



Tailored Review of Historic England

Historic England (HE) are an Executive Non-Departmental Public Body (NDPB) sponsored by the Department for Digital, Culture, Media and Sport (DCMS). They were established on 1 April 1984 by the National Heritage Act 1983 and protect, champion and save the places that define who we are and where we've come from as a nation. HE is also the sole member of a charity - The English Heritage Trust, trading as English Heritage (EH). EH manages the National Heritage Collection of more than 400 historic sites and monuments under the nation's ownership or protection, under a licence from HE that runs to 2023, and cares for these places and opens them to the public.

In line with Cabinet Office requirements the Tailored Review (TR) of HE will provide robust challenge to and assurance on the continuing need for the organisation and, where appropriate, make recommendations for improvement.

Objectives

The review of HE will be carried out in two stages. Part 1 will focus on the ongoing need for the functions performed by HE, and will assess the current model and relationship with EH to ensure it remains fit for purpose. This will include assessing the robustness and long-term sustainability of the current financial and governance arrangements following the split from EH, and will fulfil the commitments set out in the New Model Funding Agreement 25 March 2015¹.

Part 2 of the review will assess HE's efficiency, effectiveness, and the robustness of its governance arrangements and performance in meeting its own and the government agreed strategic priorities.

The HE review will therefore have two principal aims, represented by two stages:

Stage 1

To provide a robust challenge to the continuing need for the functions performed by HE. This stage will include:

- A thorough examination of HE's current remit and whether the new model and relationship with EH remains fit for purpose;
- An assessment of the robustness and long-term sustainability of the current financial and governance arrangements between EH and HE;
- Consideration of the process around the renewal of the EH operating licence; and

¹ Review of the Revenue Deficit Funding: During the Charity's third year of operation, in the light of the Charity's financial performance to that date, Commission, the Charity and the DCMS shall review the Charity's need for revenue deficit funding from financial year 18/19 to 21/22 inclusive. The Review shall be for the purpose of assessing whether the indicative Revenue Deficit Funding payments set out in the clause 5.1 for financial years 18/19 to 22/23 are appropriate to support the Charity in its pursuit of the General Objectives and the objective in clause 7.1.

- In light of the above, consider whether HE's functions should continue to be delivered by a NDPB.

Stage 2

If it is agreed that the form and functions of the HE should remain, the review will then consider the control and governance arrangements in place to ensure that the organisation is complying with the recognised principles of good corporate governance and delivering effectively. Stage 2 will therefore consider:

- HE's current set of functions and responsibilities, and whether there is a continuing need for all of HE's functions and services from stakeholders, most notably the public;
- How HE sets its priorities, and how these priorities contribute to the UK Government's policies (including driving economic growth, promoting Britain to the world and ensuring the opportunities of heritage are available to everyone and not just the privileged few);
- How successful HE is at promoting the preservation of ancient monuments, historic buildings and conservation areas, how it assesses the success and impact of its investments;
- How HE engages with the public and how successful they are in their aims of promoting public understanding and enjoyment of the historic environment; and
- The efficiency of the HE, including:
 - How HE works with other organisations to reduce costs;
 - How HE assesses the conservation of the properties in the National Heritage Collection by EH;
 - How the HE uses digital services;
 - Whether HE governance and management arrangements are sufficiently robust and transparent;
 - Whether the HE Board is effective, and how this is assessed;
 - How HE embraces innovation and change, including how it plans for the future;
 - Whether HE's Governance controls follow established Cabinet Office "good practice";
 - The effectiveness of HE's current strategy, the role of the HE Commission in setting and monitoring progress against the strategy, and how well HE has delivered on its priorities; and
 - The effectiveness and proportionality of DCMS' oversight arrangements for HE.