

HISTORIC SCOTLAND BOARD MEETING

Minutes of Meeting 13 December 2007

Longmore House 12.30 – 17.00

Those Present:

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 of 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:

Gordon Barclay
Lucy Blackburn
Chris Watkins

1. Apologies

1.1 There were no apologies.

2. Minutes of Previous Meeting

2.1 There were no comments on the previous meeting's minutes.

3. Linlithgow Palace

3.1 The Director of PiC advised the Board that he had written to the parents of the child in November, offering them free HS membership for one year and was waiting for a response. He reported that Health and Safety had visited the site and completed a full review of the response process and were happy with the process followed.

3.2 The Chairman asked whether there had been any lessons learned?

3.3 The Director of PiC stated that it was unclear how the hole into which the child had fallen had become uncovered. He was satisfied with the way the incident had been handled at the time, but he was putting actions in place to create a set process for follow-up contact in

cases like this. He advised that he will be looking to appoint someone specifically to address this process.

3.4 The Board agreed that the development of a more firm contact procedure was necessary.

4. Stirling Business Case

4.1 Chris Watkins addressed the Board regarding the final Stirling Castle Palace Project business plan, which had been distributed the previous week.. He reported that the project team had amended the Business Plan to address the questions raised at the previous Board presentation. The Business Plan included more information on visitor profiles and visitor and income forecasts along with an expanded sensitivity analysis that looked at visitor numbers, functions, catering and retail spend. The analysis showed that the NPV of the prospective investment remained positive even if visitor numbers and income fell a long way short of our central forecast. The business plan also discussed other risks associated with the project and set out the ways in which they would be managed.

4.2 The plan now included the additional budget for marketing and press coverage which the Board had asked him to consider, and the overall project budget had also been increased by £200,000 to cover the cost of a full fire suppression system. The final decision on its inclusion required further discussion and detailed technical assessment. If technically sound it would also require PICC approval. It was agreed that because of the importance of the project, the Board should be given regular, perhaps three monthly, updates on progress.

4.3 The Board noted that with the recent lottery win for the Helix in Falkirk there was the prospect of a wider range of attractions for visitors in the local area. They asked for further details about the difficulty of finding contractors.

4.4 Chris Watkins stated that there were fewer contractors who were willing to work with the contracts that HS can offer. He explained that the HS method of requiring a bill of quantities was more demanding for contractors and the work we commissioned tended to be technically difficult and require close supervision. When there was plenty of more straightforward work available contractors would go elsewhere. He reported however that there would be four good firms interviewed in January 2008 and this would lead to a tender list later in the year. It should be possible to update the Board on progress at their meeting in June.

4.5 The Director of Finance explained to the Board that the Scottish Government's Gateway Review Process was designed to give accountable officers and Boards greater assurance about large projects. She had agreed with the SG that this project should be subject to a stage 3 review in January, which would test the planning and management arrangements for the project. The outcome would be reported to the Board. The report produced was for HS use and not to be used as evidence against the Agency.

4.6 The Board requested that a cyclical reporting system be developed which would report on project progress and would incorporate the income figures for both Edinburgh and Stirling Castles.

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4.7 After further discussion the Board agreed that the issues on which they had sought clarification had been fully addressed, that they were satisfied with the business case and that they could confirm the support they had given for the project at their previous meeting. In view of the importance and size of the project they agreed that regular progress reports should be made to the Board.

5 Finance Report

5.1 The Director of Finance reported the figures as in the Finance Report.

5.2 The Director of Finance stated that there was a forecast underspend of £106k which was typical for that time of year. To ensure that she could manage the budget she asked that all Directors advise her promptly of any new pressures and emerging underspends.

5.3 In response to questions about St Andrews Day celebrations and the decision to make entry free on that day at all properties normally open during the winter. the Director of PiC explained that as compared with last year there had been about the same number of visitors at Edinburgh Castle (which was already free on St Andrews Day), that at Stirling Palace visitor numbers were a bit up and that at Urquhart Castle there had been no change. He stated that November numbers were always low and that the poor weather would have affected numbers. More generally the initiative had led to further consideration of the existing Free Weekend.

5.6 The Director of Human Resources reported that although employees in main SG bargaining unit had been offered the opportunity to swap their September bank holiday for the November day, few had actually done so.

6 Continuous Improvement Programme Report

6.1 The Director of Finance apologised that an incorrect version of the attachments had been circulated. A corrected version would be issued for the next meeting.

6.2 The Director of Finance reported that the CIP had commenced in 2005 and that a new set of planned projects would be needed for the next corporate plan. Proposals would come to the Board meeting in February, as part of a wider discussion about how the Agency could meet the 2% per annum efficiency savings target set in the Spending Review.

6.3 The Board asked whether the change of Government was likely to affect the aims set for the Agency or the structure of the new corporate plan. The Chairman said there had been some initial discussions with the Minister, but she had yet to review the Framework Document for the Agency. Our work was well aligned with the Greener Scotland strategic objective, but clearly also contributed to “wealthier and fairer” and to “smarter”.

7 Audit Committee

7.1 David McGibbon stated that the Audit Committee had met on 4 December. He reported that the Director of PiC had given a presentation on major incident planning for the PiC estate both in the field and at Longmore House. The presentation covered incident response arrangements, security, emergency planning and scenario planning. The committee asked that the Director of PiC provide them with an updated report for the meeting to be held

in December 2008. The Director of Finance was also invited to present to the committee on the agency's fraud policy and response plan, the committee endorsed the paper.

7.2 The Board noted the report

8 Current Issues

8.1 The Chairman noted that the outcome of the public sector landscape review would probably be announced by the First Minister in January 2008

8.2 The Chairman explained to the Board that the Tourism Minister Jim Mather, had visited Edinburgh Castle in the second week of December to launch the latest action plan drawn up by the Edinburgh Tourism Action Group (ETAG). He stated that this was also an introduction for Barbara Smith, the manager at Edinburgh Castle, as Chair of the Group. The Director of PiC added that he intended to follow this up by setting up a meeting with the Minister in early 2008.

8.4 The Chief Inspector updated the Board on Castle Tioram.

8.5 The Chief Inspector updated the Board on the Rowallan inquiry.

8.6 The Director for PiC stated that the quinquennial visitor survey had taken place and that the feedback had been very positive. The agency had also won a number of service awards.

9 Mavisbank Options

9.1 The Director of Policy introduced the Mavisbank briefing. On ownership, he stated that there were two options worth considering. The first was compulsory purchase and the second involved a court declaration stating that the property was ownerless and would therefore fall to the Crown, under the "bona vacantia" procedure. Final legal advice was still awaited, but a decision should be possible within a month or so, with either option taking six to nine months to complete. On funding, there was a lower cost option of consolidating the ruin "in-house" over a number of years. The key requirement was to remove uncertainty from the market by resolving the ownership soon and identifying funding, thus improving the prospects of finding a market-led solution. The Board noted the progress report and agreed this general proposition.

9.2 The Board queried the options and the costs featured in the DTZ Piedad report and the new in-house consolidation option. The Director of Policy stated that the DTZ figures were as robust as possible without actually testing the market directly. The Director of PiC confirmed that the in-house figures were also reasonably accurate.

9.3 The Board asked what development opportunities had been explored. The Chief Inspector alluded to earlier discussions with the local authority and English Heritage. He indicated that general discussions were unlikely to produce solutions. The agency needed to decide its preferred approach in order to give direction and momentum to discussions with interested parties.

9.4 The Board asked what had happened to the Trust? Would ownership be by the agency or through the agency to another party? The Chairman explained that this was undecided. The Trust had visited HS earlier in the year but as they did not own the site they had limited influence, although they could be a valuable partner.

10 Corporate Plan

10.1 The preparation for the new Corporate Plan had been discussed under item 6.

11 Equalities

11.1 The Director of Policy introduced the Equalities briefing. He stated that this policy development was being advanced primarily to ensure best practice but also to limit the scope for any legal challenge. Some of the requirements were obligatory, for example the obligation to involve the disabled in the development of the policy. So a work plan had been designed to meet such requirements.

11.2 The Board noted this progress report and asked why we need this policy, if HS is covered by the wider SG policy. The Director of Policy replied that, even as part of the SG, we were an agency operating in a complex legislative landscape with a large operational function. It would be prudent to have our own policy tailored to our specific activities. The Directors of Human Resources and PiC confirmed that they would expect to see separate and distinctive agency policies in this area.

11.3 The Board were content with progress.

12 SHEPs update

12.1 The Director of Policy introduced the SHEP update briefing. He stated that to meet agreed KPTs there would be four SHEPs published by the end of this financial year. He updated the Board that at present there were currently six in progress.

12.2 The Board asked why the SHEPs had been sent to the Minister without the NEDs having had the opportunity to look at them first. The Chairman acknowledged that this had been an oversight. The drafts would now be circulated to the NEDs for comment

12.3 The Board questioned what had happened to the draft SHEP on Gardens and Designed Landscapes . The Chairman replied that work on finalising this had been set aside for a period because of other pressures, but it was intended to issue a final version in the spring of 2008.

13 Forward Look

13.1 The Chairman introduced the Forward Look briefing. The Director of Policy explained that the Board would need to decide the order in which the visits would take place.

13.2 The Board agreed to visit Stanley Mills and Perthshire in February 2008. They requested that there be contextual presentations as an introduction, and that they visit some grant aided schemes. It was recommended that Callander House would be an excellent venue

and could get the local authority involved. Other locations to visit in the vicinity would include Dupplin Cross and Elcho Castle.

13.3 The Board agreed that a visit to Edinburgh Castle was a higher priority than a visit to Dumfries House. The Director of PiC agreed and would reflect on the timing.

14 TCRE Update

14.1 The Director of TCRE updated the Board that the stone conference had been over-subscribed and that feedback had been good. The training and education show that had taken place in the week of 3 Dec had also been well received.

14.2 The Board stated that they thought that the website did not put enough emphasis on the Agency's role and work in dealing with climate change. The Director of TCRE agreed to this point.

15 AOB

15.1 The Board asked the Director of PiC whether the planned retail workshop. The Director of PiC informed the Board that he what had difficulty setting a date that would suit all those concerned but would endeavour to find one in the near future.

15.3 The Chairman thanked the Director of Policy for his hard work and contribution to the agency during the year he had spent covering for the absence of Lucy Blackburn.

HSB Secretariat December 2007