



HISTORIC  
ENVIRONMENT  
SCOTLAND

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EACHDRAIDHEIL  
ALBA

## Public Services Reform Act (Scotland) 2010

### Statement on Efficiency, Effectiveness and

### Economy 2024/25

#### Background

The Public Services Reform (Scotland) Act 2010, section 32(1)(b) requires listed public bodies to publish a statement in relation to efficiency, effectiveness and economy. The following statement sets out the steps that Historic Environment Scotland has taken in 2024/2025 to improve its efficiency, effectiveness and economy in the exercise of its functions. Further information is published in our [Annual Report and Financial Statements 2024/25](#) available on our website.

#### About Us

Historic Environment Scotland (HES) is a public body and charity, with statutory functions to investigate, care for, and promote Scotland's historic environment. We lead development and co-ordinate delivery of Scotland's national strategy for the historic environment, [Our Past, Our Future](#). Our functions are set out in the Historic Environment Scotland Act 2014. Our strategic priorities are set out in our Corporate Plan 2022-25, [Heritage for All](#), available on our website.

#### Efficiency, Effectiveness and Economy Improvements During 2024/2025

We review our corporate performance on a quarterly basis and monitor key risks to delivering our strategic priorities. Operating conditions remain challenging due to ongoing social, environmental, political, economic and financial circumstances.

Our priorities for 2024/25 were set out in [Heritage for All](#) and our [Annual Operating Plan 2024/25](#). Our plans are prioritised based on the Scottish Government focus for the period and the progress we have made. We assess performance against our Corporate Plan KPIs and Annual Operating Plan deliverables and report progress in our [Annual Report and Financial Statements](#). 85% of our Annual Operating Plan deliverables were achieved or partially achieved in 2024/25.

During the plan period, we continued to look for ways to further increase our commercial income and improve margins, reducing the requirement for Grant-in-Aid from the Scottish Government.

In 2024/25, we generated £72.5 million commercial income out of a total funding position of just under £145 million, a 10% increase on £66 million generated the previous year. We continued to develop our financial strategy and business model with a focus on improving both resilience and sustainability. This included implementing our new business model, an innovative approach to public service resourcing and delivery which gives us greater financial freedoms and flexibilities, reducing reliance on public funding.

Our expenditure was within Scottish Government limits for 2024/25. While it increased by 10% in 2024/25 to £142 million, this reflects year-on-year increases in commercial activity and investment to enhance the condition of the properties in our care and improve the experience of our visitors, alongside other corporate priorities, as well as inflationary pressures.

We are in a climate emergency, and our historic environment is feeling the impacts. We are actively managing risks from climate change via our sector leading [Climate Action Plan](#) and our associated adaptation plan, [Climate Ready HES](#). We continue to build on good progress made by our UK-leading high-level masonry programme, which proactively manages climate degradation to our historic sites and reduces the likelihood of closures and emergency repairs.

We are modernising how we work by adopting digital tools and technologies in line with the Digital Strategy for Scotland. This includes improving how we use data as well as exploring the ethical use of artificial intelligence. This work is driven by our digital and data strategies, both of which will help us deliver more effectively, while making efficient use of resources.

In 2024/25 we continued our focus on workforce innovation. We completed the shift to a 35-hour week to enable us to attract and retain the skilled workforce we need to deliver our outcomes and national priorities. We have also developed a Strategic Workforce Plan to support flexible resourcing and efficient delivery.

Finally, we have in place a system of internal control designed to manage, rather than eliminate, all risk to strategic priorities, and our risk management approach is in line with the requirements of the Scottish Public Finance Manual. The system of internal control provides reasonable assurance of effective operation. However, some weaknesses were identified during the year, and appropriate action plans are in place to address these areas.



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