



**HISTORIC ENVIRONMENT SCOTLAND**

**MINUTES OF HES BOARD MEETING HELD ON 14 MAY 2020**

**VIA CONFERENCE CALL**

**Present:**

Jane Ryder, Chair  
Ian Brennan  
Janet Brennan  
Andrew Davis  
Emma Herd  
Terry Levinthal  
Coinneach Maclean  
Fiona McLean  
Ian Robertson  
Paul Stollard  
Ken Thomson  
Jane Williamson

**In attendance:**

Alex Paterson, Chief Executive  
Donella Steel, Director of Finance  
Kirsteen Rowlands, Director of Communications (part)  
Alison Turnbull, Director of Development and Partnership (part)  
Jules Davidson-Welch, Board Secretariat

**Introduction and Apologies**

1. The Chair welcomed everyone to the meeting. No apologies were recorded

**Minute of 23 April Board Meeting and Action Tracker**

2. The Board approved the draft minute of the April Board meeting. Members considered the Action Tracker, noting the improved format, and requested that target deadlines be recorded for the small number of actions without firm timescales.

**Chair's Update**

3. The Chair updated the Board on a recent discussion with Diane McLafferty, Deputy Director of Culture and Historic Environment at the Scottish Government. Discussion covered several topics, including HES' financial challenges and the grants programme as well as Board succession.

4. The Chair updated Members on a request for independent legal advice covering both HES and HESe. The Chair will work with the Head of Legal and Compliance to brief HES' legal advisors.
5. Members noted recent communications by National Trust for Scotland outlining their current position. The Board discussed the situation, noting possible implications for HES and the wider sector, and further necessitating a broader strategic debate on the future of the heritage sector in Scotland.

### Chief Executive's Update

6. The Chief Executive provided the Board with an update on a number of matters, including:
    - The Action Plan, approved by the Board in April, is now live across the organisation;
    - Approximately 900 members of staff have been 'furloughed' as part of the Job Retention Scheme. The process has been implemented smoothly, and the implications of the scheme's extension to October are being considered. The furlough scheme should not have a significant impact on the capability of the organisation to fulfil the Action Plan, however there may be a small number of areas where the commencement of work may be delayed. A summary of staff furloughed / retained will be circulated.
- ACTION:** Chief Executive
- A small fund has been identified to reimburse staff for the purchase of equipment to facilitate safe and comfortable home working;
  - The Our Place in Time Skills and Expertise Working Group's meeting of 13 May had been useful in understanding the scope and nature of the challenges that organisations are experiencing due to the current situation and the action plan for 20/21 will be adapted accordingly;
  - The Chief Executive updated the Board on discussions with Scottish Government regarding the preparation of guidance for resumption planning, in which he had encouraged a coherent approach to the advice produced for the various sectors that touch upon HES activities;
  - Liaison with partner organisations, particularly the national heritage agencies for England, Wales and Northern Ireland, is ongoing; and
  - The Director of Finance gave an overview of the financial position, noting an underspend against budget in April, which is expected to correct over the coming months as resumption plan activities commence. The Board discussed the liquidity position which is a significant concern noting Grant in Aid will be drawn down in accordance with need as the year progresses, although it will not cover all operating costs to April 2021. A full case for additional support from Scottish Government is in development.

### Grants

7. The Director of Finance gave an overview of HES' current grant programme, detailing existing grant commitments, the initial impact of COVID-19, and the anticipated position for the rest of the current financial year.

8. Noting the existing programmes and current profile of commitments, the Board discussed a number of points, including the following:
- In responding to the impact of COVID-19 on grant recipients and projects, it was agreed that HES should be flexible, but it is important that due diligence is undertaken on any request for additional funds or repurpose of already awarded grants to ensure the agreed outcomes are achieved. The Board endorsed a set of principles outlined by the Chief Executive that are being used in the current management of grants;
  - On the basis that grant commitments are expected to slip as projects are impacted, it is likely that the anticipated grants budget will not be spent this financial year. HES ability to offer additional financial support at this time is linked to HES overall budget discussions with Scottish Government, therefore it would be unwise to launch any new grant support. However, the Board agreed that preliminary work be undertaken to develop proposals for additional support should budgets allow. This will be informed by the results of the current survey of grant recipients;
  - While progress had been made with refreshing the grants programme as previously agreed by the Board, the current situation provided an opportunity to revisit this and take a fresh strategic look at the role and nature of our grants programmes in the future; and
  - It is important that the dialogue with key partners within the current funding landscape continues, and that the importance of non-financial support given by HES in the form of advice is recognised.
9. It was agreed that the Board will reconsider the short-term options for grants once HES budget is clarified, and have a focussed discussion on the longer term role of grants later in the year. A summary of organisations in receipt of multi-year funding will be circulated separately.

**ACTION:** Director of Finance

### **Advisory Panels**

10. The Chief Executive introduced a paper that sets out the extent to which HES seeks input outwith its own staff in delivering its role and activities. The item was prompted by Board interest in this function in a number of contexts, as well as questions posed by a group of academics on the approach used by the heritage sector to tell Scotland's story.
11. The Board discussed the paper, noting the following points:
- It is useful to see the range of external inputs, and the nature of these. Where appropriate, this should be built into our assurance mapping and the Audit, Risk and Assurance Committee should consider how the role of external expertise can augment the current governance arrangements;
  - While the paper covers a wide range of engagement, a gap analysis would be useful to identify where activity could be built upon, as would a review of how advisory panels are used by other organisations; and
  - The paper outlined a number of considerations that would inform future use of advisory panels in particular. In endorsing these, it was agreed that they be developed further and a follow up discussion held in October.

**ACTION:** Chief Executive

## Digital Briefing

12. The Interim Director of Communications introduced the briefing paper, which provides an overview of HES digital activity against the priorities set out in the Digital Strategy approved in 2018. The paper also set out how digital services have been adapted to meet user need during the Covid-19 crisis and identified questions for future provision. A number of examples of successful outcomes from the existing Digital Strategy were discussed.
13. The Chief Executive recommended that the flexible approach being adopted in the current situation be continued to support resumption planning, but that HES should undertake a review of the digital strategy given the fast pace of change since it was developed and the likely enhanced role of digital post-Covid-19. This should be done as part of the 'Reimagining' workstrand.
14. Board input to this process will come via a number of 'touchpoints' such as commercial opportunities by the HESe Board, and the development of digital expertise by the Staff Governance Committee. The longer-term strategic refresh will be developed over the coming six to nine months and return to the Board for further consideration.

**ACTION:** Chief Executive/  
Director of Communication

## Resumption Planning Framework

15. The Chief Executive introduced a paper outlining a proposed framework for HES' resumption plan. This is one of the four strands of HES' approach to Covid-19: Response, Reflect, Resumption and Reimagine. The framework outlines four inter-connected workstreams of activity, identifying lead officers and priorities for each and a Project Manager to bring each of the strands and workstreams together, as well as proposing an outline governance structure.
16. In agreeing the framework, the Board offered the following feedback:
  - Members discussed a number of approaches for the reopening of Properties in Care, noting the importance of careful messaging and sensitivity to the local context;
  - Financial scenarios, currently in development will impact on the resumption plan;
  - The Board will have the opportunity to input to the resumption planning through ARAC, HESe, Staff Governance Committee and Chairs Committee meetings scheduled over the coming days; and
  - Given the inter-connected nature of the four work-strands, it will be important to identify key dependencies.
17. A resumption plan will be submitted to the Board for approval at the June meeting.

**ACTION:** Chief Executive

## HQ Project

18. The Board considered an update on the HQ Transformation project, noting the need to pause the project at this stage to consider the changed financial position, as well as the rapid development in working practices as a result of the Covid-19 situation. An options paper on the HQ project is in development and will be discussed by the Corporate Programme Governance Board at their meeting in July. This will be reported to the July Board.

## Sector Survey – Initial Analysis

19. The Director of Development and Partnership gave a presentation outlining the initial analysis of the responses to HES' sector survey on the impact of Covid-19. The survey attracted a high level of interest, with over 260 responses from throughout Scotland.

20. The Board commended the work, and in subsequent discussion highlighted the following points:

- The results of the survey should be released into the public domain, demonstrating HES' leadership in the sector, but taking care not to imply that HES possesses the means to solve all of the highlighted issues; and
- The results of the survey highlight the importance of non-financial support that HES can deliver, particularly in providing leadership for the sector.

21. The full analysis is on track to be ready by the end of May and will be circulated to the Board for consideration of the implications and of proposals for action.

**Action:** Director of Development  
and Partnership

**There followed a closed session of the Board and Chief Executive**