

HISTORIC SCOTLAND BOARD MEETING

Minutes of Meeting 26 April 2007

Longmore House 13.30 – 17.00

Those Present:

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| Peter Bromley | Director of PiC |
| Donald Carmichael | Director of Policy |
| Malcolm Cooper | Chief Inspector |
| Marc Ellington | Non-Executive Director |
| John Graham | Chief Executive |
| John Lennon | Non-Executive Director |
| Ingval Maxwell | Director of TCRE |
| David McGibbon | Non-Executive Director |
| Brian O'Neil | Director Human Resources |
| Laura Petrie | Director of Finance |
| Ann-Marie Stannard | Non-Executive Director |
| Sheila Terry | Non-Executive Director |
| Raymond Young | Non-Executive Director |

In Attendance:

Richard Fawcett
Ranald MacInnes
Tania Smith

1. Apologies

1.1 There were no apologies.

2. Minutes of Previous Meeting

2.1 It was noted that at the Board's previous meeting it had been suggested that press cuttings relevant to Historic Scotland's activity should be made available to Board members. The Chairman confirmed that arrangements were in hand to supply Board members with a media digest and with the minutes of Historic Scotland Senior Management Team meetings.

3. Rowallan Castle

3.1 The Chairman explained that an application for Scheduled Monument Consent had been made in relation to Rowallan Castle. The Board's view was now sought on the Inspectorate's assessment of the application and its conclusions. If the Board endorsed the Inspectorate's assessment the Inspectorate would inform the applicant of its provisional view on the application. The applicant had a statutory right to be heard prior to any final determination and to request that the application be referred to Scottish Ministers for their own determination, with the final decision taken by the Planning Minister.

3.2 Introducing paper HSB 08/07, the Chief Inspector noted that Rowallan Castle was a scheduled ancient monument, that it was a property in the guardianship of Historic Scotland,

that it was a category A listed building and that part of its grounds were registered on the inventory of historic gardens and designed landscapes.

3.3 The Castle was a multi-period stone-built structure incorporating elements from the 13th century onwards with earlier archaeological deposits surviving immediately below the courtyard. The national importance of the monument was recognised by the applicants in the application and this was not in question. The Board's attention was drawn to the assessment of the importance of the site against the scheduling criteria and to the interim statement of cultural significance for the monument, which were included as appendices to the Board paper. In addition to these a *summary contextualisation* had been undertaken as part of the assessment of the application in order to help assess the particular importance of Rowallan in broader Scottish terms. This was also included as an appendix to the Board report. This noted the concise layout of the tower house built round a courtyard; the entrance flanked by two towers; and the domestic scale of the monument. Although these three component elements were not unique, Rowallan was unique in bringing together all of these elements on one site. This unique grouping illustrated the changing nature of the domestic arrangements of the nobility in a way which it was not possible to see elsewhere in Scotland. It was also noted that Rowallan provided greater accessibility than other comparable sites to information such as building sequence and structural detail.

3.4 The application had been assessed using the same approach as that followed in giving pre-application advice to the owners of Castle Tioram (this was considered by the Board in August 2006, HSB 19/06). The key guiding principle was that scheduled ancient monuments should be preserved in the state in which they had come down to us, and that any works undertaken at a monument should be the minimum necessary consistent with the preservation of that monument. There could however be exceptional circumstances which meant that the minimum necessary intervention was not the most appropriate course.

3.5 Two examples where exceptional circumstances had been applied were given: firstly where the public's enjoyment and understanding of the monument would be significantly enhanced by an intervention greater than the minimum necessary for the preservation of the monument, and secondly where adaptive re-use was considered to be the best way of securing the monument's long term future.

3.6 The application included a detailed conservation plan. This had been prepared by an experienced and respected firm of architects who had a proven track record of working with historic buildings, and the application had sought to minimise intervention where possible. Although it did not contain full details of the work proposed in every room, the Inspectorate believed that enough information had been submitted to assess the principle of the acceptability of the application. Although it was not stated what the final intended use for the building was, it was clear that domestic use was proposed; the application stated "Options for domestic use could include the use of the Castle as a hotel annexe, a single private letting facility or as a private residence." An appendix to the Board paper included a tabulation of proposed works by room.

3.7 It was clear that the proposals went significantly beyond the minimum necessary intervention consistent with the preservation of the monument. There was also some risk that further interventions would be needed to bring the project to a satisfactory conclusion for the owner, and if the project went ahead there was the potential in due course that further proposals might come forward consistent with the principle of adaptive reuse.

3.8 The Inspectorate had gone on to explore whether there were any exceptional circumstances which might justify the setting aside of the principle of minimum intervention. With regard to public benefit and public access, it was acknowledged that for most of the last 15 years there had been very limited public access for a variety of reasons. There was greater public access in 2005 and 2006 and there appeared to be scope for this to grow. While the precise planned future use of the Castle by the applicant was not clear, if the property were used regularly as a hotel annexe it might attract more visitors than it did in 2005 and 2006, but it was difficult to predict numbers or to predict whether there would be increased public understanding and enjoyment.

3.9 Turning to the issue of securing the monument's long-term future, the monument was in the care of Scottish Ministers and was in sound structural condition. Given its particular significance, its preservation is always likely to command high priority. The proposal would not therefore seem to offer significant benefits in terms of securing its future.

3.10 The Inspectorate's conclusion therefore was that there were no exceptional circumstances to justify a departure from the principle of minimum intervention.

3.11 In the ensuing discussion clarification was sought of the relative importance of the Castle. It was argued that Rowallan was of outstanding significance and that it told a chapter of Scottish history which could not be told as well elsewhere. Were any scheme for adaptive re-use to be agreed, evidence pertaining to the historic sequence of masonry construction would be obscured. Rowallan provided invaluable access to the contemporary cultural context. Although it was not feasible to draw up a ranking order, Rowallan was among the more important of the many castles and tower houses cared for by the Agency.

3.12 In discussing potential risks, it was noted that if the likely use was as a hotel annexe, there was a significant likelihood that further significant interventions would be necessary to install the range of services required.

3.13 A question was asked about the suggested change of Agency policy in relation to guardianship in 1995. It was explained that there had been discussions with the previous owners in the early 1990s about the possibility of ending guardianship. This would have been an exceptional step for the Agency. These discussions had not reached a conclusion, however, and had been terminated when the Castle was put up for sale. The Agency had since then consistently maintained its firm intention to manage the Castle as a property in care. As guardian of the property, Scottish Ministers had a duty to preserve and provide access to the monument.

3.14 Turning to the issue of access to Rowallan, it was explained that because of pending applications and legal disputes the Agency had not promoted the site over the decade since 1995, but had more recently offered a limited number of managed visits which had been very successful. It was not envisaged that the other developments taking place within the estate would pose problems for expanding the programme of visits. Developing a relationship with stakeholders was key to successful preservation and access at other guardianship sites and Historic Scotland were committed to achieving this at Rowallan if this were possible.

3.15 It was noted that no pre-application advice for the current application had been sought by the applicant from the Inspectorate. Had such advice been sought, it might have

influenced the nature and form of the information submitted by the applicant in support of the case.

3.16 Summarising the discussion, the Chairman said the Board were agreed that the Castle was of very high cultural significance and was among the more important of the castles in the care of Scottish Ministers. It brought together a range of evidence which would be obscured if the monument were to be adapted for habitation. The Board agreed that the impact of the proposed development went beyond the minimum necessary intervention consistent with the preservation of the monument. The Board had not been convinced that there were exceptional circumstances in this case which would justify departure from the principle of minimum intervention.

3.17 The Board agreed unanimously to endorse the provisional view recommended in Paper HSB 08/07 that Scheduled Monument Consent be refused for the proposed works specified in the application.

3.18 Board members pointed out that there were some minor typographical and errors in Paper HSB 08/07, none of which were material.

4. Update on Strategic Spending Review 2007

4.1 The Finance Director introduced Paper HSB 13/07. She noted that a Spending Review had never previously been timed to coincide with an election and that the review process was therefore not yet clear. It was likely that final decisions would not be reached until later in the year.

4.2 The Agency had been collating evidence to demonstrate the links between its budget and possible Strategic Outcomes which the new administration might adopt. A budget pressures exercise had also been carried out.

4.3 As part of the Spending Review exercise, income forecasts were being prepared and the Agency would be ready to supply the appropriate financial information when requested. She undertook to keep the Board informed of developments.

5. Finance

5.1 Laura Petrie introduced Paper HSB 09/07. This paper included year-end figures which would form the basis for the Agency's annual report. The paper explained how the Agency performed against Scottish Executive budgets and against internal budgets.

5.2 The Agency had kept to its cash budgets with a very small overspend of £15,000. The total Agency underspend of £1.3 million reflected the non-cash impairment budget which had not been spent because a number of major projects had not completed.

5.3 The income outturn was in her view a good performance, although the final figure was £418,025 under budget. The budget targets had been challenging and an increase of 7% on the previous year's figures was satisfactory, particularly in view of relative industry performance.

5.4 It was suggested that figures on the Conservation Area Regeneration Scheme, currently shown as part of Historic Buildings Repair Grants, be recorded separately on the Grants Table (table 10). The Board endorsed this suggestion.

5.5 The Board noted that monthly commercial forecasting, financial and customer profiling and accountability were all important factors in achieving income targets. Visitor numbers were now recorded in accordance with industry norms.

5.6 There was a danger of complacency about the outturn on income. Arguably the Agency should look more broadly at organisations against which to carry out benchmarking. Customer focus must remain a key priority. Establishing a narrative of interpretation at sites was at the heart of the visitor's experience and enjoyment. There was an argument for more behind-the-scenes tours to encourage a wider understanding of Historic Scotland's conservation activity. On the other hand an appropriate balance had to be struck between providing access to behind-the-scenes activity and ensuring that the working environment was safe for employees and visitors.

5.7 It was agreed that Historic Scotland should continue to develop its work in this area to ensure that visitors were offered opportunities to interact and engage with the past.

6. Key Performance Targets – Quarter 4 Report

6.1 Turning to Paper HSB 10/07 on the Key Performance Targets (KPT) Q4 Report, the Director of Finance noted that the Agency had met nine out of ten of its KPTs. There were some concerns in relation to the income generation target and the efficiency savings target, but final figures were not available and it was likely that the efficiency savings target would be met. The Chairman confirmed that Historic Scotland's KPTs were set by Scottish Ministers.

7. Annual Best Value Update

7.1 The Finance Director tabled Paper 11/07, whose purpose was to provide the Board with an update on the Agency's Best Value Self Assessment, including activities to date and additional activity which would have to be undertaken. The self assessment exercise had been initiated as part of the Agency's programme for Continuous Improvement. The Board was invited to comment on the latest self assessment exercise and to give its views on the self assessment process. The intention was to continue to work on Best Value self assessment and to develop a Best Value Audit for the future, based on Audit Scotland criteria.

7.2 It was noted that the Agency had either stayed the same or progressed against all of the best value themes. The Agency's Corporate Development Unit carried out best value, continuous improvement and monitoring of KPTs.

7.3 In response to the question of whether all employees had access to the best value assessment, it was agreed that the Agency could do more to publicise the assessment's findings within the Agency. It was noted that such feedback could be beneficial to Agency employees. The Board agreed that the findings of the self assessment exercise would be more widely promoted to Agency staff.

7.4 It was noted in relation to section 1.3 of the Key Requirements - clear policy framework - that the recent publication of Scottish Historic Environment Policy Series (SHEP) 1 could lead to some confusion within planning authorities as to how this new policy document fitted with existing guidance. It was agreed that this needed to be watched, in consultation with SEDD. SHEP 1 had been explicit in stating that it superseded relevant sections of existing policy.

7.5 It was suggested that the Agency involve a broader range of organisations for the purpose of benchmarking, including those which were not from the heritage sector. It was also proposed that a separate theme be established for the use of technology and communications, as communication would have an increasingly significant impact on tourism and travel. The Chairman explained that the themes had been set according to Audit Scotland's best value framework and that the framework was useful for comparing data and performance across organisations. The Board agreed that it would nevertheless be valuable to discuss IT and Communications as part of the preparation of the next Corporate Plan.

7.6 It was noted that climate change would become a priority for the Agency.

7.7 The Board agreed with the paper's recommendations firstly that work on best value be progressed, focussing on those themes not yet well developed and secondly that a gap analysis be undertaken against Audit Scotland criteria to determine what actions and resources would be required to ensure that all themes were well developed.

8. PIC Business Plan

8.1 The Director of Properties in Care introduced Paper HSB 12/07 on the 2007-2012 Business Plan for Properties in Care. Copies of the business plan were distributed. This publication was produced annually and articulated the Group's priorities for the current year and more broadly over a five year planning horizon. The plan illustrated the link between Scottish Executive objectives, Historic Scotland Corporate Plan objectives and the objectives for individual Properties in Care. It was a useful tool for communicating priorities consistently across the historic environment estate.

8.2 Comments were invited on the business plan and Board members were encouraged to notify the Director of Properties in Care of any issues emerging from the plan which warranted extended discussion at the Board.

8.3 It was noted that a follow-up workshop on the Historic Scotland retail review was still pending.

9. Current Issues/AOB

9.1 The Chairman noted that Dumfries House had been put on the market. The contents of the house were to be auctioned. Some discussion had been held with the owner and the National Trust for Scotland two and a half years ago but it had not been possible to raise sufficient funds to purchase the property.

9.2 An induction event for new Non-Executive Directors was to be held on 4 and 5 June. Further details would be issued in due course.

9.3 It had been agreed that the Board's June meeting would take place in Dundee and St Andrew's. Suggestions were invited on suitable sites for the Board to visit in these areas. Dundee City Heritage Trust was suggested.

9.4 It was agreed that the possibility of moving the date of the June meeting would be explored. The secretariat would circulate dates of 2007 meetings to non-Executive Directors.

9.5 It was noted that pay negotiations were still ongoing. The Unions had agreed to ballot their members on whether to accept the pay offer. The outcome was awaited.

9.6 In relation to building standards, the Agency's Technical Education, Research and Conservation (TCRE) and Inspectorate groups had been working with the Scottish Building Standards Agency (SBSA) with the result that TCRE's Practitioner's Guide 6 would have the same status as guidance produced by the SBSA.

9.7 Historic Scotland had held a free weekend the previous weekend and had welcomed 75,000 visitors to its sites across Scotland. The Agency had received two marketing awards for its 2006 summer promotion campaign and television adverts and had been nominated for a further award for Marketing Excellence.

9.8 The Board agreed that the report on the analysis of the consultation responses to the draft SHEP on Scheduled Monument Consent should be brought to a future meeting for consideration.

9.9 The Chairman brought the meeting to a close at 5 pm.

HSB Secretariat
May 2007