

HISTORIC SCOTLAND BOARD MEETING

Minutes of Meeting 26 February 2008

Huntingtower Hotel, Perth 08.30 – 14.00

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 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:

Claire Dobbie	HSB Secretariat
Alex Devoy	HSB Secretariat
Dr Debbie Mays	Head of Listing

1. Apologies

1.1 John Lennon sent his apologies.

2. Minutes of Previous Meeting

2.1 Sheila Terry stated that the minutes of the previous meeting had not been amended in line with her comments. She agreed this could have been because the HSB Secretariat did not receive her email correspondence. The HSB Secretariat confirmed this.

2.2 Sheila Terry enquired about the progress of the Gateway Review of Stirling Castle. The Director of PiC informed the Board that the report was under consideration and that he would update the Board at the next meeting.

2.3 The Director of Policy updated the Board on the Equalities Policy. She stated that HS had useful discussions with the SG regarding this strategy, and it had been agreed that HS would tailor its own separate and distinctive agency policies in this area around the SG model.

11. Scottish Public Services Ombudsman

11.1 Item 11 on the agenda was brought forward. The Chief Inspector informed the Board of the outcome of the Scottish Public Services Ombudsman's Report, which was received by

the Agency in December 2007. The Chief Inspector summarised the SPSO report which had been previously circulated to Board members relating to a listing case in Edinburgh in 2004. Historic Scotland have accepted the SPSO's comments and have written to the complainant to apologise for the failings identified in the report. The Agency had written to the SPSO about the handling of the report.

11.2 Debbie Mays, Head of Listing, added that the events in 2004 predated changes in process introduced in the listing team. Steps had been taken to address the three complaints upheld, out of the eleven submitted.

11.3 David McGibbon asked the Chief Inspector if he was aware of any similar forthcoming cases.

11.4 The Chief Inspector reported that he was not aware of any such cases. However, he wanted the Board to note that an article regarding the listing of post-war buildings, which might cause critical attention from the wider public, was due to be published in the *Edinburgh Evening News*. Debbie Mays elaborated upon this by informing the Board that the Inspectorate was due to publish a booklet on post-war listing in order to facilitate a broader discussion on the topic.

3. Finance Report

3.1 The Director of Finance reported the figures as in the Finance Report. She stated that there was currently a small forecast underspend, but budgets were set to break even for the end of the financial year.

3.2 The Director of Finance drew the Board's attention to the Income Report, which predicted a 7% increase from the previous year. David McGibbon and the other members of the Board agreed this income percentage increase was commendable and encouraging.

3.3 David McGibbon expressed his concern that certain budgets were overcommitted according to the three-year forecast. The Director of Finance assured the Board that such a position was controllable through the effective management of Efficiency Savings and their allocation.

4. Continuous Improvement Update

4.1 The Director of Finance updated the Board on Continuous Improvement.

4.2 She informed members that the Agency was due to meet all of its ten Key Performance Targets (KPTs).

4.3 She invited the Board to be aware that the technical notes on planned efficiency savings would be published by the SG on 29 February. The annual review of the risk register for the Agency would be available for comment by the Board at the April meeting.

4.4 The Director of Finance invited the Board to comment on the presentation of the paper. It was agreed future updates should be simplified in order to ease understanding and that supporting detail could be omitted.

5. Audit Committee

5.1 David McGibbon updated the Board on the Audit Committee, which last met on 15 February.

5.2 He stated that the Audit Committee were informed by Audit Scotland that Lorna Meehan would meet with the HS SMT to present a paper on Best Value.

5.3 He also reported that Laura Petrie and John Barber had presented a paper on business continuity planning. The committee had noted this paper, recognised that it was a work in progress, and that the SMT would be required to sign up to this in March.

5.4 Lastly the Internal Audit plans for 2008/9 had been approved by the committee.

6. National Performance Framework and Corporate Plan

6.1 National Performance Framework

6.1.1 The Chief Executive introduced the paper on the National Performance Framework (NPF).

6.1.2 He explained that the Agency was due to put proposals to the Minister for revisions to its Framework Document, which included the overall aims set for HS by Ministers. Having reviewed the NPF he thought that the existing aims fitted well within it, and in terms of communication with staff there would be advantage in avoiding purely cosmetic changes in the wording. He was due to discuss the aims with the Minister shortly. Once the aims were approved the next step would be to review the draft material assembled for the Corporate Plan. Ideally the Plan should be finalised by around the end of April.

6.1.3 The Board were generally content with the existing aims, although there was some discussion about making clearer the contribution which the Agency made to sustainability. They agreed that it was necessary to settle the aims before the Corporate Plan could be finalised.

6.2 Historic Scotland Corporate Plan 2008-11

6.2.1 The Director of Finance presented the paper covering the draft material for the Corporate Plan. Explaining the financial context she pointed out that the Spending Review settlement had provided extra resources only for the Stirling project and for the proposed Bill. While an extra £1m per annum had been allowed for pay that was offset by the required 2% per annum efficiency savings. There was therefore very limited room for significant new pieces of work.

6.2.2 David McGibbon raised his concerns over the assumed £3 million that would be available through Efficiency Savings by the third year of the plan. The Director of Finance admitted there were genuine risks that such savings would not be secured, but also assured the Board that no commitments to redeploy the savings would be made until the SMT were confident the savings would be delivered.

6.2.3 Sheila Terry suggested that HS should think more laterally as regards funding. She suggested that if HS were to align itself more with the SG's strategic objectives, funding for certain policies could be found within SG Directorates. The Board agreed that was an option potentially to be explored.

6.2.4 Raymond Young stated that it was encouraging that HS was striving to work more closely with Ministers to achieve joint aims. However, he believed that the Corporate Plan needed to demonstrate, and indeed initiate, a horizontal integration of the departments within HS.

6.2.5 The Board agreed that a review of the internal culture of HS was sensible.

6.3 Strategic Options for Corporate Plan

6.3.1 There was an extended discussion of the strategic options for the Corporate Plan. The following were the main points:-

- it was important that the Plan was seen to be clearly related to the central purpose of the SG, which was sustainable growth;
- the Plan needed to bring out both the contribution which HS made to the national and local economies through its properties in care and the contribution it made to sustainable places through its advisory, regulatory and grants work;
- more needed to be done to address misconceptions about the role and responsibilities of the Agency;
- there was a risk that if HS stuck to its existing aims it would appear insufficiently responsive to the new Government;
- the draft material failed to acknowledge the central place the new Government was giving to sustainability;
- the Agency should be seeking to build on its expertise in order to assist the efforts to improve the energy performance of existing buildings, which was one of the main challenges in responding to climate change;
- so far as possible the plan should specify outcomes, rather than inputs or outputs;
- the existing material implied that HS worked entirely in silos: more examples should be given of projects involving more than one part of the Agency;
- there appeared to be particular opportunities for collaborative work both within the Agency and with other bodies such as A+DS in pursuit of sustainable places;
- the Plan needed to set out the steps the Agency would take to respond to the general SG policy of delegating more to local authorities;
- HS should continue its efforts to improve and spread understanding of how to conserve and maintain all traditional buildings, not just the listed stock;
- as suggested at the previous evening's event the Agency should be looking at how it could replicate in rural areas the work being done by city heritage trusts.

6.3.2 It was agreed that these comments would be taken into account in the redrafting of the Plan. Directors would have a further opportunity to comment on a draft, probably ahead of the next Board meeting.

7. Key Performance Targets for 2008/09

7.1 The Board discussed the draft Key Performance Targets (KPTs) and reached the following conclusions.

7.2 It was decided that the Inspectorate's KPTs 1 and 2 on scheduling and listing should be moved to operational targets. The Board supported the new target for the time taken to respond to consultations on planning applications proposed by the Chief Inspector and that it was sensible to pilot the proposed as an operational target for this year.

7.3 It was agreed that PiC should give further consideration to the proposed KPT 5 on developing conservation schemes and to a possible KPT related to the Stirling project. It was also agreed that PiC needed to clarify the drivers behind the proposed income target KPT 6.

7.4 The Board agreed that the Director of Policy should maintain a KPT on the Scottish Historic Environment Policy series (SHEPs) and look into developing other operational targets for the Grants and SEA teams.

7.5 The Board were content with the remaining proposed KPTs 3, 4, 7, 8, 9 and 10.

7.6 It was agreed that a revised set of proposed KPTs would be circulated to the HSB before consultation with the Minister.

8. Retail Strategy

8.1 The Director of PiC updated the Board on the HS Retail Strategy.

8.2 The Director of PiC stated that work on the Retail Strategy was continuing and that he would welcome comments from the Board. The broad strategy envisaged strong retail growth at the leading sites, holding sales broadly at current levels across the rest of the estate and reducing costs by simplifying the retail offer at smaller sites. A pilot "shop in a box", had been successfully run at some of the smallest sites.

8.3 The Director of PiC also highlighted the issues with the current retail IT system. The Director of Finance agreed that there are more effective retail IT systems on the market that could be used successfully in the agency. She suggested that it could take up to 18 months for a new system to be installed.

8.4 The Board reported that it was content with the general direction proposed, and agreed the details of the Retail Strategy and the possible obstacles to its delivery should be examined by a smaller group of directors; with a view to report back to the Board at a future meeting.

9. Scottish Historic Environment Policy Series

9.1 The Director of Policy updated the Board on the progress of Historic Scotland's SHEPs programme. She informed the Board that seven SHEPs were currently in hand.

9.2 The Director of Policy noted that the SHEP on Scheduled Monument Consent was due to be published in final form in the week commencing 10 March and those on Gardens

and Designed Landscapes and Properties in Care were due to be published in final form the week commencing 24 March. She also invited the Board to note that the SHEPs on the Marine Historic Environment and Battlefields were to be issued for consultation the week commencing 5 March and early May respectively. The Board were informed that the SHEPs on Listing and Listed Building Consent had a planned final publication date of July 2008.

9.3 The Director of Policy advised the Board that while no final decision had been taken on further SHEPs HS was close to the end of the programme originally planned.

10. Strategic Environmental Assessment Update

10.1 The Director of Policy introduced the paper on Strategic Environmental Assessment (SEA) and invited the Board to note the contents of the attached briefing. She stated that the graph in Figure 1 was of particular interest as it demonstrated that the volume of SEA cases had increased. She expected it to rise further before reaching a plateau.

10.2 The Director of Policy also informed the Board that there were staffing and resource issues related to SEAs, and that her team had doubts about the added value of some of the SEAs which were undertaken.

10.3 The Board noted the current position and agreed that the Agency should look for opportunities to press for a review of the value of SEAs.

12. Health and Safety Update

12.1 The Director of Human Resources updated the Board on Health and Safety and asked the Non-Executive Directors present to note the "Health and Safety at Work" booklets, which were distributed by the HSB Secretariat.

12.2 The Director of Human Resources stated that although Liz Crichton had departed, she had left a strong legacy and that the policies and procedures she had put in place could be swiftly developed further by her replacement. He stated that there had been no replacement identified yet and that if this continued to be the case he would look to employ a consultant.

12.3 The Director of Human Resources assured members that he would report back to the Board with more in-depth and constructive information on the Health and Safety booklet and the attitude survey at the June meeting.

14. Forward Look

14.1 It was agreed by all members of the Board that the location for the next peripatetic meeting should be Edinburgh.

14.2 The Director of Policy suggested that future peripatetic meetings should be organised based on themes and current issues first rather than on location first, which has been the case for previous meetings.

14.3 The Chief Executive noted this and the Board agreed it was recommendation worth taking forward. The Secretariat would develop a list of themes for the Board to discuss at the next Board meeting on April 24th.

13. Current Issues/ AOB

13.1 The Chief Executive updated the Board on the First Minister's announcement that HEACS was to be disbanded. He informed the Board that the Minister had met with HEACS to explain the decision announced by the First Minister. There has been little further discussion on this matter as HEACS wished to reflect on their response. The Chief Executive believed their response would not be announced until after their next meeting, which he stated was scheduled for 14 March.

13.2 The Chief Executive invited the Board to note in his announcement of the conclusion of the review of the public sector landscape the First Minister had promised further work on the relationship between RCAHMS, the National Archives and parts of the Agency. The timetable for this further work was unclear at this stage.

13.3 The Board was updated on the Rowallan case and informed that the Public Inquiry was scheduled for 8 April.

13.4 The Director of PiC agreed to circulate a comparison sheet of admission prices for other publicly accessible sites held by other bodies.

13.5 Sheila Terry invited the Chief Inspector to update the Board on Caltongate. The Chief Inspector stated that the Inspectorate had not objected to the application, but following the Council's decision on it had written to Edinburgh City Council inviting them to revisit the decision made to demolish the listed school. There had been opposition to the scheme from ICOMOS UK and the Edinburgh World Heritage Trust. The Chief Inspector agreed to circulate the HS letter to Edinburgh City Council to the Board.

**HSB Secretariat
February 2008**