

HISTORIC SCOTLAND BOARD MEETING

Minutes of Meeting 24 April 2008

Longmore House, Edinburgh 13.00 – 17.00

Those Present:

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

In Attendance:

Claire Dobbie	HSB Secretary
John Barber	Head of Corporate Development (item 7)

1. Apologies

1.1 John Lennon sent his apologies.

2. Minutes of the Previous Meeting

2.1 John Graham (JG) asked if there were any comments. Sheila Terry asked if the Secretariat had amended the December minutes after her comments at the February meeting. The Secretary said she would have to confirm this and get back to her.

3. Matters Arising

3.1 JG asked the Peter Bromley (PB) to update the Board (HSB) on the progress of the Stirling Castle Gateway Review. PB informed members that in response to the recommendations a strategic group had been set up to oversee the project. It was planned that this group would meet prior to the next Review, which was scheduled for June.

3.2 JG informed the Board that since the February meeting the Framework Document had been revised after consideration by the Minister. He explained that there had been a change in wording, particularly to aim number 3, so that the aims were more closely aligned with the Scottish Government's 15 National Outcomes.

3.3 JG asked Brian O'Neil (BON) to update the HSB on the Agency's Health and Safety Advisor post. BON stated that HR had appointed a replacement for Liz Crichton and it was intended she would start in June. He also suggested that she could attend the June HSB meeting (or was it the August meeting: check with Brian). All agreed.

3.4 JG asked Lucy Blackburn (LB) to update the HSB on the current position of HEACS. LB stated that HEACS had met at the end of February and agreed to continue with its

current programme of work – this would involve a further four reports. These would be largely complete by the end of the calendar year. HEACS hoped that Ministers would be able to respond to the reports by the early summer of 2009. It was not clear that this could be achieved on such a short timescale. It was good that HEACS were showing this degree of continuing commitment.

3.5 The Board reviewed the Rowallan Public Inquiry, which ran for 2 weeks from 8 April. PB explained that the Inquiry has been a very thorough examination of the case itself and of HS policy – in particular SMC.

3.6 David McGibbon informed the Board that the smaller group of Directors and Non-Executive Directors (NEDs), which had been set up after the February 2007 meeting, was due to meet shortly to discuss the HS Retail Strategy. He stated that they would report back at the June meeting with further details.

4. Finance Report

4.1 Laura Petrie (LAP) distributed and presented the Finance Report. She explained that it was not in final form, but that a formal set of final figures for year-end would be available at the June meeting.

4.2 LAP informed that Board that the Finance Group were forecasting a small underspend of £0.036 million on the cash element of the budget and an overspend of £0.110 million on the non-cash budget. This was due to there being two large impairments this year in respect of Edinburgh Castle Visitor Reception project and Stanley Mills Visitor Centre. In each case the valuation had been made at existing use value for the operational elements.

4.3 LAP also explained to the HSB that the draft outturn section of the Finance Report was shown in two forms: one part against the Scottish Government (SG) Budget Limits and the other against HS internal budgets.

4.4 LAP notified the Board that the Agency's Income Outturn was up by 8%. David McGibbon congratulated Directors on achieving this impressive figure - and in particular PB and PiC.

5. Key Performance Targets (KPTs) Quarter 4 Report : Jan to March 2008

5.1 LAP invited HSB members to note the current position on the Key Performance Targets (KPTs). She said that she expected the Agency to meet all 10 of the KPTs set by the SG for 2007-08. All Board members welcomed this news.

5.2 LAP wished to highlight that the information in the report was in draft form only. The final audited outturns would not be available until May due to the nature of calculating some of the targets. She told members that she would report on the final position at the June meeting. LAP said that she would also report on the new KPTs at this meeting as they were currently awaiting Ministerial approval.

6. Efficiency Targets

6.1 LAP presented the paper on Efficiency Targets. She advised the Board of the Agency's approach to efficiency and the progress made to date on identifying potential savings. She asked members to note that the Inspectorate did not have an entry because details of planned measures for their Group was as yet unavailable, but targets were to be added in due course.

6.2 LAP explained that as Ministers were tightly monitoring budgets and ensuring efficiencies were achieved, HS had to submit a quarterly report to the Minister for Finance and Sustainable Growth. She expected all Directors to contribute by scrutinizing and challenging their Group's targets.

6.3 LAP notified the Board that the SG now recognised income increases achieved by management action as Efficiency Savings, but that they would have to be rigorously justified.

6.4 She wanted to remind the HSB that only if Efficiency Savings were achieved would more funding would be available to the Agency for further expenditure. LAP explained that projected savings for 2008/9 were in excess of £1 million, but fell short of the target in subsequent years

6.5 It was finally agreed that the Board would return to Efficiency Targets approximately every 6 months for a lengthier discussion; as HS would have submitted its quarterly report by this time. During this slot it was also suggested by some NEDs that Directors could give a mini presentation on their Group's Efficiency Targets/ Savings. All agreed.

7. Draft Corporate Plan 2008/11

7.1 John Barber attended the meeting to present and receive comments on the Draft Corporate Plan 2008/11.

7.2 All members expressed their satisfaction that their comments from the February meeting had been included in the re-drafted document. It was also agreed that the current version was a great improvement and more accessible.

7.3 Raymond Young and other NEDs expressed their concerns that the document still read as if it was four separate businesses. JG noted that the SMT had considered at the outset structuring the Plan around the Government's 5 strategic objectives, but had decided that the structure by Group would make the Plan a more effective tool for managing the Agency.

7.4 David McGibbon suggested that the Corporate Plan required further explanation on how HS was to achieve the 3 aims set out in the new Framework Document. Board members shared this opinion. It was therefore agreed that the summary section should be expanded by setting out the main things the Agency will do to tackle these aims.

7.5 The Board was content with this. John Barber agreed to make the suggested amendments and asked that members contacted him directly if they had any further comments.

8. Mavisbank

8.1 The minutes of the Board's discussion of the Mavisbank paper have been withdrawn under the terms of section 30 of the Freedom of Information (Scotland) Act 2002 (Prejudice to effective conduct of public affairs), as set out in the agency's Publication Scheme.

9. Risk Register: Annual Review

9.1 LAP presented the Risk Register explaining that it had been refreshed as part of the annual exercise. She invited the Board to review the revised high level Register.

9.2 LAP explained that the key point of presenting the Risk Register to HSB was to get it to consider whether HS was recording the correct risks. She added that all points would be removed if correct action was taken.

9.3 Some Board members questioned why certain items remained on the Register. LAP said that risks should remain until measures were in place which substantially reduced their scale. There should be frequent movement onto, and off, the Register.

9.4 JG questioned why the Rowallan Public Inquiry was not included. MC said that a lot of work had been put into the case in order to keep it off the Register. LAP said there had also been presentational concerns. It was agreed that the approach to cases like this should be further discussed at the SMT.

9.5 BON suggested that failure to achieve the efficiency targets should be on the Register. LAP agreed. David McGibbon made the point that the Register should evolve and that no project was static. In fact its very purpose was to monitor projects and get them removed from the Register. All agreed.

9.6 LAP informed the Board that the Register would be presented at the next SMT meeting (22 May) for further discuss. It would be brought back to the Board in August.

10. Current Issues/ AOB

10.1 LB updated the Board on the positive outcome of the Parliamentary debate on the Agency's relationship with Local Authorities, which was held on 23 April. She explained that the debate was used to promote, firstly, the extension of the CARS Scheme and, secondly, the HS's joint working agreements with Local Authorities. LB stated that there had been interesting contributions at the debate and she would circulate a link for the Board's information.

10.2 Marc Ellington asked that all NEDs were alerted to such debates. LB agreed that all Board members would be alerted in the future.

10.3 LB asked the NEDs to note that the Battlefield SHEP was to be published for consultation on 30 April and the hard copy they received today, which had been distributed by the Secretary, was sensitive until then.

10.4 LB also updated the HSB on the Single Outcome Agreements (SOAs), which HS and the SG were working on in partnership with the 32 Local Authorities. She explained that the references made to the historic environment under National Outcome 12, and indeed in the Local Outcomes, illustrated that there was a mixed commitment to it. She explained that the initial stage of negotiations of the SOA process was to conclude in June.

10.5 Raymond Young raised the issue of climate change. LB explained that Policy Group had been working closely with SG colleagues on this – most notably from DG Environment and Housing Directorate. LB agreed to present a paper on this at the June meeting.

10.6 JG asked PB to update the Board on Stanley Mills. PB said that the official opening day, which the Minister was due to attend, was 6 May, but the property had already received over 5,000 visitors. PB stated that this was a 1/3 of the property's annual target of 15,000. All agreed this was encouraging.

10.7 PB went on to inform the Board that the "Free Weekend" held at HS sites saw over 75,000 visitors in total. He distributed copies of *Explore* magazine for the Board's information.

10.8 MC distributed the Inspectorate's Business Plan 2008-09, which set out its areas of responsibility, performance targets and proposed business improvements.

10.9 IM reported that following a meeting he had attended in America, CyArk has intimated it is keen to get HS involved in their CyArk 500 Challenge to create a 3D Heritage Archive Network of 500 world historic sites over the next 5 years.

10.10 IM explained that CyArk was a not for profit foundation founded by the inventor of the laser scanner. Resulting scans allowed users to view 3D models for a variety of educational and other uses with custom designed software. For Scotland they have an interest in including Stirling Castle, Skara Brae and Rosslyn Chapel. He added that such a link would help ensure HS was in the forefront of this developing technology.

11. Forward Look

11.1 LB invited the Board to note paper HSB 17/08 and asked if it was content to nominate Ayrshire as the location for the November HSB Tour.

11.2 The Board was content. LB said that the HSB Secretariat would, therefore, plan a tour for Ayrshire around the main theme proposed in the paper – the role of the Historic Environment in rural and economically less developed areas (e.g. relationship to SDRP).

11.3 It was suggested by Sheila Terry and Raymond Young respectively that issues surrounding Caltongate and a meeting with EWH, considering the recent personnel changes, should be added to the June Tour itinerary. The Secretary agreed to consider these suggestions in the planning of the June HSB Tour, which is to be held in Edinburgh.

**HSB Secretariat
April 2008**