



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF HES BOARD MEETING HELD ON 25 APRIL 2019

Conference Room, Longmore House

Present:

Coinneach Maclean (Acting Chair for items 1.1 – 2.3)
Fiona McLean (Acting Chair for items 2.4 – 2.6)
Ken Thomson (Acting Chair for items 2.7 to close)
Janet Brennan
Ian Brennan
Trudi Craggs
Andrew Holmes
Paul Stollard
Ian Robertson

In attendance:

Alex Paterson, Chief Executive
Barbara Cummins, Director of Heritage
Stephen Duncan, Director of Commercial and Tourism
Gary Love, Director of Corporate Services
David Mitchell, Director of Conservation
Kirsteen Rowlands, Acting Director of Communications
Donella Steel, Director of Finance
Alison Turnbull, Director of Development and Partnerships
Suzanne Casey, Head of the Chief Executive's Office
Jules Davidson, Board Secretariat

Introduction and Apologies

1. Coinneach Maclean, acting as Chair, welcomed everyone to the meeting. Apologies were noted from Jane Ryder, Chair.

Minutes of the 14 February Board Meeting and Action Tracker

2. The Board approved the minute of the February meeting subject to minor amendment. The table of actions was reviewed and progress discussed.
3. Members requested that a progress report on the John Sinclair House-related actions arising from the recently undertaken Astute Fire Engineering Report be brought to the June Board. Board Members emphasised the urgency of the

actions outlined in the report, and the importance of keeping to the consultants' timescales.

ACTION: Director of Corporate Services

4. Members asked for further information about the Scottish Heritage Crime Group initiative to be circulated to the Board.

Action: Director of Heritage

Chair's Update

5. The Chair's update, provided in writing, was read by the Acting Chair in her absence:
 - The Chair had attended the Corporate Plan launch, describing the event as outstanding and genuinely inspirational. She described how well the event had been attended and noted that she had since received several compliments of the plan itself. The Chair had given a brief introduction, followed by a video relating to each of the five outcomes, introduced by a staff member. She also noted the successful 'market' type stalls format. The Chair commended all staff involved, particular Iona Matheson, Communications Manager, for her assistance in preparing for the event.
 - The Chair also participated in activity to launch of the eighth round of the Conservation Area Regeneration Scheme (CARS), and noted the importance of communicating the value of the scheme.

Chief Executive's Report

6. The Chief Executive presented his update to the Board. A number of matters were discussed, including:
 - The Chief Executive noted that, subject to audit, he expects the financial outturn for the 2018/19 financial year to be within 0.3% of budget. The Acting Chair commended all involved in this achievement.
 - The Chief Executive updated the Board on the status of the increased employer pension contributions on the 2019/20 Budget. At this time, the level of additional funding HES will receive to support the additional costs is yet to be confirmed, and HES is therefore regarding this as an unfunded budget pressure. In order to ensure HES continue to operate within its financial limits the operational expenditure budget has been restricted, with the balance held in reserve until clarity is received. The Board commended this prudent approach.
 - VisitScotland have revised their Quality Assurance scheme, introducing more aspirational criteria to drive improvements across the tourism

sector. The results of advisory visits, held as part of the scheme's trial period, indicate that some HES sites may be in line for downgraded ratings. Work is currently underway to identify and drive improvements across all HES sites with additional focus being given to those sites facing a possible downgrade. The Board asked for a briefing on the new internal Quality Assurance system, which has been designed to more effectively drive improvement in visitor-focused activity.

ACTION: Director of
Commercial and Tourism

- The Chief Executive updated the HES Board on Mavisbank House, on which HES has been working with a third party to explore potential opportunities for the property. The next steps are to develop this work into a Stage 1 application to the NLHF later this year.
 - HES ends the year with visitor numbers of 5.25 million, +4% year on year. This is a new record for staffed site visitor numbers in a financial year, with 27 sites setting a new record. 2019/20 has commenced with a record breaking Easter, boosted by excellent weather.
7. **Annex A** outlined the annual Corporate Performance Report for 2018/19. The Chief Executive summarised that 99% of our deliverables had been achieved or partially achieved, and noted that performance against the Commercial Income deliverable had received a significant boost by exceptional results in the final month of the financial year. The Board commended the results, passing on their thanks to all involved in delivery.
8. **Annex B** outlined next steps for the Edinburgh Castle masterplan, previously discussed by the Board at the March Strategy Day. Members discussed a number of points in relation to the masterplan, including appropriate representation of stakeholders on the Steering Group, the development of Terms of Reference for the Steering Group and Project Board, and the recruitment of a Project Manager. The Board approved the approach outlined in the paper.

Neil Harris, Corporate Projects Programme Manager, joined the meeting.

Corporate Projects: Programme Overview

9. The Chief Executive introduced the Corporate Projects Programme Manager, who gave a presentation to the Board covering methodology, approach, achievements to date and next steps for the Programme. He explained that the programme remains at an Amber status; reflecting the fact that the work required to shape the project outcomes around business change is ongoing,

with work on developing the change 'blueprint' planned to come to fruition over the coming months.

10. Members discussed the topics raised in the presentation, including the following points:

- The challenges of fully engaging with staff regarding the programme, and the opportunities posed as staff are enabled to focus their time on more role-relevant work; and
- The outputs of the programme will have a beneficial effect on the management of the Corporate Risk Register, and consideration should be given to where this can be aligned.
- Members noted the successful recruitment of twelve Project Champions, representing a good cross-section of the organisation.

11. The Acting Chair thanked the Corporate Projects Programme Manager for his presentation.

Corporate Projects: EDRMS and Intranet Business Case

12. The Director of Finance introduced the Business Case, which follows on from the outline business case approved by the Board on 13 December 2018. This Full Business Case lays out the case for change that will be brought about by the implementation of the Electronic Document and Records Management System (EDRMS) and Intranet. The project is at the heart of delivering the transformational change needed for Historic Environment Scotland (HES) to achieve its strategic objectives as defined in the Corporate Plan and aligns with the Programme for Success. Microsoft SharePoint is the recommended technical platform for both EDRMs and the intranet. HES are currently licensed for this and it is integrated with, and part of, the Office 365 suite of products that will be rolled out across HES over the forthcoming years.

13. The Board held a discussion on the Business Case, highlighting the following:

- The staff time savings and associated opportunities for more role-relevant work provides sufficient value for the project without the need to delineate cost savings;
- The Director of Finance clarified the relationship between EDRMS and Intranet, which are considered together as both share the same SharePoint technical platform;
- The timescale for implementation may be slightly ambitious, with not enough time allowed for the procurement stage; and
- The Director of Finance confirmed the Project Implementation Plan would consider a number of elements, including data quality, workflow etc.

14. The Board approved the Full Business Case on the understanding that the timescale for implementation may change from that outlined in the paper.

Corporate Projects: HQ Transformation Project

15. The Director of Corporate Services briefed the Board on progress on the HQ Transformation Project, including the development of a full and costed business case for approval by the Board prior to moving to the technical design phase. Following the last update to the Board in December 2018, a full design team highly experienced in workplace transformation projects has been appointed.
16. Work is progressing towards full design and costing for the detailed business case. Currently the project is at Royal Institute of British Architects (RIBA) Stage Two. The Project remains on track within the critical RIBA timeframe stages and within budget.
17. The HQ Transformation Project is integrated into the Programme for Success and sits alongside the other Corporate Projects; it is being communicated as part of the overall Programme of business improvements taking place.
18. In discussing the progress of the project, the Board offered the following feedback:
 - Efforts should focus on aligning the technical undertaking with the task of engaging with and preparing the workforce for the change;
 - The Archive and HQ projects should be seen as inextricably linked due to the challenges of relocating from John Sinclair House, and in this context it may be appropriate to review the Project Management arrangements; and
 - A programme outlining the timeline for the next two years should be brought to the June Board meeting.

ACTION: Director of Corporate Services

Neil Harris left the meeting

Investment Plan

19. The Director of Finance briefed the Board on progress against the programme set out in the Investment Plan to 2021/22. The plan started in 2017/18, setting out a framework to guide investment decisions.
20. £20.4m has been invested against the strategic priorities identified in the Plan over the past two years. Conservation has been the largest single area for investment, with £7.7m invested since 2017/18. £4.4m has been invested in visitor facing priorities, a further £3.2m in corporate projects and £1.9m in infrastructure. The document also outlined the proposed Investment Plan for 2019/20.

21. The Board welcomed the approach taken to the Investment Plan, and approved the plan for 2019/20. Over the longer term, the Board suggested opportunity for benchmarking and evaluation of the impact of the Investment Plan.

The role of Acting Chair was transferred from Coinneach Maclean to Fiona McLean.

Tom Gaze, National Investment Plan Coordinator, joined the meeting.

Caerlaverock Monument Investment Plan

22. The Director of Commercial and Tourism introduced the item, inviting the Board to approve the development of a £6.9m programme of investment at Caerlaverock Castle as outlined in the Monument Investment Plan. This figure includes ongoing conservation and maintenance as well as additional project investment. In addition to HES funding, other sources of funding will also be explored to assist implementation.
23. The National Investment Plan Coordinator gave a presentation to the Board on the proposals, outlining a vision to deliver a first-class experience at Caerlaverock Castle, appealing to core and wider audiences, making more of its compelling history and physical setting, and enabling it to become a destination attraction for Dumfries and Galloway that can help drive growth and raise standards across the regional visitor economy.
24. The Board discussed the proposals and noted the importance of the plan serving as a catalyst for improvement in the region and that ongoing engagement with partners should be a central principle of the project. Consideration of sustainable and /or public transport to the site, and appropriate levels of marketing activity are vital to the delivery of increased visitor numbers. Members also noted the status of negotiations with the Caerlaverock Estate. The Board received assurances that the next steps in taking forward planned works could be managed by internal resources.
25. The Board thanked the National Investment Plan Coordinator for the excellent presentation and approved the development of the project.

Tom Gaze left the meeting

Susan Ferguson-Snedden, Head of Legal and Compliance, joined the meeting.

Access Policy

26. The Acting Director of Communications and Head of Legal and Compliance presented the paper, which included the draft text of a political neutrality policy, as set out in the HES *Managing Access to Properties in Care Policy*. HES has an operational position of not allowing political events to be held at the Properties in Care (PiCs). This is a long-standing operational position of HES and its statutory predecessors. This was revisited in response to the unauthorised holding of a political event in Holyrood Park in October 2018 by All Under One Banner (AUOB). Legal advice was taken that confirmed that the existing operational position was appropriate. As a result, the operational position has been formalised within the wider Access Policy document, to be available in advance to prospective event organisers.

27. In discussing the policy, members highlighted the following points:

- Work to make the policy more accessible online is welcomed;
- Members noted that staff training for de-escalating situations and conducting difficult conversations has been delivered widely to site colleagues;
- The Chief Executive provided further clarity on how the policy will be applied by operational staff; and
- The Board requested a number of minor amendments to the wording.

28. The Board thanked the Director of Communications and the Head of Legal and Compliance for their inputs and approved the policy and its improved accessibility, subject to the minor alterations suggested.

Susan Ferguson-Snedden left the meeting.

Nick Thomas, Head of Commercial Performance and Systems, joined the meeting.

Inclusive Pricing Approach

29. The Director of Commercial and Tourism introduced the item, which sets out HES' approach to admissions pricing at sites, particularly for young people, following the discussion at the August 2018 meeting, where further information was requested.

30. At present, HES operates a broad approach to admissions pricing beyond the standard admissions framework to ensure that young people, and particularly those demographics that would struggle to afford entry prices, have access to our built heritage. Students are not currently eligible for the concession admission tickets at our sites but do qualify for concession Explorer Passes and Memberships. Students have traditionally benefitted from the Young Scot Discount which gave 10% off the adult price; this has now been replaced with the £1 Young Scot offer. Similarly, there is currently no Family ticket for general admissions at individual sites other than for daytime events.

31. The Board discussed the information outlined in the paper, particularly around the rationale for not offering a student or family walk-up ticket or further reduced entry for children. Members asked for a further paper to be brought to the August Board, giving a fully costed examination of various pricing scenarios. Assessment should also be carried out to gauge the likely impact and reception of various scenarios.

ACTION: Director of Commercial and Tourism

The role of Acting Chair was transferred from Fiona McLean to Ken Thomson.

Revised Framework Document and Scheme of Internal Delegation

32. The Director of Finance introduced the revised Framework Document and Scheme of Internal Delegation. The Framework Document sets out the broad framework within which HES operates and defines key roles and responsibilities which underpin the relationship between HES and the Scottish Government. Over recent months, teams have been reviewing the HES framework document with Scottish Government.
33. In parallel, a range of proposed amendments to the Scheme of Internal Delegation have been considered. Some amendments arise from the revisions to the Framework Document, others from experience of operating with the current Scheme.
34. Members discussed the proposed amendments to the two documents, and posed a number of questions to which they received appropriate assurances. The Chief Executive highlighted two proposed changes to the Scheme of Internal Delegation.
35. The Board confirmed their approval of the revised Framework Document and Scheme of Internal Delegation. Members commended staff for the degree to which the revisions demonstrated a high degree of confidence of HES' ability in the sponsor department.

HESe Board: Minute of 13 February Meeting

36. Coinneach Maclean, Chair of the HESe Board, gave an update of the meeting of 13 February, noting the following items:
- The costs associated with relocation of the National Collection of Aerial Photograph (NCAP) have increased since the initial business case, necessitating further consideration by SMT and the HESe Board; and
 - Coinneach offered an update on Publishing, both in terms of news of the departure of Publishing lead Jamie Crawford, and the development of a strategy for Publishing, due for consideration by SMT and the HESe Board

in June. Members suggested that the paper should then come to the full Board, provisionally scheduled for June.

ACTION: Director of Commercial and Tourism

ARAC: Minute of 13 February Meeting

37. Ian Brennan, Chair of ARAC gave an update of the meeting of 13 February. Members discussed the procedure for dealing with fraud in HES, and particularly the criteria used for reporting to the police. A paper on fraud is due to be considered by ARAC in due course.

3. PAPERS TO NOTE

Minute of Business Items discussed at 21 March Strategy Day

38. Members considered and approved the minute.

Note on Risk Discussion at 21 March Strategy Day

39. Members considered and approved the minute, noting that ARAC will consider an updated Risk Register incorporating the Board Strategic Risk discussion on 15 May.

Outline Programmes for May and September Board Visits

40. Members noted the outline itineraries, and made a number of suggestions for the Western Isles visit in September. An updated itinerary will be shared with the Board prior to the June meeting.

There followed a closed session of the Board and Chief Executive

The next HES Board business meeting will take place on 13 June 2019.