

# Commission

Final Minutes of the 342<sup>nd</sup> meeting held on 12 October at Cannon Bridge House,  
London, EC4

**Commissioners present:** Lord Mendoza (Chairman)  
Nairita Chakraborty  
Sandie Dawe  
Sandra Dinneen  
Paul Farmer  
Lady Jane Gibson  
Professor Helena Hamerow  
Dame Julie Kenny  
David Laing  
Sir Jonathan Marsden  
Patrick Newberry  
Susie Thornberry  
Richard Upton  
Sue Wilkinson

**Staff present:** Duncan Wilson, Chief Executive  
Michael Bishop, Director of Corporate Strategy & Business Improvement  
Andy Brown, Director of Analytics (for part)  
Liz Bushell, Director of Corporate Services  
Claudia Kenyatta, Director of Regions  
Nick Kent, Governance Officer (minutes)  
Ian Morrison, Director of Policy & Evidence  
Amy Pitts, Director of Communications & Public Engagement  
Julia Ward, Head of the Chairman & Chief Executive's Office  
Charlie Wheeler, Governance Officer (minutes)  
Andrew Wiseman, General Counsel & Corporate Secretary

**Others present:** Gerard Lemos, Chair, English Heritage Trust (for part)  
Mark Stuart-Smith, Interim Chief Executive, English Heritage Trust (for part)

## 1 Apologies, announcements and Declarations of Interest

- 1.1 Attendees were welcomed to the meeting.
- 1.2 Apologies had been received from Commissioners Ben Derbyshire and Robert Sackville-West; and from Katy Lithgow, Chair of the Historic Estate Conservation Committee.
- 1.3 Commissioners noted with sadness the unexpected death of Richard Lithgow, husband of Katy Lithgow, the Chair of the Historic Estate Conservation Committee.
- 1.4 The Chairman said that the Commission had a successful visit to Newcastle. Important announcements had been made by both main political parties recently that could have significant implications for the nation's heritage. It was important to

demonstrate that Historic England “had the heritage sector’s back”. This was demonstrated by HE’s lead in Birmingham where we led the call for heritage estate and museum collections to be protected following the City Council’s Section 114 notice.

### *Declarations of Interest*

- 1.5 Dame Julie Kenny declared an interest in respect of item 10 as Chair of Wentworth Woodhouse Trust, a past recipient of a grant from the Hamish Ogston Foundation.
- 1.6 Sue Wilkinson declared an interest in respect of item 11 as Deputy Chair of the Churches Conservation Trust, a potential recipient of the Hamish Ogston Foundation grant.

## **2 Minutes of June 2023 Commission meeting and matters arising**

- 2.1 The minutes of the 341<sup>st</sup> Commission meeting held on 22 June 2023 were approved as a correct record. **The Chairman requested that minutes be distributed in advance of meetings, and this was agreed.** The first two action points at the last meeting (appointment of new HE Chair and the publication of Department of Culture, Media & Sport (DCMS) guidance on contested heritage) had been completed. The planned discussion about pay would take place at the Remuneration & Appointments Committee on 27 November.

### **2.2 Action: Head of Governance**

- 2.3 **Commission approved the minutes of the 341<sup>st</sup> meeting held on 22 June 2023 as a correct record.**

## **3 Chairman’s Report**

- 3.1 The Chairman presented his first report as the new Chair. He congratulated Helena Hamerow and Ben Derbyshire on being re-appointed as members of the Commission for a second term. Highlights included the recent debate on the blue plaques’ amendment to the Levelling-Up Bill in the House of Lords and a forthcoming meeting with the Shadow Minister for Heritage.

- 3.2 **Commission noted the Chairman’s report.**

## **4 Chief Executive’s Report**

- 4.1 Refreshed Commission reporting  
The Chief Executive introduced his report. The Executive Team had changed the format of the report to reflect HE’s corporate plan priorities. In doing so, the changed format responded to the points made by the Campbell Tickell Board Effectiveness Review. It was hoped that the new format would enable Commission to have structured discussions. The changes in reporting were not complete and this report also included the old-style dashboard summarising organisational performance for the last time.

- 4.2 Highlights included work to prepare for the Autumn Statement and the 2024 Spending Review. Meetings had taken place with key figures in Parliament, including Ministers and Shadow Spokespeople.
- 4.3 Reinforced autoclaved aerated concrete  
Following concerns about reinforced autoclaved aerated concrete (RAAC), risk assessments were carried out at the request of the DCMS at both HE and English Heritage Trust (EHT) buildings. RAAC is not present at any of HE's buildings and HE structural engineers have visited and confirmed the absence of RAAC at four buildings on the EHT estate about which there were concerns. HE staff continue to direct concerned owners and managers of heritage assets to the Institution of Structural Engineers' [guidance](#) on RAAC assessment and remediation. HE staff will also continue to provide specialist engineering advice where appropriate and where necessary in accordance with HE's standard practice.
- 4.4 Security of collections  
The Chief Executive referred to the issue of security of collections following the serious thefts at the British Museum. A report would be going to the EHT trustees and then to HE. Four issues needed to be addressed: inventory, spot checks and completeness of records, together with whistleblowing procedures.
- 4.5 The Corporate Secretary said that the Audit & Risk Assurance Committee (ARAC) had received a report on security of collections since the incident and there would be a further report to the next meeting. The Corporate Secretary outlined HE's whistleblowing policy and drew Commissioners' attention to the fact that, when it was triggered, the Chair of ARAC was automatically notified separately from the Corporate Secretary. This approach should give members a degree of assurance that an effective system with an independent element was already in place at HE. It would be reviewed by ARAC.
- 4.6 World Heritage Committee  
The Head of International Strategy had attended the recent meeting in Riyadh. The dialogue with UNESCO had improved but there were still significant differences of view. Commissioners expressed concern about the position as regards the World Heritage site at Stonehenge, where there was a risk of de-designation following the announcement of the A303 road improvements. A new State of Conservation report was required by UNESCO in February 2024, and the mitigation proposed for the new tunnel might not prove enough to re-assure the Committee. Members recognised that the risk to EHT of de-designation was significant and that the process within UNESCO was complex and multi-layered. It was important for the UK to show that we had listened and done our best to meet their concerns.
- 4.7 Shrewsbury Flaxmill Maltings  
In response a request for an update from Commissioners, the Chief Executive explained Richard Upton had been helpful in arranging an introduction to Peter Barber Architects to prepare plans for the residential part of the site. It is anticipated that his practice's involvement will increase the chance of ensuring an exemplary development. Members recognised that this was a project of importance to HE and a test case for working with local authorities. Potential "meanwhile" use at the site would add value in the intervening period. The Chief Executive explained that HE saw EHT as becoming involved with the visitor experience. The Chair of EHT expressed his support and enthusiasm for the site.

**4.8 Commission noted the Chief Executive's report.**

**5 HE Corporate Priority Summary**

- 5.1 The Director of Corporate Strategy & Business Improvement introduced the new format for reporting HE's performance to the Commission. In due course, key performance indicators (KPIs) would replace the corporate activity red-amber-green (RAG) indicators used until now.
- 5.2 Commissioners welcomed the format. In the discussion a number of queries were raised and suggestions made for improvement, including:
- a the need for further numeric indicators in future editions;
  - b the possibility of including an indication of some of the challenges that HE might face in each priority;
  - c adding time frames where possible to show pace in getting to the next stage;
  - d the longer-term nature of some Corporate Plan priorities, such as inclusion, diversity and equality (IDE), where progress could not easily be shown;
  - e the absence of a section on public engagement compared to the previous reporting format.
- 5.3 The Chief Executive stated that IDE was embodied in the operational work of HE, for example, recruitment. The Director of Communications & Public Engagement said that management were working on adding public engagement to the new reporting format.

**5.4 Commission discussed and noted the HE Corporate Priority Summary.**

**6 Financial Overview**

- 6.1 The Director of Corporate Services presented the financial position at month six of the 2023-24 financial year and highlighted the following points:
- a The overall position was not significantly different from the last report to Commission; the balance between revenue and capital would be adjusted through the autumn supplementary process.
  - b Income to HE was expected to exceed the level forecast in the budget; management was exploring ways of reporting the income that comes to HE as an independent research organisation (IRO) as this income does not appear in current reports.
  - c The main issue on the expenditure side was that the pay award for the year had been settled; management had felt it right to pay the £1.5K non-recurring supplement that had been paid to civil servants; this had cost £1.6M which had been funded through temporary recruitment controls and other resources;
  - d The main risks to the budget were: the delivery of the national blue plaques scheme; the implementation of the digital strategy; and the fact that this was the last year of the High Streets Heritage Action Zones (HS HAZ) programme with significant expenditure falling due;

e It was hoped that the long-running VAT reclaim would be received in this financial year.

6.2 Commission noted the report. In response to a question, the Director of Corporate Strategy said that there were funds earmarked within the HS HAZ programme so that if it were not extended beyond 2023-24, redundancy costs would be covered.

6.3 The Director of Corporate Services referred to the proposed budget timeline for 2024-25 and the expectation that a draft budget would be ready at the end of December.

**6.4 Commission noted the financial position for the year to date and forecast year-end positions; and the main risks to them. Commission also noted the budget timeline for 2024/25.**

## **7 English Heritage Trust financial performance report**

7.1 The Interim Chief Executive of EHT presented the financial performance report. He explained that visitor numbers were better and membership income was above budget in the year to date, but overall visitor income was down. Secondary spending at sites was down due to cost-of-living pressures. The current expectation is that the EHT will end the year with a smaller deficit than forecast in the budget. Capital projects are being delivered but a backlog of projects is building up. A strategic planning exercise is underway, linked to the renewal of the HE property licence.

7.2 In discussion of the report, the Interim Chief Executive said that the current deficit was forecast to clear in 2026-27 but the Trust would continue to need the Culture Recovery Fund loan to ensure they had the £20M cash buffer needed to operate. Interest on the loan was low and repayments would start in 2025. They did not expect tourist numbers to return to pre-pandemic levels until 2025-26. Exchange rates are encouraging US tourism to the UK at present but not helping with Chinese visitors.

7.3 The Chairman of EHT confirmed that part of the Trust's strategy was to increase income from events on the historic estate. EHT wanted to do more creative events but to increase revenue rather than visitor numbers.

7.4 The Chairman of EHT informed Commission that the recruitment process for a new Chief Executive had concluded and an announcement would be made shortly that Dr Nick Merriman, the Director of the Horniman Museum & Gardens, had been appointed. Commissioners welcomed Dr Merriman's appointment. The Chairman of EHT expressed his thanks to Mark Stuart-Smith for acting as Interim Chief Executive.

7.5 The Chairman congratulated EHT on successfully spending the £80 million grant following the separation of 2015. The Chief Executive reported that the licence agreement negotiations between HE and EHT were going well with draft heads of terms close to being agreed. The plan was to take the draft agreement to the Audit & Risk Assurance Committee in mid-November and the Commission at the end of November. If possible, the parties wanted the licence signed off by the end of March next year.

**7.6 Commission noted the English Heritage Trust Finance Performance Report August 2023.**

## **8 English Heritage Trust Annual Review 2022-23**

- 8.1 The Chief Executive presented the annual review of EHT in 2022-23. He drew attention to the work of the Historic Estate Conservation Committee (HECC), whose annual review was an appendix to the main report.
- 8.2 In the absence of Katy Lithgow, Sir Jonathan Marsden summarised the HECC annual review. He explained that HECC was at a change moment – switching from a focus on capital projects, now that the government endowment had been spent, to monitoring the maintenance of the historic estate. He said that Katy Lithgow was keen for HECC to be advisory rather than supervisory. That would mean clarifying the relationship between HECC and the Audit Committees of both EHT and HE.
- 8.3 The scale of the conservation deficit was noted as a key issue for EHT. The Chief Executive said that the existing monitoring mechanism – the Sustainable Conservative Asset Management Plan (SCAMP) – would not, he felt, be sufficient to estimate the deficit without some high-level financial metric. This might be applied to properties deemed by the SCAMP to be in unsustainable condition. The Chairman of EHT said that the number of properties with defects had gone down and a nuanced view needed to be taken of this problem. The Chief Executive said that HE and EHT would need to take a view on this issue soon as it related to the licence negotiations.
- 8.4 The Chairman expressed the Commission's thanks for the report and commended the work of HE and of HECC.

<p>8.5 <b>Commission noted the English Heritage Trust Annual Review 2022-23.</b></p>
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## **9 Spending Review 2024 Update**

- 9.1 The Director of Corporate Strategy & Business Improvement presented a report to Commission on the Spending Review 2024, the process that will allocate public spending from April 2025. The report also detailed the work HE had been doing with DCMS on other fiscal events, notably the Autumn Statement.
- 9.2 Commission discussed the report, noting in particular that the context of the Review for HE was that grant-in-aid had fallen by half, in real terms, since SR10 and this raised questions of sustainability. The impact of the fall in grant-in-aid could be seen in the planning casework, with HE falling below the level of engagement needed because of financial pressures. Commissioners welcomed the additional resources from government for programmes such as HSHAZ but recognised that time-limited programmes took skilled people without fully covering running costs.
- 9.3 The close connection between housing and planning issues and the work of HE was raised in the discussion. Commission recognised the danger that HE could be seen as a block to developing essential housing when in reality developers often welcomed working with HE. The good work that HE was doing on policy development and planning engagement at local level deserved greater recognition and needed to be part of the story that HE told. The Chief Executive highlighted the successful media coverage of HE's stance on tall buildings as one example of how HE was influencing debate.

- 9.4 Commissioners recognised the successful reorganisation of HE. HE had delivered substantial change in recent years.
- 9.5 An important current concern was the financial instability of some local authorities and the risk this posed to heritage. Several of the 30-40 local authorities believed to be at risk of issuing a Section 114 notice owned significant numbers of monuments and other historic buildings. Local authorities had already lost a lot of listed building and conservation officers due to financial pressures. Councils tended to see heritage buildings as a problem, not an asset. HE was partly filling the gap left by local authorities stepping back and HE needed government to recognise that. It was recognised that part of the issue with planning and housing issues was that these were the responsibility of the Department of Levelling Up, Housing and Communities (DLUHC) but HE was sponsored by the Department of Culture, Media & Sport (DCMS).
- 9.6 There was general agreement that HE worked well in partnership with other ALBs and stakeholders. HE had developed skills in working with multiple government departments and with National Lottery Heritage Fund. This cross-government approach was something to be developed further.

**9.7 Commission noted the Spending Review 2024 Update report.**

## **10 Historic England Advice Note: Climate change and historic building adaptation**

- 10.1 The Director of Policy & Evidence explained that the Advice Note was a technical publication aimed at local authority staff, councillors and developers. Once the draft has been completed, there would be public consultation and then it would need approval from DLUHC. It would be published alongside case studies and advice for home owners. The intention of the Note was to be clear about the adaptation of heritage buildings to respond to climate change.
- 10.2 Commissioners commended the draft Advice Note for its clarity and helpfulness. It was suggested that it would be important for HE to have clearer messaging and show more confidence in HE's advice on this issue to reach a wider audience. The Director of Communications & Public Engagement said that HE was launching an autumn campaign alongside the publication of the Advice Note aimed at homeowners with a list of the top five things owners could do to make their property climate friendly.
- 10.3 Commissioners noted the difficulties heritage building owners faced getting insurance because underwriters do not know how to value them, making insurance unaffordable in some cases. They also reflected on the need for local authorities to apply the advice and the importance of reaching beyond the owners of G1 and Grade 2\* listed buildings to all owners of older buildings.

**10.4 Commission noted the Historic England Advice Note on climate change and historic building adaptation**

## **11 Legal arrangements with the Hamish Ogston Foundation**

- 11.1 The Chief Executive introduced discussion of the paper by saying that HE had decided to end its relationship with the Hamish Ogston Foundation (HOF) following recent allegations. One further payment was due to be drawn down for work already completed. The Executive Team had decided that HE would fund the roles currently funded by HOF, including staff, traineeships and apprenticeships, to enable the heritage building skills programme to continue.
- 11.2 The Director of Corporate Strategy & Business Improvement said that the paper explained the timeline of events and the actions taken by management in response to the allegations in *The Sunday Times*. HE had been supporting staff and apprentices on the skills training scheme supported by HOF. The paper set out the proposed position to be jointly adopted by Historic England and the Historic England Foundation, the separate charitable trust through which the HOF grants had been channelled. This would mean an end to the relationship with HOF, no further draw down of grants except for the £263,000 already spent and the return to HOF of £50,000 of research grant.
- 11.3 The liability to HE resulting from this proposed decision would be in the range of £1.1M to £1.4M. HE would endeavour to raise funds to meet this shortfall.
- 11.4 The Corporate Secretary and General Counsel explained the potential legal and reputational risks to HE and the Historic England Foundation of withdrawing from the HOF funded programme.
- 11.5 Commissioners expressed support for the decisions taken by the Executive Team and the proposals outlined in the paper.
- 11.6 HE management had been liaising with others in the sector who had a relationship with HOF. Discussions with potential alternative donors were underway and were positive. The Executive Team would **report back to Commission** and the Audit & Risk Assurance Committee **would consider the matter** at a future meeting.
- 11.7 **Action: Executive Team and the Audit & Risk Assurance Committee**

11.8 **Commission noted the actions taken to date by Historic England and the Historic England Foundation. Commission commented on and adopted the Historic England and Historic England Foundation joint position set out in the paper.**

## 12 Historic England Committee minutes and updates

12.1 Commission noted the minutes and oral updates from recent sub-committee meetings.

12.2 **Commission noted:**

- a **the minutes of the 8 June and 7 July meetings of the Audit & Risk Assurance Committee;**
  - b **the minutes of the 14 June 2023 Historic Estate Conservation Committee;**
  - c **the minutes of the 29 June 2023 Historic England Advisory Committee;**
- and**



d **oral reports from other recent sub-committee meetings.**

### **13 Casework Report**

- 13.1 Commission received its regular update on Historic England's business critical casework and recent and forthcoming planning developments.

13.2 **Commission noted the Casework Report.**

### **14 Any Other Business**

- 14.1 The Lancashire Mills design code will be in the next casework report.

### **15 Closed Session**

- 15.1 Commission held a closed session.

**Nick Kent**  
**October 2023**



# Commission

Final Minutes of the 341<sup>st</sup> meeting held on 22 June 2023 at Cannon Bridge House, London, EC4

**Commissioners present:** Laurie Magnus (Chairman)  
Sandie Dawe  
Ben Derbyshire  
Sandra Dinneen  
Paul Farmer  
Jane Gibson  
Julie Kenny  
Jonathan Marsden (by VC)  
Patrick Newberry (for part, by VC)  
Robert Sackville-West  
Richard Upton  
Sue Wilkinson

**Staff present:** Duncan Wilson, Chief Executive  
Michael Bishop, Director of Corporate Strategy & Business Improvement  
Liz Bushell, Director of Corporate Services  
Claudia Kenyatta, Director of Regions  
Ian Morrison, Director of Policy & Evidence  
Siobhan O'Donoghue, Head of Governance (notes)  
Amy Pitts, Director of Communications & Public Engagement  
Julia Ward, Head of the Chairman & Chief Executive's Office  
Andrew Wiseman, General Counsel & Corporate Secretary

**Others present:** Gerard Lemos, Chair, English Heritage Trust (for part)  
Kate Mavor, Chief Executive, English Heritage Trust (for part)

## 1 Apologies, announcements and Declarations of Interest

- 1.1 Attendees were welcomed to the meeting. In particular, a warm welcome was extended to Commissioner Dame Julie Kenny, attending her first meeting.
- 1.2 Apologies had been received from Commissioners Nairita Chakraborty, Professor Helena Hamerow, David Laing and Patrick Newberry (although Patrick would join virtually for Item 7, Financial Update, and Item 8, 2022-23 Annual Report & Accounts).
- 1.3 Commissioners congratulated Chief Executive Duncan Wilson, who had been awarded a CBE for services to heritage in the Birthday Honours.
- 1.4 Commissioners noted with sadness the recent death of Pam Alexander, Chair of the Heritage Alliance and former Chief Executive of English Heritage.

### *Declarations of Interest*

- 1.5 Commissioner Ben Derbyshire declared a general interest in relation to the national blue plaque scheme, which was referenced in several papers, as he was brother-in-law to the EH Trust Curatorial Director. Commission noted the declaration of interest.

## 2 Minutes of 29 March 2023 Commission meeting and matters arising

2.1 The minutes of the 340<sup>th</sup> Commission meeting held on 29 March 2023 were approved as a correct record, subject to reflecting that Commission had ‘applauded’ the presentation on Historic England’s Heritage Crime work.

2.2 **Commission approved the minutes of the 340<sup>th</sup> meeting held on 29 March 2023 as a correct record.**

### 3 Chairman’s Report

3.1 The Chairman presented his regular report, which detailed activities since the last meeting and forthcoming events. Recent highlights included visits to Chatham, Bradford (UK City of Culture 2025), and Grimsby. All had highlighted the positive relationships between Historic England regional teams and local stakeholders.

3.2 Appointment of a new Historic England Chair: Commission was disappointed that an announcement had not yet been made regarding the appointment of a new Chair from 1 September 2023, and noted the potential impact any further delay might have on an orderly handover. **Commission agreed that its concerns should be conveyed in a letter to DCMS.** Should a new Chair not be in place for 1 September 2023, Commission supported the proposal that Deputy Chair Sandra Dinneen should act as interim Chair. [Secretary’s note: the appointment of Lord Mendoza was announced by the Secretary of State on 9 August 2023].

#### ***ACTION: Chairman***

3.3 Re-appointment of Commissioners: There was no update regarding the re-appointment of Commissioners Ben Derbyshire, Professor Helena Hamerow and Sue Wilkinson, whose current terms expired on 31 August 2023; nor on the re-appointment of Sandie Dawe, whose term expires on 31 December 2023. [Secretary’s note: Ben Derbyshire and Professor Helena Hamerow were re-appointed for a further term of four years on 7 September 2023 and Sue Wilkinson’s and Sandie Dawe’s terms were extended for a further nine months].

3.4 **Commission noted the Chairman’s report.**

### 4 Chief Executive’s Report

4.1 The Chief Executive presented his regular report, which included a dashboard summarising organisational performance and principal updates from each Group since the last meeting.

4.2 Highlights included progress of the Levelling Up & Regeneration Bill and engagement with DCMS and DLUHC on related matters, and support to Government on the Energy Efficiency Review (EER) and associated report. Historic England continued to develop its Climate Change communications plan, pending publication of the Historic England Advice Note (HEAN), the timing of which was dependent on release of the EER report.

4.3 National Blue Plaque scheme: The expectation was that Historic England would be asked to administer a national plaque scheme outside of London, with the London Blue Plaques programme remaining with the English Heritage Trust for at least the duration of the current licence. Commission welcomed the potential opportunities that a national scheme would bring and emphasised the importance of delivering a high quality ‘demonstrator’ programme. It would also be important to learn from, and complement, the London plaque scheme and other local initiatives.

- 4.4 2023 Pay Award: At its meeting on 24 May 2023, the Remuneration & Appointments Committee had endorsed Historic England's proposed approach to implementing the 2023 pay remit, considering a range of factors including affordability. The Government pay remit had been subsequently updated to include an additional £1,500 one-off non-consolidated payment to staff. Historic England was considering cost implications, which equated to an additional £1million in 2023-24.
- 4.5 Performance dashboard: Commission noted and discussed the updates and RAG-ratings for major programmes, including contested heritage, the digital strategy, emergency funding programme closure activities, Heritage Action Zones, and the Hamish Ogston Foundation Heritage Building Skills programme. Regarding the digital strategy, several key roles had now been filled and the project was on budget. **Once published, the contested heritage reinterpretation case studies would be shared with Commission.**

***ACTION: Contested Heritage programme SRO***

- 4.6 Estates Strategy: The Strategy Project Board was working toward initial findings in autumn and conclusions by the end of the calendar year. Commission noted the activities underway, including data gathering on current office usage, staff requirements and working patterns, office culture and environment. The Strategy would also take into account opportunities around leases across the office estate.
- 4.7 Hamish Ogston Foundation: The Hamish Ogston Foundation had confirmed co-funding for a six-month research programme to investigate potential models for the long-term, sustainable expansion and delivery of the successful Heritage Building Skills programme.
- 4.8 Research News digital magazine: The latest edition focused on Historic England's collaborative research programmes with higher education institutions and other agencies, and highlighted several projects showcasing the breadth and value of Historic England's research activity.
- 4.9 Commission noted other matters covered in the Chief Executive's Report and appendices, including the launch of the *Hi! Street Fest* in Lowestoft, as part of the High Streets HAZ Cultural Programme; the update on the Environmental Impact Plan 2023 and the importance of integration and collaboration across agencies; casework updates, including Bramshill in Hampshire; progress in establishing the Levelling Up Places advice service; and progress across the Shrewsbury Flaxmill Maltings site.

4.10 <b>Commission noted the Chief Executive's report.</b>
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**5 Shrewsbury Flaxmill Maltings (SFM): residential development and wider site disposal**

- 5.1 Further to the general SFM update provided within the Chief Executive's Report, the Director of Corporate Strategy & Business Improvement presented a proposed approach for 'Stage 3' of the SFM redevelopment masterplan, which focused on the wider site redevelopment including the new residential scheme.
- 5.2 The current disposal route, supported by the existing outline planning consent, was for Historic England to go to the market in July 2023. Instead, a more considered and detailed approach to the tendering and disposal of the site was now being proposed, which would give Historic England greater control over the quality of the final scheme. If agreed, the revised approach was expected to extend the current disposal period from July 2023 to winter 2023/24.

- 5.3 Commission was supportive of the revised approach, and agreed the importance of delivering an exemplary ‘benchmark’ scheme at the Flaxmill, noting the potential reputational consequences of a poor-quality scheme.
- 5.4 On behalf of Commission, the Chairman thanked Commissioner Richard Upton for his advice and constructive challenge on the scheme.

**5.5 Commission approved the proposal to develop further the Shrewsbury Flaxmill Maltings residential scheme (beyond the current outline consent) before seeking a development partner.**

## **6 Draft Historic England Framework Document**

- 6.1 Commission received the final draft Framework Document between Historic England and DCMS which set out Historic England’s core responsibilities and priorities, as well as the broad governance and accountability framework within which Historic England and DCMS operated.
- 6.2 Subsequent to the circulation of the draft Framework Document with the papers, the Freedoms Charter (Annex B) had been approved by HM Treasury and shared with Historic England, and a final version of DCMS Commercial Requirements (Annex C) had also been received. It was agreed that final approval of any subsequent minor amendments be delegated to the Chairman and Chief Executive for approval.

### **6.3 Commission:**

- a reviewed and approved the Framework Agreement document; and**
- b delegated final approval of any minor amendments and Annexes B and C to the Chairman and Chief Executive.**

## **7 Financial Performance**

- 7.1 The Director of Corporate Services presented the financial position as at May 2023 and highlighted the following points:
- a A new line had been included in the overall Income & Expenditure table to reflect performance of the ‘Historic England group’ as this was the basis on which DCMS assessed financial performance.
  - b At this early point in the financial year, the year-end forecast was for a balanced budget.
  - c An interim delegation letter had been received from DCMS confirming the baseline allocation for 2023-24, which was in line with expectations.
  - d As reported earlier in the meeting, implications of implementing the non-consolidated one-off £1,500 pay remit payment were being considered, including a review of budgets and consideration of recruitment control measures. There were likely to be knock-on budget implications in future years. **It was suggested that the Remuneration & Appointments Committee might usefully explore pay issues further as part of a broader and more strategic discussion around pay at its next meeting.**

**ACTION: Director of Corporate Services / Head of Human Resources**

- e Regarding the national blue plaques scheme, it was confirmed that the business case was based on additional Grant-in-Aid funding from DCMS, funding from HE budgets, as well as fundraising income over a three-year period.

## 7.2 Commission noted the financial position for May 2023.

## 8 Draft 2022-23 Annual Report & Accounts

- 8.1 The Director of Corporate Services presented the draft 2022-23 Annual Report & Accounts (ARA), which had been reviewed in detail by ARAC at its 8 June 2023 meeting. Although no significant issues were anticipated, the NAO's audit was ongoing and, as such, Commission was being asked to delegate authority to ARAC to approve the final accounts upon receipt of the NAO's Audit Completion Report. The expectation was that the 2022-23 Annual Report & Accounts would be laid before Parliament in advance of the summer recess (20 July 2023).
- 8.2 The Chair of the Audit & Risk Assurance Committee drew attention to the prior year adjustment, which related to a change in accounting treatment of the New Model subsidy. This had been considered in detail by ARAC, and the Financial Controller had provided a thorough and clear explanation of this particularly complex matter.
- 8.3 The ARAC Chair commended the Historic England teams on the considerable effort and achievement in getting the ARA schedule back to a pre-pandemic timetable. On behalf of Commission, the Chairman thanked the teams involved with producing the draft 2022-23 Annual Report & Accounts.

### 8.4 Commission:

- a **noted that the Audit & Risk Assurance Committee (ARAC) had reviewed the draft 2022-23 Annual Report & Accounts, and considered the related NAO oral report, at its meeting on 8 June 2023;**
- b **noted and endorsed the assurance statement as set out in the report for inclusion in the Accountability Report of the 2022-23 Annual Report & Accounts;**
- c **approved the draft Annual Report & Accounts for the year ended 31 March 2023 and delegated final approval for any final amendments to ARAC, along with review of the final NAO audit completion report; and**
- d **authorised the Chairman and the Chief Executive to sign the Annual Report & Accounts for the year ended 31 March 2023 on behalf of the Commission, subject to the ARAC review (as per 8.4c, above).**

## 9 English Heritage Trust performance

- 9.1 The EH Trust Chief Executive was welcomed to the meeting. Financial performance at 2022-23 year-end was positive overall, with +2% better than budget income, including +5% on admissions income. Year-end membership income was lower than budget, reflecting various factors including cost-of-living pressures and the recovery of outbound tourism. Commercial income was on budget and included a positive variance on retail income.
- 9.2 Noting that 31 March 2023 marked the conclusion of the eight-year New Model period, the EH Trust Chief Executive reflected on the extraordinary journey since de-merger and the considerable achievements in exceeding New Model targets, despite the challenges of the

pandemic and, more recently, the cost-of-living pressures. Areas of focus for the immediate future would be membership, particularly retention, and organisational wellbeing.

- 9.3 The EH Trust Chief Executive, who was stepping down from the role at the end of June 2023, reflected on what a great privilege it had been to lead the organisation, and thanked the HE Chairman and Chief Executive for their support and partnership working. The EH Trust Chief Executive and Commissioners also reflected on what were likely to be the key challenges and opportunities for her successor, and for the Trust, as well as the wider sector, and the importance of continued partnership working between Historic England and the Trust.
- 9.4 On behalf of Commission, the Chairman paid tribute to the EH Trust Chief Executive and her significant role in the organisation's success. Commissioners conveyed their best wishes for the future. The current EH Trust Chief Operating Officer would be taking on the role of interim Chief Executive from 1 July 2023 with the full support and confidence of the outgoing Chief Executive and Trust Board.

**9.5 Commission noted the update on the English Heritage Trust's performance.**

## **10 2022-23 Corporate Performance and Risk**

- 10.1 The Director of Corporate Strategy & Business Improvement presented the full-year results of performance against the Key Performance Indicators (KPIs) as agreed with DCMS and as reflected the 2022-23 Corporate Plan. It was noted that revised KPIs reflecting new strategic priorities were in development. Overall, the KPIs indicated a year of strong performance for Historic England, although there were some areas where performance had dropped slightly, and commentary was provided to give more context to these results.
- 10.2 Commission also received the current risk register, noting that this was reviewed by risk owners on a monthly basis, by Executive Team quarterly, and by the Audit & Risk Assurance Committee at each full business meeting. A small number of changes had been made to the register following the Committee's 8 June 2023 meeting.
- 10.3 Commission discussed Risk 7 (damage to corporate reputation), which had a post-mitigation red RAG-rating, and noted that the Audit & Risk Assurance Committee had also discussed this risk, and the associated risk around IT security and cyber-attacks, in detail at its last meeting. It was agreed that the rating was appropriate.

**10.4 Commission noted and commented on the year-end summary of corporate performance and the current Corporate Risk Register.**

## **11 HAZ and High Streets HAZ update**

- 11.1 The Director of Regions presented the six-monthly update on the Heritage Action Zone (HAZ) portfolio, which included overviews of HAZ Rounds 1-3, the High Streets HAZ programme, a look ahead to future work, and key data and illustrative examples. Overall, the HAZ and High Streets HAZ programmes were in good shape. The focus for both programmes was now on effective closedown, evaluation, programme legacy, and consideration of 'what next', including possible models for future place-based programmes.
- 11.2 The following points were highlighted:

- a Close-down and evaluation of HAZ Round 2 schemes was underway. As reported previously, Round 2 schemes had proved more challenging than other Rounds, in large part due to the impact of the pandemic. Nevertheless, there had been good progress and the picture had improved in terms of spend against forecast and improved metrics.
- b Lessons from Rounds 1 and 2 had informed Round 3, and these schemes were performing well as they entered their final year.
- c The High Streets HAZ programme had been designed to see the bulk of spend in Years 2 and 3. Careful re-forecasting and re-profiling, additional funding from DCMS, and underspends in HE grants budgets, had helped ensure delivery to budget in Year 3. An approx. £1million overspend was forecast for Year 4, which was the final year of the programme.
- d As well as capital works, there were high levels of activity across the High Streets HAZ schemes with public engagement and cultural programmes. In some places, the impact of the High Street HAZ programmes had been transformational.
- e Both the *Hi! Street Fest* and *Picturing High Streets* programmes were live and running across the country. As the programme entered the final year, integrated public engagement and communications would continue to be a key focus for teams, as well as legacy arrangements.
- f A particular highlight of the programme had been the visibility and prominence of High Streets HAZ branding across schemes, and there were possible lessons to take forward for other Historic England grant programmes.
- g As this was the final year of the programmes, discussions with DCMS, DLUHC and other partners were turning to ‘what next?’ The High Streets HAZ Strategic Programme Board was holding a workshop on legacy and possible future approaches as part of its next meeting on 23 June 2023.

11.3 Commission welcomed the update on the programmes and steps underway to ensure effective closedown and legacy. The HAZ and High Streets HAZ programmes had been a considerable part of Historic England’s work and identity in recent years; they were a rich source of learning from across local communities, and also in terms of interaction with government, agencies and other partners, and for how Historic England worked. Commission discussed the importance of extracting the maximum possible value and learning from the programmes in terms of: sharing knowledge; influencing Government; other opportunities for advocacy; links with other agenda (such as health & wellbeing, and volunteering); and how Historic England’s own teams might work in future.

11.4 **Commission noted the updates on the HAZ portfolio including HAZ Rounds 1-3, High Streets HAZ, closedown activities, evaluation, communications & public engagement, and a look ahead.**

## 12 Culture Recovery Fund – HE Emergency Funding programme closure

- 12.1 The Director of Regions introduced the paper and gave an on-screen presentation summarising the key findings from the Historic England Emergency Funding Programme closure report, which covered evaluation of the Culture Recovery Fund (CRF) for Heritage and the Heritage Stimulus Fund (HSF), as well as lessons learned by the programme team.
- 12.2 The presentation covered: the background to the funding; the value of initial data-gathering and analysis; the aims and objectives of each of the funding streams; how Historic England had deployed resources including staff redeployment and new fixed term posts; delivery



mechanisms including partnership working; key evaluation findings; and the lessons learned, opportunities and legacy for Historic England. The presentation was supported by illustrative examples of the recipients and the types of projects supported by the funding.

**12.3 Commission noted the summary of the Historic England Emergency Funding Programme closure.**

**13 Historic England Committee minutes and updates**

13.1 Commission noted the minutes and updates from recent sub-committee meetings.

**13.2 Commission noted:**

- a **the minutes of the 23 March 2023 SFM Strategic Programme Board;**
- b **the minutes of the 19 April 2023 Historic Estate Conservation Committee;**
- c **the minutes of the 27 April 2023 London Advisory Committee;**
- d **the minutes of the 27 April 2023 Historic England Advisory Committee; and**
- e **oral reports from other recent sub-committee meetings.**

**14 Casework Report and Planning Bulletin**

14.1 Commission received its regular update on Historic England's business critical casework and recent and forthcoming planning developments.

**14.2 Commission noted the Casework Report and Planning Bulletin.**

**15 Any Other Business**

15.1 Forthcoming events and activities included the 5 July 2023 Summer Reception and the next regional Commission visit on 13 & 14 September 2023, which would be hosted by the North East regional team.

15.2 Commission noted with regret that this was the last meeting attended by the Head of Governance, who was leaving Historic England at the beginning of September 2023. Commissioners thanked her for her support and friendship over the years and conveyed their very best wishes for the future. The Chairman thanked Commission colleagues, past and present, for their tremendous contribution both at Commission meetings and as members of advisory committees and panels.

15.3 On behalf of Commissioners and staff, the Chief Executive paid tribute to Sir Laurie Magnus, whose term as Historic England Chairman ended on 31 August 2023. Sir Laurie was hugely admired and respected across the organisation, the sector and beyond, and would be greatly missed by colleagues at Historic England. Commissioners paid tribute to his insight, passion, and enthusiasm in championing the importance of heritage, and conveyed their very best wishes for the future. In response, Sir Laurie reflected on his tenure as Chairman - including his chairmanship of 59 Commission meetings - and other personal highlights. He also paid tribute to Historic England staff, in particular Duncan Wilson as Chief Executive, and members of the Executive Team.

15.4 There were no further items of business.

## **16 Closed Session**

- 16.1 Commission held a closed session, which included consideration of the 2022-23 Commission Annual Appraisal and Review and the report on the 2022-23 external review of the Board's effectiveness.

**Siobhan O'Donoghue**  
**June 2023**