

HISTORIC SCOTLAND BOARD MEETING

Minutes of Meeting

Thursday 18 December 2008, 13.00-17.00

Longmore House

Those Present:

John Graham	Chief Executive
Lucy Blackburn	Director of Policy
Peter Bromley	Director of PiC
John Lennon	Non-Executive Director
David McGibbon	Non-Executive Director
David Mitchell	Director of TCG
Laura Petrie	Director of Finance
Ann-Marie Stannard	Non-Executive Director
Sheila Terry	Non-Executive Director
Miles Oglethorpe	HS Inspectorate Head of Policy Liaison (on behalf of the Chief Inspector)

In Attendance:

Claire Dobbie	HSB Secretary
Gordon Barclay	Head of National Policy

1. Apologies

1.1 Malcolm Cooper, Marc Ellington and Raymond Young sent their apologies.

2. Minutes of Previous Meeting

2.1 There were no comments on the previous minutes and it was agreed that all current action points were in hand.

3. Matters Arising

3.1 There were no matters arising.

4. Finance Report

4.1 Laura Petrie (LAP) introduced the Finance Report. As a result of a further forecast decline in visitor income, there was now a projected cash overspend of £0.714 million. This, would be offset by an underspend on the non-cash impairment budget, probably of around £0.600m. We were therefore looking at an overall small overspend, and had warned the SG of this. Depending on the future path of income she expected break-even or a small overspend by the end of the financial year.

4.2 LAP explained that action was being taken to reduce the projected overspend. Groups were being required to eliminate any overspend not sanctioned by Finance. payments of over. SMT had also previously identified significant potential efficiency savings: the more of these were achieved the less the pressure from the decline in income. She noted that under new controls introduced by the SG any new proposals costing over

£250,000 would not be sanctioned without the approval of the Cabinet Secretary for Finance.

4.3 The Board was asked to be aware that there were limits to what was achievable in terms of spending reductions at this stage in the financial year. It was also difficult at this stage to contain spend on agreed grants..

4.4 John Graham (JG) added that Leslie Evans, Director Europe, External Affairs and Culture Group, had been informed of the Agency's financial position and the reasons behind it. It seemed likely that funds from the rest of the Minister's portfolio would be available if required to offset an overspend, but there were concerns that if such a sum had to be repaid in the following year this would cause more difficulties.

4.5 The Board noted the tight financial position of the Agency, but was satisfied that appropriate action was being taken.

5. Budget Options for 2009/10

5.1 This issue had been raised at the November Board meeting and the SMT had since met to discuss and develop an action plan for 2009/10 budget. It was agreed that with a forecast £4.3 million deficit, which assumed a further 10% decline in visitor numbers, immediate action had to be taken.

5.2 The Board noted that SMT was to submit its options for the 2009/10 budget to the Minister around the beginning of February 2009. JG said he would invite the Non-Executive Directors (NEDs) to comment on this submission before it was sent to the Minister. All agreed this was prudent.

Action: NEDs to be updated and asked for comments on budget options for 2009/10 before the submission to the Minister (approx. end of Jan 09).

5.3 It was explained that there was limited flexibility to achieve savings for 2009/10 and the choices presented for 2009/10 would be less strategic than those planned for 2010/11. SMT was due to start a dialogue with the Minister about the 2010/11 budget in the summer as the options considered for it had to be viewed alongside the upcoming SG Spending Review.

6. LA Issues General Update

6.1 Miles Oglethorpe (MO) provided a brief summary of current local authority issues. The main point to note was the success of the recent Local Authority Historic Environment Form (LAHEF), which had been chaired by the Chief Inspector. It was agreed that the majority of councils had been well represented by planners and conservation officers and constructive discussions on number of subjects including Single Outcome Agreements, Joint Working Agreements and the Removal of the Duty to Notify Pilot were held.

6.2 The Board noted that the draft Joint Working Agreement (JWA) was launched at the Planning Summit on 28 October and was circulated to all local authorities, via COSLA, for a three month period of consultation due to end on 28 January 2009. The three month pilot scheme exploring removing the duty to notify Scottish Ministers on certain types of listed building consent application was currently running with Perth, Glasgow and Edinburgh Councils, and would finish on 31 December. So far feedback from the participating councils had been positive. Sheila Terry asked if those involved had a sense of what other councils might want to join the scheme. MO said that the JWAs were generally welcomed, but they were voluntary and so it was up to the local authorities to engage.

6.3 MO also reported that the final text of the report on the capacity and resources of local authorities in the historic environment (an outcome of the HEACS report on the role of local authorities) had been received. Once it had been considered by the SMT, all agreed it should be circulated to the Board for information.

Action: Report on the survey of local authorities to be distributed to NEDs.

6.4 The Board were asked to note that the e-Planning system would be launched on 29 April 2009.

7. Audit Committee Update

7.1 David McGibbon (DMG) updated the Board on the previous Audit Committee meeting. The following key points had been discussed and noted:

- the financial income for the year was likely to be £1.8 million below forecast and budgets had been reduced accordingly;
- Business Continuity Plans – the Galaxy System for Edinburgh Castle was not yet supported by a signed service level agreement for maintenance and recovery. This was being pursued and would be reviewed in February 09;
- Audit Scotland had given the Agency an unqualified report and the Finance team were complimented on their performance;
- Internal Audit Reports – it had been agreed that the appropriate Director should attend the Audit Committee meeting where agreed action was not being taken.

Action: LAP to issue note to Directors about their potentially increased role in Audit Committee.

- Role of the Audit Committee – the committee agreed to review its terms of reference.
Action: Note on revised role of HSAC to be circulated to the Board once HSAC has agreed it.
- Information Risk and Assurance was set to become a more important part of the Committee's remit. It had been agreed to consider this topic at the next meeting and a responsible officer would have to be nominated.

7.2 The next meeting would be held in February – the first of four to be held in 2009.

8. Battlefield SHEP Update

8.1 Lucy Blackburn (LB) provided a brief summary of the progress of the Battlefield SHEP. The consultation had run from April to July and advice was currently with Ministers for comment. It was noted that many of the consultation responses were positive and that a large number agreed with the policy.

8.2 It was explained that the main issue was whether the proposed inventory for nationally important historic battlefields should be statutory or non-statutory. Despite some responses to the consultation favouring a statutory system, Ministers had so far expressed a preference for a non-statutory system modelled on the system for Gardens and Designed Landscapes. The advice to Ministers also raised concerns about the inventory's implementation – e.g. cost and resources.

8.3 The Board noted the position.

9. HS Carbon Footprint

9.1 The Board was updated on the work undertaken to establish the Agency's carbon footprint since the November meeting and SMT discussion on 4 December. A broad analysis

had shown that energy accounted for 88% of the Agency's footprint, and SMT had therefore decided this should be its main priority. All agreed.

9.2 The scope of the footprinting was to be extended to include the whole of the PiC estate – not just the main sites and Longmore House. It was explained that PiC and HR, who are in the lead for Longmore House, had been asked to bring a progress report to the SMT by the end of February 2009.

9.3 It was agreed that in the light of this further information SMT would consider setting reduction targets. As business travel only representing 12% of the Agency's footprint, all agreed it should be considered in the context of efficiency rather than carbon footprinting.

9.4 The Board was content with progress and with the focused approach proposed.

10. HEACS Work Programme

10.1 LB provided an update on the expected delivery by the Historic Environment Advisory Council for Scotland (HEACS) of its current work programme and the timetable for its abolition.

10.2 HEACS' current work programme would deliver four more Reports to Ministers by March 2009; that on the Infrastructure of the Historic Environment Sector was due by the end of December, The NEDs asked to be kept up-to-date on this.

Action: Forthcoming HEACS Reports to be distributed to NEDs when published. Secretary to liaise with HEACS secretary on this.

10.3 The Board was informed that HEACS planned to hold a closing conference on 20 May 2009. However, the Scottish Public Service Reform Bill which is to take forward the proposal to abolish HEACS was not certain to complete its parliamentary passage until 2010. This could result in a hiatus between the conference and when the Council formally ceased to exist.

10.4 Board members were invited to note the position and highlight any issues they foresaw for the proceeding months, in relation both to the handling of the reports and the forthcoming legislation.

10.5 The Board noted the position.

11. Forward Look – HSB Peripatetic Meetings

11.1 The Board was invited to suggest possible themes and locations for the 2009 Board Tours. The topics covered at previous peripatetic meetings were discussed and the following points were noted:

- Glasgow was to be the location for the next tour in February 2009. Organisation for this tour was in hand;
- SRDP/rural issues were considered important to address, and Argyll was suggested as an appropriate location;
- there would be value in visiting the Antonine Wall with its new WHS status;
- it was also felt that the Board should visit Stirling Castle, the current Project being a priority. It was suggested that an 'internal' Board meeting could be held at Stirling Castle in addition to the three peripatetic meetings.

Action: Secretariat to explore having a HSB meeting at Stirling Castle to include visit and discussion of Stirling Project – also including some relevant externals.

12. UNESCO Visit

12.1 The Board was advised on the recent UNESCO mission to Edinburgh. The mission Inspectors had met with Edinburgh City Council, Historic Scotland, developers and key stakeholders to look in detail at four major developments – Caltongate, St James' Centre, Haymarket and Leith Docks.

12.2 It was noted that in managing the UNESCO mission, HS staff had worked well across groups within the Agency and with colleagues in the Council. JG commended the work and professionalism of all staff involved. Particular mention was made of the Communications team for their handling of press and the mis-information generated during the visit.

12.3 The Inspectors were due to report their findings to the next session of the World Heritage Committee in Seville in June 2009. However, it was explained that HS would have the opportunity to correct any inaccuracies in the draft report before this. LB added that there was no indication as to the official view as yet.

13. Current Issues/ AOB

13.1 As this was her last Board meeting, JG thanked Sheila Terry for her contribution to the Historic Scotland Board. He reported that she had been invited to retain her role with the Audit Committee.

13.2 Due to time limitations on the day, JG asked Directors to inform him of any current issues so that they could be circulated to the NEDs asap.

Action: NEDs to receive Current Issues/ AOB update as soon as possible after the December Board meeting.

The meeting closed at 16.30