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HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF HES BOARD MEETING HELD ON 24 JUNE 2021

VIA TEAMS CONFERENCE CALL

Present:

Jane Ryder, Chair
Janet Brennan
Andrew Davis
Terry Levinthal
Fiona McLean
Ian Robertson
Paul Stollard
Jane Williamson

In attendance:

Alex Paterson, Chief Executive
Elly McCrone, Director of Heritage
Gary Love, Director of Corporate Services
Lisa McGraith, Director of Communications
David Mitchell, Director of Conservation
Lindsey Ross, Director of People
Alison Turnbull, Director of Development and Partnership
Clare Torney, Head of Analytics, Reporting and Audit
Dorothy Hoskins, Technical Outreach and Education Manager
Suzanne Casey, Head of the Chief Executive's Office
Jules Davidson-Welch, Board Secretariat

Introduction and Apologies

1. The Chair welcomed everyone to the meeting. Apologies were noted from Ian Brennan, Emma Herd, Stephen Duncan and Donella Steel.

Minute of 17 May Board Meeting

2. The Board approved the Minute of the May Board meeting.

Chair's Update

3. The Chair noted that since the last meeting the Board had been briefed on the conclusions and recommendations arising from a high-level inspection to some HES sites. The Board had endorsed a plan to close a number of sites as a precaution. The

Chair expressed the Board's disappointment in the outcome, but reiterated the position that safety is the priority. The Board will be kept up to date with the situation via the Board liaison group set up for this purpose, and also through regular written updates.

4. The Chair also noted the receipt of a letter from Scottish Government, confirming Minister's agreement in principle to taking Mavisbank House into state care should the funding application to the Heritage Horizons Programme be successful. Such a step would be at an appropriate time and subject to a number of other matters set out in the Advice being satisfactorily addressed.

Planning Performance Report

5. The Director of Heritage presented the draft Planning Performance Report to the Board. The Report outlines HES performance within the Scottish Planning System during the period April 2020-March 2021, demonstrating that HES has maintained a very high level of service throughout the Covid-19 pandemic and met the target of responding to 90% of statutory consultations within required timescales. In addition, it outlines how HES has adapted working practices to meet the challenges of the last year, using innovative techniques to enable delivery of the service. It also measures progress against the service improvements set out in the previous annual report, and sets service improvement plans for the year ahead.
6. The Board discussed the draft report:
 - Members commended the content and presentation of the report, noting the positive performance and ease of understanding.
 - The Board noted that a new National Framework was anticipated in the near future, which would, when implemented have an impact on this area of work.
 - The Board strongly recommended that consideration should be given to where external assessment or input may enhance how HES performance is assessed and reported, noting this is a recommendation not limited to this area
 - Members noted the changed ways of working necessitated by COVID-19 and suggested that these developments may become part of normal operations and lead to a more structured continuous improvement approach.
 - The Board considered the target figure of 90% of statutory consultations responded to within the timescales, questioning whether this should be raised.
 - Members made a number of suggestions for areas that the report might cover in future, including enforcement actions by local authorities, and analysis of the impact of our regulatory work.
 - Further consideration is required to clarify the Board's governance role over the regulatory function. This will be explored further as the new Regulatory Framework is developed.
7. The Board approved the report for submission to Scottish Government and external publications, recommending that it should be promoted as widely as possible.

High Level Fabric Issues

8. The Director of Conservation provided an update on the high-level inspection project, following the closure of 20 sites earlier this month due to the risk of fabric failure and risk to staff and visitors. This included an outline of the revised inspection timeline which

would see the initial site surveys completed by mid- September. In discussion with the Board the following points were discussed:

- The Board emphasised the importance of seeking external expertise, both for assistance and for assurance. The Chief Executive should make contact personally with the regional HSE director to ensure engagement at the highest level. Independent stone advice should also be sought. The Peer Review panel should be reconvened, with consideration of membership to ensure the appropriate technical focus.
- The Director of Conservation provided background to SQA accreditation of a qualification which is currently in development. This was initiated as a response to the challenge of demonstrating competence in potential legal proceedings. The Board noted that the SQA is only one of a number of organisations that can offer suitable accreditation.
- Engagement with the wider sector and other national bodies is vital. The issue is not confined to the heritage sector, but affects all organisations with historic built assets, some of whom may not be aware of the risk involved. The OPiT Built Heritage Working Group membership encompasses much of this audience and the Board identified the need for development of a plan for all OPiT Working Groups , given the proposed changes to SHEF.
- Members noted that the development of the PIC Strategy, which will articulate the need to make difficult decisions about the future of historic assets, will be affected by this experience, with the timeframe for some key decisions now coming earlier than otherwise expected.
- Turning to staffing matters, the Board heard about staff reactions to the findings of the initial inspections, with some nervousness from staff about adverse judgement around their professional care of the monuments. Much effort has been made to reassure staff that this is not a matter of attributing blame.
- Members of the Staff Governance Committee updated the Board on their discussion the previous day about staff wellbeing, during which they had noted levels of staff absence due to stress. The Director of People provided assurances that work is under way to address staff workloads, with a greater emphasis on prioritisation. The Board confirmed their strong support for reprioritisation, including stopping, scaling back or delaying some activities, as well as exploration of options for additional resource and possible backfill of posts while staff are redeployed to essential work.

9. The Director of Conservation will circulate an updated inspection timeline to the Board.

ACTION: Director of Conservation

Clare Torney, Head of Analytics, Reporting and Audit, joined the meeting

Properties in Care Annual Report

10. The Head of Analytics, Reporting and Audit joined the meeting to brief the Board on the PIC Annual Report, the publication of which is required under our Scheme of Delegation reporting requirements. The report is an account of HES activity at/on the PICs and associated collections. In light of the resource required to compile previous reports, this year's publication has been slimmed down to cover on those areas required by the Scheme of Delegation.

- The Board welcomed the slimmed-down approach, commending the more condensed format.
- The work on PICs in the last year has been severely impacted by COVID-19, both in terms of our conservation work and visitor numbers.
- Acknowledging that the consequences of the high-level fabric survey occurred out with the period covered by the report, the Board felt that the context to the project should be covered in the report.
- Members discussed the desired tone for the report, noting the potential for an external audience. They emphasised that the report represents a good year's work.
- The Head of Analytics, Reporting and Audit will investigate whether there was a measurable increase in heritage crime at PICs, and consider whether this should be represented in the report.
- The Board discussed the levels of investment in PICs, and whether the figures quoted could be further explained, noting however that the circumstances of the year rendered comparison difficult.

11. The Board thanked the Head of Analytics, Reporting and Audit for the report. An amended version will be circulated to the Board prior to publication. The Board endorsed publication of the report when finalised, possibly without waiting to be paired with the Annual Report and Accounts if this introduced a delay.

ACTION: Director of Conservation

The Head of Analytics, Reporting and Audit left the meeting

Health and Safety and Fire Annual Report

12. The Director of Corporate Services gave an overview of the Health and Safety and Fire Annual Report for 2020/21.

- The Board noted that there had been three incidents which fell under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR), two of which had been Covid-19 related. No enforcement notices had been received.
- Members discussed the number of incidents recorded, noting that this was broadly comparable with other years when visitor/staffing numbers were adjusted. The Board considered the challenges involved in comparing figures to those of other organisations but concluded that benchmarking was essential in demonstrating HES as a high-performing organisation.
- The Board discussed the unusual nature of Holyrood Park in terms of HES' overall portfolio, and the correspondingly high number of incidents and near misses recorded, demonstrating the different mitigation and management measures required. In future, incidents occurring in the park will be disaggregated to demonstrate the differences.
- The Board considered the numbers of outstanding civil claims, noting that these had reduced. The Director of Corporate Services will provide further information and analysis of the claims to the Finance Committee.

13. Overall, the Board agreed that this represents a very good result for HES and congratulated the Health and Safety team.

Refreshing the Corporate Plan

14. The Director of Development and Partnership briefed the Board on the proposed approach and aims for refreshing the current Corporate Plan. By law, a new plan is required to be in place by April 2022, however due to Covid, the current plan has only had one year of normal delivery. The current plan was deliberately designed to be relevant for a longer time period, despite the three-year requirement. The Director suggested that, after discussion with the Chair and Fiona McLean, the objectives are still considered to be fit for purpose. The Board agreed with this assessment.
15. The proposed approach to a new three-year plan would take a lighter-touch approach to consultation, focusing on roundtable discussions and consultation on the Citizen Space platform, consider refreshed KPIs, and possible stretch goals.
16. The Director of Development and Partnership gave an indication of the timeline for the process, with the Board invited to participate in a priority-setting session at the August Board meeting, which will inform the consultation process. A draft plan will be circulated to the Board in December, with a further version to be submitted for final approval in February 2022.
17. In addition, the anticipated policy discussion with the Scottish Government sponsor department on 20 July will be an important opportunity to seek government views and expectations. In parallel, the Chief Executive is exploring the options for extending or rolling over the three-year lifespan of the current corporate plan, rather than devoting resources to a full new draft and consultation
18. The Board thanked the Director of Development and Partnership for her update, endorsing the approach of seeking an extension of the current plan, but if this cannot be arranged, also approved the light-touch approach to the development of a new Plan and consultation. Members advised caution regarding unrealistic stretch targets, noting that this is a time of unprecedented challenges.

HESe

19. Ian Roberson, in his capacity as HESe Chair, gave the Board a verbal update following their meeting of 28 May. Overall, the subsidiary has performed better than had been anticipated in such challenging circumstances, and with the outturn at year-end falling well within the parameters set out in the loan agreement with HES. The HESe annual accounts will be circulated to the company Board for approval prior to the next meeting.
20. The position to the end of May is in line with that the forecast in the 2021/22 draft budget, however there are many unknown factors at this stage which may impact longer term performance.
21. Work is under way to explore ways of utilising the Edinburgh Castle Esplanade given that the Royal Edinburgh Military Tattoo has been cancelled again this year. Elsewhere in Edinburgh Castle the matter of the Redcoat Café, currently closed due issues with the building, requires attention.
22. Commercial teams are also working on maximising improvements associated with the migration of the online retail shop onto a new platform, and in progressing the work to utilise ancillary properties.

23. Liaison with the HES legal team has begun on reviewing the HES/HESe Operating Agreement, in continuation of the exercise to refresh governance arrangements earlier in the year.

Dorothy Hoskins, Technical Outreach and Education Manager, joined the meeting

Knockando

24. The Chief Executive introduced draft Advice to Ministers regarding the future of Knockando Woolmill. Ministers have requested advice from HES regarding the request from the mill's trustees to take the site into state care. Accordingly, the request has been evaluated against criteria set out in the Acquisitions and Release Policy and draft advice prepared. The Board discussed that advice. The detailed discussion has been redacted due to commercial sensitivity.

The Technical Outreach and Education Manager left the meeting

Board Forward Look and Portfolios

25. The Chair led the Board in reviewing the latest version of the forward look, noting that a number of items require further consideration as to timing. She highlighted the anticipated session with Scottish Government on 20 July, which is yet to be confirmed.
26. Turning to the paper on Board portfolios, the Chair confirmed a number of changes including Jane Williamson's appointment to the Finance Committee, taking the place of Paul Stollard. Terry Levinthal has been appointed to the Audit, Risk and Assurance Committee. The Board also noted the membership of Board groups other than the formal committees, such as the PIC Strategy Support and Tier One Liaison groups. The changes would take place with immediate effect

Any Other Business

27. The Chief Executive gave an update on a number of items of business from the May Board meeting:
- The Board had confirmed their approval for discussions with Scottish Government on the grants refresh to begin. The Director of Finance and Head of Grants have taken this forward and minor government feedback has been taken into account. Work will now progress on bringing the matter to consultation, and the Board will be updated with timescales for this activity.
- ACTION:** Director of Finance
- The Business Case for PICAMS Phase Two had been submitted to Scottish Government and they have since confirmed their approval.
 - The Business Case for the Archive House Project had been submitted to Scottish Government and their response is anticipated in due course.
28. The Board noted that Ian Robertson will compile Board feedback on the proposed MOU with Landmark Trust. He will pass this on to staff by Wednesday 30 June.

29. Fiona McLean gave the Board an update on the recruitment exercise for a new HES Chair. Alongside herself, the recruitment panel consists of Jonathan Pryce representing Scottish Government, Kay Hampton representing the Ethical Standards Commissioner, and Lorne Crerar, an independent panel member. The Panel had met on 17 June to agree the approach and a range of material relating to the applicant information pack, and the advert will go live on 05 July. Board members should encourage potential candidates, and existing Board members are also welcome to apply.

There followed a closed session of the Board and Chief Executive