

HISTORIC ENVIRONMENT SCOTLAND CULTURE AND HERITAGE INFRASTRUCTURE SCHEME 2021-25

SCHEME REFERENCE NUMBER: SC10302

LEGAL BASIS

The Historic Environment Scotland Culture and Heritage Infrastructure Scheme (the “Scheme”) operates in accordance with the UK Subsidy Control Regime and EU-UK Trade and Cooperation Agreement declaring certain categories of aid compatible with the UK Internal Market and the strategic objectives of the UK Subsidy Control Regime.

The legal basis for the Scheme comprises the following Acts:

Planning (Listed Building & Conservation Areas) (Scotland) Act 1997;

Historic Buildings and Ancient Monuments Act 1953;

Ancient Monuments & Archaeological Areas Act 1979;

Historic Environment (Amendment)(Scotland) Act 2011;

The Historic Environment Scotland Act 2014;

National Heritage (Scotland) Act 1983.

OBJECTIVE

This Scheme covers discretionary funding awarded to organisations and, on a limited basis, individuals to assist them with activities in the area of culture and heritage conservation, repair and maintenance, training and engagement. The principal objective of the Scheme is to encourage investment in these areas of activity in Scotland and to further the exercise of HES’s functions as outlined in the Historic Environment Scotland Act 2014, Section 2.

GENERAL PROVISIONS

There is no automatic entitlement to support from Historic Environment Scotland (“HES”). Assistance may be offered through a range of grants and payments operated by HES, based on the merits of the proposed project, and an assessment of need for assistance and the wider benefits of the project at local and national level. Any funding is subject to rigorous due diligence appraisal and internal approval by HES.

Any organisation and individuals interested in assistance from HES relating to the Scheme outlined below should consult <https://www.historicenvironment.scot/grants-and-funding/> or contact us by email on grants@hes.scot.

Aid can be awarded to organisations of all sizes and to individuals on a limited basis.

Applicants must submit an application for assistance to HES before work on the project or activity has started, and the application must be approved in the form of a written grant offer letter before work can commence on the project.

Where the applicant is a large company, additional conditions will be applied to ensure that the aid has an incentive effect. The applicant through assessment must evidence that the aid will achieve one or more of the following: a material increase in the scope of the project/activity; a material

increase in the total amount spent by the beneficiary on the project/activity; or a material increase in the speed of completion. The assessment will be carried out by HES before the application is approved.

As set out in the terms of the EU-UK Trade and Cooperation Agreement, HES is required to be transparent by making certain information publicly available within 6 months of granting a subsidy.

Therefore, all individual awards made as part of a Subsidy Scheme, with a value of £500,000 will be published on the UK Government transparency database. HES will also make available information to interested parties that have communicated to HES that they may apply for a review by a court or tribunal of the grant of a subsidy or any relevant decision by HES.

All subsidies which are not awarded as part of this scheme, (ad hoc awards) will also be published on the UK Government transparency database unless it meets any of the following conditions:

- it is below 325,000 SDR (c.£340,000) given to a single enterprise over a three-year fiscal period; or
- it is below 15 million SDR (c. £15.7 million) and is for a Service of Public Economic Interest

HES is required to maintain detailed records regarding individual aid provided under the Scheme. Such records must contain all information necessary to establish that the conditions laid down in the current UK Subsidy regime and EU-UK Trade and Cooperation Agreement are fulfilled. Records must be maintained for 10 years from the date on which the last aid was granted to the relevant recipient under the Scheme.

DEFINITIONS

For the purposes of this scheme:

- The definitions set out in the current UK Subsidy regime and EU-UK Trade and Cooperation Agreement shall apply to the descriptions of the types of aid outlined below.

TYPES OF AID UNDER THE SCHEME

The information below is intended to be a helpful summary of the types of aid which may be granted under the Scheme. Any award will, however, be subject to assessment against the detailed conditions of the Scheme. It should be noted that the aid amounts stated reflect the maximum levels of support permitted under the Scheme and HES may set lower aid intensities for specific products or programmes created under the Scheme, taking into account the strategic rationale and market failure being addressed through the aid.

Aid for culture and heritage conservation

Aid to support costs associated with culture and heritage conservation, may be provided in line with the conditions set out in the relevant article of the current UK Subsidy Control Regime and EU-UK Trade and Cooperation Agreement. This does not cover aid to press and magazines, whether in print or electronic form.

The maximum amount of aid that can be granted under this provision is:

For investment aid: EUR 100 million (c. GBP 86 million) per project; and

For operating aid: EUR 50 million (c. GBP 43 million) per undertaking per year

The eligible costs for investment aid and operating aid are as set out in the current UK Subsidy Control Regime and EU-UK Trade and Cooperation Agreement.

For investment aid, the aid amount shall not exceed the difference between eligible costs and the operating profit of the investment, as further described in the Regulation. For operating aid, the aid amount shall not exceed what is necessary to cover the operating losses and a reasonable profit over the relevant period.

Where the aid amount does not exceed EUR 1 million, the maximum aid amount may instead be set at 80% of eligible costs.