
**HISTORIC ENVIRONMENT SCOTLAND HERITAGE AND PLACE PROGRAMME -
OPPORTUNITY FOR PLACE BASED HERITAGE FUNDING**

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to alert the Council to the new, Historic Environment Scotland (HES) [Heritage & Place Programme](#) and to seek endorsement for the submission of an expression of interest (EOI).
- 1.2 Announced by HES on 30th March 2022, the Heritage & Place Programme (H&PP) is a competitive, area-based funding programme that aims to contribute to the development of vibrant and sustainable places in Scotland, through community-led regeneration of the historic environment. It supports the development and delivery of heritage focused schemes within conservation areas, or distinctive heritage areas with local authority recognition, up to the value of £1.5m, depending on the size of the scheme and level of match funding. Match funding will be required from the council for both the development stage were an EOI to be submitted and successful and further match funding would be required for the delivery stages were the development stage bid submitted and approved. The level of match funding for required for the delivery stage (over 5 years) would be much great.
- 1.3 Expressions of interest are invited until 31st July 2022; submissions to which are expected to outline the proposed heritage area and indicative scheme. The EOI application form is attached as **Appendix 1**.
- 1.4 Should HES support the outline proposal, a Development Phase application would be invited to be submitted by 15th December 2022, and if the Development Phase application is subsequently approved, the council would be invited to work up the project in full, and to submit a formal application within the following twelve month period. Should the resulting final application be approved, this would see the project delivered with H&PP grant funding and the necessary match funding over a period of up to five years (potentially 2024 to 2029).
- 1.5 As part of the Development Phase application, the council 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. The council would require to cover the short fall in the development costs, estimated to be £60,000, total development costs are anticipated to be £120,000. Crown Estate funding may be a possible source for the council funding. In regard to the Delivery phase

HES grant funding would cover projects, activities, and management costs to be undertaken during the Delivery Phase. The percentage of HES grant will be assessed in relation to the local area context and the overall match funding package and value for money. Again match funding would be required including funding from the Council. In previous CARS schemes council funding has varied from £300,000- £500,000, although it is worth noting that buildings costs have risen significantly. The Council funding has previously been made up of a mix of capital funding as well as private sector housing grant funding. Contribution from building owners would also forms part of the match funding package. There is the possibility for council capital funding to come from future Crown Estate funding and it would be spread over a 5 year period

- 1.6 The council has previously secured 8 rounds of funding from HES for heritage-led regeneration projects, under the Conservation Area Regeneration Scheme (CARS) programme, which the H&PP replaces. Funding successfully secured to date equates to £6.6m, not taking into account match funding secured or wider economic benefit to the local communities. The funding to date has, and will safeguard historic buildings and enhance the sense of Place and town centres of Campbeltown, Rothesay, Inveraray, Dunoon, Lochgilphead and Helensburgh. In many of the CARS schemes there has been close working and alignment across the council and particularly with colleagues in housing and building standards to ensure the greatest benefit to the area and the fabric of the town.
- 1.7 In considering the focus and criteria of the new funding programme and taking into account the towns that have previously been the focus for CARS funding, it is recommended that the Council consider a possible EOI submission for either Tarbert, Loch Fyne, or Tobermory, in the style of a CARS. In order to assess which would have the strongest chance of success an analysis of each against the criteria will be undertaken, and also discussed with colleagues in the council and at HES. Given the competitive nature of the fund the decision has to be based on the town that can offer the strongest fit.
- 1.8 There is also an additional opportunity to apply to the National Lottery Heritage Fund (NLHF) under the Grants for Heritage programme. An EOI is also required as the first step in applying to this fund, and if invited to continue, also requires a further 2 stage process. A submission to NLHF will depend on the scale of the project and fit with their programme.

RECOMMENDATIONS

It is recommended that Members:

- i) Agree that an expression of interest be made to Historic Environment Scotland for the Heritage and Place Programme, and potentially also to National Lottery Heritage Fund for the Grants for Heritage Programme if applicable for the conservation town that is considered to best fit with the

new criteria and to stand the best chance of success bearing in mind that this will be a highly competitive process.

- ii) Agree that delegated authority be given to the Executive Director of Development and Infrastructure to submit subsequent applications to the heritage funders, should the council be invited to do so.
- iii) Agree to the principle of funding from the Council to support the delivery of the Development Phase should an EOI be successful and a development grant from HES be offered, normally of up to 50% of eligible costs. It is estimated that Council funding would be £60,000 for the development phase works.
- iv) Agree to the principle of match funding from the Council for the delivery phase were a stage one development bid to go forward and be successful. Note that a future report will be brought back to members for their consideration were this to be the case.

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2.0 INTRODUCTION

- 2.1 This report seeks to provide members with information relating to the new Heritage and Place Programme, which provides an opportunity for place based heritage funding.
- 2.2 This report also asks that members agree to the submission of an expression of interest (EOI) in relation to the respective heritage regeneration funding programmes of Historic Environment Scotland and possible to National Lottery Heritage Fund if applicable, with a view to supporting the development of either a Tarbert, or Tobermory, Heritage and Place Project in the style of a Conservation Area Regeneration Scheme (CARS).

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members:
- i) Agree that an expression of interest be made to Historic Environment Scotland for the Heritage and Place Programme, and potentially also to National Lottery Heritage Fund if appropriate for the Grants for Heritage Programme for the conservation town that is considered to best fit with the new criteria and stand the best chance of success bearing in mind that this will be a highly competitive process.
 - ii) Agree that delegated authority be given to the Executive Director of Development and Infrastructure to submit subsequent applications to the heritage funders, should the council be invited to do so.
 - iii) Agree to the principle of funding from the Council to support the delivery of the Development Phase should an EOI be successful and a development grant from HES be offered, normally of up to 50% of eligible costs. It is estimated that Council funding would be up to £60,000 for the development phase.
 - iv) Agree to the principle of match funding from the Council for the delivery phase were a stage one development bid to go forward and be successful

and a Delivery Phase grant offered. Note that a future report will be brought back to members for their consideration were this to be the case.

4.0 DETAIL

- 4.1 On 30th March 2022, Historic Environment Scotland (HES) announced a new place based heritage fund. The new Heritage & Place Programme (H&PP) is a competitive area-based funding programme that aims to contribute to the development of vibrant and sustainable places in Scotland, through community-led regeneration of the historic environment. It supports the development and delivery of heritage focused schemes within conservation areas, or alternatively distinctive heritage areas with local authority recognition.
- 4.2 Grants for the delivery of the programme will typically range from £750k to £1.5m, depending on the size of the scheme and level of match funding. The grant priorities are as follows:
- 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.
- 4.3 The H&PP supersedes the Conservation Area Regeneration Scheme (CARS) funding, which HES made available over eight rounds between 2007 and 2019. The final CARS projects, which seek to use heritage as a driver for regeneration, are due to conclude on 31st March 2025.
- 4.4 Argyll and Bute Council have successfully delivered CARS projects in Campbeltown, Inveraray and Rothesay to date, and currently have another four CARS projects in delivery: Rothesay Townscape Heritage (phase 2) and Dunoon CARS will conclude on 31st March 2023; and Lochgilphead CARS, and Helensburgh CARS will conclude on 31st March 2025.
- 4.5 Over the course of the twelve year period, the council has successfully secured 8 rounds of CARS funding, equating to £6.6m, and which totals £23m of investment made to 6 key Argyll and Bute town centres when match funding is also taken into account.
- 4.6 Due to the success of the council's CARS projects to date, there is opportunity to use this experience in supporting the potential for a seventh CARS style of project. The town centre locations within Argyll and Bute with conservation areas, which have not previously been the focus of a CARS and which could therefore fit well with the scheme, are Tarbert and Tobermory. In order to determine which would be the priority for this current call further discussion is

required with colleagues at HES and within the council and further work requires to be undertaken to determine which would stand the best chance of success as it is anticipated that this will be a very competitive process

- 4.7 CARS funding was generally open for applications every two to three years, and although it is anticipated that H&PP will be open for applications on a regular basis, at this stage HES are unable to confirm when a second round may be announced and as such taking the opportunity to apply at this stage is recommended.
- 4.8 Much like a CARS, there is an expectation that the H&PP delivery phase will not exceed 5 years, and a delivery scheme is likely to consist of:
- Repair and resilience capital projects which may involve the reuse of historic environment assets using appropriate techniques and materials.
 - Traditional skills training and materials activities which target local needs.
 - Community heritage activities.
 - A management and maintenance strategy to include activities which will help to build capacity within communities to value and look after the historic environment for the longer term.
- 4.9 The programme has a two-stage application process, which includes a Development Phase, to enable a meaningful place-making approach with strong community engagement. The process is set out as follows:
- 1) Deadlines for expression of interest – 31st July 2022.
 - 2) Should HES support the project outline, the council will then be invited to submit an application for a Development Phase. Up to 50% of the development phase cost can be supported by HES through the Fund.
 - 3) Deadlines for the Development Phase application – 15th December 2022.
 - 4) Should HES approve the development phase application, the council will be given up to 12 months to work up and submit an application for the Delivery Phase. The Development Phase would be expected to commence April 2023.
 - 5) The deadline for the Delivery Phase application – to be submitted no later than 12 months from the development phase award.
- 4.10 There is also an opportunity to apply to the National Lottery Heritage Fund's (NLHF), Grants for Heritage Programme. This too requires an expression of interest in the first instance, and further to review and indicative support for the project outline from NLHF, a subsequent application would be invited. For potential joint funding, the NLHF would consider applications between £0.75m and £1.5m, and also requires a three stage application process.
- 4.11 It should be noted that if the council was successful in any EOI that is submitted there will be a requirement to identify Council funding towards the Development Phase costs. HES would provide up to 50% grant funding. It is estimated that

development costs would be £120,000 requiring £60,000 of match funding from the Council. In addition it should also be noted that being invited to submit an application for the Development Phase or awarded a Development Phase grant, would not guarantee that the council would be successful at Delivery Phase application stage. It should also be noted that if successful at the development phase that the council would require to commit to matching funding for the Delivery Phase, spread over a 5 year period. It is difficult to estimate costs at this early stage but previous levels of match funding from the council in regard to CARS has been in region of £300,000 - £500,000 with Council funding being made up of a mix of capital funding as well as private sector housing grant funding. Contribution from building owners would also forms part of the match funding package. There is the option for council capital funding to come from future Crown Estate funding and it would be spread over a 5 year period

5.0 CONCLUSION

- 5.1 The place based heritage funding offered by Historic Environment Scotland (HES) and National Lottery Heritage Fund (NLHF) provides significant opportunity to support the safeguarding and restoration of key heritage buildings and structures within the town centres of either Tobermory or Tarbert.
- 5.2 It is proposed to undertake further work to understand which of the 2 town centres would fit best with the Heritage and Place Programme criteria and which would provide the council with the best chance of securing heritage regeneration funding, and subsequently submit an expression of interest to HES by 31st July 2022 and potentially also to NLHF depending on the likely scale of the potential project and fit with criteria.

6.0 IMPLICATIONS

- 6.1 Policy – The submission of an EOI to this new programme will comply with Council established policy.
- 6.2 Financial – There is no initial cost to submit an expression of interest (EOI). However should the EOI be successful and the council is asked to progress to the development phase and a development grant is offered there will be a requirement for Council funding to assist with the development costs. The Council funding requirement is estimated to be £60,000 and could come from Crown Estate funding. It should also be noted that if successful at the development phase that the council would require to commit to matching funding for the Delivery Phase, spread over a 5 year period. It is difficult to estimate costs at this early stage but previous levels of match funding from the council in regard to CARS has been in region of £300,000 - £500,000 with Council funding being made up of a mix of capital funding as well as public sector housing grant funding. Contribution from building owners would also forms part of the match funding package. There is the option for council capital funding to come from future Crown Estate funding and it would be spread over a 5 year period

- 6.3 Legal – None arising from this report, however legal agreements may have to be entered into with Funders should the projects be supported.
- 6.4 HR – Staff resources will be required to undertake the necessary work required to undertake further assessment work and to also submit the EOI. If the EOI was successful and HES funding secured for the development phase this would include costs towards the appointment of an officer to take forward the development phase.
- 6.5 Fairer Scotland Duty:
- 6.5.1 Equalities - protected characteristics - None
- 6.5.2 Socio-economic Duty – the new programme is designed to offer improved socio-economic opportunities for local communities.
- 6.5.3 Islands – the project if focused on an island will be designed to have a positive implication.
- 6.6 Climate Change – It is a requirement of the funding to fully consider, and propose mitigation measures to the effects of climate change.
- 6.7 Risk – The three stage process and the possibility of two separate funders means the risk to the ability of aligning is more challenging however HES and HLHF have stated that they will work closely together to make this as aligned as possible. It is also reliant on strong support from the local community and buildings owners including businesses. It is also anticipated that the process will be highly competitive and the EOI may not be successful.
- 6.8 Customer Service - None

Executive Director with responsibility for Development and Economic Growth:
Kirsty Flanagan

Policy Lead for Economy and Rural Growth: Councillor Robin Currie
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Appendix 1 – Heritage and Place Programme, Expression of Interest Application Form