Present:

Jane Ryder, Chair
Janet Brennan
Andrew Holmes
Dr Paul Stollard
Alan Clarke
Prof David Gaimster
Coinneach Maclean
Fiona McLean
Trudi Craggs
Andrew Holmes
Dr Ken Thomson

In attendance:

Dr David Mitchell, Acting Chief Executive
Jennie Smith, Acting Director of Finance
Dr Adam Jackson, Head of Corporate and Business Planning
Stephen Duncan, Director of Commercial and Tourism
Lisa McGraith, Director of Communications
Gary Love, Director of Human Resources
Barbara Cummins, Director of Heritage Management
Diana Murray, Senior Executive
David McGibbon, Chair of Audit and Risk Committee
Paul Jardine, Member of Audit and Risk Committee
Dr Ewan Hyslop, Head of Technical Research and Science
Anne Turner, Business Strategy Manager, SEPA
Archie Alexander, Senior Business Consultant, Business Strategy, SEPA
Denise Mattison, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting. There were no apologies.
MINUTES OF OPEN SESSION AND ACTIONS

Minutes of 18 April 2016 Board Meeting and Action Tracker (HES 160/16)

2. The minutes of the April meeting were confirmed.

Chair’s Report

3. The Chair reported on engagement activity since the previous meeting, including with SG Sponsor in relation to improving the delivery architecture of Our Place in Time, the Chair of the National Trust for Scotland.

4. The Chair looked forward to the launch of the first Historic Environment Scotland Corporate Plan on 24 May at Paisley Abbey and updated the Board on the upcoming meeting of the Scottish Historic Environment Forum (SHEF) chaired by the Cabinet Secretary for Culture, Tourism and External Affairs on 22 June.

5. Further stakeholder engagement is scheduled to take place over the course of June.

HES Enterprises Board Report (HES 161/16)

6. The Chair of HES Enterprises Board (HESe Board) reported on the proceedings of the meetings held on 11 April and 11 May.

7. These early meetings have focused on putting governance arrangements in place to ensure effective oversight of HESe. This includes the Terms of Reference, Service Level Agreement and Independence Agreement, all of which will come to HES Board for approval.

8. HESe Board will also appoint a member to the HES Audit and Risk Committee and establish a risk register to enable identification and control of risks to delivery.

9. The HESe Board are also overseeing the further development of the HESe Business Plan and operational plan for the first year. The HESe Board will consider proposals for developing consultancy in October.

10. Other matters considered have included licensing (see HES 162/16), freedom of information and monthly trading reports.

11. The HESe Board will meet monthly, 2 weeks prior to HES Board meetings and minutes will be circulated to HES Board. Communications Team will work with HESe to develop communications planning.

Chief Executive’s Report (HES 162/16)

12. The Board noted the Acting Chief Executive’s update on sponsor and stakeholder engagement, operational developments, performance and financial reporting.
MINUTES OF OPEN SESSION AND ACTIONS

13. The Board discussed the HES role in the delivery architecture of Our Place in Time. HES will play a key role in delivery and this is reflected in our Corporate Plan.

14. The Acting Chief Executive tabled the technical revision of the Scottish Historic Environment Policy (SHEP), explaining that the extant SHEP had been superseded by the Historic Environment Scotland Act 2014. This is simply a representation of SHEP, removing technical inaccuracies. A broader review of heritage management activities is planned but in the meantime, subject to the Board’s comments and approval by 27 May, the updated SHEP will be sent to Heads of Planning by 1 June.

Action: Director of Heritage Management

15. The Acting Chief Executive updated the Board on progress at the Engine Shed. An updated business plan is to be provided to the Board.

Action: Acting Chief Executive

16. The Board discussed copyright in relation to HES. External specialist advice is to be sought due to the complexity of the issue.

17. In relation to Part 3 of the Chief Executive’s Report on financial reporting, discussion focused on restricted funding. The Board discussed the demand for HES grants and noted that in terms of both the level and quality of applications, demand is currently at an all-time high. Assurance was offered that an approach to grant allocation and management based on outcomes delivery and increased transparency was being taken forward as recommendations from the Grants Review are implemented.

18. Under financial reporting, under paragraph 48 on Procurement, Governance & Framework Compliance, the Board agreed, on the recommendation of the Acting Accountable Officer the annual reporting to SG Sponsor of single source contract awards with a value above £0.010 million as per the Framework Document. The Board noted plans to review single-source justification levels, the HES Framework Document and the Scheme of Internal Delegation.

Action: Acting Director of Finance

19. The Board asked for further details on the Gateway Review planned in relation to the Transition Programme, including Board input into the Review and developing reporting around the benefits anticipated.

Action: Acting Chief Executive
Annual Business Plan 2016-17 - Update (HES 163/16)

20. The Acting Chief Executive introduced the Annual Business Plan 2016-17. The Plan sets out priorities for the year and in particular focuses on the key differences in relation to business delivery as a result of the creation of HES. Publication of the Annual Business Plan on the HES website along with the Corporate Plan on 24 May was agreed.

**Action: Head of Corporate and Business Planning**

21. The Board asked that a summary document of priorities for the year and links to the Corporate Plan be published over the course of the next month.

**Action: Head of Corporate and Business Planning**

22. The Board reflected on the need for early consideration of plans for 2017-18, linked to budget planning, which will come to the Board on 7 July.

Communications and Engagement Strategy (HES 164/16)

23. The Board welcomed the draft Communications and Engagement Strategy. The priorities are to focus on stakeholder mapping and external engagement, the grand narrative around the benefits for Scotland and the organisation and operational communications. Further development, in line with the drivers set out in the Corporate Plan and the Annual Business Plan, would be taken forward by Fiona MacLean working with the Director of Communications.

**Action: Fiona MacLean and Director of Communications**

[David McGibbon and Paul Jardine joined the meeting]
[Anne Turner and Archie Alexander joined the meeting]

Strategic Risk Management (HES 165/16)

24. The Board welcomed David, Paul, Anne and Archie to the meeting. The session on Strategic Risk Management provided the space and time for the Board, together with Audit and Risk Committee members and SMT, to give collective consideration to strategic risk management and the risks to delivery.

25. The development of the Corporate Risk Register based on risks identified during the workshop will be considered by Audit and Risk Committee in July and reported back to the Board in November.

**Action: Audit and Risk Committee**

[David McGibbon, Anne Turner and Archie Alexander left the meeting]
Capital Planning: CHIB Submission (HES 166/16)

26. The Acting Chief Executive introduced the paper and set out the context. CHIB will meet on 1 June, a precursor to meeting later in the month to consider bids for capital funding from across the portfolio. It will also feed into the 3 year Spending Review.

27. HES’s submission builds on the thinking to date in relation to the HES Investment Plan previously considered by the Board and takes account of the manifesto commitment for a sector-wide investment plan for the historic environment.

28. The Board discussed the paper, including points for further development. Priorities for investment are statutory duties, regulatory compliance and health and safety; organisational resilience and long term sustainability through investment in the visitor experience at properties in care; enhancing access earlier than otherwise planned; and feasibility study to inform plans for the long term storage of archives and collections.

29. Opportunities for future collaboration on investment planning across the national collections were identified.

30. The Investment Plan should be further developed in discussion with the Chair, Trudi Craggs and Paul Stollard before submission to CHIB.

Action: Acting Chief Executive and Director of Finance

Income (HES 167/16)

31. The Acting Chief Executive introduced the income paper which, together with HES 166/16 will inform the Spending Review submission. The Board discussed the paper and noted that implications would be further considered at the Board workshop on 16 June.

[Paul Jardine left the meeting]
[Ewan Hyslop joined the meeting]

Research and Dissemination (HES 168/16)

32. Ewan introduced the paper noting that research is undertaken across HES and underpins many aspects of our functions. The Acting CEO noted a Corporate Strategy of Research would be forthcoming.

33. The Board discussed the value of research to HES and noted the need for a strategic approach and alignment with the Communications and Engagement Strategy and the HES Investment Plan.

Action: Acting Chief Executive

[Ewan Hyslop left the meeting]
Board Planning (HES 169/16)

34. The Board discussed plans for the meeting and site visit in July.

Post Meeting Note – with the scheduling of an additional Board meeting on 16 June, the Board have agreed to focus July’s meeting on Board business only. The next site visit will take place in Dumfries and Galloway in October.

35. In the light of today’s workshop on risk management, the next meeting of the Audit and Risk Committee will focus on risk.

36. Recruitment of two additional Board members is expected to take place over the summer with new members starting in November at which time the schedule of meetings for 2017 will be planned.

AOB

37. There was no other business.

Date of Next Meeting: 10.00am 16 June, John Sinclair House
### ACTIONS ARISING – 23 MAY

<table>
<thead>
<tr>
<th>Action Ref</th>
<th>Action/Decision</th>
<th>Lead</th>
<th>Due Date</th>
<th>Comment</th>
<th>Progress–Jun 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>HES/100216/117</td>
<td>Chief Executive's Report (HES 162/16) Finalise SHEP taking account of any comments from Board members and send to Heads of Planning.</td>
<td>Director of Heritage Mgmt</td>
<td>1 Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/100216/118</td>
<td>Chief Executive's Report (HES 162/16) Updated Business Plan for the Engine Shed to be circulated to the Board</td>
<td>CE</td>
<td>2 Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/119</td>
<td>Chief Executive’s Report (HES 162/16) Annual report on single source suppliers to be provided to SG Sponsor.</td>
<td>Acting Director of Finance</td>
<td>2 Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/120</td>
<td>Chief Executive’s Report (HES 162/16) Plans for Gateway review to be provided to the Board, including consideration of the benefits arising from the creation of HES.</td>
<td>CE</td>
<td>2 Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/121</td>
<td>Annual Business Plan (HES 163/16) Publish ABP on HES website.</td>
<td>Head of Corporate and Business Planning</td>
<td>24 May</td>
<td>Complete</td>
<td></td>
</tr>
<tr>
<td>HES/180316/122</td>
<td>Annual Business Plan (HES 163/16) Publish summary of priorities for 2016-17 along with links to the Corporate Plan on the HES website.</td>
<td>Head of Corporate and Business Planning</td>
<td>23 Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/123</td>
<td>Communications and Engagement Strategy (HES 164/16) Further development of the Communications and Engagement Strategy.</td>
<td>Fiona MacLean &amp; Director of Comms</td>
<td>tbc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/124</td>
<td>Strategic Risk Management (HES 165/16) Review and development of Corporate Risk Register at next Audit and Risk Committee and report back to HES Board in November.</td>
<td>ARC</td>
<td>Jul 10 Nov</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/125</td>
<td>Capital Planning: CHIB Submission (HES 166/16) Finalise Investment Plan for submission to CHIB.</td>
<td>CE &amp; Director of Finance</td>
<td>1 Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HES/180316/126</td>
<td>Research and Dissemination (HES 168/16) Development of a Research Strategy.</td>
<td>CE</td>
<td>tbc</td>
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</tbody>
</table>
## ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

<table>
<thead>
<tr>
<th>Action Ref</th>
<th>Action/Decision</th>
<th>Lead</th>
<th>Due Date</th>
<th>Comment</th>
<th>Progress–May 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>HES/210915/025</td>
<td><strong>Insurance and Indemnity (HES 70/15)</strong> Further adjustments should be made to the draft business case – authority to sign off delegated to Chair and Trudi Craggs.</td>
<td>CE</td>
<td>30 Nov 15</td>
<td>Carried Forward</td>
<td>Formal response to business case received from SG Sponsor on 10 May and being considered by management.</td>
</tr>
<tr>
<td>HES/161115/050</td>
<td><strong>Business Model Implementation Plan (HES 104/15)</strong> To develop Charging Policy for areas not covered by the Scheme of Delegation.</td>
<td>CE</td>
<td>18 Mar 16</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/161115/056</td>
<td><strong>Information Governance (HES 109/15)</strong> To bring forward to HES Board a comprehensive Information Management Policy, including training.</td>
<td>Jennie Smith</td>
<td>18 Mar 16</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/141215/068</td>
<td><strong>CE Report (HES 121/15)</strong> Collections – to update the Board on progress towards full options, condition, access, risks and issues as part of the next CEO Report (see piece in CE’s report).</td>
<td>CE</td>
<td>23 May</td>
<td>Carried Forward</td>
<td>Board workshop scheduled for 16 June. Full report to July Board.</td>
</tr>
<tr>
<td>HES/141215/069</td>
<td><strong>Edinburgh Castle</strong> To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).</td>
<td>CE</td>
<td>tbc</td>
<td>Carried Forward</td>
<td>Board workshop scheduled for 16 June.</td>
</tr>
<tr>
<td>HES/100216/078</td>
<td><strong>Financial Analysis and Budget (HES 127/16)</strong> Unified approach to budget and business planning to be developed with an update to the Board in summer.</td>
<td>Jennie Smith/Adam Jackson</td>
<td>7/8 Jul</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/100216/079</td>
<td><strong>Financial Analysis and Budget (HES 127/16)</strong> Develop proposals for a corporate management information system.</td>
<td>Jennie Smith</td>
<td>7/8 Jul</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/100216/085</td>
<td><strong>Audit and Risk Committee (HES 131/16)</strong> Recruitment of additional Board members.</td>
<td>Chair/SG Sponsor</td>
<td>30 Sept</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/100216/086</td>
<td><strong>Corporate Strategies: Strategy Landscape (HES 132/16)</strong> Revisit strategy landscape in light of finalised Corporate Plan.</td>
<td>Paul Smart Lead passed to CE</td>
<td>1 Apr</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180316/096</td>
<td><strong>Strategic Investment Plan (HES 143/16)</strong> Further develop the HES Investment Plan</td>
<td>CE</td>
<td>23 May 16</td>
<td>Carried Forward</td>
<td>Remitted to HESe Board</td>
</tr>
<tr>
<td>Action Ref</td>
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<tr>
<td>HES/180316/098</td>
<td>Financial Planning 2016-17 (HES 144/16) Further detail to be provided to the Board on the Crown Room project.</td>
<td>Stephen Duncan</td>
<td>1 Apr 16</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180316/101</td>
<td>Chief Executive’s Report (HES 146/16) Consider the configuration of Our Place in Time Delivery Groups with recommendations provided as part of the May CE Report.</td>
<td>CE</td>
<td>23 May 16</td>
<td>Carried Forward</td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180416/106</td>
<td>Chief Executive’s Report (HES 151/16) Progress options appraisal and investment planning.</td>
<td>CE</td>
<td></td>
<td>Board workshop scheduled for 16 June</td>
<td></td>
</tr>
<tr>
<td>HES/180416/107</td>
<td>Chief Executive’s Report (HES 151/16) People Strategy to be developed.</td>
<td>CE/Gary Love</td>
<td>tba</td>
<td></td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180416/108</td>
<td>Chief Executive’s Report (HES 151/16) A revised timetable for Engine Shed completion. communications plan and a date for post-project review to be provided to the Board before 23 May.</td>
<td>CE</td>
<td>23 May</td>
<td></td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180416/111</td>
<td>Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.</td>
<td>CE</td>
<td>15 Sept</td>
<td></td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180416/113</td>
<td>Audit and Risk Committee (HES 154/16 and HES 155/16) • Draft mainstreaming Equalities Mainstreaming Report to be provided to the Board • Further development and implementation planning of the four HR policies</td>
<td>CE</td>
<td>tba</td>
<td></td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180416/114</td>
<td>Stakeholder Engagement Address gaps in strategic engagement and partnerships to deliver the Corporate Plan.</td>
<td>CE/Lisa McGrailth</td>
<td>tba</td>
<td></td>
<td>In progress.</td>
</tr>
<tr>
<td>HES/180416/116</td>
<td>Publications and Licensing (HES 157/16) Explore potential transfer of commercial publications and licensing to HES Enterprises with the National Archive.</td>
<td>CE/Jennie Smith</td>
<td>tba</td>
<td></td>
<td>In progress.</td>
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</table>