



HISTORIC
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SCOTLAND

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MINUTE OF HES BOARD MEETINGS HELD IN 2016

15 December 2016

27 October 2016

15 September 2016

7 July 2016

23 May 2016

18 April 2016

18 March 2016

10 February 2016



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 15 DECEMBER 2016

Conference Room, Longmore House

Present:

Jane Ryder, Chair
Janet Brennan
Andrew Holmes
Paul Stollard
Alan Clarke
Fiona McLean
Ken Thomson
David Gaimster
Trudi Craggs
Ian Robertson
Ian Brennan

In attendance:

Alex Paterson, Chief Executive
Lisa McGraith, Director of Communications
Gary Love, Director of Corporate Services
David Mitchell, Director of Conservation
Stephen Duncan, Director of Commercial and Tourism
Jennie Smith, Acting Director of Finance
Colin Tennant, Head of Technical Education and Training
Dorothy Hoskins, Technical Education and Training
Lorna Ewan, Head of Visitor Experience, Content and Learning
Thomas Knowles, Head of Grants
Rebecca Jones, Head of Archaeology and World Heritage
Lesley Ferguson, Head of Archives
Richard Welander, Head of Collections
Gary Sharp, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting. Apologies were noted from Coinneach McLean. She welcomed Ian Brennan and Ian Robertson to the meeting, their first since taking up their appointment as Board members.

Minutes of 27 October 2016 Board Meeting and Action Tracker (HES 209/16)

2. The minutes of the October meeting were approved subject to minor amendment.

Matters arising

3. All matters arising will be covered by items on the agenda.

Chair's Report

4. The Chair noted that the Annual Accounts for 2016-17 had been laid at the Scottish Parliament on 14 December, and that a good settlement from the Spending Review was anticipated. The '*Progress Report on the Conservation and Management of Properties in Care of Scottish Ministers*' was expected to be launched by the Cabinet Secretary in early January.
5. The Chair also reported on a constructive meeting with the Edinburgh World Heritage Trust.

Chief Executive's Report (HES 210/16)

6. The CE provided the Board with an update on the recent quarterly sponsorship meeting, the Corporate Health and Safety Group meeting, his engagements since the last meeting, operational developments, as well as progress on some key issues such as the revised OPiT Delivery Model, investment planning for HES and IT. A forward looking communications summary was also provided.
7. On the OPiT Delivery Model, he confirmed that the draft Terms of Reference for the associated Working Groups will be shared with the Board before

Christmas. He also indicated that ahead of the next meeting of the Scottish Historic Environment Forum (SHEF) in March/April 2017, he intended to meet with the heads of those organisations participating in SHEF.

Action: Chief Executive.

8. The CE updated the Board on the preparation of an HES Investment Plan and clear articulation of investment priorities and prioritisation criteria. He confirmed that a draft investment plan will be presented to the next Board meeting, noting that some aspects are likely to take longer to define and quantify, for example future options around HQ and storage facilities.
9. The CE proposed a twin track approach. Firstly, investment that needs to take place to address current and on-going operational requirements. Secondly, major investment projects/opportunities.
10. Following work undertaken by Conservation and Commercial and Tourism Directorates, a workshop to inform corporate investment prioritisation was held on 12 December. Four broad criteria emerged:
 - Condition of sites;
 - Customer experience;
 - Cultural significance; and
 - Contribution to the wider economic and social priorities.
11. Further analysis of the outputs from the 12 December workshop will be undertaken and submitted to SMT for consideration on 20 December.
12. The Board endorsed the approach outlined and requested that a succinct briefing note on the approach to investment be developed. This should include scope, assumptions, dependencies and timescale. The outline should be shared with the Chair and Paul Stollard prior to the first draft presentation to the Board in February

Action: Chief Executive.

13. In relation to IT, Gary Love provided an overview of progress since the last Board stating that an extension to the ATOS contract had been secured, the findings from the recent review of IT capability and gap analysis across HES are to be discussed at the SMT meeting on 20 December, and that plans for the migration of staff in John Sinclair House to the network are progressing.

14. Referring to the CE Report provided, discussion continued around the People Survey results Members requested that the Action Plan in response to the People Survey be considered by the Staff Governance Committee at its next meeting on 1 February and incorporated in the comprehensive People Strategy due to come to the Board in March. The minutes of the Staff Governance Committee should be added to future HES Board meeting agendas for information.

Action: Chief Executive.

On the international Memoranda of Understanding outlined, the Board sought assurance that these did not constitute commercial contracts and therefore carry potential liability and resource implications. The CE confirmed that these agreements provided a platform for international engagement and the sharing of skills and knowledge and therefore are not commercial contracts.

Interested in getting a much better sense of HES' international relations and opportunities, irrespective of Brexit, members asked that a comprehensive briefing be provided to a future meeting.

Action: Chief Executive.

[Lesley Ferguson and Richard Welander joined the meeting]

Archives and Collections: Situation Report (HES 211/16)

15. Lesley Ferguson introduced this item and outlined that the purpose of the paper was to provide members with a comprehensive overview of archives and collections issues across HES and priorities over the coming years. One of the key themes was the work to date around a sustainable solution for the storage and presentation of the archives and collections.

16. Following a meeting on 14 December of the HQ and Collections Working Group, David Gaimster and Andrew Holmes updated members on the HQ buildings going forward, and how this dovetails with initiatives underway at a national level.

17. In considering next steps, it was agreed that the continuation of the working group would be sensible. David Gaimster and Andrew Holmes are

to remain members of this group with the focus now being on developing delivery options.

[Lesley Ferguson and Richard Welander left the meeting, and Lorna Ewan, Rebecca Jones and Thomas Knowles joined the meeting]

Draft Access Policy for PICs (HES 212/16)

18. Lorna Ewan introduced this item by outlining the requirements under the Scheme of Delegation to have an Access Policy for PICs in place. The purpose of the paper was to obtain approval to replace the interim policy statement put in place at 1 October 2015 with the revised policy.

19. Members commended the quality of the document, which with some minor amendments would provide a more comprehensive policy. In particular, members requested more explicit linking of the policy to our Equalities plan, examples of ways in which HES engages with different audiences and reference to key partners in the implementation of the plan. The Board, on that basis, agreed to approve the policy in principle – final version release was delegated to the CE.

Reflecting on the need for a greater focus on Equalities across the organisation, it was agreed that the remit of the Staff Governance committee should be expanded to include Equalities. The formal ToR should be amended accordingly, to be considered at the 1 February meeting

Action: Director of Corporate Services

[Lorna Ewan left the meeting]

Delivery of the HES Grants Programme (HES 213/16)

20. Thomas Knowles introduced this paper, which sought to provide a comprehensive overview of HES' grants programmes. Given the Board's particular interest in recurring grants, he identified that across the 7 grant programmes there are several recurring grant awards. He confirmed that, in line with the changes approved by the Board earlier in the year, recipients of such grants would in future be required to follow an application process, with the rationale and outcomes clearly identified.

21. The Board indicated that discussions with organisations in receipt of recurring grants need to be handled sensitively. The Board recommended that the grant application process and associated criteria should be kept under review, and opportunities taken to benchmark against the practices of other grant awarding organisations.
22. The Board noted that the City Heritage Trust review is on-going and therefore is still to report.

Edinburgh World Heritage Draft Management Plan (HES 214/16)

23. Rebecca Jones introduced this item by providing an overview of the development of the Edinburgh World Heritage Management Plan. She indicated that this was an early draft and therefore an opportunity exists to influence the shape of the final plan which will be submitted for approval to Edinburgh City Council in March.
24. The Board discussed a number of aspects of the plan, including tourism quality standards, threats to World Heritage status, the role of HES and the opportunity for Edinburgh Castle to be more prominent in the plan. These comments will be taken forward by staff as the plan is finalised. There should be a report back to the Board before the March submission

Action: Director of Heritage

[Rebecca Jones and Thomas Knowles left the meeting]

Stakeholder Engagement (HES 215/16)

25. Lisa McGraith provided members with an overview of the Stakeholder Engagement Plan, including progress to date around identifying stakeholders, and engagement actions and opportunities.
26. In discussion a number of changes were suggested, including:
 - Separating internal and external audiences, with staff and Board omitted from this plan, and community/heritage groups added; and
 - Establishing an effective monitoring tool to evaluate the plan's delivery.
27. The Board approved the plan subject to the above comments

Action: Director of Communications

Engine Shed – Programme of Activity

[Dorothy Hoskins and Colin Tennant joined the meeting.]

28. The Board welcomed members from the Engine Shed project team. The Board noted a progress update on the construction of the building as background for the presentation and discussion of activity on handover.
29. David Mitchell presented an overview of the Engine Shed’s purpose and objectives, its links to HES key themes and examples of the various technical, educational and community activities that will be based at the facility.
30. The Engine Shed objectives are:
- To raise conservation standards;
 - To engage and enthuse young people;
 - To be a facilitating hub for the sector;
 - To promote the benefits of traditional buildings materials and skills; and
 - To create a world class building conservation research and education facility.
31. In discussion the links with national initiatives such as STEM was noted, as was the significant contribution to the traditional skills agenda, the commitment to further Stirling’s economic vision and strategy (part of the City Deal), and the profile the initiative has gained nationally and internationally.
32. The Board welcomed the update provided and in recognition of the fact that the Engine Shed is a catalyst for work outside the scope of the public sector, suggested that the establishment of an independent ‘expert’ group be considered to inform qualification development.

Action: Director of Conservation.

[Dorothy Hoskins and Colin Tennant left the meeting]

HES Enterprises Board Report (HES 217-219/16)

33. The Chair of HES Enterprises Board (HESe Board) reported on the proceedings of the November meeting.
34. The performance report to November indicated stronger than anticipated overall income performance (up 11% across activities), in particular in relation to retail, catering, and NCAP. Performance in venue hire and publications was weaker than forecast with the later requiring a review of how this activity is undertaken. He also confirmed that NCAP and NARA would return to the HESe Board for consideration soon as part of the forward planned analysis.
35. He proceeded to present the revised Operating Agreement which has been substantially changed since earlier drafts and invited comment from members. The Board offered some observations and suggested amendments to the draft, namely:
- Refinement of arrangements in the performance management section including HES Enterprises Board makeup ; and
 - Definition of the scope of HES Enterprises clearly set out
36. Members were invited to offer specific comments to the Chief Executive. The Board were content in principle with the document, and agreed further consideration by Chief Executive on staffing before final consideration by the HES Enterprises Board with a final version returning to the HES Board for approval following review by HES legal advisors.

Action: Chief Executive.

Corporate Performance Report to 30 November 2016 (HES 220/16)

37. The CE provided an overview of the performance against KPIs since the last Board meeting.
38. The report outlined good progress continued towards delivery of our objectives with 9 out of 11 KPIs on track to be delivered. Of the 31 individual targets making up the KPIs 84% are on track or achieved, and of the 81 Annual Business Plan success measures 98% are now on track.
39. The Board agreed that the approach employed to the reporting of performance and in particular the visual presentation of information was very helpful. Members were interested in the evidence that supports the

statements presented and it was agreed that Denise Mattison should present this at the meeting on 8 February.

Action: Chief Executive.

Financial Statement to 31 October 2016 (HES 221/16)

40. Jennie Smith updated members on the financial performance to 31 October and provided an indication of anticipated outturn for the year end. She reported that commercial income continued to be strong on the back of visitor numbers though some slippage had been identified in some specific areas, such as around VAT. Overall performance remained strong.

41. The Board welcomed the overview provided.

Board Planning (HES 207/16)

Information Management – Advisory note to Board members

42. The Board agreed that some further consideration of this matter is needed and therefore agreed to reflect and offer thoughts directly to David Paris on how best to conclude this issue.

Board Planning – forward look

43. The Chair introduced this item by referring to the draft forward look provided by Gary Sharp and the planning matrix tabled. The Board endorsed the planning matrix in principle and were invited to offer further thoughts directly to Gary Sharp – a further revised forward look is to be provided at the 8 February meeting.

44. The Chair then proceeded to update members on changes to the membership of Board Committees following the recent appointment of Ian Robertson and Ian Brennan and also the departure of Alan Clarke, and discussion with Board members. It was noted that:

- Coinneach Maclean is to become the Chair of the HESe Board, joined by Ian Robertson;

- Ian Brennan is to Chair the Audit and Risk Committee (ARC) with Ian Robertson joining as the HESe representative;
- Andrew Holmes is to step down as a member of the ARC;
- An additional, independent member of the ARC is to be co-opted;
- Andrew Holmes and David Gaimster are to continue to support the HQ, Archives and Collections Working Group;
- Paul Stollard is to lead on health and safety matters for the Board; and
- Ken Thomson, Fiona MacLean and Janet Brennan will continue as members of the Staff Governance Board, with a remit expanded as agreed.

45. The Board recorded their thanks and appreciation to Alan Clarke for his outstanding contribution since joining.

AOB

46. There was no other business.

Date of Next Meeting: 8 February 2017, Room G9, Longmore House



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LIVE ACTIONS

Actions arising from Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress– Dec 16
HES/100216/ 086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	David Mitchell	TBC	Planned for discussion at SMT early in 2017	In progress
HES/180416/ 107	Chief Executive's Report (HES 151/16) People Strategy to be developed.	Gary Love	29 Mar 17	To be considered by Staff Governance Committee in February	February 2017
HES/180416/ 111	Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.	CE	8 Feb 17	Draft to HES Board on 8 February	In progress.
HES/180416/ 113	Audit and Risk Committee (HES 154/16 and HES 155/16) Draft Equalities Mainstreaming Report to be provided to the Board	CE	29 Mar 17	Draft to be discussed at Staff Governance Committee in February	In progress
HES/180316/ 126	Research and Dissemination (HES 168/16) Development of a Research Strategy.	David Mitchell	29 Mar 17	Following discussion at SMT on 10 January, David Mitchell is to conclude the work around the drafting of the strategy and share for comment with SMT	In progress
HES/150916/ 139	Admissions Pricing (HES 183/16) Paper to Board re gift aid and benchmarking	Stephen Duncan	8 Feb 17	Gift aid was outlined by the CE Report to the Board on 27 Oct. Outcome of benchmarking will be discussed at SMT.	In progress
HES/150916/ 141	Asset Management and Investment Planning (HES 184/16) (a) A draft Asset Management and Comprehensive Investment Plan, (b) List and timetable for all remaining SoD products to the Board.	Stephen Duncan David Mitchell	8 Feb 17	a) A draft investment plan will be submitted to the Board for consideration on 8 February. (b)	In progress
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress– Dec 16
HES/271016/ 147	HES Audit and Risk Committee (HES 199-201/16)	David Mitchell	29 Mar 17		In progress

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	Report to Board on HES Environmental Sustainability.				
HES/271016/148	HES Audit and Risk Committee (HES 199-201/16) – Chair’s Annual report Assurance that the Crown Copyright issue has been properly resolved.	Stephen Duncan	15 Dec 16	Discussions at the 6 Oct HESE Board provided some assurance on this matter. Work is on-going to address any residual issues as part of a legal health check	In progress
HES/151216/152	Chief Executive’s Report (HES 210/16) Succinct briefing note re investment Planning (see also 141 above) Outline AMP/ Investment Plan to Chair and Paul Stollard pre February Board	CE	8 Feb 17	Done	Close
HES/151216/153	Chief Executive’s Report (HES 210/16) (a) People Strategy to include Action Plan in response to the People Survey results (b) Committee minutes should come to HES Board	Gary Love	8 Feb 17	The draft action plan for the People Survey will be discussed at the SGC on 1 February	(a) Not yet complete (b) Close if achieved
HES/151216/154	Chief Executive’s Report (HES 210/16) Presentation on international relations and opportunities to a future meeting.	CE	TBC	Will be progressed at a Board meeting in 2017	In progress
	Access/ Equalities Staff Governance committee ToR to be expanded to include Equalities	Corporate services	1 Feb 2107	ToR to 21 Feb committee	In progress
	Edinburgh World heritage Report back to Board before March submission	Barbara Cummins	(may need to be outwith Board meeting cycle)		
HES/151216/155	Stakeholder Engagement (HES 215/16) • Make changes agreed to the Stakeholder Engagement plan	Lisa McGraith	8 Feb 17	Done	Close
HES/151216/156	Engine Shed – Programme of Activity Establish an independent ‘expert’	David Mitchell	TBC		In progress

	group to inform qualification development.				
HES/151216/158	HES Enterprises Board Report (HES 217-219/16) The revised Operating Agreement to be further amended for HES Board on 8 February	Chief Executive	8 Feb 17	Agreed by HESe Board. Delayed till March HES Board meeting to allow final review by HES legal advisors	In progress
HES/151216/159	Corporate Performance Report to 30 November 2016 (HES 220/16) Briefing to Board on evidence supporting Corporate performance Report	Chief Executive	8 Feb 17	Presentation at February Board meeting	Close



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 27 OCTOBER 2016

Cairndale Hotel, Dumfries

Present:

Jane Ryder, Chair
Janet Brennan
Andrew Holmes
Paul Stollard
Alan Clarke
Fiona McLean
Ken Thomson
David Gaimster (pm)

In attendance:

Alex Paterson, Chief Executive
Lisa McGraith, Director of Communications
Gary Love, Director of Human Resources
Barbara Cummins, Director of Heritage
Gary Sharp, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting. Apologies were noted from Coinneach McLean and Trudi Craggs.

Minutes of 15 September 2016 Board Meeting and Action Tracker (HES 194/16)

2. The minutes of the September meeting were approved subject to minor amendment.

Matters arising

3. The Chief Executive (CE) updated members on the production of the HES document '*A Progress Report on the Conservation and Management of Properties in Care of Scottish Ministers*'. It is intended to submit this to Scottish Government in the next week.
4. He further updated members on the request in the Chief Executive's Report to the September Board to amend the definition of three of the identified KPI's for the year. He advised that the changes were textual errors between the Corporate Plan and the Annual Business Plan, and not matters of substance, and therefore could be appropriately adjusted. The Board agreed to the changes.

Chair's Report

5. The Chair highlighted to members that the transition to HES had effectively now been concluded with the first, soon to be published, Annual report. She welcomed the appointment of two new Board members, Ian Brennan and Ian Robertson, with effect from 1 November Planning is in hand for an induction programme.
6. The Chair thanked David McGibbon and Paul Jardine who were standing down from the Audit and Risk Committee (ARC) on 31 October. , The experience and continuity they had provided over the merger period was greatly valued. She also thanked, Diana Murray, Secretary of RCAHMS, on her retirement this month, for her service and support to the organisation and its predecessors given her recent retirement.
7. The Chair reported on her engagements over the previous month, in particular referencing the considerable internal discussion and planning as well as external engagements including:
 - The launch of the Argyll and Sutherland Highlanders appeal to raise £4m towards the redevelopment of the regimental museum at Stirling Castle; and
 - Discussion with with the HS Foundation.

8. The Chair also noted the recent Scottish Historic Environment Forum (SHEF) meeting where she was pleased to report and the OPiT delivery proposals made by HES, had been broadly welcomed. The meeting also had discussed volunteering across the sector, and the implications of Brexit on the sector.

Chief Executive's Report (HES 195/16)

9. The CE provided the Board with an update on his engagements since the last meeting, operational developments, as well as progress on some key issues such as the development of '*A Progress Report on the Conservation and Management of Properties in Care of Scottish Ministers*', resilience planning, the revised OPiT Delivery Model and Maeshowe.
10. On Maeshowe, the CE also confirmed that discussions continue around a longer term solution for the site, which was welcomed. Meanwhile, Members sought assurance around the operating solution in place at Maeshowe – in particular, the extent to which the current solution sufficiently addressed the risks identified. The CE provided a description of the measures in place and assurance that the three major risks identified had been either eliminated (in two cases) or substantially reduced.
11. The CEO reported that the recent, final, Gateway Review had also concluded during the period since the last Board meeting. This has been broadly positive although some tasks remained to be completed. He also reported that that public liability and hull insurance had now been put in place.
12. The Board welcomed the overview provided and asked that the Terms of Reference for each of the new working groups within the OPiT Delivery Model should be shared with members when drafted.

Action: Chief Executive.

2015-16 Annual Accounts and Report (HES 196/16)

13. The CE updated Board members on progress around the finalisation of the Annual Accounts and Report. KPMG had indicated an unqualified audit opinion on the accounts. The Audit and Risk Committee (ARC) had considered the draft accounts and report on 13 October and identified the need to have a remuneration report, plus a section demonstrating how HES work is aligned with the National Performance Framework. These have

since been produced. He invited feedback from members before finalising the Accounts and Report with the Chair, once the auditors had completed their work. The Board was content to endorse this approach.

14. Members asked that the introduction to the Annual Report be modified to clarify the time period to which the Accounts and the Report relate, noting the former covered only the six months from October 2015 to March 2016, while the report covered a longer 12 month period, March 2015 to March 2016. Subject to these adjustments the Board formally approved the Annual Report and Accounts, for signature by the Chair and Chief Executive as Accountable Officer

Action: Chief Executive.

Corporate Performance Report to 30 September 2016 (HES 197/16)

15. The CE introduced the new format report and provided members with an overview of performance to 30 September; in particular, highlighting that at the mid-year point: Good progress had been made towards the delivery of our priorities; We were on track to deliver 8 of the 11 identified KPIs; and Corrective actions had been identified for the 3 KPIs not on track.
16. The Board reflected on the progress outlined against the identified measures, and discussed the new report format, welcoming the approach and offering some suggested improvements.
17. The Board asked that further analysis of the performance against the Average Working Days Lost (AWDL) KPI should be picked up by the Staffing Governance Committee on 3 November.

Action: Director of Corporate Services.

Financial Statement to 30 September 2016 (HES 198/16)

18. The CE highlighted three points from the financial statement; good mid-year performance and revised year-end outturn projections, progress on investing available resources including £2m economic stimulus funds, and proposals for use of an additional £1.5m that had arisen through efficiencies and slippage.

19. It was noted that a response from Scottish Government to HES' request to utilise £1.4m of additional commercial income was still awaited. Given the passage of time, the increasing challenge of mobilising new works late in the year, and increasing uncertainty that approval would be forthcoming, the CE proposed that the £1.5m should be allocated to projects earmarked for delivery with the additional commercial income. This would ensure that priority conservation works in particular could progress this financial year. Discussions would continue with the Scottish Government regarding the commercial income

20. Noting that the CE's recommendation differed to that in the paper, the Board agreed to the proposal and to the allocation of the £1.5m.

HES Audit and Risk Committee (ARC) (HES 199-201/16)

Minutes of October Meeting

21. Andrew Holmes provided members with an update from the recent ARC meeting of 13 October. Referring to the draft minutes from the October meeting, he proceeded to update members on the discussion and points agreed. He stated that it was agreed that HES should continue to have its internal audit services provided by SG Internal Audit for another year to allow for a formal procurement process to commence. He also draw attention to the remuneration report which had been produced and was now included as part of the Annual Accounts. It was also noted that the Committee had received an excellent Sustainability Report for HES from Mairi Davies.

Risk Register

22. In relation to the Risk Register, the CE noted that the view from the ARC was that this was shaping up well and that they were pleased to see this as a regular agenda item at SMT. He stated that the focus had been on capturing and quantifying the right risks to the organisation and going forward, it was intended to also capture opportunities on the register. It was noted that the register is a dynamic tool and as such will be updated regularly.

23. The Board welcomed the Risk Register and offered a number of comments on the format of the register and on some of the current risks identified. It was also suggested that consideration should be given to new risks;

- Potential volatility in visitor numbers and hence income streams; and
- Failure to fully seize the opportunities of YHHA 2017.

24. It was noted that relevant risks relating to HESe will be added to the next update of the register.

25. The Board welcome the update provided and asked that the Sustainability Report should be considered by the HES Board at the end of the financial year.

Action: Director of Conservation.

Chair's Annual Report

26. The Board welcomed the Chair's Annual Report and asked for reassurance that the Crown copyright matter had been properly resolved. If necessary, the report should be amended to reflect the outcome

Action: Director of Commercial and Tourism.

HES Enterprises Board Report (HES 202/16 and 203/16)

27. The Chair of HES Enterprises Board (HESe Board) reported on the proceedings of the October meeting.

28. The Quarter 2 performance report submitted to the Board indicated stronger than anticipated overall income performance, in particular in relation to retail, catering, and NCAP. Performance in venue hire and publications was weaker than forecast. At the end of the first 6 months of trading, net income is 3% ahead of forecast, expenditure 13% lower than forecast and contribution is 23% ahead. The year-end reforecast is now predicted to be £2.39m contribution against the original budget of £1.69m for the first year of trading.

29. He noted further work is required around the Protocol for Service and Loan Agreement. In addition, a policy to guide commercial letting opportunities was required prior to HESe delivering this work strand.

Action: Director of Commercial and Tourism.

30.The Chair also reported that prior to the meeting, the second of the commercial investment plan workshops had taken place. A methodology would be presented to the SMT shortly, to combine with existing work on conservation priorities and form the basis for the proposed Asset Management and Investment plans.

31.The Board welcomed the update and asked that the Protocol for Service and Loan Agreement to be brought to the 15 December HES Board meeting.

Action: Director of Commercial and Tourism.

World Heritage – Understanding our Commitments (HES 204/16)

32.Barbara Cummins introduced this item and provided members with an overview of the paper provided. She highlighted HES’ obligations and commitments in this area and the content and status of each of the associated Management Plans.

33.Some specific points raised through the discussion that followed included:

- Whether the potential of World Heritage sites is maximised;
- Whether HES provides enough facilitation to the sector and wider stakeholders?
- Are HES financial levers being used to the fullest effect, for example through the provision for grants; and
- Clear outcomes should be properly considered.

34.The Board noted the update provided and asked that clarification be provided around the award of grants to world heritage organisations and how these relate to the wider grants programme.

Action: Director of Heritage.

HES Plans for 2017 Year of History, Heritage and Archaeology (HES 205/16)

35.The CE provided an overview of the progress since the last discussion and referred members to the paper provided. He stated that the proposal presented:

- Contributed to each of the five strategic themes;
- Identified new activities and priorities beyond business as usual;
- Demonstrated a pan-HES approach to the initiative;
- Platforms for sector and community engagement throughout the 2017 themed year; and
- Sought to ensure good geographic coverage of activities.

36.He stressed that it is important to represent the breadth of HES activity/capability through the plans. Additional resource requirements were being considered to support this enhanced activity – ensuring that we maximise the potential and HES visibility.

37.The Board supported the proposals and in taking forward the plans, reiterated that legacy and the creation of platforms for others in the sector should be a priority. Members wished to understand ‘Our place’ and ‘What’s our heritage’ initiatives and requested an update through the next CE Report.

Action: Chief Executive.

Towards an HES Investment Plan – aspirations for archives and collections (HES 206/16)

38.The CE introduced this item and outlined the context of archives and collections alongside investment plans for visitor facing facilities and properties in care. He also noted the work being taken forward around the future HQ requirements.

39.The Board welcomed the succinct articulation of the key principles, and confirmed that this very much resonated with their earlier discussions in November 2015. The Board proceeded to discuss the high level objectives in greater detail and requested a number of alterations. An updated paper reflecting discussion will be drafted to further guide evolving policy and activity in this area.

Board Planning (HES 207/16)

40. Gary Sharp introduced the draft schedule and asked members to feedback any comments

AOB

41. There was no other business.

Date of Next Meeting: 15 December, Room G9, Longmore House



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LIVE ACTIONS

Actions arising from Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress– Dec 16
HES/141215/ 068	CE Report (HES 121/15) 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).	CE	15 Dec 16	Following on from the discussion around strategic priorities for archives and collections at the HES Board on 27 Oct, a situation report has been shared with the Board at the 15 Dec meeting	Propose Close
HES/141215/ 069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed) – including specific projects such as the Crown Room project.	CE	TBC	Carried Forward	
HES/100216/ 078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer.	Jennie Smith Adam Jackson	TBC	Carried Forward	See paper HES 172/16.
HES/100216/ 079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	TBC	Carried Forward	See paper HES 172/16.
HES/100216/ 086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	David Mitchell	8 Feb 17	Planned for discussion at SMT on 20 Dec 16	In progress
HES/180416/ 107	Chief Executive's Report (HES 151/16) People Strategy to be developed.	Gary Love	29 Mar 17	Shared thinking with the Staff Governance Board, developing the draft for consideration by SMT prior to submission to the Board in March 2017	In progress
HES/180416/ 111	Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.	CE	29 Mar 17	Action for ARC	In progress.
HES/180416/ 113	Audit and Risk Committee (HES 154/16 and HES 155/16) Draft mainstreaming Equalities Mainstreaming Report to be provided to the Board	CE	29 Mar 17	Draft to be discussed at SMT on 20 Dec 16	In progress.

MINUTES OF OPEN SESSION AND ACTIONS

HES /16

Action Ref	Action/Decision	Lead	Due Date	Comment	Progress– Dec 16
HES/180316/ 126	Research and Dissemination (HES 168/16) Development of a Research Strategy.	David Mitchell	8 Feb 17	Planned for discussion at SMT on 20 Dec 16	In progress
HES/150916/ 139	Admissions Pricing (HES 183/16) A paper to the Board on plans around gift aid and the outcome of the benchmarking exercise around smaller sites.	Stephen Duncan	8 Feb 17	Outlined by the CE Report to the Board on 27 Oct was the plans for Gift Aid – the outcome of benchmarking is still needed	In progress
HES/150916/ 141	Asset Management and Investment Planning (HES 184/16) A draft Asset Management and Comprehensive Investment Plan, including a list and timetable for completion of all remaining SoD products is to be submitted to the Board.	Stephen Duncan David Mitchell	8 Feb 17	A further workshop is planned for 12 December where the constituent investment and priority plans will be merged to provide the first comprehensive plan	In progress
HES/271016/ 145	Chief Executive’s Report (HES 195/16) The Terms of Reference for each of the working groups within the OPiT Delivery Model should be shared with members.	CE	8 Feb 17	An update on progress will be provided under matters arising at the 15 Dec Board meeting	In progress
HES/271016/ 146	2015-16 Annual Accounts and Report (HES 196/16) The Board asked that the ‘annual’ should be removed from the title of the report and an improved explanation of last years’ accounts process is to be added.	CE	15 Dec 16		Propose Close
HES/271016/ 147	HES Audit and Risk Committee (HES 199-201/16) The Board asked that a report should be submitted to the HES Board at the end of the financial year on HES Sustainability.	David Mitchell	29 Mar 17	Carried Forward	In progress
HES/271016/ 148	HES Audit and Risk Committee (HES 199-201/16) – Chair’s Annual report Assurance is to be provided that the Crown Copyright matter has been properly resolved.	Stephen Duncan	15 Dec 16		Propose Close
HES/271016/ 149	HES Enterprises Board Report (HES 202/16 and 203/16) The Board asked that the Protocol for Service and Loan Agreement should be brought to the 15 December HES Board meeting.	Stephen Duncan	15 Dec 16	This is included on the agenda	Propose Close
HES/271016/ 150	World Heritage – Understanding our Commitments (HES 204/16) A paper on grant awards to World Heritage and how these relate to the wider grants programme is to be submitted to the Board	Barbara Cummins	15 Dec 16	This is included on the agenda	Propose Close

MINUTES OF OPEN SESSION AND ACTIONS

HES /16

Action Ref	Action/Decision	Lead	Due Date	Comment	Progress– Dec 16
HES/271016/ 151	<p>HES Plans for 2017 Year of History, Heritage and Archaeology (HES 205/16)</p> <p>The Board agreed that some further detail around ‘our place’ and ‘what’s your heritage’ is required and should be brought back to the Board.</p>	CE	15 Dec 16	<p>A brief on ‘ What’s our heritage’ has been shared with the Board and some additional detail on ‘our place’ is offered through the CE Report</p>	Propose Close

MINUTES OF OPEN SESSION AND ACTIONS



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 15 SEPTEMBER 2016

Longmore House, Edinburgh

Present:

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

In attendance:

Alex Paterson, Chief Executive
Stephen Duncan, Director of Commercial and Tourism
Lisa McGraith, Director of Communications
Gary Love, Director of Human Resources
David Mitchell, Director of Conservation
Barbara Cummins, Director of Cultural Resources
Jennie Smith, Director of Finance
Nick Thomas, Head of Commercial Performance and Systems
David Paris, Head of Records Management
Colin Tennant, Head of Technical Education and Training
Peter Buchanan, Senior Project Manager
Gary Sharp, Board Secretary

MINUTES OF OPEN SESSION AND ACTIONS

[Nick Thomas joined the meeting]

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting. Apologies were noted from David Gaimster.

Minutes of 7 July 2016 Board Meeting and Action Tracker (HES 180/16)

2. The minutes of the July meeting were approved.

Chair's Report

3. The Chair welcomed Alex Paterson to his first Board meeting and thanked David Mitchell for his contribution towards progressing HES as Acting Chief Executive.
4. The Board reflected on HES' achievements throughout its first year and noted that much had been achieved. In looking ahead, the Chair stressed the importance of good governance as an enabler to good performance and of HES as a credible organisation.
5. In addition, the Chair highlighted the recent changes to the senior management structure with the appointment of Barbara Cummins to the new director post.
6. The Chair reported on engagement activity since the previous meeting, including discussions with the incoming and outgoing chair of the Historic Scotland Foundation (HSF), with the Scottish Museums Council and SG officials on the 2017 themed year – Year of History, Heritage and Archaeology (YHHA).
7. It was noted that despite previous commitments, a comprehensive programme around YHHA had not been provided for the Board's consideration. This should be resolved speedily and brought to the next Board meeting.

Action: Chief Executive.

MINUTES OF OPEN SESSION AND ACTIONS

Our Place in Time (OPiT) (HES 181/16)

8. David Mitchell updated Board members on progress around the recalibration of the OPiT governance model and the role of HES therein. He reported that the draft proposal presented is to be discussed at the next Scottish Historic Environment Forum (SHEF) on 6 October.
9. The Board had reservations about the dominance of HES leadership throughout the proposal and agreed that it should be recast to emphasise the HES role of facilitating delivery and working in collaborative leadership with relevant bodies.
10. The Board endorsed the proposal with the changes above made.

Action: Chief Executive.

Finance – Admissions Pricing (HES 183/16)

11. Nick Thomas introduced the paper on admissions pricing. The review of admission pricing was linked to the commitment given at the last review in 2014, and that the effect of the proposed increases had already been factored into the financial planning for 2017-18 and beyond.
12. He reported that alongside the review of admission pricing, the development of a gift aid collections policy and its implementation had been challenging.
13. The Board noted the proposal and asked that it should be further developed to include more benchmarking around smaller sites, and in relation to visitor satisfaction. The Board also requested a paper on gift aid and the results of the benchmarking exercise of smaller sites be submitted to a future Board meeting.
14. On that basis, the Board were content to approve the pricing policy for 2017-18 only.

Action: Director of Commercial and Tourism.

MINUTES OF OPEN SESSION AND ACTIONS

[Nick Thomas left the meeting]

Finance – Financial Planning (HES 182/16)

15. Jennie Smith introduced this item and provided members with an overview of performance to date and on the financial planning for the remainder of the financial year.

16. She reported that the organisation's financial position was strong as a result of stronger than anticipated performance over the summer period. Combined with the additional funding made available by the Cabinet Secretary, HES was now able to look to prioritise investment to the maintenance of the estate as well as visitor services.

17. The Board asked that an investment proposal for the remainder of 2016-17 should be submitted to the next meeting.

Action: Chief Executive.

Asset Management and Investment Planning (HES 184/16)

18. David Mitchell provided members with an update on progress to date. He stated that in line with the requirements of the Scheme of Delegation, the SG expect a progress report sometime in October. He continued to outline the progress made since the last Board meeting around the development of an appropriate investment methodology and plan for the visitor facing services. A further workshop with cross directorate representation is planned for October.

19. The Board noted the progress and asked that an update on an investment plan should be provided at the October meeting.

Action: Director of Commercial and Tourism.

Maeshowe

20. The Chief Executive provided an update to the Board on progress made to re-open the Maeshowe site to the public. He outlined the discussions that had taken place between officials and the development of options for reopening the site. He was confident that an interim solution can be

MINUTES OF OPEN SESSION AND ACTIONS

sourced to address immediate issues and that a commitment had been given to work closely with Orkney Islands Council in pursuit of a sustainable, longer term solution.

21. The Board welcomed the progress made.

[Colin Tennant, Peter Buchanan, and David Paris joined the meeting]

HES Enterprises Board Report (HES 185/16 and 186/16)

22. The Chair of HES Enterprises Board (HESe Board) reported on the proceedings of the July meeting.

23. The meeting had focused on the assessment of performance provided and advice on appropriate governance. The Chair of the HESe Board reported that the performance reports submitted to the Board indicated strong performance in both visitor numbers and income and that was encouraging. A Quarter 2 report will be available at the October Board meeting.

Chief Executive's Report (HES 187/16)

24. David Mitchell provided the Board with an update on sponsor and stakeholder engagement, operational developments, as well as performance and financial reporting.

25. The Board discussed the need to look more closely at the cycle of key reports (e.g. the Health and Safety report) over the year through which the Board obtains appropriate assurance of performance.

Action: Chief Executive.

Engine Shed (HES 188/16)

26. The Board welcomed the submission of the progress report and associated documents in relation to the delivery of the Engine Shed project.

27. The Board had questions around the project's budget, timescale and risk. The project team provided assurances around the contract management aspects of the project and the delivery of key dependencies allowing the project to proceed as planned.

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28. The Board noted the assurances provided around the mechanisms in place to support effective project delivery, but remain concerned that delivery against the current risk profile remains challenging. A regular report is to be provided to the Board on progress.

Action: Director of Conservation.

[Colin Tennant and Peter Buchanan left the meeting]

Audit and Risk Committee (HES 189/16)

29. Trudi Craggs provided an overview or the discussion at the recent Audit and Risk Committee (ARC). She highlighted that discussion centred mainly on the preparation of the annual accounts and their readiness for sign-off, and the treatment of the fixed assets. There had also been discussion around the current internal audit arrangements and the development of the Scheme of Internal Delegation.

30. The Committee also discussed, at length, the Risk Register for HES. This had also been discussed extensively at the SMT. The Board agreed that the Risk Register should be submitted for consideration annually from the ARC, the October meeting being the next occasion.

Action: Director of Finance.

Information Governance (HES 190/16)

31. David Paris introduced this item and invited members to agree the draft Information Management Strategy and associated draft Freedom of Information (Fol) and Environmental Information Regulations (EIR) Policy.

32. He stated that several pieces of legislation and good practice guidance exist to ensure HES manages its information lawfully and effectively. However, there has until now been no overarching Information Management Strategy to co-ordinate a consistent approach to the various pieces of legislation.

33. The Strategy sets out the aim of getting the right information to the right person at the right time. The Freedom of Information Policy sets out the aims

MINUTES OF OPEN SESSION AND ACTIONS

and objectives of HES in relation to the Freedom of Information (Scotland) Act 2002 & Environmental Information Regulations (Scotland) 2004.

34.The Board welcomed and approved the draft documents. The Board requested that these should be promoted to staff alongside relevant training.

Staff Governance

35.Ken Thomson provided members with an update on progress since the last meeting. Committee members had welcomed the ongoing development of the HES People Strategy and engagement with HES staff. He noted the Committee requested that the strategy would be cross referenced against the Corporate Plan and a clear link to learning and development.

AOB

36.There was no other business.

Date of Next Meeting: HES Board and visit to Dumfries and Galloway, 27 and 28 October



**HISTORIC ENVIRONMENT SCOTLAND
LIVE ACTIONS**

Actions arising from Board Meeting					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Nov 16
HES/150916/137	Chair's Report A comprehensive YHHA 2017 programme for HES is to be submitted to the Board	CE	27 Oct		In progress
HES/150916/138	Our Place in Time (OPiT) (HES 181/16) The revised OPiT governance and delivery proposal should be further revised to include Board comments around the role of HES (i.e. facilitating delivery etc).	CE	27 Oct		Complete – discussed at the SHEF on 6 Oct
HES/150916/139	Admissions Pricing (HES 183/16) A paper is to be drafted and submitted to the Board on plans around gift aid and the outcome of the benchmarking exercise around smaller sites.	Stephen Duncan	27 Dec		In progress
HES/150916/140	Financial Planning (HES 182/16) A proposal is to be developed and submitted to the Board around the allocation of additional funding and also a submission on HES Capital and SR bids is to be provided.	CE	27 Oct		In progress
HES/150916/141	Asset Management and Investment Planning (HES 184/16) A progress report is to be provided from the HESE Board on investment planning around visitor services.	Stephen Duncan	27 Oct		In progress
HES/150916/142	Asset Management and Investment Planning (HES 184/16) A timeline is to be developed and offered to the Board around the delivery of all remaining SOD products.	CE	27 Oct		In progress
HES/150916/143	Chief Executive's Report (HES 187/16) A change management process is to be discussed at the next quarterly sponsorship meeting around in year changes to KPIs.	CE	27 Oct		In progress
HES/150916/144	Audit and Risk Committee (HES 189/16) A copy of the HES Risk Register is to be submitted to the Board in October.	CE	27 Oct		In progress

MINUTES OF OPEN SESSION AND ACTIONS

ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

Actions arising from Previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Jun 16
HES/161115/050	Business Model Implementation Plan (HES 104/15) To develop Charging Policy for areas not covered by the Scheme of Delegation.	CE	18 Mar 16 10 Feb 16 Revised to 7/8 Jul 16	Action for HESE	In progress.
HES/161115/056	Information Governance (HES 109/15) To bring forward to HES Board a comprehensive Information Management Policy, including training.	Jennie Smith	18 Mar 16 Revised to 7/8 Jul Revised to 15 Sept	Complete	Scheduled for 15 Sep Board meeting
HES/141215/068	CE Report (HES 121/15) 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).	CE	23 May 7/8 Jul 16	Carried Forward	Board workshop scheduled for 16 June. Full report to July Board.
HES/141215/069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).	CE	tbc	Carried Forward	Board workshop scheduled for 16 June.
HES/100216/078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer.	Jennie Smith/ Adam Jackson	7/8 Jul	Carried Forward	See paper HES 172/16.
HES/100216/079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	7/8 Jul	Carried Forward	See paper HES 172/16.
HES/100216/085	Audit and Risk Committee (HES 131/16) Recruitment of additional Board members.	Chair/ SG Sponsor	30 Sept	Action for ARC	In progress.
HES/100216/086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	Paul Smart Lead passed to CE	1 Apr	Carried Forward	In progress.
HES/100216/118	Chief Executive’s Report (HES 162/16) Updated Business Plan for the Engine Shed to be circulated to the Board	CE	2 Jun	Action for HESE	It is planned that this will be discussed at the November HESE Board
HES/180316/123	Communications and Engagement Strategy (HES 164/16) Further development of the Communications and Engagement Strategy.	Fiona MacLean & Director of Comms	27 October		Action from 15 Sep meeting is to have this submitted for discussion at the 27 Oct Board
HES/180316/124	Strategic Risk Management (HES 165/16)	ARC	13 October	Action for ARC	In progress

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	Review and development of Corporate Risk Register at next Audit and Risk Committee and report back to HES Board in November.				
HES/180316/126	Research and Dissemination (HES 168/16) Development of a Research Strategy.	CE	tbc		In progress – David Mitchell to draft a paper on the strategy landscape
HES/180316/096	Strategic Investment Plan (HES 143/16) Further develop the HES Investment Plan	CE	23 May 16	Carried Forward	Remitted to HESe Board

MINUTES OF OPEN SESSION AND ACTIONS

Actions arising from Previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Jun 16
HES/180316/098	Financial Planning 2016-17 (HES 144/16) Further detail to be provided to the Board on the Crown Room project.	Stephen Duncan	1 Apr 16	Carried Forward	In progress.
HES/180316/101	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.	CE	23 May 16	Carried Forward	In progress.
HES/180416/105	Chief Executive’s Report (HES 151/16) Review Protocol with SG Sponsor in tandem with Framework Document.	Chair/ CE	17/18 Oct 16		In progress.
HES/180416/106	Chief Executive’s Report (HES 151/16) Progress options appraisal and investment planning.	CE			In progress.
HES/180416/107	Chief Executive’s Report (HES 151/16) People Strategy to be developed.	CE/ Gary Love	tba		In progress. Plan is to share thinking with Staff Governance committee on 18 August
HES/180416/108	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.	CE	23 May		In progress.
HES/180416/111	Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.	CE	15 Sept	Action for ARC	In progress.
HES/180416/113	Audit and Risk Committee (HES 154/16 and HES 155/16) <ul style="list-style-type: none"> • Draft mainstreaming Equalities Mainstreaming Report to be provided to the Board • Further development and implementation planning of the four HR policies 	CE	tba	Action for ARC	In progress.
HES/180416/114	Stakeholder Engagement Address gaps in strategic engagement and partnerships to deliver the Corporate Plan.	CE/ Lisa McGraith	tba		In progress.
HES/180416/116	Publications and Licensing (HES 157/16) Explore potential transfer of commercial publications and licensing to HES Enterprises with the National Archive.	CE/ Jennie Smith	tba	Action for HESE	In progress.
HES/070716/132	Grants Review Update (HES 175/16) City Heritage Trusts to be considered further reported back to the Board in September.	Head of Investments	15 Sep	Report issued	CHT have until October to respond – this will be returned to the Board in December

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<p>HES/070716/ 134</p>	<p>Chief Executive's Report (HES 177/16) The staff engagement programme is to be accelerated.</p>	<p>Director of Comms</p>	<p>August</p>		<p>In progress</p>
<p>HES/070716/ 136</p>	<p>Board Planning (HES 179/16) A revised plan is to be considered by the Chair.</p>	<p>Head of CE Office</p>	<p>End July</p>		<p>In progress</p>



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 7 JULY 2016

Longmore House, Edinburgh

Present:

Jane Ryder, Chair
Janet Brennan
Andrew Holmes
Paul Stollard
Alan Clarke
Coinneach Maclean
Fiona McLean
Trudi Craggs

In attendance:

Stephen Duncan, Director of Commercial and Tourism
Lisa McGraith, Director of Communications
Gary Love, Director of Human Resources
Gillian Milne, Legal and Compliance
Martin Fairley, Head of Investments
Kirsty Lingstadt, Collections, Data and Recording Operations Managers
Hugh Morrison, Collections Registrar
Gary Sharp, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting. Apologies were noted from David Gaimster and Ken Thomson and from Acting CEO David Mitchell.

Minutes of 23 May 2016 Board Meeting and Action Tracker (HES 170/16)

2. The minutes of the May meeting were approved.

[Gillian Milne joined the meeting]

Insurance and Indemnity Update (HES 171/16)

3. The Board welcomed the briefing paper which highlighted the outcome of the recent discussions with Scottish Government and offered a series of related recommendations. The Board agreed to proceed with the recommendations around public and Trustee liability, but asked for further assurances that all necessary boat certificates were in place to support the purchase of marine hull insurance. If assurance could not be given by close on Friday, 15 July, all site operations which require boat access should be suspended.

Action: Director of Commercial and Tourism

[Gillian Milne left the meeting]

Chair's Report

4. The Board reflected on the very positive meeting with the Cabinet Secretary, Fiona Hyslop immediately prior to the Board meeting. This has provided an excellent insight into Scottish Government priorities, particularly in the immediate aftermath of the referendum vote. This will be invaluable to inform planning for the foreseeable future.
5. The Chair reported on engagement activity since the previous meeting, including discussions with the Argyll and Sutherland Highlanders at Stirling Castle, with the Governor of Edinburgh Castle and the Director of the National Museum of Scotland. The Chair also presented at the Historic Houses Association (HHA) annual general meeting and met with the Chair of the National Trust for Scotland (NTS).
6. The Chair met with Alex Patterson on 5 July and enjoyed a constructive conversation around the challenges and opportunities for HES going forward. He will take up his post as CEO on 12 September
7. In addition, the Chair highlighted the recent changes to the senior management structure within the sponsor team at Scottish Government,

noting that the Director General, Liz Ditchburn would act as key liaison whilst SG recruit into the Director post.

8. It was noted that the recent meeting of the Scottish Historic Environment Forum (SHEF) was postponed until early September. It was agreed that an early conversation with SG officials would be useful in addressing future implementation of the Our Place in Time strategy.

Action: Acting Chief Executive.

9. Addressing the properties in care, Board members reflected on the very informative workshop held on 16 June. The developing prioritisation matrix had been discussed, with emerging conclusions reflecting the nature of the evidence and how a fully developed matrix might be used. The workshop had identified the next steps to be taken, noting the requirements to produce an Asset Management Plan and associated Investment Plan under the Scheme of Delegation.

Action: Acting Chief Executive.

[Martin Fairley joined the meeting]

Finance – 2017-17 Budgets (HES 172-4/16)

10. Gary Sharp introduced a 'Cost of Compliance' discussion, based on a short paper and high level analysis provided, with the caveat that thus required further work for a wholly accurate picture. The Board reinforced the need for assurance including a rigorous approach to budgeting. An interim report offering the necessary assurances should be submitted to the Board for the September meeting.

Action: Acting Chief Executive.

11. Gary Love introduced a paper on the proposed IS infrastructure and sought agreement from the Board to fund an extension to the ATOS contract. The Board approved the proposal and noted the assurance that a long term plan is being developed.

12. The Director of HR was authorised to negotiate the best possible terms with ATOS.

Action: Director of HR.

13. The Board noted the proposals for new visitor facilities at Maeshowe and Tormiston Mill. The proposals were considered by the Board in considerable detail, including the relationship with existing and assumed budgets for 2016/17 and 2017/18 as set out in the Corporate Plan. The Board could not endorse the proposals as presented. The Board instructed the Acting Chief Executive as Accountable Officer to consider a number of fundamental issues, to engage in discussion with key stakeholders particularly Orkney Island Council, and to review viable options with particular reference to all relevant legislation, to the Scheme of delegation, to HES charitable status and to HES financial position. The Acting Chief Executive to report back to the Board at the September Board meeting.

Action: Acting Chief Executive.

Grants Review Update (HES 175/16)

14. The Board noted the progress with the grants review and in particular that under the new proposals most grant schemes would now align with strategic outcomes. The Board also noted the proposed changes to the grants team structure. The remaining scheme to be considered further is that focused on the City Heritage Trusts. This work is being progressed by Jura Consultants and will report back to the Board in September. The Board approved the revised Grants Schemes and the further work being progressed.

Action: Head of Investments.

[Martin Fairley left the meeting]

HES Enterprises Board Report (HES 176/16)

15. The Chair of HES Enterprises Board (HESe Board) reported on the proceedings of the meeting held on 24 June.

16. The meeting had focused on finalising the governance arrangements for the Board in order to ensure effective oversight of HESe. Included were the updated Terms of Reference, Service Level Agreement and Independence Agreement, and Loan Agreements all of which still need to come to HES

Board for final approval. It is envisaged that this suite of documents, including an appropriate risk register, will be submitted to the HES Board for consideration in September. In addition, HESe Board discussed the draft five year business plan and developments around staff communications, as well as HESe Board membership being discussed. The Chair will consider how to progress Board membership with the Director of HR.

17. The Chair of the HESe Board reported that the performance reports submitted to the Board indicated strong performance in both visitor numbers and income and that was encouraging. A Quarter 1 report will be available at the planned July meeting. Also on the agenda for the July meeting will be the business case for holiday lettings.

[Kirsty Lingstadt and Hugh Morrison joined the meeting]

Chief Executive's Report (HES 177/16)

18. The Board noted the Acting Chief Executive's update on sponsor and stakeholder engagement, operational developments, as well as performance and financial reporting.

19. The Board discussed the need for a further Gateway Review. It was agreed the Review would act to bring the Transition Programme to a formal conclusion.

Action: Acting Chief Executive.

20. The Board raised concerns that the current roll-out plans in relation to the staff engagement programme are too extended. The programme should be accelerated.

Action: Director of Communications.

Museums Accreditation for HES (HES 178/16)

21. The Board welcomed the submission and associated draft policies relating to the proposed application from HES. The Board had questions around HES' readiness for this step. This combined with some uncertainty around policy expectations in relation to acquisitions in particular, led the Board to conclude that application should best be considered later in the year. In the

MINUTES OF OPEN SESSION AND ACTIONS

HES 180/16

meantime this proposal and draft policies are to be shared with David Gaimster and should be considered in the context of the archive planning project meeting on 19 July.

Action: Heads of Collections.

[Kirsty Lingstadt and Hugh Morrison left the meeting]

Board Planning (HES 179/16)

22. The Board discussed plans for the meeting and site visit in October. It was suggested that the current dates for the meeting and visit should be reconsidered. In addition, some further additions to future planned meetings and changes to the timing of meetings were noted. A revised plan is to be considered by the Chair.

Action: Head of CE Office.

AOB

23. There was no other business.

Date of Next Meeting: HES Board, 10.00am 15 September, Longmore House



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HISTORIC ENVIRONMENT SCOTLAND
LIVE ACTIONS

Actions arising from Board Meeting					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Sept 16
HES/100216/118	Chief Executive's Report (HES 162/16) Updated Business Plan for the Engine Shed to be circulated to the Board	CE	2 Jun		
HES/180316/123	Communications and Engagement Strategy (HES 164/16) Further development of the Communications and Engagement Strategy.	Fiona MacLean & Director of Comms	tbc		Stakeholder Engagement Plan being prepared for review with final version to Board for comment
HES/180316/124	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.	ARC	Jul 10 Nov	Action for ARC	In progress
HES/180316/125	Capital Planning: CHIB Submission (HES 166/16) Finalise Investment Plan for submission to CHIB.	CE & Director of Finance	1 Jun		Draft submitted on time. Revised version for Board see paper HES xxx/16
HES/180316/126	Research and Dissemination (HES 168/16) Development of a Research Strategy.	CE	tbc		In progress
HES/070716/127	Insurance and Indemnity Update (HES 171/16) The Board asked for further assurances that all necessary boat certificates were in place to support the purchase of marine hull insurance.	Director of C and T	15 July		Complete
HES/070716/128	Chair's Report <ul style="list-style-type: none"> An early conversation with SG officials is to be established in order to address future implementation of the Our Place in Time strategy. An Asset Management Plan and associated Investment Plan under the Scheme of Delegation is to now be produced. 	CE	15 Sep		Complete
HES/070716/129	Finance – 2017-17 Budgets (HES 172-4/16) An interim report on the approach to compliance budgeting offering the necessary assurances should be submitted to the Board for the September meeting.	CE			In progress
HES/070716/130	Finance – 2017-17 Budgets (HES 172-4/16) The Director of HR was authorised to negotiate the best possible terms with ATOS.	Director of HR			In progress
HES/070716/131	Finance – 2017-17 Budgets (HES 172-4/16)	CE	15 Sep		Complete

MINUTES OF OPEN SESSION AND ACTIONS

HES 180/16

	<p>On Maeshowe, the Acting Chief Executive is to consider how best to</p> <ul style="list-style-type: none"> Engage in discussion with key stakeholders particularly Orkney Island Council; and Review viable options with particular reference to all relevant legislation, to the Scheme of delegation, to HES charitable status and to HES financial position. <p>The Acting Chief Executive to report back to the Board at the September Board meeting.</p>				
HES/070716/132	<p>Grants Review Update (HES 175/16) City Heritage Trusts to be considered further reported back to the Board in September.</p>	Head of Investments	15 Sep	Report issued	Complete
HES/070716/133	<p>Chief Executive's Report (HES 177/16) Final Gateway Review is to be undertaken on the Transition Programme.</p>	CE	Oct	Date set for 6 Oct	Complete
HES/070716/134	<p>Chief Executive's Report (HES 177/16) The staff engagement programme is to be accelerated.</p>	Director of Comms	August		In progress
HES/070716/135	<p>Museums Accreditation for HES (HES 178/16) The proposal and draft policies are to be shared with David Gaimster and considered in the context of the archive planning project meeting on 19 July.</p>	Heads of Collection	19 July	Policies shared	Complete
HES/070716/136	<p>Board Planning (HES 179/16) A revised plan is to be considered by the Chair.</p>	Head of CE Office	End July		In progress

ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

Actions arising from Previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Jun 16
HES/161115/ 050	Business Model Implementation Plan (HES 104/15) To develop Charging Policy for areas not covered by the Scheme of Delegation.	CE	18 Mar 16 10 Feb 16 Revised to 7/8 Jul 16	Action for HESE	In progress.
HES/161115/ 056	Information Governance (HES 109/15) To bring forward to HES Board a comprehensive Information Management Policy, including training.	Jennie Smith	18 Mar 16 Revised to 7/8 Jul Revised to 15 Sept	Complete	Scheduled for 15 Sep Board meeting
HES/141215/ 068	CE Report (HES 121/15) 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).	CE	23 May 7/8 Jul 16	Carried Forward	Board workshop scheduled for 16 June. Full report to July Board.
HES/141215/ 069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).	CE	tbc	Carried Forward	Board workshop scheduled for 16 June.
HES/100216/ 078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer.	Jennie Smith/ Adam Jackson	7/8 Jul	Carried Forward	See paper HES 172/16.
HES/100216/ 079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	7/8 Jul	Carried Forward	See paper HES 172/16.
HES/100216/ 085	Audit and Risk Committee (HES 131/16) Recruitment of additional Board members.	Chair/ SG Sponsor	30 Sept	Action for ARC	In progress.
HES/100216/ 086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	Paul Smart Lead passed to CE	1 Apr	Carried Forward	In progress.
HES/180316/ 096	Strategic Investment Plan (HES 143/16) Further develop the HES Investment Plan	CE	23 May 16	Carried Forward	Remitted to HESe Board

Actions arising from Previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Jun 16
HES/180316/098	Financial Planning 2016-17 (HES 144/16) Further detail to be provided to the Board on the Crown Room project.	Stephen Duncan	1 Apr 16	Carried Forward	In progress.
HES/180316/101	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.	CE	23 May 16	Carried Forward	In progress.
HES/180416/105	Chief Executive's Report (HES 151/16) Review Protocol with SG Sponsor in tandem with Framework Document.	Chair/ CE	17/18 Oct 16		In progress.
HES/180416/106	Chief Executive's Report (HES 151/16) Progress options appraisal and investment planning.	CE			In progress.
HES/180416/107	Chief Executive's Report (HES 151/16) People Strategy to be developed.	CE/ Gary Love	tba		In progress. Plan is to share thinking with Staff Governance committee on 18 August
HES/180416/108	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.	CE	23 May		In progress.
HES/180416/111	Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.	CE	15 Sept	Action for ARC	In progress.
HES/180416/113	Audit and Risk Committee (HES 154/16 and HES 155/16) <ul style="list-style-type: none"> • Draft mainstreaming Equalities Mainstreaming Report to be provided to the Board • Further development and implementation planning of the four HR policies 	CE	tba	Action for ARC	In progress.
HES/180416/114	Stakeholder Engagement Address gaps in strategic engagement and partnerships to deliver the Corporate Plan.	CE/ Lisa McGraith	tba		In progress.
HES/180416/116	Publications and Licensing (HES 157/16) Explore potential transfer of commercial publications and licensing to HES Enterprises with the National Archive.	CE/ Jennie Smith	tba	Action for HESE	In progress.

MINUTES OF OPEN SESSION AND ACTIONS



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 23 MAY 2016

Longmore House, Edinburgh

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 HESe. 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

MINUTES OF OPEN SESSION AND ACTIONS**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]

MINUTES OF OPEN SESSION AND ACTIONS**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]

MINUTES OF OPEN SESSION AND ACTIONS

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

MINUTES OF OPEN SESSION AND ACTIONS

Annex A



**HISTORIC ENVIRONMENT SCOTLAND
LIVE ACTIONS**

ACTIONS ARISING – 23 MAY

Actions arising from April Board Meeting					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Jun 16
HES/100216/117	Chief Executive's Report (HES 162/16) Finalise SHEP taking account of any comments from Board members and send to Heads of Planning.	Director of Heritage Mgmt	1 Jun		
HES/100216/118	Chief Executive's Report (HES 162/16) Updated Business Plan for the Engine Shed to be circulated to the Board	CE	2 Jun		
HES/180316/119	Chief Executive's Report (HES 162/16) Annual report on single source suppliers to be provided to SG Sponsor.	Acting Director of Finance	2 Jun		
HES/180316/120	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.	CE	2 Jun		
HES/180316/121	Annual Business Plan (HES 163/16) Publish ABP on HES website.	Head of Corporate and Business Planning	24 May		Complete
HES/180316/122	Annual Business Plan (HES 163/16) Publish summary of priorities for 2016-17 along with links to the Corporate Plan on the HES website.	Head of Corporate and Business Planning	23 Jun		
HES/180316/123	Communications and Engagement Strategy (HES 164/16) Further development of the Communications and Engagement Strategy.	Fiona MacLean & Director of Comms	tbc		
HES/180316/124	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.	ARC	Jul 10 Nov		
HES/180316/125	Capital Planning: CHIB Submission (HES 166/16) Finalise Investment Plan for submission to CHIB.	CE & Director of Finance	1 Jun		
HES/180316/126	Research and Dissemination (HES 168/16) Development of a Research Strategy.	CE	tbc		

MINUTES OF OPEN SESSION AND ACTIONS

ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

Actions arising from previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–May 16
HES/210915/ 025	Insurance and Indemnity (HES 70/15) Further adjustments should be made to the draft business case – authority to sign off delegated to Chair and Trudi Craggs.	CE	30 Nov 15 Revised to 4 Apr 16	Carried Forward	Formal response to business case received from SG Sponsor on 10 May and being considered by management.
HES/161115/ 050	Business Model Implementation Plan (HES 104/15) To develop Charging Policy for areas not covered by the Scheme of Delegation.	CE	18 Mar 16 10 Feb 16 Revised to 7/8 Jul 16	Carried Forward	In progress.
HES/161115/ 056	Information Governance (HES 109/15) To bring forward to HES Board a comprehensive Information Management Policy, including training.	Jennie Smith	18 Mar 16 Revised to 7/8 Jul	Carried Forward	In progress.
HES/141215/ 068	CE Report (HES 121/15) 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).	CE	23 May 7/8 Jul 16	Carried Forward	Board workshop scheduled for 16 June. Full report to July Board.
HES/141215/ 069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).	CE	tbc	Carried Forward	Board workshop scheduled for 16 June.
HES/100216/ 078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer.	Jennie Smith/ Adam Jackson	7/8 Jul	Carried Forward	In progress.
HES/100216/ 079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	7/8 Jul	Carried Forward	In progress.
HES/100216/ 085	Audit and Risk Committee (HES 131/16) Recruitment of additional Board members.	Chair/ SG Sponsor	30 Sept	Carried Forward	In progress.
HES/100216/ 086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	Paul Smart Lead passed to CE	1 Apr	Carried Forward	In progress.
HES/180316/ 096	Strategic Investment Plan (HES 143/16) Further develop the HES Investment Plan	CE	23 May 16	Carried Forward	Remitted to HESe Board

MINUTES OF OPEN SESSION AND ACTIONS

Actions arising from previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–May 16
HES/180316/098	Financial Planning 2016-17 (HES 144/16) Further detail to be provided to the Board on the Crown Room project.	Stephen Duncan	1 Apr 16	Carried Forward	In progress.
HES/180316/99	Grants Review (HES 145/16) Implement review recommendations and report back to HES Board in July.	Martin Fairley	7/8 Jul 16	Carried Forward	In progress.
HES/180316/101	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.	CE	23 May 16	Carried Forward	In progress.
HES/180416/105	Chief Executive's Report (HES 151/16) Review Protocol with SG Sponsor in tandem with Framework Document.	Chair/ CE	17/18 Oct 16		In progress.
HES/180416/106	Chief Executive's Report (HES 151/16) Progress options appraisal and investment planning.	CE			Board workshop scheduled for 16 June.
HES/180416/107	Chief Executive's Report (HES 151/16) People Strategy to be developed.	CE/ Gary Love	tba		In progress.
HES/180416/108	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.	CE	23 May		In progress.
HES/180416/111	Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.	CE	15 Sept		In progress.
HES/180416/113	Audit and Risk Committee (HES 154/16 and HES 155/16) <ul style="list-style-type: none"> • Draft mainstreaming Equalities Mainstreaming Report to be provided to the Board • Further development and implementation planning of the four HR policies 	CE	tba		In progress.
HES/180416/114	Stakeholder Engagement Address gaps in strategic engagement and partnerships to deliver the Corporate Plan.	CE/ Lisa McGraith	tba		In progress.
HES/180416/116	Publications and Licensing (HES 157/16) Explore potential transfer of commercial publications and licensing to HES Enterprises with the National Archive.	CE/ Jennie Smith	tba		In progress.

MINUTES OF OPEN SESSION AND ACTIONS



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 18 APRIL 2016

Blue Hackle Room, Fort George

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
Jo McCoy, Head of IS
Gary Love, Director of Human Resources
Lucy Vaughan, Head of Conservation
Chris McGregor, Head of Major Projects
Joann Russell, Head of Estates
Denise Mattison, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting, including David Mitchell at his first meeting as Acting CEO and SMT members.
2. There were apologies from Diana Murray, Barbara Cummins and Paul Smart.

MINUTES OF OPEN SESSION AND ACTIONS**Minutes of 18 March 2016 Board Meeting and Action Tracker (HES 150/16)**

3. The minutes of the March meeting were confirmed. The Action Tracker was reviewed and progress noted. Further updates were provided in relation to:
- **HES/210915/025** – Insurance and Indemnity - approvals are expected before the next Board meeting on 23 May.
 - **HES/161115/050** – Charging Policy – this will now be presented in July.

Chief Executive's Report (HES 151/16)

4. The Board noted the Acting Chief Executive's update on sponsor and stakeholder engagement, operational developments and performance.
5. In relation to the Protocol with SG Sponsor, the Chair reported that further work needs to be done to ensure effective and efficient working practices between Sponsor and HES. This can be tied in with the first review of the HES Framework Document, due to take place in October.

Action: Chair/Chief Executive

6. The Board discussed the Acting Chief Executive's update on collections and archives and now including consideration of headquarters buildings. The Board noted the need for bold and fresh thinking driven by strategy and will provide a steer on direction. There is ambition of expectation around this work as well as some urgency. Full options appraisal, due diligence and links with corporate risk management are required. It was agreed that Board members David Gaimster and Andrew Holmes will provide a challenge function to the urgent development of options for the archives location while Paul Stollard and Trudi Craggs will provide a challenge function for the development of HES overall investment requirements and associated Plan.

Action: Chief Executive

7. The Board discussed resourcing needs in relation to visitor-facing posts, reflecting on competitor benchmarking, succession planning and volunteering. Assurance was offered on the levels of staffing at Edinburgh Castle. The development of a People Strategy was remitted to the Board's Staff Governance Committee for oversight.

Action: Chief Executive/Director of HR

8. The Board discussed progress on the Engine Shed project and in particular controls and mitigation of programme overrun on the part of the contractor. A revised timetable, communications plan and a date for post-project review will be provided to the Board before the May meeting. It was confirmed that Board member Ken Thomson will chair the Steering Group.

Action: Chief Executive**Annual Business Plan 2016-17 - Update (HES 152/16)**

1. The Acting Chief Executive tabled and introduced the latest version of the draft Annual Business Plan (ABP) which translates the strategic, three year Corporate Plan into operational delivery. The Board discussed the relative balance between

MINUTES OF OPEN SESSION AND ACTIONS

continuity of services and demonstrably new activity with the balance shifting towards new activity over the Corporate Plan period. In line with the terms of the Framework Document, a draft will be provided to SG Sponsor for discussion. Headline priorities for this year will be available for the Corporate Plan launch on 24 May. Comments from Board members on the draft are sought by 25 April.

Action: Board members/Chief Executive

Draft Annual Report and Accounts Planning (HES 153/16)

2. Jennie Smith introduced the paper on planning for the Annual Report and Accounts for 2016-17. The Board noted that this forms part of a suite of key information, linking to the Corporate Plan and ABP. A meeting will be scheduled to discuss assurance and sign-off process.

Action: Jennie Smith

Audit and Risk Committee (HES 154/16 and HES 155/16)

3. Trudi Craggs introduced the Audit and Risk Committee report which included minutes of the meeting on 23 March and a suite of Human Resources policies which had been recommended for HES Board approval.
4. Trudi noted that Board approval was required for the formal extension of the Scottish Government Internal Audit service until 31 March 2017. The Board approved the appointment.
5. Jennie Smith noted that the term of KPMG's appointment by the Auditor General for Scotland (AGS) for the provision of external audit services is due to come to an end on completion of the 2015-16 annual accounts. AGS has appointed Deloitte to succeed KPMG.
6. The Chief Executive highlighted the need to expand the Scheme of Internal Delegation to bring greater clarity of accountability throughout the organisation. Audit and Risk Committee will oversee the development process.

Action: Chief Executive

7. The Chair invited Board members to reflect on the material provided as part of the risk update ahead of the risk workshop on 23 May.

Action: Board members

8. Gary Love introduced the four HR policies recommended for sign-off by Audit and Risk Committee: Code of Conduct, Equality and Diversity, Counter-Fraud and Whistleblowing. The Board sought assurance that implementation of the policies will be supported by training and that, where appropriate, relevant impact assessments are highlighted in the policy documentation. The Board considered the policies to be a good package at a high level but supporting delivery models need to be developed in much more detail. In particular, Equality and Diversity needs to extend across all areas of service delivery. The Board requested sight of

MINUTES OF OPEN SESSION AND ACTIONS

the first Mainstreaming Equalities Report. The policies were referred back to Audit and Risk Committee and Staff Governance Committee for oversight of the further development and implementation planning.

Action: Chief Executive

Stakeholder Engagement

9. Steven Blyth presented the new HES website to the Board confirming soft launch date of 11 May which will allow time for live testing ahead of the Corporate Plan launch. Existing websites will continue and link through from HES website, with the exception of the Historic Scotland and RCAHMS sites. The Board congratulated the team and reflected on the importance of the website in promoting the values of HES.

10. Lisa McGraith introduced the stakeholder engagement paper setting out the model in place to manage stakeholder engagement and information on the available data. The Board stressed the importance of differentiating audiences and tailoring information to different needs and interests.

11. The Board reflected that operational engagement was well developed but that there are gaps in terms of strategic engagement at Chief Executive and Senior Management Team level, as well as in the development of strategic partnerships to deliver the Corporate Plan.

Action: Chief Executive/Lisa McGraith

12. The Board requested sight of detailed event planning for the Corporate Plan launch on 24 May.

Action: Lisa McGraith

AOB: Publications and Licensing (HES 157/16)

13. The Board gave consideration to where the trading activities from commercial publishing and licensing should sit in the HES Group. The Board agreed that both should sit within the Charity until agreement is reached with the National Archives regarding the ability to assign to HES Enterprises.

Action: Chief Executive/Jennie Smith

[Douglas Cowan, Strengthening Communities Director, Highlands and Islands Enterprise, joined the meeting]

Local Context

14. Douglas Cowan gave a presentation to the Board on the local context, the priorities of Highlands and Islands Enterprise, focusing on inclusive growth and community-led development, and potential opportunities for partnership working with HES to improve local outcomes.

[Douglas Cowan left the meeting]

MINUTES OF OPEN SESSION AND ACTIONS

[Joann Russell, Lucy Vaughan, Ruth Vaughan and Gavin Douglas joined the meeting]

Fort George

15. The main aim of the afternoon was to provide time for the Board to develop a greater understanding of Fort George through engagement with staff and familiarisation with the site.
29. The Board were introduced to the Fort in context, the visitor experience, the condition of the site and conservation challenges, including climate change.
30. Presentations on the Fort were followed by tours focused providing the Board with first hand insight into the challenges and opportunities of the site.

Dallas Dhu – 19 April (HES 158/16)

31. The purpose of the morning was to introduce the Board to an industrial heritage property in care which presents unique challenges and potential opportunities for HES.

Date of Next Meeting: 10.00am 23 May, John Sinclair House

MINUTES OF OPEN SESSION AND ACTIONS



**HISTORIC ENVIRONMENT SCOTLAND
LIVE ACTIONS**

ACTIONS ARISING – 18 APRIL

Actions arising from April Board Meeting					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–May 16
HES/180416/105	Chief Executive's Report (HES 151/16) Review Protocol with SG Sponsor in tandem with Framework Document.	Chair/ CE	17/18 Oct 16		In progress.
HES/180416/106	Chief Executive's Report (HES 151/16) Progress options appraisal and investment planning.	CE			Board workshop scheduled for 16 June.
HES/180416/107	Chief Executive's Report (HES 151/16) People Strategy to be developed.	CE/ Gary Love	tba		In progress.
HES/180416/108	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.	CE	23 May		To be tabled on 23 May.
HES/180416/109	Annual Business Plan (HES 152/16) <ul style="list-style-type: none"> • Comments are sought from Board members • Headline priorities for 2016-17 to be available for the Corporate Plan launch on 24 May. 	CE/ Board Members	25 Apr/ 16 May		In progress.
HES/180416/110	Draft Annual Report and Accounts Planning (HES 153/16) Schedule meeting to agree assurance and sign-off.	Jennie Smith	22 Apr		Complete.
HES/180416/111	Audit and Risk Committee (HES 154/16 and HES 155/16) Expand Scheme of Internal Delegation.	CE	tba		In progress.
HES/180416/112	Audit and Risk Committee (HES 154/16 and HES 155/16) Board members to reflect on material provided alongside the risk update.	Board Members	23 May		Complete.
HES/180416/113	Audit and Risk Committee (HES 154/16 and HES 155/16) <ul style="list-style-type: none"> • Draft mainstreaming Equalities Mainstreaming Report to be provided to the Board • Further development and implementation planning of the four HR policies 	CE	tba		In progress.
HES/180416/114	Stakeholder Engagement Address gaps in strategic engagement and partnerships to deliver the Corporate Plan.	CE/ Lisa McGraith	tba		In progress.
HES/180416/115	Stakeholder Engagement Detailed event plan for the Corporate Plan launch to be provided to the Board.	Lisa McGraith	19/04/16		Complete

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HES/180416/ 116	Publications and Licensing (HES 157/16) Explore potential transfer of commercial publications and licensing to HES Enterprises with the National Archive.	CE/ Jennie Smith	tba		See HES 161/16 and HES 162/16 .
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MINUTES OF OPEN SESSION AND ACTIONS

ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

Actions arising from previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–May 16
HES/180316/091	Corporate Plan (HES 139/15) Revise Consultation Analysis Report and BRIA in the light of feedback.	Adam Jackson	24 May 16	Carried Forward	Complete.
HES/180316/092	Corporate Plan (HES 139/15) Development of a full Corporate Plan launch plan.	CE/Lisa McGraith	24 May 16	Carried Forward	In progress.
HES/180316/096	Strategic Investment Plan (HES 143/16) Further develop the HES Investment Plan	CE	23 May 16	Carried Forward	In progress.
HES/180316/098	Financial Planning 2016-17 (HES 144/16) Further detail to be provided to the Board on the Crown Room project.	Stephen Duncan	1 Apr 16	Carried Forward	In progress.
HES/180316/99	Grants Review (HES 145/16) Implement review recommendations and report back to HES Board in July.	Martin Fairley	7/8 Jul 16	Carried Forward	In progress.
HES/180316/100	Chief Executive's Report (HES 146/16) Bring paper on Organisational Identity to the Board in May.	CE	23 May 16	Carried Forward	See paper HES 162/16
HES/180316/101	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.	CE	23 May 16	Carried Forward	In progress.
HES/180316/104	Board Planning (HES 149/16) May CE Report to include: <ul style="list-style-type: none"> • update on the collections review, • Edinburgh Castle Masterplan and plans for Stirling and Urquhart Castle • enhanced financial information. 	CE/ Jennie Smith	23 May 16	Carried Forward	Complete. Board workshop scheduled for 16 June.
HES/141215/068	CE Report (HES 121/15) 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).	CE	23 May 7/8 Jul 16	Carried Forward	Board workshop scheduled for 16 June. Full report to July Board.
HES/141215/069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).	CE	tbc	Carried Forward	Board workshop scheduled for 16 June.
HES/210915/025	Insurance and Indemnity (HES 70/15) Further adjustments should be made to the draft business case – authority to sign off delegated to Chair and Trudi Craggs	CE	30 Nov 15 Revised to 4 Apr 16	Carried Forward	Formal response to business case received from SG Sponsor on 10 May and being considered by management.

MINUTES OF OPEN SESSION AND ACTIONS

Actions arising from previous Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–May 16
HES/161115/ 050	Business Model Implementation Plan (HES 104/15) <ul style="list-style-type: none"> To develop Charging Policy for areas not covered by the Scheme of Delegation. 	CE	18 Mar 16 10 Feb 16 Revised to 7/8 Jul 16	Carried Forward	In progress.
HES/161115/ 056	Information Governance (HES 109/15) To bring forward to HES Board a comprehensive Information Management Policy, including training.	Jennie Smith	18 Mar 16 Revised to 7/8 Jul	Carried Forward	In progress.
HES/100216/ 078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer.	Jennie Smith/ Adam Jackson	7/8 Jul	Carried Forward	In progress.
HES/100216/ 079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	7/8 Jul	Carried Forward	In progress.
HES/100216/ 085	Audit and Risk Committee (HES 131/16) Recruitment of additional Board members.	Chair/ SG Sponsor	30 Sept	Carried Forward	In progress.
HES/100216/ 086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	Paul Smart Lead passed to CE	1 Apr	Carried Forward	See HES 162/16.

MINUTES OF OPEN SESSION AND ACTIONS



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 18 MARCH 2016

John Sinclair House

Present:

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

Apologies:

Ken Thomson

In attendance:

David Middleton, Chief Executive
Jennie Smith, Acting Director of Finance
Adam Jackson, Head of Corporate and Business Planning
Stephen Duncan, Director of Commercial and Tourism
Kari Coghill, Head of Business Development
Russell Whyte, Economic Advisor
Martin Fairley, Head of Investment and Corporate Financial Policy
Paul Jardine, Jura Consultants
Colin Welsh, Jura Consultants
Paul Smart, Head of Governance and Performance
Denise Mattison, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting.

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2. There were apologies from Ken Thomson.

Register and Declaration of Interests (HES 137/16)

3. There were no declarations of interest.
4. In line with the Board's Code of Conduct, the Chair invited Board members to review and update their Register of Declared Interests for 2016-17.

Action: Board Members

Minutes of 10 February 2016 Board Meeting and Action Tracker (HES 138/16)

5. The minutes of the meeting were confirmed. The Action Tracker was reviewed and progress noted.
6. For the record, the SCRAN Transfer Agreement was signed on 1 March by David Middleton on virtually the same terms approved by the Board on 10 February. The transfer of SCRAN to HES took place on 1 March.

Chair's Report (Verbal Update)

6. The Chair noted that much time has been spent over the past month on recruitment and expressed thanks to Board members for their very positive contribution and assistance. While Board members had been kept fully up to speed, the Chair summarised developments for the record.
7. The CEO recruitment process has proceeded as planned. The formal process went live on 3 March with a closing date for applications of 4 April and interviews to be held on 9/10 May.
8. In terms of the current position, at the Board meeting on 10 February the Chief Executive, David Middleton, confirmed his retirement as at end of this financial year. The Chair formally recorded the thanks expressed then and again now, for his role in stepping in to providing HES with an effective bridge at the time of the launch last autumn. The Chair and Board wish David a very happy, well-earned retirement. In turn David thanked the Board for their good wishes.
9. Following David Middleton's announcement, the Board had discussed and agreed that the preferred option for the period from April would be to appoint an Acting CEO from existing senior staff. This would build on HES progress over the last few months, and show commitment to developing internal talent which is an important message for HES staff and stakeholders. The Board expressed particular thanks to Nikki Ritchie, Head of Organisational Development and Policy, who did an outstanding job in developing and administering a robust, tailored recruitment process and follow-up for that recruitment, at the same time as managing the open recruitment process.
10. David Gaimster and Coinneach MacLean joined the Chair as Panel members for the Acting CEO appointment. The standard of presentation and interview was

MINUTES OF OPEN SESSION AND ACTIONS

very high, with excellent ideas from all candidates to be explored over the coming months.

11. The Chair was pleased to state for the record that the Board recommendation has been approved by the Cabinet Secretary and David Mitchell is appointed as the Acting CEO and Accountable Officer from 5 April.

Corporate Plan (HES 139/15)

12. Adam Jackson introduced the paper on the Corporate Plan, including the final draft of the Plan, consultation reports, Environmental, Equalities and Business and Regulatory Impact Assessments and launch handling plan, and tabled the full designed copy of the Corporate Plan. He noted that some details in the Consultation Analysis Report and Business and Regulatory Impact Assessment (BRIA) were still to be finalised
13. Fiona McLean, as Chair of the Corporate Plan Steering Group, expressed thanks to the Group and all those involved in the development of the Corporate Plan.
14. Following discussion, the Board approved the content of the Corporate Plan but asked for a reconsideration of some design features. The Plan will be submitted to the Cabinet Secretary, via SG Sponsor, for approval before the dissolution of Parliament.
15. The Board also requested publication of a summary report explaining the changes made to the draft Plan in light of consultation feedback.

Action: Adam Jackson

16. The Board discussed the launch handling plan for the Corporate Plan, including staff and stakeholder engagement. The Chief Executive will take this forward in association with Comms.

Action: Chief Executive and Lisa McGrath

Business Planning (HES 140/16)

17. Adam Jackson introduced the paper updating the Board on progress towards the development of the Annual Business Plan 2016-17 (ABP), building on the Corporate Plan priorities and operational planning undertaken by the Senior Management Team.
18. The Board discussed the ABP and noted that it requires significant development to deliver the priorities of the Corporate Plan while providing appropriate reassurance as to continuity of services. The ABP needs to clearly demonstrate allocation of resources and realisation of key performance targets. The Chief Executive is responsible for taking forward the development of the ABP supported by senior managers and Adam Jackson.

MINUTES OF OPEN SESSION AND ACTIONS

19. In terms of timing, the ABP will need to be fully developed by the time the Corporate Plan is launched in May. The Board will discuss the next draft on 18 April.

Action: Chief Executive, SMT and Adam Jackson

[Stephen Duncan and Kari Coghill joined the meeting]

Historic Environment Scotland Enterprises: Governance Proposals (HES 141/16)

20. Jennie Smith introduced the paper setting out proposals for the governance of the wholly owned trading company Historic Environment Scotland Enterprises (HESE). HESE is subject to the conditions set out in the SG Procurement Manual, the Scottish Public Finance Manual and the HES Framework Document.

21. The Board discussed and, noting the need for overall strategic control by HES, agreed the governance proposals for HESE. As appointments to the Board of HESE are not subject to the Public Appointments process, the Board agreed the composition of the Board of HESE as follows:

- 2 HES Board members – Alan Clarke (Chair) and Coinneach MacLean
- 2 HES officials – Director of Commercial and Tourism and the Director of Finance
- 1 independent member – to be recruited

The composition of the HESE Board will be reviewed after 12 months or sooner if required to confirm this remains appropriate.

Action: HESE Board

22. Initially funds will be provided by way of a loan from HES to HESE and staffing will be provided from the parent body. The terms of the loan and staffing arrangements will be set out in the Service Level Agreement which, together with paper HES 141/16 will form the basis of the Independence Agreement between HES and HESE.

23. The next steps are for liaison with HMRC and OSCR and to finalise the Service Level Agreement and Independence Agreement to ensure suitable governance arrangements.

Action: Jennie Smith

Historic Environment Scotland Enterprises: Business Plan (HES 141/16)

24. Kari Coghill introduced the draft HESE Business Plan and invited Board comments.

25. Alan Clarke thanked Stephen Duncan, Kari Coghill and Jennie Smith for all the work to date and noted that the plan covered short term gains and longer term return on investment. An investment plan needed to be developed to sit alongside the Business Plan and agreement reached on resourcing.

MINUTES OF OPEN SESSION AND ACTIONS

26. The Board discussed the proposed 7 income streams for HESE: retail, catering, facilities hire, publishing, National Collection of Aerial Photography (NCAP), collections sales and 'other' and noted that internal discussion was taking place on the inclusion of publishing and collections sales in the trading arm.

27. The Board considered that the commercial opportunities relating to properties in care were well developed but, beyond year one, further thinking was required on the potential of internal assets. Learning from the experience of others would be beneficial.

Action: Kari Coghill

28. Following full discussion, the Board welcomed the thinking on business planning for HESE and agreed that while there was considerable commercial potential, a cautious approach would be adopted in year one.

29. The Board therefore approved the proposed governance arrangements and the Business Plan for 2016-17, subject to final amendments.

Action: Alan Clarke and Jennie Smith for the governance arrangements

Action: Kari Coghill for the Business Plan

[Kari Coghill left the meeting]

[Russell Whyte joined the meeting]

Strategic Investment Plan (HES 143/16)

30. The Chief Executive introduced the paper, recommending that the analysis presented be developed further and be used to meet the needs of the Scheme of Delegation requirement for an Asset Management Plan and supporting investment plan and to inform input into the post-election Spending Review process.

31. The Board welcomed the paper as a viable framework for longer term investment planning for HES and agreed the change in name from Strategic Investment Plan to HES investment Plan.

32. The Board noted that further work is still to be done, including establishing the investment needs of the collections associated with properties in care and the archival collections. Further work is also needed on the longer term strategic framework, including the master plan for Edinburgh Castle, and the development of resource and staff capability.

33. The Board considered the need to identify funding partnerships as well as the need to demonstrate social as well as economic benefit to be accrued from investment in the historic environment, linked to Our Place in Time's measurement framework, Measuring Success.

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34. The Board agreed the framework was sound and that work should continue to develop the HES Investment Plan, closely linked to operational planning and planning for HESE.

Action: Chief Executive

Financial Planning 2016-17 (HES 144/16)

35. Jennie Smith introduced the paper seeking Board approval of the proposed allocation of unallocated funding available for 2016-17, noting the link with the HES Investment Plan and the substantial detail sitting behind the proposals.
36. The Board considered the risk of the proposed allocation of funding to conservation falling below the minimum statutory level required by the Scheme of Delegation as set out in Table 2 and the need for budget proposals to read across to the Monument Condition Index.
37. The Board accepted the proposals on the recommendation of the Accountable Officer agreeing to the allocation of £2.5 million of the £3 million proposed, holding back £500,000 for a further voluntary exit scheme in 2016-17.
38. Without prejudice to the allocation of resources, the Board would welcome further details on plans for the Crown Room in Edinburgh Castle.

Action: Jennie Smith

[Stephen Duncan, Jennie Smith and Russell Whyte left the meeting]
[Martin Fairley, Paul Jardine and Colin Welsh joined the meeting]

Grants Review (HES 145/16)

39. Martin Fairley introduced the paper, providing the Board with an overview of the grants programmes totalling £14.5 million of investment in the historic environment annually and invited the Board to discuss and approve the grants outcomes framework for HES and the associated next steps.
40. Colin Welsh of Jura Consultants gave a presentation covering the objectives of the review, the key messages arising from the consultation process and proposed outcomes, and associated evaluation framework for the entire investment programme and for each individual grant scheme.
41. The Board welcomed the review and its findings and discussed the recommendations, agreeing that the outcomes approach offers increased transparency in terms of the allocation process and the benefits arising from investment in the historic environment.
42. Matters considered by the Board include: acceptance across the sector, grants investment as a cornerstone of the lead and enable role, expansion of the skills outcomes beyond heritage, application deadlines already in the calendar, the requirement from Alex Neil to focus on city centres, link up with the Heritage

MINUTES OF OPEN SESSION AND ACTIONS

Lottery Fund's restructuring of grant schemes and the potential to increase total annual grants investment, subject to the availability of funding.

43. Martin Fairley confirmed that OSCR had reviewed and approved the existing grant schemes in terms of the public value offered and also confirmed that there would be another round of Conservation Area Regeneration Schemes in 2016-17 under the existing terms of the scheme.
44. In welcoming the outcomes-based approach to grant allocation, the Board discussed how this could have wider application to all HES activity. Work is underway, linked with the HES Investment Plan, business and financial planning to establish a full set of measurable outcomes for HES building on the approach adopted by Jura in the review of grants. Further detail will come to the Board in July as part of the paper on a joined up approach to business and budget planning.
45. The Board approved the recommendations in the grants review report subject to the considerations above. Progress to be reported to the Board in July.

Action: Martin Fairley

[Martin Fairley, Paul Jardine and Colin Welsh left the meeting]

[Paul Smart joined the meeting]

Chief Executive's Report (HES 146/16)

46. The Board noted the updates including the assurances provided on the Engine Shed, IT Project and Organisational Identity. Further advice will come to the Board on the practical implications of the new brand, in particular in relation to the sub brands, in a paper for the May meeting.
47. The Board briefly touched on the Protocol under development between HES and SG Sponsor. The Chair had some concerns about the narrative in the Protocol, in particular, with regard to governance. She will discuss these concerns with David Mitchell.

Action: Chief Executive

Action: Chair and Chief Executive

48. The Chair asked about Historic Environment Operational Group. The Chief Executive advised discussions re the structure of the OPiT delivery framework are to be held with CHED before the next quarterly sponsorship meeting, scheduled for June.

Action: Chief Executive

Staff Governance Committee (HES 147/16)

49. In Ken Thomson's absence, Janet Brennan reported to the Board on the most recent meeting of the Staff Governance Committee (SGC).

MINUTES OF OPEN SESSION AND ACTIONS

50. The Board noted the minutes of the meeting held on 11 February and agreed to amend the name of the committee from Staffing Committee to Staff Governance Committee based on the recommendations in 'On Board'.
51. The Chair noted that the committee had asked for a detailed action plan to address the areas for improvement identified in the 2015 People Survey, particularly learning and Development and Leadership and Managing Change.

Organisational Development (HES 148/16)

52. The Board noted progress as part of the report of the Staff Governance Committee.

[David Middleton and Paul Smart left the meeting]

Board Planning (HES 149/16)

53. Fiona McLean provided an update on plans for the Board site visit to North region in April. Fiona will lead on the development of the itinerary and stakeholder engagement.

Action: Fiona McLean and Lisa McGraith

54. The Board discussed the schedule of Board business beyond April, including agreeing to 24 May as date for the launch of the Corporate Plan. Changes will be made to the Board Plan.

Action: Denise Mattison to update Board Plan

Action: Board Members to save the date for 24 May

55. The Board requested that the May CE Report include an update on the collections review, Edinburgh Castle Masterplan and plans for Stirling and Urquhart Castle as well as enhanced financial information.

Action: Chief Executive and Jennie Smith

Any Other Business

56. There was no other business.

Date of Next Meeting: 10.00am 18/19 April, North Region

MINUTES OF OPEN SESSION AND ACTIONS

Annex A

HISTORIC ENVIRONMENT SCOTLAND
LIVE ACTIONS

ACTIONS ARISING – 18 MARCH

Actions arising from March HES Board Meeting					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Apr 16
HES/180316/088	Register and Declaration of Interests (HES 137/16) To review and update register of declared interests.	Board Members	1 Apr 16	Carry Forward	In progress.
HES/180316/089	Minutes of 10 February 2016 Board Meeting and Action Tracker (HES 138/16) Open minutes to be published on corporate website.	Denise Mattison	25 Mar 16		Complete.
HES/180316/090	Corporate Plan (HES 139/15) Corporate Plan to be provided to SG Sponsor for onward submission to Cabinet Secretary for approval.	Adam Jackson	18 Mar 16		Complete.
HES/180316/091	Corporate Plan (HES 139/15) Revise Consultation Analysis Report and BRIA in the light of feedback.	Adam Jackson	24 May 16	Carry Forward	In progress.
HES/180316/092	Corporate Plan (HES 139/15) Development of a full Corporate Plan launch plan.	CE/Lisa McGraith	24 May 16	Carry Forward	In progress.
HES/180316/093	Business Planning (HES 140/16) Further develop Business Plan and bring back to the Board for discussion in April.	CE/SMT/ Adam Jackson	18 Apr 16		See HES 152/16.
HES/180316/094	Historic Environment Scotland Enterprises: Governance Proposals (HES 141/16) Take forward governance arrangements for HESE Board.	HESE Board	1 Apr 16	Carry Forward	In progress. First meeting held 11 Apr.
HES/180316/095	Historic Environment Scotland Enterprises: Governance Proposals (HES 141/16) Finalise the HESE Business Plan.	Kari Coghill	1 Apr 16	Carry Forward	In progress.
HES/180316/096	Strategic Investment Plan (HES 143/16) Further develop the HES Investment Plan	CE	23 May 16	Carry Forward	In progress.
HES/180316/097	Financial Planning 2016-17 (HES 144/16) Budget allocation as per Board approval.	Jennie Smith	1 Apr 16		Complete.
HES/180316/098	Financial Planning 2016-17 (HES 144/16) Further detail to be provided to the Board on the Crown Room project.	Stephen Duncan	1 Apr 16		In progress.
HES/180316/99	Grants Review (HES 145/16) Implement review recommendations and report back to HES Board in July.	Martin Fairley	7/8 Jul 16	Carry Forward	In progress.
HES/180316/100	Chief Executive's Report (HES 146/16) Bring paper on Organisational Identity to the Board in May.	CE	23 May 16	Carry Forward	In progress.
HES/180316/101	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.	CE	23 May 16	Carry Forward	In progress. See HES 151/16.
HES/180316/102	Board Planning (HES 149/16) Finalise plans for April visit to North Region.	Fiona McLean/ Lisa McGraith	18/19 Apr 16		In progress.

MINUTES OF OPEN SESSION AND ACTIONS

Actions arising from March HES Board Meeting					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Apr 16
HES/180316/103	Board Planning (HES 149/16) Revise Board Plan	Denise Mattison	25 Mar 16		Complete.
HES/180316/104	Board Planning (HES 149/16) May CE Report to include: <ul style="list-style-type: none"> • update on the collections review, • Edinburgh Castle Masterplan and plans for Stirling and Urquhart Castle • enhanced financial information. 	CE/ Jennie Smith	23 May 16	Carry Forward	

ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

Actions arising from previous HES Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress
HES/141215/068	CE Report (HES 121/15) 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).	CE	23 May 7/8 Jul 16	Carried Forward	Update to be provided in May CE Report. Full report to July Board.
HES/141215/069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).	CE	tbc	Carried Forward	In progress. Update to be provided in May CE Report.
HES/210915/025	Insurance and Indemnity (HES 70/15) Further adjustments should be made to the draft business case – authority to sign off delegated to Chair and Trudi Craggs	CE	30 Nov 15 Revised to 4 Apr 16	Carried Forward	Clarification on approval process and timetable being sought from CHED. Advice is also being sought on procurement.
HES/161115/050	Business Model Implementation Plan (HES 104/15) <ul style="list-style-type: none"> • To develop HESe Business Plan further; • To develop Charging Policy for areas not covered by the Scheme of Delegation. 	CE	18 Mar 16 10 Feb 16	Carried Forward	Complete In progress.
HES/161115/056	Information Governance (HES 109/15) To bring forward to HES Board a comprehensive Information Management Policy, including training.	Jennie Smith	18 Mar 16 Revised to 7/8 Jul	Carried Forward	In progress.
HES/100216/078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer,	Jennie Smith/ Adam Jackson	7/8 Jul	Carried Forward	In progress.
HES/100216/079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	7/8 Jul	Carried Forward	In progress.
HES/100216/085	Audit and Risk Committee (HES 131/16) Recruitment of additional Board members.	Chair/ SG Sponsor	30 Sept	Carried Forward	In progress.
HES/100216/086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	Paul Smart	1 Apr	Carried Forward	See HES 151/16.

MINUTES OF OPEN SESSION AND ACTIONS

MINUTES OF OPEN SESSION AND ACTIONS



HISTORIC ENVIRONMENT SCOTLAND

MINUTES OF BOARD MEETING HELD ON 10 FEBRUARY 2016

Longmore House

Present:

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

Apologies:

Andrew Holmes

In attendance:

David Middleton, Chief Executive
Jennie Smith, Head of Finance
Adam Jackson, Head of Corporate and Business Planning
Robin Turner, Head of Survey and Recording
Paul Smart, Head of Governance and Performance
Jo McCoy, Head of Information Systems
Denise Mattison, Board Secretary

Introduction and Apologies

1. The Chair welcomed everyone to the Board meeting.
2. There were apologies from Andrew Holmes.

MINUTES OF OPEN SESSION AND ACTIONS

Declaration of Interests

3. There were no declarations of interest.

Minutes of 14 December 2015 Board Meeting and Action Tracker (HES 125/16)

4. The minutes of meeting were confirmed, subject to minor amendments.
5. The Action Tracker was reviewed and progress noted.

Action: Denise Mattison

Chair's Report (Verbal Update)

6. The Chair updated the Board on plans for the annual meeting with the Cabinet Secretary on 11 February. The meeting will focus on HES performance and key achievements in 2015-16 and planning for the period ahead.
7. The Chair also noted the planned site visit to the Engine Shed and Forth Valley College with Sir Peter Luff, Chair of the Heritage Lottery Fund Board of Trustees. The visit is scheduled for 16 February.
8. The Chair reported on productive meetings with Arts and Business Scotland in relation to business skills development and the Chief Executive of Perth and Kinross Council (PKC) on its vision for culture. Further engagement with each organisation will be beneficial in terms of delivering HES priorities and those of Our Place in Time. Key community collaborations such as with PKC and Stirling will be factored into business planning for 2016-17 and further information on the work with PKC will be brought to the Board in due course.

Action: Adam Jackson for business planning
Action: Richard Welander

Corporate Plan (HES 126/15)

9. Adam Jackson introduced the paper on the Corporate Plan. The Board recognised a thorough and inclusive consultation process and discussed some of the points made by way of consultation responses. These included the importance of the international dimension of the work of HES and world heritage; policy; grants; skills; community planning and empowerment; traditional materials; clarity on HES' leadership role and greater clarity around the value of 'respect'.

Action: Adam Jackson

10. The Board agreed the importance of seeking final Cabinet Secretary approval of the Corporate Plan as soon as possible after Board approval planned for 18 March. The timescales for achieving this were acknowledged to be tight with the dissolution of Parliament on 23 March. The Chair and Chief Executive (CE) will discuss with the Cabinet Secretary at the Annual Meeting on 11 February and the

MINUTES OF OPEN SESSION AND ACTIONS

HES Board will consider the final drafting changes by correspondence ready for sign-off at the 18 March Board meeting.

Action: Chair/Chief Executive
Action: Adam Jackson

Financial Analysis and Budget (HES 127/16)

11. Jennie Smith introduced the paper and noted that an update on the 2015-16 budget position would be available for the March Board.
12. The Board discussed the ratio of staff costs to total budget and what additional or different expenditure would be required to deliver the Corporate Plan. The Board sought assurance that the underlying budgeting processes are robust.
13. Jennie explained that the 2016-17 budgets were based on historical allocations given the current spending context. Work on the strategic investment plan, including the Scheme of Delegation by October 2016, the upcoming Spending Review and proposals to improve corporate management information systems would inform and improve the budget process in future years.
14. The Board sought to understand the rationale behind commercial income projections and asked for regular reports on progress against income targets. The Business Plan for HES Enterprises must be clear about income sources for HESe and the charity.

Action: Jennie Smith
Action: Kari Coghill

15. Jennie confirmed that the budget allocation for the Engine Shed included contingency and that the costs associated with IT were estimates at this stage.
16. The Board agreed to base 2016-17 budgets on the allocations proposed in the paper with the expectation that the approach for 2017-18 be brought to the Board in the summer. The approach should bring together budget and business planning processes, with further analysis of grants and progress towards development of corporate management information systems.

Action: Jennie Smith for budgeting
Action: Adam Jackson for business planning

17. The Internal Audit Report on Strategic Financial Controls of 8 February included a recommendation on long term financial planning:

“That HES regards the SIP as a ‘live’ document and carry out regular reviews including contingency planning ie best/worse- case scenarios to ensure that the plan is both relevant and dynamic to address SR issues that may arise and impact on core HES operations”

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18. A paper on the SIP will come to the HES Board on 18 March, primarily focussing on the approach to development. This work will inform input to the Spending Review and budgeting and business planning in future years.

Action: Chief Executive

Business Planning (HES 128/16)

19. Adam Jackson introduced the paper on Business Planning setting out the process and timetable.

20. The Board agreed that, given the dependency on, and timescales for, approval of the Corporate Plan, the 18 March Board meeting should discuss the draft of the Business Plan with the approval process being held over to the new financial year.

Action: Adam Jackson

[Robin Turner joined the meeting]

Our Place in Time: Landscape (HES 129/16)

21. Robin gave a presentation to the Board on landscape and the historic environment. This provided context to consideration of the Common Statement and Action Plan on Landscape and the Historic Environment prepared by an SNH-chaired working group involving HES and the National Trust for Scotland and first considered by the Strategic Environment Forum.

22. The Board discussed the Common Statement, focusing on the impact on the planning system, the need for a holistic approach to impact assessment to support the management of change, the structures in place with Local Authorities to support delivery and potential risks.

23. The Forum had requested any comments on the Common Statement and Action Plan for 28 February. The Board agreed support for the principles of the Statement, supported by the Action Plan to incorporate action into the Business Plan for 2016-17. Robin Turner to draft a response for Board approval.

Action: Robin Turner

Action: Adam Jackson for business planning

[Robin Turner left the meeting]

Chief Executive's Report (HES 130/16)

24. The Chief Executive provided the Board with an update on his engagement with staff, relations with Sponsor and stakeholders, proposals for the review of the Scottish Historic Environment Policy, work on the Business Plan for HES Enterprises, implementation of organisational identity, the voluntary exit scheme, collections and archive storage, collections accreditation, the Engine Shed and IS Projects, Risk Management and HES performance in 2015-16.

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25. The Board noted the updates including the assurances provided and discussed the Engine Shed Project in particular. Detailed consideration to be given to progress and to contingency planning, in the light of the original HLF funding bid and Activity Plan, with a further report to the Board meeting on 18 March.

Action: Chief Executive/David Mitchell

Audit and Risk Committee (HES 131/16)

26. Trudi Craggs reported on the Audit and Risk Committee (ARC) meeting of 20 January. Key points to note included the inclusion of the internal audit review of heritage management in the audit on governance, the approval of the implementation plan for a new risk management system and the discussion of current risks. The Board requested that draft ARC minutes of 20 January be amended to be more explicit on the actions relating to the current corporate risk register.

Action: Denise Mattison

27. Trudi noted that discussions had been held after the ARC meeting on the appointment of Internal Audit following the end of the current audit year on 31 May. This will be followed up.

28. The Chair noted agreement with SG Sponsor on the recruitment of two additional Board members, at least one of whom should have finance experience sufficient potentially to become the next Chair of the Audit and Risk Committee. The intention is to have new arrangements in place by September 2016.

Action: Chair/SG Sponsor

[Paul Smart and Jo McCoy joined the meeting]

Corporate Strategies: Strategy Landscape (HES 132/16)

29. Paul Smart introduced the paper setting out the strategy landscape which would enable delivery of the HES Corporate Plan. The range of multi-functional, cross-organisational strategies underpinning delivery of Corporate Plan priorities had been arrived at through detailed analysis of existing and proposed strategies.
30. The Board concluded that the proposed strategies needed to be revisited in the light of the final priorities set out in the Corporate Plan, including the need to include the strategies related to the Scheme of Delegation.

Action: Paul Smart

Corporate Strategies: Digital Strategy (HES 133/16)

31. Jo McCoy introduced the Digital Strategy, explaining its alignment to Digital Scotland and the priorities of the HES Corporate Plan. Oversight of the Strategy

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is through the Information and Information Systems Governance Board (IISGB), comprising representatives from across HES.

32. The Board discussed the draft Strategy, focusing on the benefits, the approach and scope, skills required for delivery, return on investment and efficiencies and the need to ensure it ties up with sector-facing strategies.

33. The next steps are to refine the draft and to build digital into Corporate and Business Plans and budgeting, focussing on key projects and the corporate process for prioritising these.

Action: Chief Executive and Jo McCoy

[Paul Smart, Jennie Smith and Jo McCoy left the meeting]

Forward Look (HES 134/16)

34. The Board agreed proposals set out in the Board Plan for 2016. As a result, there will be 9 Board meetings up to the end of 2016, including 3 site visits. The following dates can be released from calendars:

- 24 May
- 30 June
- 11 November

35. The three site visits will encompass Central, North and South-West Scotland. Detailed plans will be brought to the Board in advance of each visit.

Action: Denise Mattison

Any Other Business

36. The Board noted approval of the Transfer Agreement between HES and the SCRAN Trust was anticipated on 22 February. The Board approved the resolution at Annex B confirming that the Chief Executive is authorised to make adjustments and conclude the Transfer Agreement on behalf of HES.

Date of Next Meeting: 10.00am 18 March, John Sinclair House

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Annex A



**HISTORIC ENVIRONMENT SCOTLAND
LIVE ACTIONS**

ACTIONS ARISING – 10 FEBRUARY

Actions arising from HES Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Mar 16
HES/100216/072	Open Minutes of 14 December Minor textual amendments and publication on website.	Denise Mattison	11 Feb		Complete. Minutes revised and published.
HES/100216/073	Chair's Report Community collaborations, such as with Perth and Kinross Council and Stirling, to be factored into the Business Plan for 2016-17.	Adam Jackson	18 Mar		See paper HES 140/16.
HES/100216/074	Corporate Plan (HES 126/15) Discuss clearance by Cabinet Secretary.	Chair/ CE	11 Feb		Complete. Clearance timetable agreed.
HES/100216/075	Corporate Plan (HES 126/15) Drafting revisions in light of consultation and circulation to Board for comment before sign off at March Board meeting.	Adam Jackson	18 Mar		See paper HES 139/16.
HES/100216/076	Financial Analysis and Budget (HES 127/16) <ul style="list-style-type: none"> Updated information to the Board Include regular income performance against target in reports 	Jennie Smith	18 Mar		See paper HES 146/16.
HES/100216/077	Financial Analysis and Budget (HES 127/16) Provide clarity in the HESe Business Plan around income sources related to the Enterprise Company and those related to the Charity.	Kari Coghill	18 Mar		See paper HES 142/16.
HES/100216/078	Financial Analysis and Budget (HES 127/16) Unified approach to budget and business planning to be developed with an update to the Board in summer,	Jennie Smith/ Adam Jackson	7/8 Jul		In progress.
HES/100216/079	Financial Analysis and Budget (HES 127/16) Develop proposals for a corporate management information system.	Jennie Smith	7/8 Jul		In progress.
HES/100216/080	Financial Analysis and Budget (HES 127/16) Advice on Strategic Investment Plan to come to the Board in March.	CE	18 Mar		See paper HES 143/16.
HES/100216/081	Business Planning (HES 128/16) Draft Business Plan to be discussed by the Board in March.	Adam Jackson	18 Mar		See paper HES 140/16.
HES/100216/082	Our Place in Time: Landscape (HES 129/16) Respond to Common Statement and build commitment to landscape into Business Plan.	Robin Turner/ Adam Jackson	28 Feb/ 18 Mar		Complete. Response dated 26 Feb. See paper HES 140/16.
HES/100216/083	Chief Executive's Report (HES 130/16) <ul style="list-style-type: none"> Engine Shed plans to be considered in the light of discussion with the Contractor. HLF bid for the Engine Shed and activity plan to be circulated for information. 	CE/ David Mitchell/ Denise Mattison	18 Mar		See paper HES 146/16. Complete.
HES/100216/084	Audit and Risk Committee (HES 131/16) Amendments to the ARC minutes of 20 Jan on current corporate risk register discussion.	Denise Mattison	15 Mar		Complete.

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Actions arising from HES Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress–Mar 16
HES/100216/085	Audit and Risk Committee (HES 131/16) Recruitment of additional Board members.	Chair/ SG Sponsor	30 Sept		In progress.
HES/100216/086	Corporate Strategies: Strategy Landscape (HES 132/16) Revisit strategy landscape in light of finalised Corporate Plan.	Paul Smart	1 Apr		In progress.
HES/100216/087	Corporate Strategies: Digital Strategy (HES 133/16) <ul style="list-style-type: none"> • Refine the draft Digital Strategy • Build into corporate, business and budget planning. 	CE/ Jo McCoy	18 Mar		In progress. See papers: HES 139/16 HES 140/16 HES 144/16

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ACTIONS ARISING - CARRIED FORWARD FROM PREVIOUS MEETINGS

Actions arising from HES Board Meetings					
Action Ref	Action/Decision	Lead	Due Date	Comment	Progress
HES/141215/067	CE Report (HES 121/15) Strategic Investment Plan - to bring proposals for developing the SIP to HES Board.	CE	18 Mar 16	Carried Forward	See paper HES 143/16.
HES/141215/068	CE Report (HES 121/15) 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).	CE	Jul 16	Carried Forward	In progress.
HES/141215/069	Edinburgh Castle To bring a masterplan for the Castle and the PIC estate to HES Board (timetable to be confirmed).	CE	tbc	Carried Forward	In progress.
HES/210915/025	Insurance and Indemnity (HES 70/15) Further adjustments should be made to the draft business case – authority to sign off delegated to Chair and Trudi Craggs	CE	30 Nov 15	Carried Forward	Further letter from CE to SG in draft.
HES/231015/039	Heritage Management: Regulation and Board Engagement (HES 88/15) <ul style="list-style-type: none"> To establish appropriate escalation routes. To pass Protocol between HES and Sponsor to HES Board, along with comparators, for agreement by email. 	Barbara Cummins/ Paul Smart	9 Dec 15	Carried Forward	Paper circulated by email 01 Mar. See paper HES 146/16.
HES/231015/047	Grants (HES 97/15) To bring forward findings from the Grants Review to HES Board.	Martin Fairley	18 Mar 16	Carried Forward	See paper HES 145/16
HES/161115/050	Business model Implementation Plan (HES 104/15) <ul style="list-style-type: none"> To develop HESe Business Plan further; To develop Charging Policy for areas not covered by the Scheme of Delegation. 	CE	18 Mar 16 10 Feb 16	Carried Forward	See paper HES 142/16. In progress.
HES/161115/056	Information Governance (HES 109/15) To bring forward to HES Board a comprehensive Information Management Policy, including training.	Jennie Smith	18 Mar 16	Carried Forward	See paper HES 146/16.
HES/161115/057	Chief Executive's Report (HES 110/15) CEO to develop action plan following staff survey for discussion with the Staffing Committee.	CE	Feb 16	Carried Forward	See paper HES 147/16.

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Annex B

RESOLUTION OF THE BOARD of HISTORIC ENVIRONMENT SCOTLAND
("HES")

1) PURPOSE OF THE RESOLUTIONS

Negotiations have been successfully completed between HES and The Scran Trust, Kate Byrne, Mark Hopton, Professor John Hume, Professor John Hunter, Paul Jardine, Sir Mark Jones and Diana Murray for: (a) the acquisition of the undertaking and all of the assets of The Scran Trust, and (b) the performance of all of the functions, liabilities and other obligations of The Scran Trust (the "Transfer"). The purpose of the resolutions below is to approve various matters in relation to the Transfer.

An engrossment version of the Transfer Agreement between HES and The Scran Trust, Kate Byrne, Mark Hopton, Professor John Hume, Professor John Hunter, Paul Jardine, Sir Mark Jones and Diana Murray for (a) the acquisition of the undertaking and all of the assets of The Scran Trust, and (b) the performance of all of the functions, liabilities and other obligations of The Scran Trust, (the "Transfer Agreement") has been circulated to the directors. The purpose of the resolutions below is to approve the execution by HES of the Transfer Agreement.

2) APPROVAL

Having reviewed and familiarised themselves with the terms of the Transfer Agreement, the board members have resolved:

- a) that the Transfer and the entering into of the Transfer Agreement are in the best commercial interests of HES; and
- b) that David Middleton, the Chief Executive, will:
 - i) make such adjustments to the Transfer Agreement as he deems necessary and/or desirable;
 - ii) execute the Transfer Agreement (reflecting any adjustments made pursuant to the foregoing), and any other document or agreement required in connection with or ancillary to the Transfer Agreement, in the presence of a witness (where required); and
 - iii) do all other acts which he deems necessary and/or desirable in connection with the subject matter of the Transfer Agreement;

in each case on behalf of HES.

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Alan Clarke

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Date

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Andrew Holmes

Date

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Dr Coinneach Maclean

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Date

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Dr Fiona McLean

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Date

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Dr Janet Brennan

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Date

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Dr Ken Thomson

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Date

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Dr Paul Stollard

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Date

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Jane Ryder

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Date

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Professor David Gaimster

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Date

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Trudi Craggs

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Date