

METHODOLOGICAL GUIDELINES FOR THE DELIVERABLE D.T1.1.1:

COLLECTION OF BEST PRACTICES

Objective:

The objective of this activity is to collect fiches describing best practices of specific management approaches at partners' local, regional, national and potentially at the international level useful for the development of management model for cultural heritage sites.

Introduction

The main objective of the Forget Heritage project is to promote cooperation among partners' cities in order to identify innovative, replicable and sustainable Private Public Cooperation management models of the abandoned historical sites (recognised as cultural heritage) by valorising them through setting up cultural and creative companies.

According to the Application Form in the T1, analysis of management models through the identification of Best Practices (BPs) and training models in managing historical facilities where Cultural and Creative Companies¹ are the main users will be carried out with the aim to create a common management methodology according SMART² and public-private cooperation (PPC) criteria. Therefore all the partners will identify the BPs at local, regional, national and international level. The BPs will be gathered and analysed by experts and the transferable elements will be highlighted. On the basis of the transnational elements a management manual will be realised. It will constitute the main output of the WP and it will be disseminated to other cities as inspiration to adopt similar methodologies.

¹ According to the European Commission's Green Paper: Unlocking the potential of cultural and creative industries "Cultural industries" are those industries producing and distributing goods or services which at the time they are developed are considered to have a specific attribute, use or purpose which embodies or conveys cultural expressions, irrespective of the commercial value they may have. Besides the traditional arts sectors (performing arts, visual arts, cultural heritage – including the public sector), they include film, DVD and video, television and radio, video games, new media, music, books and press. This concept is defined in relation to cultural expressions in the context of the 2005 UNESCO Convention on the protection and promotion of the diversity of cultural expressions. "Creative industries" are those industries which use culture as an input and have a cultural dimension, although their outputs are mainly functional. They include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising.

² https://en.wikipedia.org/wiki/SMART_criteria

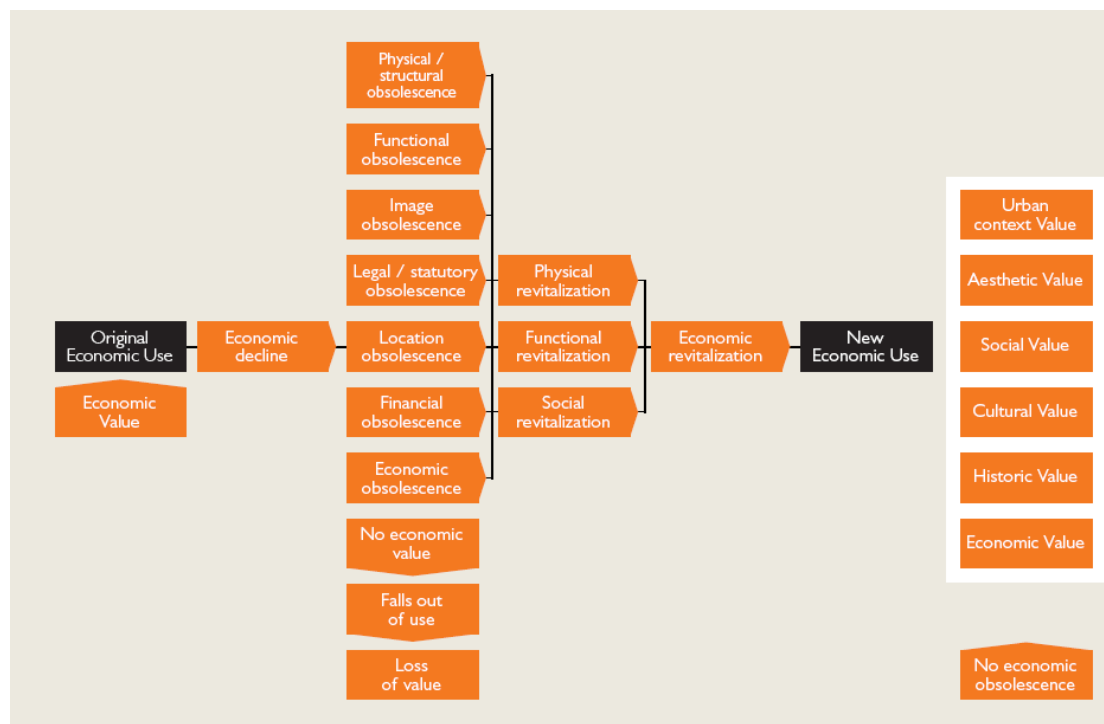
Approach

Historical buildings (cultural heritage) are often in public ownership, and while they are given some public funding they are generally accorded low levels of priority. However, this situation is changing, and today in a number of countries the private sector, civil society institutions and government have started to work in partnership to help conserve the cultural heritage and develop it as a socio-economic asset.

Critical to the success of re-use of historical buildings is finding a viable economic use that can support initial refurbishment, provide the owner or developer with a reasonable return on their investment and which generates sufficient income to ensure the long-term maintenance of the building fabric and any associated public open spaces. A pragmatic approach to the re-use should be taken, whilst conserving the heritage value of the building in order to find equilibrium between development and conservation.

It is generally accepted that the re-use of historical buildings requires an interdisciplinary approach with the involvement of multiple players across the public, private and nongovernment sectors (civil society or third sector), not only to initiate and carry out conservation but also to sustain (re-use) the place. It is also widely recognized that re-use needs to be embedded within social, environmental and economic development strategies that include financial mechanisms to encourage and facilitate public-private and third-sector contributions.

Figure 1: The process of economic growth, decline and growth



Source: Heritage Works: The use of historic buildings in regeneration: A toolkit of good practice, 2013³.

In this context, public-private cooperation (PPC) can be a useful tool to foster collaboration between stakeholders. They allow for the coordination of various competencies and inputs into a project and help to structure the post-implementation management and operation of the restored/rehabilitated historical buildings. In such scenarios, the public sector is in a position to provide regulatory oversight, administrative support and investment infrastructure. The private sector can offer project management, coordination and the multiple stakeholders involved, as well as mechanisms to bring in third-party funding through grant-making bodies or loans that can be amortized through the income-generating capacities of the rehabilitated historical buildings.

Main activities (parts of the project) related to the re-use of the historical (cultural heritage) buildings are the following:

1. **Design, construction/renovation work and management** (spaces that need to be renovated and that will then be used as conference, production, exhibition, restaurant area);
2. **General management:** examples and concepts of private-public management of the site;

³ <https://historicengland.org.uk/images-books/publications/heritage-works/>.

3. Program management:

- management of cultural and artistic activities: innovative ways of connecting private and public partners on the content level and program management of cultural institutions;
- management of program related activities: technical work (i.e. collaboration with private companies in stage lighting, sound etc.);
- marketing (i.e. collaboration with private companies to promote activities, to search for private partners and to identify and involve media partners in a PPP etc.);
- management of secondary activities: the interest is to include compatible activities which would fit in the global project not just in the financial sense but also content-wise: shops, bookshops, desk-sharing, restaurants, bars, other services attracting a variety of people.

There is no widely accepted definition of public-private partnerships (PPP). PPP arrangements come in many forms and are still an evolving concept which must be adapted to the individual needs and characteristics of each project and the project partners. Although PPP is a common procurement route in many European countries, only few projects are known in the creative and cultural sector. Therefore in the **Forget Heritage project, the broader term Public-Private Cooperation will be used.** Its definition is based on the definition used in the Central Europe 2007-13 project »Second Chance«⁴ and encompasses different organizational partnership models: Public-Private Collaboration, Public-Private Partnership (PPP) or Joint Ventures.

These different partnership models differ in their complexity of the included tasks, their contractual long- or short term obligations, their level of risk transfer and integration of the value chain. They include PPP and other forms of private sector participation. The main characteristics are the following:

- **Public-Private Collaboration:** Public-Private Collaboration is rather short term and includes a collaboration agreement (i.e. sponsorship contract). The tasks and responsibilities in these contracts are often limited to certain aspects of all the cultural activities/projects. Public-Private Collaboration can take various forms, such as sponsorship, donation, or patronage. That means that the private partner contributes to the cultural activities by funding them.
- **Public-Private Partnership:** The key characteristic of PPP is the transfer for a limited period of time of integrated services relating to the planning, construction, financing, maintenance and operation (in a lifecycle approach) of public infrastructure that were previously performed by the public sector to private bidders. The main objective is to generate efficiency gains in the provision of services. However, another stated aim – with varying priority – is to bridge liquidity bottlenecks on the part of the public partner

⁴ http://www.secondchanceproject.si/wp-content/uploads/Trans_PPP_Concept_final1.pdf.

when performing urgent construction or modernisation tasks involving infrastructure that is needed by members of the public and other users. In summary, the main characteristics of a PPP defined in this way are as follows: Lifecycle approach (integration of the value chain); Generation of efficiency gains through the appropriate assignment of functions; Real risk transfer with balanced risk allocation; Creation of incentive structures and leveraging of innovation potential through result-oriented performance description and remuneration; Use of private expertise and capital; Long-term relationships on a partnership basis and, in particular, governed by contractual provisions.

- **Public-Private Joint Venture:** In a joint venture the public and the private partner act as co-shareholders of a project company or a cultural institution (i.e. foundation) that designs, builds, finances, maintains and/or operates an infrastructure asset for cultural purposes and manages cultural activities . Broadly speaking, there are two ways in which this type of partnership may come about. In the first case, an infrastructure project is put out to tender. The tender conditions specify that the public sector intends to participate in the project company to be formed jointly by the partners after award and contract signing. In the second case, an already (existing) project company fully owned by the public sector is seeking a private investor as a shareholder.

In conventional PPPs the involved partners are limited to a governmental partner and a private partner. However, there is also a close connection to civil society (third sector) in partnerships in a cultural business environment, for example the civilian participation in additional funding, contributions to operative business or through the encouragement of the citizen.

Figure 2: Organisational partnership models

PPC	<i>Public-Private Collaboration</i>
	<ul style="list-style-type: none"> ● Short term contractual agreement ● Joint/complementary objectives concerning cultural activities ● Private partner contributes to public cultural activities
PPP	<i>Public-Private Partnership</i>
	<ul style="list-style-type: none"> ● Long term contract ● Special Purpose Company ● Tasks and Risks of public authorities are transferred to the private partner
JV	<i>Public-Private Joint Venture</i>
	<ul style="list-style-type: none"> ● Unlimited duration ● Special Purpose Company / Institution ● Risk Sharing between private and public shareholder

Source: Public Private Partnership: Transnational Public-Private-Partnership Concept, 2011.

Procedure:

In order to gather the most relevant information, please follow this two-step procedure:

1. In the **first step**:

a. Check all projects in your region/country where:

- re-use of historical buildings was carried out: renovation step desired, management and programme management steps are necessary,
- by involving Cultural and Creative Companies,
- based on participatory approach,
- using public-private cooperation models.

Please check also not so good practices (bad practices), because sometimes they are even more relevant as the good ones.

b. Check also projects in your region/country where:

- re-use of historical buildings was carried out: renovation step desired, management and programme management steps are necessary,
- by not involving Cultural and Creative Companies (other uses are chosen),
- based on participatory approach,
- using public-private cooperation models.

Please check also not so good practices (bad practices), because sometimes they are even more relevant as the good ones.

c. In total please select a minimum of 3, up to 5, best or not so good practices, taking into account also your pilot and pilots of other PPs.

d. If you are familiar with the international best practices that are not located in your region, please describe them (1-2) according to the outline.

A result of this step would be a **shortlist** of different best practices.

2. In the **second step**, you should gather the required information. You should use and **fill in the forms** below. Please fill in the forms using the following methods:

- a. Desk research – you should fill in as much information as possible in advance by the desk research in order to avoid too long interviews
- b. Interviews (personal, phone, skype) with the managers of best and not so good projects selected.
- c. Interviews (personal, phone, skype) with the policy makers, experts, civil society representatives, if needed.

COLLECTION OF BEST AND NOT SO GOOD PRACTICES

Please, fill in for each best practice example separately. Please, answer as much questions as possible.

Please, fill the basic information about Project Partner:

Name of the partner	
City	

Best Practice Example No ____:

Not so Good Practice Example No ____:

1. Basic Information

		Observations and Comments
Name of the project / institution / site		
City / State		
Location	<ul style="list-style-type: none"> • City centre • Suburbs • Industrial zone • Rural area 	
Contact information of the		

institution managing the project		
History of the site <i>(Historical activities)</i>	Original use: <ul style="list-style-type: none"> • Construction year: • Closure year: • Original use: • The reason for the decline: • Importance of the building for local population – historic identity (e.g. important factory, important palace, local post office, ...): 	
New (actual) use <i>(On-going activities)</i>	Actual use: <ul style="list-style-type: none"> • Start of the re-use (when the project started) (year): • When was the design, construction/renovation of the building completed (year): • Role of cultural and creative industries, if any: • Importance of the building for local population (part of local identity): • Importance of the building from the cultural heritage conservation point of view (listed cultural heritage building): 	

<p>Initiation of the project <i>(Re-use of the cultural heritage building)</i></p>	<p>Description of the project⁵:</p>	
	<p>Who initiated re-use, choose appropriate actor(s) and please name them:</p> <ul style="list-style-type: none"> • Local community • Regional/national authority • NGOs • Local inhabitants • Cultural and Creative Industries (CCIs) • Private investors • Others: 	
	<p>Was the project part of the wider urban renewal programme?</p>	
	<p>Was a pre-feasibility or feasibility study conducted?</p>	
	<p>Was implementation part of the project based on wider strategic document (e.g. local development plan, ...)?</p>	

⁵ Main activities (parts of the project) related to the re-use of the historical (cultural heritage) buildings are the following:

1. Design, construction/renovation work and management (spaces that need to be renovated and that will then be used as conference, production, exhibition, restaurant area).
2. General management: examples and concepts of private-public management of the site.
3. Program management: management of cultural and artistic activities, management of program related activities, marketing, and management of secondary activities.

<p>Target audiences at the beginning of the project <i>(Keep the appropriate answers, delete the rest and shortly describe)</i></p>	<ul style="list-style-type: none"> • Youth • Children • Disabled • Elderly people • Immigrants • Art and cultural professionals • Students • International audiences • Tourists • Business sector • Cultural and creative industries • Local audiences • Other <i>(please, specify)</i> 	
<p>Objectives of the project <i>(Cultural, environmental, social, economic)</i></p>	<ul style="list-style-type: none"> • Strengthening historical identity • Culture • Environmental sustainability • Quadruple helix approach • Tourism • Marketing and promotion of the local area/city • Social innovation • Young generation job access • Education • Use of new technologies and innovation • Other <i>(please, specify)</i> 	
<p>Stakeholders</p>	<p>How the participatory process has been organised <i>(please, shortly describe the</i></p>	

	<p><i>whole participatory process</i>):</p> <p>Which stakeholders were involved (local community, policy makers, local inhabitants, NGOs, experts, ...) in:</p> <ul style="list-style-type: none"> • Designing the project: • Renovation of the building: • General management: • Development and implementation of the programme: <p>How were stakeholders involved (workshops, presentations, meeting, ...):</p>	
<p>Financing of the project <i>(How was the re-use of the building and establishment of the institution financed)</i></p>	<p>Public in % of the total:</p> <ul style="list-style-type: none"> • Please, specify the form (grant, loan, property, ...): • Please, specify the sources (local, regional, national, EU): 	
	<p>Private in % of the total:</p> <ul style="list-style-type: none"> • Please, specify the form (equity, contribution from private partners): 	

2. Project structure and lessons learned

Project structure including governance	Organisational structure: <ul style="list-style-type: none"> • Divisional (The employees are grouped within certain divisions to provide certain services.) • Matrix structure (Teams of employees are gathered around specific projects on the basis of their profiles and competences) • Other: 		
	Management structure (<i>what is its management structure, for example director, artistic director, board of directors, ...</i>):		
Partners <i>(Who owns the building, who manages the project/institution, who is financing the institution)</i>	Public (<i>please, list them</i>)	Private (<i>please, list them</i>)	Third sector (civil society) (<i>please, list them</i>)
	Roles & responsibilities	Roles & responsibilities	Roles & responsibilities
Role of the private partners <i>(Please, explain)</i>	<ul style="list-style-type: none"> • Public-Private Collaboration • Public-Private Partnership • Public-Private Joint Venture 		
	Rationale for Public-Private Cooperation (<i>Why the PPC was chosen?</i>):		
Challenges <i>(Legislation, planning, financing, project management, ...)</i>	First phase (design, construction / renovation of the building):		
	Today (on-going activities):		

<p>Content <i>(On-going activities)</i></p>	<p>Programme related activities, please choose and describe the appropriate ones:</p> <ul style="list-style-type: none"> • Office • Co-working • Theatre • Gallery • Studio • Museum • Library • Others <p>Supplementary activities (bar, rent a desk, bookshop, ...):</p>
<p>Who owns the building?</p>	<ul style="list-style-type: none"> • Private person/company/organization • City • State • Other <i>(please, specify)</i>
<p>Who manages the project/institution? <i>(Keep the correct answers, delete the rest, shortly explain)</i></p>	<ul style="list-style-type: none"> • Private person/company/organization • City • State • NGO • Other <i>(please, specify)</i>
<p>Employees <i>(Number of employees)</i></p>	<ul style="list-style-type: none"> • Permanent: • Contractual:
<p>Actual users of the building and which activities do they implement</p>	<ul style="list-style-type: none"> • Youth • Children • Disabled

<p><i>(Keep the appropriate answers, delete the rest and shortly describe)</i></p>	<ul style="list-style-type: none"> • Elderly people • Immigrants • Students • International audiences • Tourists • Business sector • Cultural and creative industries • Local audiences • Other <i>(please, specify)</i>
<p>Square meters of space available, equipment, number of rooms, ... <i>(Shortly describe)</i></p>	
<p>Financing of the institution <i>(Please describe the on-going structure of financing, provide the ratio between public and own sources in %)</i></p>	<p>Public (public subsidies: local, regional, national, EU):</p> <hr/> <p>Own sources:</p> <ul style="list-style-type: none"> • Tickets • Space/equipment rental • Educational programmes • Memberships • Sales • Other <i>(please, specify)</i>
<p>Relation to the local/regional/national/EU public policies <i>(Please describe)</i></p>	<ul style="list-style-type: none"> • Cultural policy • Support to entrepreneurship • Cultural heritage protection policy

<p><i>which public policies were/are the most important/relevant for the renovation and management of the institution)</i></p>	<ul style="list-style-type: none"> • Spatial planning • Urban development • CCIs promotion • Other <i>(please, specify)</i>
<p>Project outcomes <i>(Please, shortly describe cultural, environmental, social, economic outcomes of the project)</i></p>	<ul style="list-style-type: none"> • Number of jobs created • Annual number of visitors • Number of companies supported • Number of events organised • Number of trainings implemented • Other <i>(please, specify)</i>
<p>Relation to other similar projects/institutions in city/region/state/Europe <i>(Please, describe if there are any connections (cooperation) to other similar institutions?)</i></p>	
<p>Lessons learned</p>	<p>First phase (design, construction / renovation of the building):</p>
	<p>Today (on-going activities):</p>
<p>Key success factors <i>(Participation process, management, ...)</i></p>	<p>First phase (design, construction / renovation of the building):</p>
	<p>Today (on-going activities):</p>

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