

# HISTORIC SCOTLAND BOARD

## Minutes of Meeting on Monday 18 December 2006

### Longmore House, Edinburgh

#### 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
Ingval Maxwell	Director of TCRE
David McGibbon	Non-Executive Director
Brian O'Neil	Director Human Resources
Laura Petrie	Director of Finance
Sheila Terry	Non-Executive Director

#### In Attendance:

Mike Coull  
Colin MacLean  
Tania Smith

### **1. Apologies**

1.1 The Chairman welcomed members to the meeting and thanked those who had organised the trip to Mavisbank House. The visit had afforded a useful opportunity for the Board to appreciate the building and its setting at first hand.

1.2 There were no apologies.

### **2. Minutes of Previous Meeting**

2.1 The minutes of the previous meeting were approved.

2.2 Under matters arising, Brian O'Neil confirmed that Historic Scotland was continuing to engage in dialogue with the Scottish Executive in relation to pay negotiations. The Agency's proposals complied fully with the relevant guidance and further baseline information was being provided to inform the case to be made at the Scottish Executive's Management Group Remuneration Sub Committee meeting to be held on 15 January. It was hoped that negotiations would commence in February.

2.3 Peter Bromley confirmed that the Retail Strategy would be brought to the Board at the February meeting. In relation to paragraph 5.7 of the minutes of the Board's October meeting, he explained that he had obtained all the information requested on membership issues and would circulate it to interested parties.

2.4 Donald Carmichael confirmed that advice had been submitted to the Minister on the Historic Environment Advisory Council for Scotland (HEACS) reports and that her office was considering its response. A preliminary response would, if agreed, be issued before or

soon after Christmas, with a more exhaustive analysis being presented in the summer. **Donald Carmichael agreed to arrange to have copies of the submission and the Minister's preliminary response circulated to Board members.**

### **3. Continuous Improvement**

3.1 Introducing the Continuous Improvement Six Monthly Review paper, Laura Petrie explained that the Key Performance Targets (KPTs) were reviewed on a quarterly basis and were therefore not included in the report. The next KPT update would be in February. The paper currently before the Board focused on the other elements of Continuous Improvement, in particular Best Value and Efficient Government.

3.2 Laura Petrie confirmed that a Mid Term Review of the operational targets and other important measures in the Corporate Plan would be presented to the Board at its February meeting, and that some of the targets currently shown as red would be dropped. Malcolm Cooper confirmed that as agreed at the Orkney Board meeting, the Inspectorate had reviewed all of its Corporate targets and measures and had proposed a detailed set of amendments to the December Senior Management Team. As the paper presented to the Board did not take this into account, Mr Cooper reassured the Board that the amended targets as proposed were on target.

3.3 Laura Petrie recommended that the Agency retain its target efficiency savings of 1% as it remained stretching.

3.4 Laura Petrie confirmed that Operational Target OP3 relating to City Heritage Trusts should be green, not red.

3.5 Laura Petrie noted in relation to Operational Target OP51 that the information audit had advocated that the eRDM system be reviewed to establish its suitability for implementation across the Agency.

3.6 Sheila Terry queried whether funds could be allocated from the Efficient Government Fund for the eRDM project. Laura Petrie explained that this was under consideration as the cost of rolling out the eRDM system across Historic Scotland could be prohibitive. It was intended that the Agency would continue to work with the Scottish Executive model.

3.7 Malcolm Cooper noted that effective casework handling was particularly important in the Inspectorate. The Inspectorate wanted to move closer to the systems being used by SEDD. This would be achieved in three key ways: firstly, the Inspectorate had become a partner in the Scottish Executive Development Department's (SEDD) e-planning initiative which would constitute a substantial resource saving as well as providing effective risk management. Secondly, the Inspectorate currently used two parallel casework databases and it was felt that it was now necessary to evaluate an integrated data management system for all statutory casework. The SEDD casework management system would appear to meet the Inspectorate's requirements but the Inspectorate are also benchmarking against other possible systems. Thirdly, use of the Development Department's casework management system would allow the introduction of an integrated eRDM platform. In summary, after full evaluation of the Inspectorate's data management needs, careful consideration is being given to the advantages of adopting the Scottish Executive's systems.

3.8 Ingval Maxwell confirmed that the TCRE returns would be updated in time for the next meeting of the Board and commented that he was comfortable that the Group was on track to meet its targets.

3.9 Laura Petrie explained that the Continuous Improvement Project CIP2 Vehicle Review target would move to green as the Value for Money Review had reported and confirmed that outright purchase was still the most efficient way to manage the vehicle fleet, as long as Historic Scotland was part of the system managed by the Scottish Executive.

3.10 Laura Petrie noted that the e-procurement measure was amber. Although there had been some initial difficulties with the software, more comprehensive testing of systems in the wake of an Audit Scotland report was providing greater reassurance. It was planned that the service would be rolled out to the Finance Department in the first instance in January.

3.11 Laura Petrie confirmed that at the next Board meeting she would provide an update on the mid term revision of the operational targets of the Corporate Plan and on proposals for the next tranche of Best Value Reviews, in addition to those mentioned at Paragraph 5 of paper HSB 29/06. Further, Laura Petrie said that she would present a Best Value update to the Board at a later meeting.

3.12 The Chairman welcomed Colin MacLean, new acting Head of the Education Department, to the meeting.

#### **4. Finance**

4.1 Laura Petrie advised that she was confident that the projected overspend of £138 thousand posed no risk and that the appropriate financial levers were in place to control it. She reiterated that she would work with PIC and the Grants Team to bring overspend down if necessary.

4.2 An income forecast was still awaited, but little substantial improvement was expected as the busy season at Properties in Care was now over.

4.3 The Chairman noted that the Agency had an ambitious income target of 9% increase on the previous year. Historic Scotland had achieved a 6% increase so far, which left the Agency £500,000 below target. Laura Petrie confirmed that this could be offset by reallocating unused funds from Major Projects.

4.4 David McGibbon commented that Historic Scotland's performance had been good and that a 6-7% increase was encouraging in a slow market. The Chairman agreed that Historic Scotland appeared to be ahead of other organisations and of private owners in this regard.

#### **5. Spending Review 2007**

5.1 Laura Petrie explained that it was important to commence discussions on the Spending Review. It was unclear exactly how the review would be conducted, and our thinking so far was inevitably influenced by the last review. Historic Scotland would bid for the three year funding package as part of the Tourism, Culture and Sport (TCS) department of

the Executive. This would mean that the Olympic Games and the Commonwealth Games elements of the TCS portfolio could negatively influence the funding available. On past form we might in the initial stages, as well as putting forward bids, be asked to illustrate the effects of cuts of anything up to 10%, but there could be scope to bid for further funding late in the process.. It would be necessary to bid for funding to maintain the Agency's existing activities, but also to prepare defensive cases. Because the Spending Review cut across an election the spending priorities of the administration could be different after May to those set in place before the election.

5.2 Laura Petrie went on to note that Efficient Government would feature heavily in the Spending Review 2007, and emphasised that savings needed to be real in order to secure the longer term effectiveness of the Agency. Further preparatory work would be carried out in February once guidance had been received on the nature of arguments to present for the review. Laura Petrie explained that the outcome of the Spending Review would be known in September and that the subsequent corporate planning process would have to be undertaken in light of this timetable. It was important for the Agency to choose carefully its bid areas so that it would dovetail most effectively with the strategic objectives of the Scottish Executive as a whole. The Board then reviewed briefly the case for bids in a number of areas.

5.3 The Chairman invited Colin MacLean to comment on how he expected the Spending Review might unfold. Colin MacLean commented that the overall funding picture would be tight and that certain pressures were already built into the system, such as the PPP schemes. He noted that the forthcoming election would create two uncertainties: first, the politics and second, the timing. In the event of a clear result a manifesto and spending commitments could be agreed relatively quickly. If however there were to be a protracted process of negotiation this could necessitate concentrated work to accommodate alternative priorities over the summer in advance of the Spending Review announcement in September. Colin MacLean advised that it would be wise to study the important 'outcome areas' identified for the Review, and to demonstrate how proposed spend contributed to these key policy areas.

5.4 Colin MacLean expressed the view that we should aim to demonstrate work with other organisations in a combined approach to policy delivery. Malcolm Cooper agreed that it was important to demonstrate more clearly how the historic environment contributed to a range of important policy agendas and draw these interests together.

## **6. Scottish Historic Buildings National Fire Database**

6.1 Ingval Maxwell explained that there was a considerable loss of historic fabric to fire every year. He had recorded press clippings over a 13 year period and had discovered that one Category A or B – Scottish Listed building was lost per month to fire. In response to this, he had coordinated the establishment of the Scottish Historic Buildings Fire Liaison Group which in turn has developed links with similar initiatives in Europe and America. The Liaison Group acknowledged that relevant information on the real level of fire loss to historic buildings was lacking. In order to remedy the situation in Scotland, a database project was set up. Ingval Maxwell introduced Mike Coull of Grampian Fire and Rescue Service and invited him to make a presentation on the Scottish Historic Buildings National Fire Database.

6.2 Mike Coull said that he would outline the history of the project; its progress; its benefits and future development intentions. The database was developed as a result of a Liaison Group meeting in November 1999; it was subsequently decided to draw up fire risk

cards for Category A Listed Buildings. The database was used for front line fire fighting, for gathering statistics and encourages partnership working between Historic Scotland, RCAHMS and the Fire Service. List descriptions and historic buildings research feeds into the database, and Fire Services then make site visits to incorporate fire specific information into the package.

6.3 Mike Coull explained that there were eight Fire and Rescue Service areas in Scotland, most of which now had Vehicle Mounted Data Systems. This enabled fire crews to access information about a listed building en route to an incident. This was now embedded into operational practice. The system provided guidance on the practical procedure to be adopted at the scene of fires as well as explanation of how individual buildings were most vulnerable to fire.

6.4 The National Fire Database initial project originally excluded Edinburgh and Glasgow, however their incorporation was begun in 2004 and is expected to be completed in 2007, so that every A-Listed building in Scotland will be on the Database.

6.5 Mike Coull noted that incidents of fire in listed buildings had not been specifically recorded in the past with the result that any data held had not been accurate. Now an electronic reporting system had been devised which included recording whether the building was listed. It was expected that the system would be ready for roll-out in July 2007 for full implementation in 2008. The Scottish Fire Services had made interim arrangements for recording and since April 2005, 374 incidents of fire in listed buildings had been reported. However it was estimated that the total number could be approximately 600 per annum.

6.6 Mike Coull went on to explain that the cost of historic buildings fires was considerable, not least in financial terms, but also in terms of their effect upon local communities. In view of the benefits provided by the database, it was planned to develop the resource further to include Category B Listed buildings. The large number of B-Listed buildings would create further demands on the database, so a review of the existing methodology and technology would be prudent. However, the gathering of information in relation to B-Listed buildings would be facilitated by the Fire and Rescue Services' risk management planning initiative. This initiative included a statutory requirement to consider the risk to the built heritage. Therefore much of the necessary information was already being gathered and it was estimated that the assimilation of B-Listings information into the existing National Fire Database could be completed for ca. £80,000 per year over five years.

6.7 Mike Coull clarified that the database, in tandem with the Fire and Rescue Services' risk planning, would influence strategic decisions, including the number and type of vehicles mobilised to deal with fire incidents. By improving reporting of incidents it would be possible to identify trends and difficulties as well as influencing the methods of intervention by the Fire and Rescue Services. Providing fire crews with more information would raise awareness and ensure that appropriate fire fighting tactics were adopted to minimise damage.

6.8 Mike Coull, as Heritage Co-ordinator for the 8 Scottish Fire Services reported that work was progressing with all the partners to improve and develop the database and its implementation. Future developments would include identifying a more advanced platform for the database; exploring opportunities for research funding; reviewing Historic Scotland's Technical Advice Note publications; working on the implementation of the Fire (Scotland) Act; and researching regional approaches to damage limitation. Emergency procedures and

staff training were constantly under development. It was also intended that cooperation with the Fire Fighter Development Programme would result in the inclusion of training scenarios involving historic buildings.

6.9 Mike Coull summarised his presentation saying that the Scottish Historic Buildings National Fire Database project provided fire safety guidance and training for fire fighters; liaison with owners; damage limitation plans; and health and safety information.

6.10 Peter Bromley asked what evidence there was that collecting information on the National Fire Database was benefiting the historic environment. Mike Coull explained that the information gathered helped to inform the fire crews in making dynamic risk assessments and in agreeing tactics. It was also used to inform the integrated risk management planning of the Fire Services. Furthermore, it had helped to identify the historic environment as a priority and it was hoped that this would in turn act as a catalyst for risk management strategies to be adopted in other areas.

6.11 Marc Ellington noted that it was crucial to inform the trades and construction industry of the risks posed to historic buildings. Buildings, he explained, were most at risk while under restoration. Ingval Maxwell responded that this aspect was covered by 4 of Historic Scotland Technical Advice Notes and highlighted that this was not the prime objective of the Scottish Historic Buildings National Fire Database: this was to eliminate damage caused inadvertently by fire crews and to help ameliorate the effects of fire loss to the built heritage.

6.12 Ingval Maxwell indicated that work was well underway to complete the Category A database as scheduled and negotiate an extension of the project to cover all Category B-Listed buildings. Related discussions were ongoing with established international links and the Scottish Building Standards Agency.

## **Audit Committee**

7.1 The Chairman invited David McGibbon to update the Board on the Audit Committee meeting. He reported that the Audit Committee met on 7 December at Longmore House, with all members present. The Committee discussed with Audit Scotland the pending reports for the Scottish Executive on Efficient Government and Best Value. On Efficient Government it was noted that the report would be submitted to the Scottish Parliament on 11 or 12 December; its contents were embargoed until then. Historic Scotland would receive copies of the report as soon as possible thereafter. On Best Value, a paper would be forthcoming which would be a position statement against which operations could be measured against themselves. It would not be an 'across the board' comparison.

7.2 The Audit Committee noted that its final report for the audit of the financial year 05/06 was now complete and would include an unqualified opinion on the accounts for Historic Scotland.

7.3 Internal audit had presented a report on the review of risk management within Historic Scotland. The report provided the Board of Historic Scotland with substantial assurance in relation to the Agency's risk and governance arrangements.

7.4 Internal audit noted that their report on the Historic Scotland Conservation Bureau concluded that they were satisfied with the overall procedures. It was noted that the next meeting would be held on 19 February.

## **8. SHEP Update**

8.1 Donald Carmichael provided an update on the Scottish Historic Environment Policy (SHEP) series. He confirmed that Historic Scotland would be publishing around 12 SHEP papers covering various historic environment issues over the next two years. SHEP 1 was to be signed off by Cabinet and would be published in February 2007. It was hoped that another four would be consulted on in the next financial year. These would be on Scheduled Monument Consent, Listing, Listed Building Consent and the Principles of Conservation of and Access to Properties in Care. The following year would see a further four SHEPs, probably on World Heritage Sites, Battlefields, Marine and the Principles of Taking Properties into Care.

8.2 Donald Carmichael noted that although the timetables were tight, it was anticipated that the KPT targets would be met.

## **9. Appointment of Non Executive Directors**

9.1 Brian O'Neil introduced the item on the appointment of Non Executive Directors and reminded the Board that it had agreed to appoint two further Non Executive Directors. He had circulated a draft advertisement to the Board. It was planned that new Non Executives would be in place by March or April of 2007. Brian O'Neil now invited the Board to agree this approach and to comment on the draft advertisement and background note.

9.2 The Board discussed the drafts and agreed that it would be beneficial to draw the terms of the advertisement as broadly as possible in order to encourage applications from a broad range of interests.

9.3 It was agreed that Brian O'Neil would update the advertisement accordingly and circulate it to the SMT to be finalised before Christmas. The Chairman added that Liz Burns, Chair of HEACS, had kindly agreed to sit on the panel as an independent member.

## **10. Current Issues/AOB**

10.1 The Chairman reported that a paper had recently been published by the Policy Institute and that the Minister had been briefed on the interesting issues raised in the paper. A Historic Scotland commentary on the paper had been sent to the Policy Institute and comments were awaited.

10.2 Peter Bromley noted that there had been a Parliamentary debate on an application to move the Stone of Destiny to Scone Palace. The location of the Stone was not a matter for Historic Scotland or for the Scottish Executive: it was for the Monarch under advice from the Commissioners of the Regalia, one of whom was the First Minister. It was therefore not within Historic Scotland's remit to decide on or influence the movements of the stone.

10.3 Peter Bromley explained that there had been discussions with the Royal Household about Historic Scotland's responsibilities for the management of the palace at Holyrood, and to clarify ownership of various properties in the complex.

10.4 The Chairman invited feedback on the previous Board visit to Aberdeen. Sheila Terry noted that she had been impressed with the City Heritage Trust but had felt that there was scope for more activity, were sufficient funding to be put in place. David McGibbon indicated his agreement and added that discussions with representatives from Aberdeen had been beneficial. Aberdeen was thriving and there appeared to be sufficient resource to carry out useful work. The Chairman agreed and commented that it had been disappointing that there had not been more high level representation from the local Councils at the dinner.

10.5 Ingval Maxwell noted that Historic Scotland had organised a conference 'Bridging with Stone' in Glasgow on 7 and 8 February 2007. It would examine the impact of historic environment conservation on the economy; resources and education; opportunities for skills development; and issues of material sourcing. An associated event was the National Heritage Training Group's Skills Audit on Scotland, which would be launched in late January.

## **11. Forward Look**

11.1 The Chairman confirmed that the February meeting of the Board would be held in the Borders. A meeting had been arranged between Donald Carmichael, Peter Bromley and Malcolm Cooper to discuss the format of the visit.

11.2 It was agreed that the Inspectorate would make its presentation in February, while HR would present in April.

11.3 Peter Bromley requested that the item on Stirling Castle be postponed and that it be replaced by an item on the Retail Review for February's meeting.

11.4 Laura Petrie requested that the Spending and Best Value reviews be added to the Forward Look for February's meeting. She requested that an item on the Annual Accounts and Statement of Internal Control be added to the Forward Look for June, and that items on the Spending Review Outcomes and the Corporate Plan Process be included on the Forward Look for the October meeting. This would necessitate a longer meeting in October.

11.5 David McGibbon added that the Audit Committee would report in February, June and December.

11.6 Sheila Terry noted that Callander House would be an appropriate venue for a future meeting.

11.7 Ingval Maxwell noted that he would like an item on Climate Change and its Impact on Building Fabric be added to the Forward Look for June.

11.8 Donald Carmichael reported that the Mavisbank options paper would be complete in February and suggested that an item be brought before the Board in April to report.

11.9 The Chairman concluded the meeting at 16.00.

**HSB Secretariat**  
**December 2006**