets and pavements. Exceptional circumstances may include seeking HES funding to support an uplift to accommodate traditional material specifications, or where strong opportunities are present to enhance community spaces.

You must explain why your public realm works cannot be funded from other sources including local authority funding, and what difference HES funding will make.

In general, other environmental improvements that enhance the area will not be grant eligible, such as new public art, landscaping, and installation of street lighting and street furniture.

In all cases, HES should be consulted early on in the design process to assess if the work will be grant eligible. Public realm projects must demonstrate that they are in-keeping with the historic character of the area. You should use the **Area Character Appraisal** in all cases to evidence and justify your public realm design.

Your application must demonstrate how plans for the public realm of the Scheme Area fits within wider local authority plans for public realm, and how ongoing management will be delivered after the work is completed. This may include provisions such as Article 4 Directions or other mechanisms regarding public utilities' work. These mechanisms should be adopted through your **Area Management Plan**, or another relevant document such as a local authority maintenance plan.

#### Delivery Phase: eligible activity costs

We can support activity costs under the following programme themes:

1. Traditional skills training and materials
2. Communities heritage activities
3. Management and maintenance

**Part 1** provides an overview of these themes, and further detail on the information we will need for your Delivery Phase application can be found in **Part 4**. The guidance below provides information on eligible works under each theme.

#### Traditional skills training and materials

Full details of the programme requirements and eligible activities are provided in our **Traditional Skills Training & Materials Guidance**.

Examples of eligible activities may include:

- General awareness events for the community.
- Traditional Skills Fairs for the community.
- Contractor training and bursaries.
- Contractor 'On Site Assessment and Training' (OSAT).
- Apprenticeships in relevant traditional trades.
- School craft taster events.
- Curriculum-based qualifications and learning in the classroom. Curriculum-based workshop kits.
- Building professional formal training toward accreditation and conservation memberships.
- Building professional certified Continued Professional Development (CPD).

### Community heritage activities

Examples of eligible community heritage activity costs may include:

- Activities and interpretation to increase the range of audiences.
- Events to bring the community together to explore their heritage, for example open days, exhibitions, talks and tours.
- Working with local communities to identify and record places and features that are important to them and making this information widely available. Examples may include recording oral histories, cataloguing and digitising archives, recording customs and traditions, or making a record of an historic built asset or archaeological site.
- Learning opportunities for adults and young people that could help them better understand the special character of their area so they can value it more. Activities could be tailored to the needs and interests of participants and align with local priorities such as engaging NEET (not in education, employment, and training) groups and incorporating STEM (science, technology, engineering, and mathematics) subjects.
- Activities that use local heritage, culture, and customs to improve how the area is perceived by people who live, work, and visit it. For example, you could consider activities that help build a greater sense of civic pride in groups that feel marginalised.
- Opportunities for people to give their time as volunteers.

### Management & maintenance activities

HES cannot fund physical maintenance to private properties directly, nor capital work after the end of the Delivery Phase. However, during the Delivery Phase we can fund activities which assist the development and implementation of future management and maintenance of the Scheme Area, as set out in your

#### **Management & Maintenance Strategy.**

Examples of eligible management and maintenance activity costs may include:

- Maintenance demonstrations/events outlining good maintenance techniques for property owners.
- Providing people with informal training and skills that contribute to the area's maintenance and long-term management.
- Development of supporting maintenance advice materials for owners/recipients of grants.
- A portion of professional fees to prepare individual Management & Maintenance Plans for historic environment assets.
- A portion of legal fees to establish formal owners' associations in multiple ownership buildings and/or setting up Maintenance Legacy Funds.

Your non-cash contributions to support and monitor this strategy both during delivery, and for five years after the scheme completes, can form part of your grant-eligible funding

budget. You will need to estimate this in your Delivery Phase application. Please note this should not include your time in carrying out your post-monitoring obligations under the HES contract.

### Delivery Phase: eligible management costs

We can continue to support both internal staff and external consultants' costs during the Delivery Phase as outlined above for the Development Phase.

Whilst we won't be able to cover costs during the Delivery Phase application assessment period, we would encourage where possible that staff, in particular the Project Officer, and professionals involved at the Development Phase, are retained to provide continuity and knowledge in the scheme delivery.

Typical eligible costs under this phase may include:

- Your dedicated project staff including a Project Officer for the Delivery Phase to deliver your **Area Action Plan**.
- In some instances, you may propose other staff posts to support the Project Officer or provide specialist skills.
- Professional fees such as your **Professional Advisor** with conservation accreditation to assist you in delivery of your **repair and resilience capital projects**. We have a maximum overall eligible percentage for professional fees, generally up to 16% of the capital project's grant eligible costs, with up to 18% in exceptional cases.
- Specialist consultancy fees to deliver your **training activities**.
- Costs to deliver your **community heritage activities**.
- Professional fees for marketing materials and publication.
- Professional fees for evaluation measurement and reporting.
- Other administrative fees (e.g., legal, accountancy) to comply with the grant contract when the applicant is a not-for-profit organisation and will incur additional costs.

Where you intend to engage external consultants, please include details in your Delivery Phase application and attach the consultancy services briefs as part of your supporting documents.

### What we cannot fund

Whilst HES cannot fund the following, other partnership funders may be able to as part of your scheme.

- Recoverable VAT.
- Work or activity without public benefit and clear links to our Grants Priorities.
- Work or activity that has already started before you apply for a grant.
- New-build work is only eligible in exceptional cases, such as the site access and protection measures.
- Costs for internal fit-out.
- Demolition.

- Routine maintenance.
- Archaeological works undertaken in advance of the development of a site or archaeological investigation of sites which are subject to an active planning condition.
- Repairs to movable assets, including maritime vessels and railway vehicles.

### Feedback

If you have any comments on how we can improve our service or wish to make a complaint about the way we have processed your application, please write to the Head of Grants, Historic Environment Scotland, Longmore House, Salisbury Place, Edinburgh, EH9 1SH. Making a complaint will not affect, in any way, the level of service you receive from us. You may also contact the Scottish Public Services Ombudsman if you have a complaint about service delivery.

# APPENDIX I: SUPPORTING DOCUMENTS

The following documents are mandatory to your application (where applicable) and should be uploaded with your application. The list should be read in conjunction with our Programme Guidance.

Other documents, not listed below, can be submitted at your discretion where relevant to your application.

Supporting Document	Description	Development Phase Application	Delivery Phase Application	NLHF requirement (1)
Governing document	As applicable. If you are not a local authority or national park authority you will need to submit your relevant governing document. You may also like to submit any relevant strategic plan or business plan for the organisation that explains your aims and objectives.	Y	Y	Y
Joint Delivery Agreement	As applicable. If you are a not-for-profit organisation or have stated in your application that another organisation is playing a key role in the management or delivery of your scheme, we will need to see a signed document that sets out the roles and responsibilities of each organisation e.g., Service Level Agreement, Memorandum of Understanding or equivalent. One of the organisations must be the local authority or national park authority.	Y (outline at Development Phase)	Y	Y (called partnership agreements)
Accounts	As applicable. If you are not a local authority or national park authority you will need to submit audited, or accountant verified, accounts for your organisation for the last 3 years.	Y	Y	Y

Supporting Document	Description	Development Phase Application	Delivery Phase Application	NLHF requirement (1)
Ownership documents	As applicable. Where a building is held in the Common Good by the local authority, provide details of ownership and any associated leases.	N	Y	Y
Local, regional, and national strategies	Submit documents, extracts or web links which you feel best support your application's strategic focus, and evidence the need for your scheme. This should supplement information provided in your application. This may include heritage, local development, regeneration, and tourism documents.	Y	Y	Y
Letters of support	Submit letters from relevant people/organisations to show that you have spoken to others in your community and that they are interested and supportive of your scheme vision and proposals.	Y	Y	Y
Area Partnership Agreement	Submit the document that sets out the shared objectives of your Area Partnership, the organisations represented and their roles and responsibilities and the decision making structure for your scheme.	Y (outline at Development Phase)	Y (signed at Delivery Phase)	Y (called scheme partnership agreement)
Development Phase Cost Breakdown	Submit your completed <b>Development Phase Cost Breakdown</b> . Refer to <b>Appendix 2: Cost Heading Guidance</b> .	Y	n/a	Y
Scheme Budget Profile	Submit your completed <b>Scheme Budget Profile</b> which includes your spend profile over the five-year Delivery Phase.	n/a	Y	Y

Supporting Document	Description	Development Phase Application	Delivery Phase Application	NLHF requirement (1)
Delivery Phase cash flow	As applicable. If you are a not-for-profit organisation, please submit a projected cash flow profile for five years from the start of your Delivery Phase.	Y (draft)	Y	Y
Calculation of Full Cost Recovery	us how you have worked out the share that relates to your project. Refer to <b>Appendix 2: Cost Heading Guidance.</b>	Y (for Development Phase costs)	Y (for Delivery Phase costs)	Y
Calculation of non-cash contributions/volunteer time	As applicable. If you have included in kind/non-cash contributions, submit documents to tell us how you have worked out the costs that relate to your project. Submit a supporting letter signed by someone with appropriate financial authority in your organisation. Refer to <b>Appendix 2: Cost Heading Guidance.</b>	Y (for Development Phase costs)	Y (for Delivery Phase costs)	Y
Job descriptions	Submit a job description for each post if you plan to recruit new members of staff to develop and/or deliver your project. You also need to provide job descriptions if you have a suitably qualified member of staff that you are moving into a project post.	Y (for Development Phase posts)	Y (for Delivery Phase posts)	Y
Consultants' briefs	Submit consultants' briefs which should describe work and services if you plan to commission work or professional services to help develop and deliver your project. For example, for undertaking your Materials Audit, and appointing a Professional Advisor.	Y (for Development Phase briefs)	Y (for Delivery Phase briefs)	Y

Supporting Document	Description	Development Phase Application	Delivery Phase Application	NLHF requirement (1)
Map of Scheme Area	Submit a map of the Scheme Area indicating its boundary and the location of all proposed projects.	Y	Y	Y
Images of Scheme Area	Submit at least one image of each of your proposed capital projects and areas of focus.	Y	Y	Y
Area Action Plan	Submit your Area Action Plan with the Delivery Phase application. This detailed document will encompass much of your Delivery Phase information. Refer to Area Action Plan in the Programme Guidance.	N	Y	Y
Scheme Timetable	Submit a timetable that shows when you plan to deliver all the projects and activities in your Development/Delivery Phases. We expect this to be detailed for the Development Phase at Development Application stage with an outline timetable included for your Delivery Phase. In your Delivery Phase application, we expect this to be detailed for the first two years of delivery, with future years in outline.	Y	Y	Y
Area Character Appraisal	Submit, as a minimum, a draft Area Character Appraisal (less than five years old) with your Development Phase application which can be finalised and adopted prior to your Delivery Phase application. Refer to <b>Part 4 Area Character Appraisal</b> in the Programme Guidance.	Y (draft)	Y (adopted)	Y

Supporting Document	Description	Development Phase Application	Delivery Phase Application	NLHF requirement (1)
Area Management Plan	Submit, as a minimum, a draft Area Management Plan (less than five years old) with your Delivery Phase application which can be finalised and adopted prior to completion of your Delivery Phase. We expect you to develop your Area Management Plan during your Development Phase, so it is not mandatory for the Development Phase application. However, you may submit this as supplementary information. Refer to <b>Part 4 Area Management Plan</b> in the Programme Guidance.	Optional	Y (draft)	Y
Materials Audit	Submit your Materials Audit with your Delivery Phase application. Refer to detailed guidance in our <b>Traditional Skills Training &amp; Materials Guidance</b> .	N	Y	N
Condition surveys	As applicable. Provide any relevant documents which tell us more about the historic environment assets included in your scheme and that evidence the need for those projects and your approach. For example, condition surveys / conservation plans for individual assets / public realm condition audits etc.	Optional	As applicable	As applicable

Supporting Document	Description	Development Phase Application	Delivery Phase Application	NLHF requirement (1)
Management and Maintenance Strategy	Submit a draft Management & Maintenance Strategy as part of your Delivery Phase application. This should outline your proposed actions to address historic environment management and ongoing maintenance once your scheme delivery is completed. Refer to detailed guidance in <b>Part 4: Management and Maintenance Strategy</b> in the Programme Guidance.	N	Y (draft)	Y (not as separate document)
Management and Maintenance Plans	As applicable. Individual Management & Maintenance Plans will be required for all historic environment assets in receipt of an HES grant of £50,000 or more. We may also request a plan for other assets where this is deemed to be an essential requirement in its future care. Refer to detailed guidance in <b>Part 4: Management and Maintenance Strategy</b> in the Programme Guidance.	N	As applicable	As applicable

(1) We have indicated where supporting documents are also required in application to the NLHF's Grants for Heritage area-based programme.

This is not a definitive list, and we would strongly recommend you read NLHF's guidance directly.

# APPENDIX 2: COST HEADING GUIDANCE

This appendix provides guidance on how to prepare the required cost information in the application, the **Development Phase Cost Breakdown** and **Scheme Budget Profile**.

## General points

- Cost and income amounts should be rounded to the nearest £1.
- The Grants Portal will require some fields (e.g., total costs and income) to match, and some fields will calculate automatically based the information you input.
- Contingency and evaluation are mandatory.
- VAT should only be included if it is non-recoverable, and then within the costs of the relevant heading.

## Cost headings

We will ask you to summarise costs under the following headings, which are listed in alphabetical order. Please note some headings vary between Development Phase and Delivery Phase applications as indicated below.

- **Community Engagement activities (Development Phase application only):** Costs for involving your community in the Development Phase. This can include venue hire, refreshments etc. for engagement events, and publicity materials. Note, these should not be the costs associated with delivery of your Community Heritage Activities Plan during the Delivery Phase (see below).
- **Community Heritage Activities (Delivery Phase application only):** For the Delivery Phase, you will be required to set out a plan to engage your community in heritage activities in a Community Heritage Activities Plan. Costs can include activities and interpretation that increase engagement and understanding of heritage within the area. Please use our **Community Heritage Activities Plan** template to provide a cost breakdown for your activities. This will form part of your Scheme Plan in the Area Action Plan for the Delivery Phase application.
- **Consultants' Fees:** All professional and specialist consultants' costs except 1) those related to capital projects development and delivery (see Professional Advisor Fees), and 2) for your Materials Audit and Skills Audit.
- **Evaluation:** In the Development Phase application, this should include costs to plan your Evaluation Strategy. In the Delivery Phase application, it should include costs to carry out your Evaluation

Strategy over the course of your Delivery Phase, including producing the Evaluation Report at the end of your scheme. This can include the costs for an independent external evaluator.

- **Full Cost Recovery:** This should only be used by not-for-profit organisations. The term ‘full cost recovery’ means securing funding for – or ‘recovering’ – your organisation’s costs, including the direct costs of your scheme projects and activities, as well as your overheads which relate to the scheme. For further information on how to include this, please refer to the guidance set out by the National Lottery Community Fund.
- **Management & Maintenance Strategy (Delivery Phase application only):** Costs to deliver your Management and Maintenance Strategy. This can include informal learning and training for homeowners and the wider community, relating to maintenance. This can also include the costs to produce management and maintenance plans for grantaided capital projects, and relevant fees for external consultants. Exclude any costs for delivery of the strategy post-completion (see below: Non-cash contributions for future management and maintenance). Please provide a breakdown of costs in your Management and Maintenance Strategy. This will form part of your Scheme Plan in the Area Action Plan for the Delivery Phase application.
- **Materials Audit (Development Phase application only):** During the Development Phase you will be required to undertake a Materials Audit to inform repair projects and contribute to the future management of your area. Please include any costs for external consultants and associated costs to undertake the audit.
- **Non-cash contributions/volunteer time:** non-cash contributions are anything you need for your scheme that you do not have to pay for (for example, room hire or equipment). Non-cash contributions must be direct costs and should be included in both the cost and income section of your application form. Please note that non-cash contributions for future management and maintenance (after scheme completion) should be captured in the separate cost heading for that purpose.  
Volunteer time can include contributions of time, for example, by members of your Area Partnership. If you intend to include volunteer time, please outline the number of proposed hours for each role. Non-cash contributions/volunteer time should be outlined in a

supporting letter signed by someone with appropriate financial authority in your organisation. You will need to record this time as part of your reporting, setting out as volunteer contributions and using a standard rate (£20 per hour) to calculate the value of your volunteer time.

- **Non-cash contributions for future management and maintenance (Delivery Phase application only):** Any non-cash contributions relating to delivery of your Management and Maintenance Strategy for up to five years after your scheme ends

should be included here. Note that future staff time spent on reporting on your HES grant contract obligations should not be included.

- **Other Costs:** any other direct costs relating to development or delivery of your project not covered in other headings (e.g., renting an office, travel and subsistence, staff training, publicity materials).
- **Professional Advisor Fees (Development Phase application only):** Include costs related to work on your capital project development only e.g., to prepare condition / feasibility reports and project work proposals. Other professional and specialist consultants' fees, including for the Area Character Appraisal and Area Management Plan, should be included in 'Consultants' Fees' (including costs to undertake valuations to calculate your grant intervention rates). For the Delivery Phase, your Professional Advisor's fees should be within the costs of the relevant capital project. Any additional services they may provide which does not form part of a HES Third Party Grant, for example general advice they may provide under a Framework agreement, should be put under 'Consultants' Fees'.
- **Project Staff:** You may include costs of new staff on fixed term contracts, or secondments (people who are temporarily transferred to your organisation).

You may also include costs where:

- You have a suitably qualified member of staff on your payroll that you are moving into a dedicated scheme post and their post is being backfilled. (You still need to provide a job description for this post).
- You are extending the hours of a suitably qualified member of staff on your payroll so that they can work on the scheme. In this case we will fund the cost of the additional hours spent on the scheme and you will need to tell us about their role.
- All salaries should be based on sector guidelines and comply with fair work principles and practices in line with the advice of the Fair Work Convention. Any new paid posts funded by HES must pay the national Living Wage as a minimum.
- **Repair & Resilience Capital Projects (Delivery Phase application only):** This is the cost for physical projects and initiatives including the costs of work to repair buildings, historic environment assets and historic public realm. In the Delivery Phase application, a full breakdown of costs of individual projects, including professional fees, and an allowance for inflation and contingency (plus VAT if nonrecoverable), should be provided for each unique project using the **Capital Project Summary Sheet** in your Scheme Plan. Summary costs, funding budget and your projected spend profile will be required for each unique project in the **Scheme Budget Profile**.
- **Skills Audit (Development Phase application only):** During the Development Phase you will be required to undertake a Skills Audit to inform your **Traditional Skills Training**

**Plan.** Please include any costs for external consultants and associated costs to undertake the audit.

- **Total Cost including HES ineligible items (Delivery Phase application only):** all costs including those which are **not eligible** but are related to the delivery of your wider scheme and are being covered by other funding contributions.
- **Total HES Eligible Cost (Delivery Phase application only):** all costs which are **eligible** for HES funding.
- **Traditional Skills Training Activities (Delivery Phase application only):** For the Delivery Phase you will be required to set out a plan to deliver formal training activities in a Traditional Skills Training Plan, tailored to meet the scheme's unique circumstances. Costs may include accredited training for contractors and bursaries, including on site assessment, specialist training, CSCS card costs to support contractors, apprenticeships, and curriculum-based qualifications. Please use our **Traditional Skills Training Plan** template to provide a cost breakdown of your activities. This will form part of your Scheme Plan in the Area Action Plan for the Delivery Phase application.

#### Income headings

- **HES Grant Allocation:** the amount you are requesting from HES.
- **LA Allocation:** This is the amount that the local authority is directly contributing. Only include the local authority capital contribution. Funding from other local authority specific funds such as the Empty Homes Fund should be itemised in Match Funding from other grants, or Other Income, as applicable.
- **Match Funding:** This refers to other sources of cash/grant funding you have either secured or are in the process of applying for. We will ask you to itemise these in your **Scheme Budget Profile**. Please keep Other Income and Owner Contributions as separate headings.
- **Other Income (non-cash contributions/volunteer time/full cost recovery):** You may wish to make up some of your funding contribution as non-cash contributions and/or volunteer time/full cost recovery. Full Cost Recovery is only applicable if you are a notfor-profit organisation.
- **Owner Contributions (Delivery Phase application only):** There should be a contribution towards the costs of individual capital projects by property owners. We will ask you how you have calculated your proposed grant intervention rates i.e., the percentage of grant you intend to offer on Third Party Grants. Grant rates should be set at appropriate levels, and we recommend considering the conservation deficit of undertaking repairs. This is the amount by which the cost of conservation works for

the repair of a heritage asset exceeds its market value. This should be informed by property valuations for a representative range of buildings within the Scheme Area, considering the additional cost for undertaking conservation standard repairs and the likely increase in the value of the property post repairs. “Red Book” Valuations to calculate your grant intervention rates for your application should be undertaken by an independent Chartered Surveyor or District Valuer who is a member of the Royal Institute of Chartered Surveyors (RICS). Consideration should also be given to the anticipated demand for grants when setting rates. Further information on **Grant Intervention Rates** can be found in our case study for Kelso CARS. Where there is likely to be heavy demand you may be able to set higher owner contributions.

The Conservation Deficit Calculation: $A + B - C = D$
A – Existing value of historic building
+
B – Cost of capital project
–
C – Building’s post-project value
=
D – Conservation deficit

- **Total Income:** This is all the income, including Match Funding, Other Income, Owner Contributions, and your HES grant request to cover the Total Costs.
- **HES Grant Intervention (% of Total Cost):** overall intervention rate of the HES grant request based on the total cost of the scheme.
- **HES Grant Intervention (% of Eligible Cost):** overall intervention rate of the HES grant request based on the total eligible cost of the scheme.

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

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