

ANNEX 7

Response by the 3 bodies to Annex 5

PUBLIC SECTOR SIMPLIFICATION PROGRAMME

Response to letter received from Michael Russell, Minister for Culture External Affairs and the Constitution in July 2009

Introduction

1. In response to two reports we submitted in February about the scope for savings from shared support services and about joint working among our three organisations the Minister has commented that the predominant thrust of our earlier proposals is a focus on business improvements requiring upfront investments without exploring whether savings elsewhere in the three organisations could be utilised to find these business improvements. He has therefore asked us to revisit these proposals to establish whether there is scope to achieve efficiency savings across the three organisations in support of the simplification agenda. He has also asked us to consider ways in which the three organisations can work together in a more efficient way by increasing collaboration between us.

2. We think it is worth pointing out that we are being considered as a group only because Historic Scotland (HS) and the National Archives of Scotland (NAS) were the two possible bodies with which the Royal Commission on the Ancient and Historical Monuments of Scotland (RCAHMS) might have been merged. HS and NAS have relatively little in common and each of us has other strong partnerships. For example NAS work with GROS and the Lord Lyon to provide ScotlandsPeople, RCAHMS work with the other National Collections to produce major exhibitions such as the Sir Basil Spence Exhibition, and Historic Scotland work with the National Trust for Scotland and the Historic Houses Association on growing the historic attractions sector.

Scope to Achieve Efficiency Savings

3. The Minister's first question is whether there is scope to achieve efficiency savings across the three organisations in support of the simplification agenda. In principle such savings might come from:-

sharing support services;

reducing the costs of existing collaborations; or

other measures within each separate organisation.

4. We reviewed the first of these possibilities in depth in one of the papers we submitted in February. A copy of that paper is at Annex A. Our conclusion then was that each organisation already shares many support services with other parts of the Scottish Government family, and that there was no area where we could see significant savings from new sharing among our three organisations. We do not think anything has changed since February which affects our analysis.

5. In relation to the second of these possibilities we have listed below in paragraph 8 the main existing collaborations among us. We have reviewed the efficiency of each of the collaborations in this list. We think each has been set up in a way which minimises cost and we do not see scope for delivering the same outputs from these collaborations at lower cost.

6. In relation to the third possibility each of us is finding the current efficiency savings targets identified in the last spending review for our own organisation very tough to meet. These targets have to be realised and recycled in order to pay staff and keep existing services going. An increasing percentage of our resources goes towards the paybill each year. This year is very hard, but 2010-11 will be harder. There is no real prospect in our view of finding any extra efficiency

savings in our individual organisations, over and above those needed to meet the existing targets, which would contribute to the simplification agenda.

7. Our **conclusion** therefore in response to the Minister's first question is that with the best will in the world we cannot see scope for further efficiency savings, on top of those to which we are already committed, in support of the simplification agenda.

Scope for Greater Effectiveness through Increased Collaboration

8. The main collaborations in which two or three of our organisations are involved are as follows:-

Pastmap: a searchable historic environment database which brings together data from HS, RCAHMS and Local Authorities and gets 9,500 hits per month;

Archaeological survey: an established arrangement under which RCAHMS undertake a survey of all sites of interest in an area, as part of its wider programme, before HS review these in order to identify sites of national importance for scheduling (the most recent example is in Shetland); HS and RCAHMS work jointly to prepare the information required for the nomination of world heritage sites, most recently that of the Antonine Wall.

Historic Land-Use Assessment: a long-running programme run by HS and RCAHMS which is well on the way to completing an online interactive map of historic land use for the whole of Scotland;

National Fire Database: in collaboration with Scotland's fire brigades HS and RCAHMS have put together a database on all A-listed buildings which is available to fire crews when they are called out and contains key information about the listed building to assist in dealing with the fire;

Scotland's Rural Past: a five year project funded by HS and RCAHMS in conjunction with NTS, HIE and the Heritage Lottery Fund, and managed by RCAHMS, which is raising awareness of archaeological sites in rural communities across Scotland and building capacity to understand and protect them;

ScotlandsPlaces: a brand new online service bringing together historical information from NAS and RCAHMS, to increase understanding of how local communities have developed and encourage ancestral and other tourist visits; the first phase will be launched by the Minister in October and there are opportunities to scale up the service with additional data and new partners.

Sacred Scotland: HS and RCAHMS both support this ecumenical organisation which encourages and promotes the opening of churches in Scotland to visitors, the most recent initiative being the establishment of a website and the launch of a series of area guides.

ScotlandsImages: NAS and RCAHMS are both involved in this online photolibrary service aimed at the professional picture buyer. Other partners include the National Museums, National Library and National Trust for Scotland.

9. In addition there is more routine collaboration over **collections**, including collaborative purchases and collaborative arrangements for allocation of archive material, over **archive conservation**, where NAS and RCAHMS have shared procurement and disaster preparedness planning, over **education**, where all three organisations take part in the Heritage Education Forum, over periodic **exhibitions and publications**, such as the forthcoming "Played in Glasgow" book to be published in the run-up to 2014, and over **images**; RCAHMS have provided many of the images for the new series of HS guidebooks

10. The Minister's second question is whether we can work together in a more efficient way by increasing collaboration.

11. We can see plenty of opportunities to build on the collaborations listed above, as follows:-

In relation to **Pastmap** HS and RCAHMS would like to develop a more comprehensive database which might be called Scotland's Historic Environment Data. They are considering 3

important reports about aspects of the management of historic environment data and will be establishing a project board, or something similar, including representatives from local authorities, to consider the recommendations in these reports and develop a business case for a collaborative project;

In relation to **Archaeological Survey** HS and RCAHMS are considering the development of guidelines for survey to ensure that effort by contractors or staff is well directed and that information reaches the public domain expeditiously. This will include the rationale for the use of different survey techniques, including laser scanning, long term curation of digital data and methods of dissemination for public use;

In relation to **Historic Land-Use Assessment** HS and RCAHMS have recently reviewed the existing project. They have agreed that the aim should be to complete it to a tighter remit with more involvement of councils as key users.

HS and RCAHMS are extending the **National Fire Database** to cover buildings listed at category B.

Scotland's Rural Past has been a successful project so far, The HLF funding runs out in 2011 and HS and RCAHMS will consider next year whether there is a case for promoting a follow-on or similar project.

There may be a case, once it is established, for HS data to be added to **ScotlandsPlaces**.

There is scope to make more use of HS properties for **exhibitions** of material from the archives of RCAHMS and NAS

12. There are other opportunities for new collaborations, as follows:-

Understanding our Urban Environment; this project between RCAHMS and HS, and other potential partners, would aim to improve understanding of the growth of towns and cities, as part of a wider RCAHMS programme, and would fit with the "understanding and enjoyment of the built environment" aspect of National Outcome 12;

Flodden: all three organisations are working with other partners on the commemoration of this battle in response to an invitation from Northumbria

Podcasts: all three organisations plan to explore working together to record and disseminate podcasts of our experts describing their specialist work, These would be promoted through Scran and Glow and may be made available through the "Scotland's History" website.

13. Some of the opportunities in paragraphs 11 and 12 above carry little cost and will be pursued in the current year. Others would be more expensive and will require careful consideration given the likely decline in funding for all three organisations after spring 2011. For that reason HS and RCAHMS have agreed that a break clause in the funding for Historic Land-Use Assessment is needed.

14. Lastly there are **longer-term possibilities** which would need substantial capital investment, as follows:-

ScotlandsPlaces Centre. Building upon the online service, this would involve creating a joint reading room where the public could access the combined collections of maps, plans and photographs held by RCAHMS, NAS and other partners.

Shared storage and/or conservation facilities. NAS and RCAHMS both have a need for additional storage for archival material. For RCAHMS this is immediate and urgent, NAS estimates a need in about 5 years. The requirements are likely to be very similar. There could be some economies of scale in planning these together, and looking at high density, low energy solutions. Sharing storage facilities would also make possible sharing of archive conservation and digitisation services which need to be located close to where records are kept.

15. Our **conclusion** therefore on the Minister's second question is that there is a fair amount of scope for increased collaboration and new collaboration. The possible developments and improvements will generally improve customer service or the quality of other outputs, but not produce further efficiency savings for our three organisations. Only some of the possibilities for increased collaboration can easily be pursued within existing resources.

16. We look forward to the planned discussion with the Minister.

August 2009

ANNEX 8

14 February 2008: Paper on NAS's view of joint working with RCAHMS:

1. NAS do not believe that a merger with RCAHMS would produce sufficient business benefits to outweigh the probable costs. The business fit between the two organisations is limited to the area of preserving archival collections (storage, conservation, etc.) and making them accessible (reading rooms, web delivery, education services and exhibitions). RCAHMS have a large surveying and recording operation that has no parallel in NAS. NAS can see no business case for merging with RCAHMS that is better than the one for Historic Scotland doing so. If ministers are determined on structural change, a merger between RCAHMS and Historic Scotland is the best course.

2. There are excellent opportunities for NAS and RCAHMS to work closely together on new public services, but these are much more likely to succeed if the two organisations concentrate on joint public delivery, rather than on trying to re-engineer structures and governance. The ScotlandsPeople project, in which three independent partners – NAS, GROS and the Lyon Office, are creating a world class family history service, is the suggested model.

3. NAS and RCAHMS should work together on ScotlandsPlaces, a new public service that:

- brings together elements from both collections that enhance each other and produce an exciting and attractive resource;
- exploits the complementary skills, expertise and passion of both organisations;
- informs and inspires customers of all ages.

4. Just as ScotlandsPeople helps connect people with past generations, ScotlandsPlaces would connect them, via images and words, with the evolution of the urban and rural landscapes over time. For the Scots diaspora, for local communities and for anyone interested in places, the potential attraction would be high, with important implications for tourism, particularly in the Homecoming year.

- ScotlandsPlaces could for example, combine images of maps and plans, of photographs, and of textual records via a geographic based interface. It would be an online service available via the Internet and in different locations, and would provide immediate access to selected digital content.

The potential range of content that could be included is immense and goes beyond the two organisations, but it would be important to develop it in manageable stages.

5. NAS' existing relationships with GROS and Registers of Scotland provide access to a wide range of complementary record resources. ScotlandsPlaces would fit well alongside the ScotlandsPeople service in the new centre at Register House, but it would also be available as an independent resource.

6. A concordat on joint working would form the basic framework within which NAS and RCAHMS would work together. This would cover short and long term objectives, responsibilities, and resource requirements, together with an overarching vision. To develop ScotlandsPlaces would require a specific project management body, using PRINCE methodology. Once the service was launched, it would be jointly owned and managed.

ANNEX 9

10 October 2008: letter from Chair of RCAHMS to First Minister

The Commissioners of RCAHMS have discussed the concept of creating a new body to integrate RCAHMS with Historic Scotland or NAS. They are firmly of the view that the formation of a new body, with charitable status, to assimilate the work of RCAHMS with that of NAS is more likely to ensure that the work of RCAHMS can continue and develop than one with HS as it currently exists.

The Chair hopes that in making its decision Cabinet would take account of the following key points, which in RCAHMS's view would ensure that the change of status, if agreed, would have the minimum impact on the work of RCAHMS and also deliver the maximum gain to government:

- The work of RCAHMS would be seriously damaged by separating its Collection from its Survey and Record function. In practice the two work as an integral whole: the Record is not a 'dead' archive.
- The creation of a new organisation, on an equal partnership basis, integrating RCAHMS and NAS, could create an exciting and dynamic body which could deliver world-class web facilities, exhibitions, and advice on 'Scotland's People and Places' to the people of Scotland. It could provide an important component of the successful delivery of a rounded view of history in schools. It could also be of considerable advantage in the presentation of Scotland's unique identity to the rest of the world.
- A merger with HS, in its present form, is likely to result in the submerging of the work of RCAHMS.
- Close association with the policy and regulatory functions of HS would damage the current excellent relations which RCAHMS enjoys with Scottish businesses, farmers, property-owners, and government agencies.
- The Commissioners believe that it would be in the interest of Government, both reputationally, and from a public expenditure point of view, for an independent review to be commissioned of the merits and demerits of both merger options, and of the retention of RCAHMS as a stand-alone body.
- RCAHMS believes that an amalgamation with another body would be costly both in money and staff time in both short and long term. It would be seen externally as a retrograde step rather than a desirable simplification.
- RCAHMS believes that a revision of the status of the body, and its remit, is likely to be better value in delivering Government's aspirations.

22 October 2008: Reply from Linda Fabiani:

I am grateful for you having taken the time to set out the views of the Commissioners so clearly on this matter. We are still actively considering the best option for the Commission's future and I will be touch with you again once a decision has been made.

ANNEX 10

20 October 2008: Chief Planner to Chair of RCAHMS following meeting on 19 November 2008

The key points discussed:

- When a decision is reached on the future of the Commission you and the Chief Executive will be briefed in advance of any public announcement.
- The staff should also know in advance of an announcement. An announcement in the New Year would be better than before Christmas.
- The current uncertainties over the future of the Commission was having an impact on staff morale and I am very grateful for the support you have offered to the Chief Executive through this difficult time. At the opening of the Treasured Places Exhibition you spoke warmly and generously of the professionalism and commitment of staff in the Commission and I am sure these words were much appreciated.
- We want to work with you, your Chief Executive and the Commissioners on taking forward the implementation of the decision on the future of the Commission
- I expressed my strong confidence in your role as Chair where your knowledge and undiminished passion for the conservation and promotion of Scotland's Built Heritage will be a vital resource on which we can all draw.

ANNEX 11

11 February 2009 letter from Chair of RCAHMS to Michael Russell

We have been under the scrutiny of the simplification agenda since May 2007. Since that date we have contributed a significant amount of information to government relating to our status and organisational structure and a number of options have been considered, all of which have some advantages and disadvantages, but none of which has achieved a satisfactory outcome. RCAHMS are anxious to move forward as quickly as possible and the work so far appears to be tinkering around the edges rather than grappling with wider issues. We would therefore like to suggest that now is perhaps the time to take an independent look at the wider landscape of 'heritage' in Scotland and the relationships between natural, historic and built environments, to understand how best this country can be served.

13 March reply from Michael Russell:

I note with interest your views on the relationship between the natural, historic and built environments and look forward to discussing them with you in more detail. I would also like to visit the Commission soon.

ANNEX 12: e-mails between the 3 organisations and officials

14 January, e-mail from Scottish Government Chief Architect to Chief Executive of NAS

As discussed on Friday the key 'headings or 'due diligence' required in reviewing merger proposals are as follows:-

- The potential benefits/disadvantages of merger
- The organisational and policy fit of potential merger partners
- The legislative implications of potential mergers
- The organisational/HR implications
- The financial implications
- The complexity and risks attached

24-8 January 2008: e-mails between the Scottish Government Director of Europe, External Affairs and Culture (DEEAC) to the Chief Executive of Historic Scotland (CXHS).

iv) CXHS to DEEAC:

Yes: the questions below are not about the public line on this week's statement but questions which we think need addressed in the further internal work, so that eventually there is a robust basis for the final decisions

iii) DEEAC to CXHS:

You will see I have already asked the Chief Architect (CA) to prepare Q and A for the Minister on our element of the FM's statement. However I think some of the questions you raise below are more about HS own interest in the next stage of work and over and above any statement related questions it is more important to include these in CA's plans for the next stage of work. I also think the Minister will expect us all to be singing from the same hymn sheet on this – despite possible difference of opinion on the options in train - so you will want to stay closely in touch with the CA's work in order to be able to keep your staff informed. So I have asked CA to join us for part of our February meeting to catch up on his work on the next stages.

ii) CXHS to DEEAC:

I had understood from the Minister before Christmas that she had reached a formal decision not to proceed with the proposed merger. The public line which is now agreed for the FM statement is in effect a decision to make no decision but to do further work. On that basis I am much less concerned about the audit trail, because it is less likely to be probed.

I have some concerns about the handling of the announcement on Wednesday and I have copied to you an email which asks how some obvious questions are going to be answered.

In relation to the further work it seems to me that the main issues not fully explored hitherto which now need proper examination are:

What priority do Ministers attach to the various current activities of RCAHMS?

In particular what sort of research/survey activity do they think needs to be done by a public body, beyond what is necessary to support Ministers' statutory responsibilities for listing and scheduling and other casework?

What, bearing in mind the 2% target, are the likely resource implications of the various rationalisation options?

How well has the merger between the Royal Commission and EH worked in England?

What is the level of understanding among stakeholders of the respective responsibilities of HS, NAS and RCAHMS?

How effectively is RCAHMS exercising its current responsibility for providing up to date and accurate records of the historic environment at local and national level?

Is it right that HS pays grant to RCAHMS for certain activities?

I'd like to know whether the further work is also going to examine the ideas which we know some in RCAHMS have about taking over some of our responsibilities. We know that some argue that they should do listing and scheduling rather than us because they are independent, and we know some think we should not hold any records because that is their job.

What are the governance arrangements for the further work? Will there be a Project Board etc?

Happy to discuss when we meet on 7 February.

i) DEEAC to CXHS

I have now had the opportunity to consider further the work completed and underway on the future of RCAHMS being carried out by the CA in collaboration with the Simplification team and to review with the CA the outcome of meetings held with the Minister just prior to the Christmas break.

As you know the FM's announcement of Public Service simplification on 30 January will not be specific about the position on the manifesto commitment to merge Historic Scotland with RCAHMS, but will focus on the rationalisation of archiving, recording and scheduling functions in the historic environment and will highlight connections to NAS and Scotland's People.

The CA and Simplification team prepared a detailed analysis on the HS/RCAHMS option which formed an Annex to the submission of 9 November. I asked the CA to revisit this piece of work to check that this is complete, comprehensive and comparable to other options in terms of criteria and evaluation. I will ask him to forward it to you so you can flag up any specific areas of content (or indeed process) which you think remain inadequate or unclear. I do not get the impression that this will be a big task.

Meantime, given the Cabinet decision of 4 December that other options over and above the Manifesto commitment should be considered, the CA and his team are continuing to work up these options in order to provide the Minister with a final submission, including the Manifesto commitment. This submission and process will enable her to make an informed decision on her final choice and the reasons for this preference to be clearly captured and recorded.

Although this submission will present the full set of options on the table we know that the Minister has expressed interest in the option of combining RCAHMS with another National Collection. This option could still result in ambiguity and confusion regarding duplication of RCAHMS and HS functions and I have therefore asked the CA to ensure his analysis

address this and include suggestions as to how any such ambiguity be resolved. He will need input from your team on this work.

Another consequence of the FM's announcement will be the transfer of the CA and his team to Planning Directorate from 1 February 2008. This transfer reflects the intention, in line with the Government's proposals on simplifying the public sector landscape, to take a more integrated approach to national policy on planning, design, architecture and building standards. The Scottish Building Standards Agency will also be reintegrated into government, bringing it together with architecture and planning policy into a new Directorate for the Built Environment. So the CA will report to the Chief Planner from 1 February but he and architectural policy remains part of the Minister's portfolio, including this work on RCAHMS' future. The location of the future sponsor role for RCAHMS will depend on the Minister's final decision.

I hope you find this helpful. We may wish to touch on this and on the other connected (though separate) issues you raised about the Minister's overall understanding of and relationship with Historic Scotland at our next catch up?

12 February 2008: e-mails between the Chief Executive of NAS (CXNAS) to the Scottish Government Chief Architect (CA).

ii) CXNAS to CA:

Nothing really on paper to share yet, I'm afraid. My current position is that:

1. An NAS RCAHMS merger is not an attractive option; if ministers want a merger, then RCAHMS-Historic Scotland is a better business fit;
2. There are excellent opportunities for NAS and RCAHMS to work closely together on a public-facing service, but this is more likely to succeed on the basis of leaving the two organisations more or less as they are, with some form of joint governance for specific projects;
3. The most likely project (ScotlandsPlaces) would combine resources such as photographs, maps and other records relating to places in Scotland, using a geographical based interface; the potential scope is immense, so it would be important to develop it in manageable stages;
4. This would be an on-screen service (both Internet and onsite), and would provide immediate access to selected digital content.
5. Further partnerships (especially the NLS) would enhance the service, but initially we should concentrate on making the NAS-RCAHMS relationship work.
6. ScotlandsPlaces would need a joint governance body, similar to the executive committee that runs ScotlandsPeople for NAS, GROS and the Lyon Office. In addition, we should look at exchanging one or two members between the NAS and RCAHMS governing bodies.

i) CA to CXNAS:

I wondered if you had anything on paper that I could look at on the RCAHMS options. I'm meeting the Chair and CX of RCAHMS tomorrow and it would be helpful to know how things are looking from your side.

Would another meeting to discuss be useful?

7 April 2008: e-mails between Chief Executive of Historic Scotland to the Scottish Government Chief Architect.

ii) CXHS to CA:

Happy to have a discussion on Thursday or Friday, when my diary is relatively clear: please suggest a time.

[REDACTED]

The "ScotlandsPlaces" idea sounds like an interesting project, but where is the market research and what resources would be needed to have it live for next year? Where does the Commission survey activity fit in? It does not seem an adequate basis for a new organisation, bearing in mind the gateway process for simplification.

Among the questions I shall ask when we meet are:-
why should merger pose a threat to the existing Commission partnership projects?
what does the Commission have powers to do which we lack the powers to do?
why would legislation be needed to abolish the Commission when it was not, as I recall, needed for RFACS?
what is the scale of the Commission's income from the research councils?

There are 2 bits of strategic context which seem to me to be missing from the draft. One is that the Government embarked on last year's review committed to simplification and the removal of confusion and duplication. No proper assessment has been done of the degree of confusion there currently is between us and the Commission. We would say most non-specialists do not understand how we relate to the Commission, and we would say that there is some overlap between our activity and theirs. A key test for your options is whether they improve matters, and we would say the preferred option increases the scope for confusion.

The other is the national outcomes, in this case particularly numbers 12 and 13. Agencies have been warned by Mr Swinney that he is looking for clear alignment of their activity with these outcomes. So another key test for your options is are they the most effective structures for ensuring that we value and enjoy our built environment, protect and enhance it for future generations and take pride in a strong, fair and inclusive national identity

[REDACTED]

We would say that a single programme directed at *valuing and enjoying* the generality of the historic environment would be better than two. We would, as the body responsible for ensuring that over 300 of Scotland's most important historic places are valued and enjoyed, predominantly by the overseas market, particularly question the wisdom of setting up another organisation with much the same objective, if a different portfolio of properties, and a title which implies it is taking over our role.

In my view if the Minister does not want a merger or a split the work on alignment commissioned by Mr Swinney gives her a route forward: she could commit to using the

process to drive clearer alignment of all 3 bodies' work with these outcomes and such reprioritisation as is needed to ensure that.

i) CA to CXHS:

I thought I would let you have sight of this before I circulate more widely.

Essentially, we have 2 merger options – Historic Scotland or NAS, these options deliver a wide range of benefits which we have set out, but there are also caveats to both.

If the Minister is not content with either of the full merger options, or splitting the organisation, we have developed a creative, but practical solution which enables RCAHMS to become a new body called 'ScotlandsPlaces' which could be established with representation on the Board from HS and NAS to ensure co-ordination between the 3 bodies takes place following the establishment of a new organisation. Through this route we are offering not simplification, but transformation, as well as structural scope to clarify the current responsibilities and working relationships between Historic Scotland and RCAHMS, on an option which both NAS and RCAHMS will support. I appreciate that a full merger or taking over RCAHMS survey functions would be your preferred course of action, but if you were also minded to offer support to the 'ScotlandPlaces' concept, we would finally have an option which all parties concerned could work together on to deliver. Potentially this could become a very interesting idea which could also bring The Lighthouse into play in terms of creating a permanent exhibition of Scotland's built environment from its earliest developments to the current day.

The Minister's box opens again for papers on 14 April, so our aim is to get a submission to the Minister as soon as possible after that date.

I'm happy to meet up to discuss this in more detail - I don't have too many meetings on this week so I'd be happy to come to LH if you think that would be useful.

11-23 April 2008: e-mails between Chief Executive of Historic Scotland (CXHS) and Scottish Government officials

vii) CXHS to CP:

Content with this, but can we ensure that in announcing it we do not, as the announcement of the further work in the FM January statement did, inadvertently create the impression that the whole of HS is up for review.

vi) CP to CXHS, DEEAC and CA:

I have now met with the Simplification team leader who has, I understand, offered detailed comments on your submission to ensure that it develops the arguments around the options more fully and indicates the various preferences that HS, NAS and SG has, as well as ensuring that future of RCAHMS is placed firmly in the context of the public sector

reform/simplification agenda. I think there is also a need to tease out the financial implications of the options.

I understand that the various options around RCAHMS need to be subject to a Gateway Review, so if you all agree, I propose:-

- You circulate a revised submission at the start of next week which reflects Linda's comments and suggestions.
- The submission should indicate that the Gateway Review should consider and report on the implications of the options. I assume that the GR should make recommendations, but these should not be binding on Ministers. Perhaps you could liaise with Linda on who should make up the GR team and timescale in which they will report.
- The submission should also recommend that, once the Minister has agreed the way ahead, BDE officials, HS and NAS along with The Simplification team should meet with RCAHMS to outline the approach we are taking and get them to engage on the financial and HR implications of the various options. I would also see that meeting being used to identify potential stakeholders whose view should be sought as part of the GR.
- If the Minister agrees the way ahead, we will need a presentational/communications strategy.

v) CA to CP, CXHS and DEEAC:

Happy to meet - I suggest that the Simplification team and CXNAS should also be involved in the discussion. The Simplification team will be able to provide advice on how the Implementation Guidance on the Simplification Programme (which is in draft at the moment) will affect how this is taken forward.

iv) CP to CA, CXHS and DEEAC:

I fear we are going round in circles on this. Can we meet, please, to agree on what there is agreement/disagreement on, then arrange a discussion with Ms Fabiani. I don't claim any in depth understanding of the landscape in this area but I am concerned we propose a set of solutions which add to the complications in this area while failing to streamline functions or reduce the number of bodies. It may be that we have to put a proposition to the Minister that she is not at all comfortable with rather than trying square an impossible circle.

iii) DEEAC to CXHS, CA and CP:

How does the recommended option sit with thinking behind the public sector simplification process - not least in that it does not reduce the number of bodies operating in this area nor streamline functions to the extent that that other options would... The Minister will need to explain any preferred solution to the FM.

ii) CXHS to CA, CP and DEEAC:

There is a great deal in here with which we disagree.

At the strategic level our view is that the point of maintaining and developing a national archive for the historic environment is to contribute to the National Outcome which says "We value and enjoy our built and natural environment and protect and enhance it for future

generations." HS is very active in this area; we have a very large outreach programme – much bigger than the Commission - and we are in the lead on protection .

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

We think too much weight is given to academic analogue status – most of the benefits here can be gained by partnering with universities. We think the analysis of the effectiveness of the Commission has been written without significant contact with its customers. We think the position on legislation needs to be clearer – what exactly are the powers which we would need under a merged option, and does the merger really need a Bill?

i) CA to CXHS, CXNAS and Simplification team:

Many thanks for your input on this paper over the past few days. I've attached an updated draft for any final comments. I hope to discuss this revised draft with CP on Monday.

24 April 2008: e-mails between Chief Executive of Historic Scotland (CXHS) to a Scottish Government Senior Architect (SA).

ii) CXHS to SA:

The first question about savings and structures is difficult to answer definitively because it depends what priorities Ministers set for the merged organisation. If no existing activity can be stopped the answer will be different from what it might be if a radical review of existing activities is undertaken.

[REDACTED]

There might in the longer term be some savings from the combination of the survey functions, but we are less sure about that and it is dependent again on what Ministers' priorities would be.

[REDACTED]

I doubt at first sight if looking at age structures is going to be helpful, since we cannot now predict when people will retire. But I am copying this to Brian O'Neil so that he can consider.

On the question of what the merged organisation would pay for IT for current RCAHMS activities I think our Head of Procurement unit might be the best contact, but I am copying to our Head of Finance to consider. I am concerned about starting bilateral discussion between our staff and Commission staff without a clear context. We have so far kept the whole consideration of merger to 4 staff in HS.

i) SA to CXHS

I'm coming to you for the additional input we need for the RCAHMS paper following advice from our Public Service Delivery Landscape Directorate colleagues.

We need to develop firmer, more robust and more detailed estimates of the likely longer term cost changes following amalgamation.

The other main area where we need to generate better information is the likely change in costs of IT hardware and software following loss of charitable status. I suspect this is best done by bringing the senior IT specialists in the two organisations together to discuss the issues raised so far. Could you give me the best contact in HS who you would be happy for us to approach direct?

29 April 2008: e-mail from the Director Human Resources at Historic Scotland to a Scottish Government Senior Architect.

[REDACTED]

[REDACTED]

[REDACTED]

30 April 2008: e-mails between the Chief Executive of NAS (CXNAS), the Chief Planner in the Scottish Government (CP) and a Senior Architect in the Scottish Government (SA) .

iii) CXNAS to CP:

Thanks for sending this and for the opportunity to comment. In general the options are clearly set out in the paper. I would make three points, however.

First, NAS is not against a full merger with RCAHMS (Option 2) because of organisational disruption; we are against it because the business fit between us and RCAHMS is not sufficient to outweigh the costs. Twice as many RCAHMS staff, approximately 50%, work on the surveying and recording side, which is closer to Historic Scotland, as on the collections and outreach side, which is closer to NAS. The business case for full merger with NAS is therefore weaker than the case for full merger with Historic Scotland.

Second, it follows from the first point that there would be merit in associating the RCAHMS functions that are closest to HS with them and those that are closest to NAS with us, which is Option 3. The paper tends to dismiss this option as being cumbersome and involving greater disruption and costs, but it is not clear that this would be the case; from a business point of view it would be logical to group functions in this way. NAS would certainly welcome a closer study of the costs and benefits of this option.

Third, Option 4 follows the ScotlandsPeople model, in which NAS, GROS and the Lyon Office are re-engineering their public service by considering it from the point of view of the customer, rather than of the organisations. The success of this model, which puts service improvement before restructuring, could be deployed to counter the admittedly significant presentational difficulties of not reducing the number of public bodies.

ii) CP to officials, CXNAS and CXHS:

I have a few thoughts on this and will offer them on the back of **comments from recipients which I would like to have by 2pm tomorrow**. I suppose my main thought is that I am not at all sure that Option 4 does really contribute to the simplification agenda in that we have RCAHMS by another name but with a more complicated governance structure. In addition the submission also needs to cover presentational and handling issues – can you discuss and agree text with relevant contacts in communications.

The intention is that this should go forward on Friday. I should have the opportunity to speak with Mr Swinney next week so will get his take on the issues.

i) SA to officials, CXNAS and CXHS

As requested, please see attached draft submission for comment on options for the future for RCAHMS. The submission takes account of our discussions with the Simplification team and the CXHS's recent comments.

1 May 2008: e-mail from a Scottish Government Senior Architect to a Historic Scotland official.

As you know, CXHS had asked that I contact you in the first instance about discussing the possible integration of the RCAHMS IT system with that of HS and how future procurement of IT software/hardware might be arranged in the event of the loss of charitable status.

I suggest that the most helpful way forward for us would be for RCAHMS to meet with your chosen contact and myself. We would like to do this as soon as possible as the RCAHMS Head of Information Systems is going on leave for about 4 weeks from 9th May. RCAHMS are available on the afternoons of Tuesday 6th and Wednesday 7th next week-would it be possible to meet with a suitable IT person from HS on either of those afternoons?

22 May 2008: e-mails between the Scottish Government Chief Architect (CA), the Chief Executive of Historic Scotland (CXHS) and the Chief Executive of NAS (CXNAS).

iv) CA to CXHS and CXNAS:

CXHS: In relation to your first point, I agree there may be a case for cutting back on the detail. As it stands, the covering minute could be read as a stand alone document, but as we will be seeking to establish a sense of direction from Ministers on this, we feel that it is still of value to put forward the more detailed considerations in the annexes. On your second point, I think it will be important to bring RCAHMS on board for whatever direction we start to move in, so getting input from RCAHMS on the options will be important from that perspective.

CXNAS: Thanks for your input on this - I have accepted your track changes.

iii) CXNAS to CA:

I am sorry to make further changes at the last minute, but the way para 10 has been edited does not accurately represent our views. We are not against Option 2 - full merger with RCAHMS, because it will be difficult or disruptive (which we accept is inevitable with many such changes), but because the business fit does not seem as good, overall, as with Historic Scotland. I therefore propose the para be amended as tracked in the attached.

ii) CXHS to CA:

Only 2 points. If this is just a progress report I wonder if all the detailed analysis is needed. And is the assessment referred to in the penultimate sentence of para 15 going to add to our knowledge if it is done by RCAHMS themselves?

i) CA to CXHS and CXNAS:

Please find attached the final version of the submission on RCAHMS merger options which I hope to put forward to Ministers later today. A number of amendments have been made to reflect comments received over the past two weeks, but I would now like to move this forward by getting the views of Ministers. No recommendation is being made at this stage as the process will now be subject to a Gateway Review exercise, but the 4 key options - merge with Historic Scotland, merge with NAS, split the functions across HS and NAS or retain the current NDPB structure (but remove the Royal Commission status) remain the same. The CP is content for the submission to go forward as it stands.

8 December 2008: e-mail from Scottish Government Chief Architect (CA) to Chief Executive of RCAHMS (CXR) and Chief Executive of NAS CXNAS).

Further to our discussions by phone today regarding the outcome of Cabinet's consideration on the future of RCAHMS, I have been advised by the Simplification Team that although the Cabinet deferred making a decision last week, it is not, at this stage, excluding a decision on any of the existing proposed options. Instead they indicated that they wish to consider the widest range of options to identify the optimum potential to achieve delivery benefits in this sector. Cabinet also indicated that they would like to examine the proposed options in the context of the other "further work" proposals of the Simplification Programme. The Simplification Team will be considering how to take this forward and the timescales of this approach.

In particular, Cabinet is seeking further clarification of the potential for RCAHMS, Historic Scotland and NAS to work collaboratively on the issues of shared services, storage and shared working to establish whether there is the scope to provide the same or similar efficiency and effectiveness benefits which the Simplification programme is seeking to achieve. The aim is to establish by the end of January 2009 whether a shared service approach is a viable alternative to organisational restructuring in terms of the potential efficiencies gained. As such, I would find it helpful if you could provide proposals on this basis jointly prepared and agreed by Historic Scotland, RCAHMS and NAS.

With this in mind it would be very helpful if you could explore with CXHS how you can examine and identify joint priorities which could address the above points with a view to taking this forward before the end of January 2009.

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