MINUTES OF HES BOARD MEETING

HELD ON 21 MARCH 2024

RIDDLE'S COURT, EDINBURGH

Present:

Hugh Hall
Ian Brennan
Gemma Butterfield
Andrew Davis
Joe Doogan
Simon Hodge
Gary Jebb
Ann Leslie
Terry Levinthal
Anne-Marie O'Hara
Ian Robertson

In attendance:

Craig Mearns, Director of Operations
Stephen Duncan, Director of Marketing and Engagement
Craig Marshall, Interim Director of Finance and Corporate Services
Elizabeth McCrone, Director of Heritage
David Mitchell, Director of Cultural Assets
Alison Turnbull, Director of External Relations and Partnership
Lindsay Ross, People Director
Callum Stanners, Head of Chief Executive's Office
Zsombor Bardossy, Manager, Chief Executive's Office
Melanie Schwindt, Head of Legal (Part)
Heather Soutar, Head of Business Development and Enterprise (Part)

Introduction and Apologies

1. The Chair welcomed everyone to the meeting and extended congratulations to the newly appointed interim CEO.

2. Apologies from Emma Herd were noted.

Minutes of February Board Meeting

3. The Board approved the draft minutes of the February Board meeting.

2024-25 Annual Operating Plan

4. Director of Finance and Corporate Services introduced the Annual Operating Plan, outlining the changes made since the previous meeting. The Board subsequently approved the plan. It was noted that HES aims to publish it in design format on Tuesday, 16 April.

2024-25 Budget

5. The Board recognised forthcoming challenges, with the presented budget covering only 2024/25. Further work is needed to develop a longer-term financial strategy.

ACTION: Director of Finance and Corporate Services

6. HES recognised its highest-ever expenditure, primarily driven by pay increases agreed upon last year. The budget from October 2024 includes allocations for implementing Pay & Grading, with corresponding measures to mitigate the impact.

7. The Board requested a description of the Work Force Planning process, which will be presented at the next People Committee meeting. Caution was advised regarding cost-cutting, with discussions urged to encompass income generation possibilities. Updates to the risk register were agreed upon to reflect discussions and unfunded priorities.

ACTION: People Director

8. The meeting acknowledged the impact of Archive House on the budget. It was noted that the budget does not accurately reflect the true cost of Archive House. To address this, it was agreed that a more detailed paper outlining the issues surrounding its purchase and exploring alternative options, such as shared storage/facilities with partner organisations, would be presented to the Board at the next meeting.

ACTION: Chief Executive Officer

9. The Executive Leadership Team was tasked with presenting an in-year prioritisation plan at the next Board Meeting, along with identifying current income generators and exploring additional revenue streams.

ACTION: Chief Executive Officer

10. The Budget was approved, with the caveats discussed in the meeting.

Dallas Dhu Business Case

11. Director of Marketing and Engagement introduced the paper on Dallas Dhu and updated the Board on the current development in the case. Discussion with Scottish Government is ongoing regarding the finalising of the business case.

12. Concerns were raised around the removal and storage of collections currently held at Dallas Dhu. Concerns also raised regarding future care and housing of

the collections at the site. Board and ELT are aware of risk element and were assured that this could be managed and mitigated against.

13. The business case was approved, contingent upon receiving feedback from the Scottish Government.

HES New Business Model

14. Director of Finance and Corporate Services provided a verbal update on the New Business Model. Draft business case has been shared with the working group, raised with the Chair's Committee and was raised with the Minister by the Chair and CEO at their recent meeting.

15. The formalised business case will be presented to the Board at the next meeting.

THERE FOLLOWED STRATEGIC DISCUSSION AND WORKSHOP SESSION.