



ENGLISH
HERITAGE

MINUTES

MEETING TITLE	Protected Minutes of the 26 th English Heritage Trust Board Meeting
DATE	Tuesday 9 March 2021
LOCATION	Held via Zoom
ATTENDEES	<p>Sir Tim Laurence – Chairman Sarah Staniforth – Deputy Chair James Twining – Deputy Chair Victoria Barnsley – Trustee Charles Gurassa – Trustee Professor Ronald Hutton – Trustee Sir Laurie Magnus – Trustee Ian McCaig – Trustee Kunle Olulode – Trustee Sue Wilkinson – Trustee Kate Mavor – Chief Executive Anna Eavis – Curatorial Director Sue Fisher – Development Director Lumi Holban – Head of Grants and Trusts Kate Logan – Historic Properties Director Mark Stuart-Smith – Chief Financial Officer Luke Whitcomb – Marketing Director Rob Woodside – Estates Director Kathryn Lanning – Governance Officer (minutes) Kate Roy – EA to Chairman and CEO</p>

Item – Apologies, Announcements and Declarations of Interest

- 1.1 There were no apologies for absence or new declarations of interest.
- 1.2 **The Chairman** announced that, prior to the main Board meeting, Trustees had:
- held a special meeting to approve English Heritage entering into a Repayable Finance Agreement to secure a loan of £23.4m from the Culture Recovery Fund (CRF)
 - noted that the recruitment process for two new Trustees was underway; the application period would run until 29 March and interviews would be held at the end of April
 - agreed that, in view of continued social distancing requirements, the discussion day on 22 April would be reduced to a two-hour session (10.00-12.00). Trustees would be given an operational update and have the opportunity to discuss one or two issues

in more detail than is normally possible at Board meetings. It was also agreed later in the meeting that Trustees should receive an update on the 2021/22 budget.

- discussed options for returning to face to face meetings as social distancing requirements are eased. Some Trustees commented that remote meetings could continue to be an effective way of dealing with routine business, but that meetings requiring broader discussion were best conducted in person.

1.3 **The Chairman** added that Trustees had discussed the requirement for an 18-month period of pay freeze and restraint as a condition of entering into the Repayable Finance Agreement, and regretted the impact this would have on staff, in particular the senior management team.

Item 2 – Minutes of the last Board meeting

2.1 The minutes of the Board meeting held on 10 December 2020 were agreed as a correct record.

Item 3 – Matters Arising and Action Tracker

3.1 **Kate Mavor** advised that discussions were underway between English Heritage and Historic England regarding an extension to the Property Licence and Operating Agreement. As a first step the Shared Services Agreement between the two organisations was currently being reviewed.

3.2 In response to a question from **Sarah Staniforth**, **Kate Mavor** advised that her meeting with the National Trust Director General to discuss renegotiating local management agreements (para 9.3) had been postponed to the summer.

Item 4 – Chief Executive’s Strategic Overview

4.1 **Kate Mavor** advised that, in recent months, effort had been focused on the CRF loan application, and delivery of over 50 projects with a very tight deadline in order to secure the £12.6m government rescue grant. The grant had only been used for projects where there was a high level of certainty that the 31 March deadline could be met, otherwise there was a risk of starting work which would then need to be funded from next year’s already tight budget. **Rob Woodside** advised that work was progressing well and he was very grateful to Historic England for ensuring that the deadline for completing work covered by the £2.9m Heritage Stimulus Grant had been pushed back to the end of June 2021.

4.2 Trustees had already received a briefing on the collapse of part of a wall at Hurst Castle on 26 February, just as underpinning work was about to begin. A full near miss investigation, together with a specification for the work now required, would be completed by the end of the following week. In response to a question from **James Twining**, **Rob Woodside** advised that Hurst Castle had always been a cause for major concern given its exposed location. Whilst he did not believe any other English Heritage properties were in such a vulnerable state, some coastal properties, for example Reculver Castle and sites on the Isles of Scilly, were also suffering the effects of climate change and coastal erosion. Risk assessments carried out in 2013 would be reviewed and the National Trust, who had recently produced a [hazard map](#) showing the threat of climate change to its sites, had

offered their assistance with this. In response to a question from **the Chairman**, he advised that the west wing had historically always been the more vulnerable, but the situation with the east wing had changed very significantly in recent weeks as a result of unusually stormy weather from the East. **Sue Wilkinson** noted that there had been some negative local media coverage and **Kate Mavor** confirmed that staff were taking a very proactive approach to stakeholder management, applying lessons learned at other sites, and planning a virtual event to explain the complex issues to local residents. In response to a question from **Charles Gurassa**, she advised that it was not affordable for English Heritage to insure properties in the National Collection but she hoped that responsibility for safeguarding sites like Hurst Castle could be shared with other interested bodies such as the Environment Agency. **Charles Gurassa** suggested that the Audit and Risk Committee should consider what English Heritage's reserves policy should be in relation to significant liabilities such as this and **the Chairman** suggested that covering costs arising from major incidents should be considered as part of the Property Licence renewal discussions.

ACTION: Kate Mavor / Mark Stuart-Smith

- 4.3 **Kate Logan** commented that staff were very much looking forward to the new season with 58 more sites opening from 29 March, in addition to the 10 currently open. The visitor offer would remain flexible and agile to reflect changing social distancing requirements.
- 4.4 **Kate Mavor** advised that a hearing on the call for a judicial review of the government's decision to approve a road tunnel near Stonehenge would take place in London from 23-25 June. She was also delighted to announce that the CSSC had renewed their corporate partnership with English Heritage for a further 3 years, with a total contract value of £1.12m. The National Lottery Heritage Fund would also shortly be reviewing English Heritage's applications for a grant of £1.5m for Belsay and £640k for Marble Hill.
- 4.5 **The Board noted the Chief Executive's Strategic Overview**

Item 5 – Health and Safety Report

- 5.1 **Sue Wilkinson** acknowledged the measures taken to mitigate the risk of falling masonry at sites but asked if English Heritage would be considered to have done as much as it could in the event that any of the near misses mentioned in the report had resulted in a fatality or serious injury. **Rob Woodside** advised that relevant policies and standards were kept under regular review and staff were acutely conscious of the importance of compliance. Staff training was also kept up to date and site condition was monitored as closely as possible.

- 5.2 **The Board noted the Health and Safety Report.**

Item 6 – Corporate Risk Register

- 6.1 **Ian McCaig** reported that members of the Audit and Risk Committee had met with staff and agreed that SMT should take a step back from the Corporate Risk Register in its current format in order to take a more holistic view of how the Register should best reflect the post-pandemic environment. Consideration would also be given to whether

English Heritage and Historic England's Corporate Risk Registers should be more closely aligned.

6.2 The Board noted the Corporate Risk Register.

Item 7 – Finance Report

7.1 **Mark Stuart-Smith** reported that unrestricted cash at the end of January 2021 was £43.6m, (pre-Covid budget £31.6m) and remained on track to reach £33.2m at the end of March 2021 (pre-Covid budget £28.3m). He also reported on expenditure of the £12.6m government capital grant, advising that a drawdown request for £5.8m had been submitted to Historic England, leaving £6.8m to be drawn down by the end of March, subject to the provision of completion certificates from surveyors. Projects were being very tightly monitored but it had been agreed with Historic England that, in the event of any slippage, the grant could also be applied to certain conservation and small sites projects which would otherwise be funded from the £52m and £10m New Model grants.

7.2 The Board noted the Finance Report covering performance to the end of January 2021.

Item 8 – 2021-22 Business Plan and Budget

2021/22 Business Plan

8.1 **Kate Mavor** was very pleased to be able to present a business plan for 2021/22 which she felt showed the organisation's enormous resilience, flexibility and determination in meeting the challenges created by the pandemic, safeguarding jobs and securing additional funding and support in a very competitive environment. The plan reflected continuing uncertainty due to the pandemic, so costs would continue to be rigorously controlled with the focus on six essential areas only. An exception to this would be the recruitment of two new members of staff to drive forward strategies for Equality, Diversity and Inclusion and Environmental Sustainability. There would be a greater emphasis on experimenting with new ideas whilst remaining flexible and agile, and on working in partnership with others. Fundraising would be more important than ever.

8.2 Whilst the current strategic plan had been paused, the business plan for the coming year would continue to focus on the key strategic objectives. Some highlights were:

- Inspiration: £9.2m would be invested in capital projects and improvements to site infrastructure and accessibility, focusing on those sites offering the best returns. The digital offer would be developed, building on recent successes such as Mrs Crocombe's cookery videos on YouTube; on-line lectures for Members would be trialled; the filming team would continue to work closely with Netflix; and youth projects, outdoor theatre, music, art and poetry events were being planned.
- Conservation: work would continue at sites most at risk or with the highest rate of deterioration.
- Involvement: Kickstart funding had been awarded to create work placements for over 40 young people and the EH apprenticeship scheme would be further developed.

- Financial sustainability: all discretionary expenditure would be held back until at least early summer when there would be a better understanding of how visitor numbers were recovering. A decision would be taken at the end of June on whether the core or downside budget scenario was more relevant. A review of office space use was also underway and travel costs would be kept down by continued use of Zoom. IT systems were being upgraded to improve efficiency and a Head of Procurement had also been recruited to help drive costs down and scrutinise supply chains.

8.3 **Kate Mavor** outlined some of the many proposals to increase site revenue, such as outside catering, pop up retail, extended opening hours, new retail ranges, drive in cinemas and escape rooms. A programme of events was being developed which could be adapted to take account of prevailing social distancing measures.

2021/22 Budget

- 8.4 **Mark Stuart-Smith** advised that, following discussions with the Audit and Risk Committee in February, the base case for visitor numbers had been reduced from 4.7m to 4.1m, although SMT still felt that 4.7m was the most likely outcome. Further cost reductions of just under £8m had been included in the budget to reflect this reduction in visitor numbers. Cash preservation would continue to be the over-riding focus for the coming year, and spend would continue to be restricted to six essential areas, until signs of a sustainable and credible recovery were clearly visible.
- 8.5 The budget presumed an end of year net unrestricted income loss of £7.2m before depreciation, free reserves of £2.1m and unrestricted cash of £18.7m. The CRF loan of £23.4m, was not reflected in the budget, but would boost financial resilience considerably for the years ahead by increasing the year end cash position to over £40m. The budget also did not assume receipt of any further government subsidies such as the furlough scheme which had now been extended to the end of September, or the continuing hospitality VAT reductions to the end of March 2022 which would benefit English Heritage by up to £5m. In summary he explained that the budget and CRF loan would enable English Heritage to start a cautious recovery in 2021/22 back towards financial sustainability, but the situation remained very challenging and would require continued careful cost management.
- 8.6 **Charles Gurassa** noted that, despite the significant drop in income, reserves and cash for the coming year, and the drop in visitor numbers by almost one third, expenditure levels remained the same as for 2019/20, and that by March 2024, English Heritage would be in a negative cash position (excluding the impact of the CRF loan and VAT subsidy). He therefore queried what further cost reductions could be introduced should the situation be worse than currently projected. **Mark Stuart-Smith** advised that the organisation had a high fixed cost base as the Property Licence required all sites to be kept open, provided it is safe to do so. Further cost saving measures could include an extension of recruitment and pay freezes, a reduction in headcount, further revenue expenditure savings and a reduction in capital expenditure. Expenditure would be restricted below budget levels for the first part of the year, focusing on the six essential areas that enabled English Heritage to fulfil its core charitable objectives and continue to attract visitors to the sites. Forecasting would also be carried out on a monthly basis to enable any further restrictions on expenditure to be applied quickly.

- 8.7 **Charles Gurassa** also noted that the two highest income generating sites, Stonehenge and Dover Castle, were also those most reliant on overseas visitors. As the overseas market could remain depressed for several years, he queried whether English Heritage should, or could, redirect planned investment to sites attracting a bigger domestic audience. **Mark Stuart-Smith** advised that investment plans for the year – for areas such as IT as well as sites – were still under consideration and SMT recognised the need to remain flexible pending greater clarity on the rate of recovery. Plans for future capital investment projects were still being considered and would be brought back to the Board later in the year.
- 8.8 **Ian McCaig** commented that, whilst the financial situation was challenging, Trustees could take comfort from the fact that SMT had a consistently good track record of making tough, data-driven decisions in challenging circumstances and he was confident that they would continue to respond to developments over the coming months with agility and decisiveness.
- 8.9 **Victoria Barnsley** noted that the budget presented four different financial scenarios, based on different visitor numbers, and asked what would trigger a move between them. **Luke Whitcomb** advised that he, **Mark Stuart-Smith** and **Kate Logan** would continue to work very closely together, as would their teams, to plan judiciously in six week blocks. **Kate Logan** added that key decision points had been timetabled regarding the events programme, for example a decision would need to be taken by the end of May on whether to plan for a full or scaled down events programme over the August bank holiday weekend.
- 8.10 **Sir Laurie Magnus** queried whether it would be better to reconfigure the budget to reflect the impact of the CRF loan and additional government subsidies. **Mark Stuart-Smith** advised that the CRF loan would have minimal impact on 2021/22 revenue spend but would give English Heritage the financial resilience to move forward.
- 8.11 **The Board:**
- a) **approved the budget for 2021/22, noting that expenditure would need to be very carefully controlled and further cost saving measures introduced if necessary; and**
 - b) **noted that an update would be provided at the Board discussion session on 22 April.**

ACTION: Mark Stuart-Smith

Item 9 – Conservation Maintenance Programme

- 9.1 **Rob Woodside** introduced a report setting out the programme for spending the balance of the £52m New Model conservation maintenance grant by 31 March 2023. The programme did not currently allow for additional expenditure on Hurst Castle. **The Chairman** noted that, although the £52m would be spent by 2023, the conservation maintenance programme would need to carry on in some form as there would still be a need for conservation maintenance expenditure to deal with reactive work as well as the conservation backlog. **Rob Woodside** felt that it would be essential beyond 2023 to seek philanthropic support for conservation work.
- 9.2 **The Board approved the Conservation Maintenance Programme for 2021/22 – 2022/23.**

Item 10 – American Friends of English Heritage

- 10.1 **Lumi Holban** outlined a proposal to establish an American Friends of English Heritage group in order to take advantage of fundraising opportunities in North America. **The Chairman** reminded Trustees that the current Development Strategy, approved by the Board in 2019, included the aim of accelerating fundraising activity in North America noting that fixed costs were relatively small. **James Twining** felt that, despite the impact of the pandemic, this remained the right strategy, and putting the infrastructure in place now would enable AFEH to start operating quickly when the timing is right.
- 10.2 **Victoria Barnsley** was very supportive of the proposal but felt that its success would be very dependent on having the right Board members, including two or three major philanthropists, alongside those dealing with administrative matters. **The Chairman** suggested that details of proposed members be circulated to Trustees for comment.
- ACTION: Lumi Holban**
- 10.3 **Sue Fisher** felt that there was considerable potential for fundraising in North America and agreed it would be prudent to put the infrastructure in place now. However, she would want to maximise high level fundraising in the UK before diverting any significant resources to North American fundraising activities.
- 10.4 **Sue Wilkinson** supported the proposed approach, although noted that there was considerable competition for US funding from other heritage bodies in the UK. She also stressed the need to manage the relationship between effort and reward and ensure that the group covers its own operating costs after the initial set up period. She suggested that a formal review be carried out in 2024/25.
- 10.5 **The Board approved the establishment of the American Friends of English Heritage as a 501c3 non-profit organisation.**

Item 11 – Property Disposal Policy

- 11.1 **Kate Logan** introduced a policy designed to guide decision making and process in relation to the disposal of property. The organisation's default position was not to dispose of property but there were occasions where this might be appropriate, for example if a non-historic asset was being under-utilised or a more sustainable alternative use had been identified.
- 11.2 **Victoria Barnsley** felt that the policy should clarify the Board's role in approving property disposals and **the Chairman** added that Trustees should be informed of any disposal, whether or not Board approval was required under its Scheme of Delegations.
- 11.3 **Sarah Staniforth** suggested the disposals and acquisitions policies should reference the process for disposing of property left to English Heritage as a legacy and the importance of stakeholder management.
- 11.4 **The Board approved the Property Disposals Policy subject to further amendment as above.**

ACTION: Kate Logan

Item 12 – Historic Property Acquisition Policy

- 12.1 **Kate Mavor** introduced a policy designed to guide decision making and process in relation to the acquisition of historic property, should opportunities arise. She reminded Trustees that there was a separate policy dealing with the acquisition and disposal of collections items and this would be brought to the Board for review in the autumn.
- 12.2 In response to comments from **Ronald Hutton, Sir Laurie Magnus** advised that Historic England considered itself to have inherited the role of acquirer of last resort, but noted that English Heritage was not obligated to become responsible for any property acquired in this way without additional funding to cap operating costs at £25k pa. **Ronald Hutton** suggested that the approach to acquisition of last resort should be included in the policy. **The Chairman** also stressed the importance of Historic England including English Heritage in any discussions about potential acquisitions at a very early stage.
- 12.3 **Victoria Barnsley** also noted that there might be opportunities for different operating models such as co-ownership of a property and suggested that this might also be reflected in the policy.
- 12.4 **The Board approved the Historic Property Acquisition Policy, subject to further amendment as above.**

ACTION: Kate Mavor

Item 13 – Blue Plaques Scheme: Diversity and Geographical Scope

- 13.1 **Anna Eavis** advised that she had been asked to consider whether measures should be introduced to increase diversity of representation in the London blue plaques scheme, and whether the scheme could be expanded nationally.
- 13.2 **Ronald Hutton** commented that, whilst historically a diverse approach had not been taken to awarding blue plaques, the Blue Plaques Panel now routinely considered a well-balanced range of nominations representative of society as a whole. There was a danger that rapidly boosting the number of plaques to under-represented groups now could lead to a drop in suitable candidates in future years. He also commented that, whilst now might be a good time to extend the scheme nationally, it would not be possible without political and financial support.
- 13.3 **Sarah Staniforth** felt that the requirement for a plaque to be erected on an extant building with which the recipient was associated was an inhibitor to diversity, since many otherwise suitable candidates had lived in parts of London which had subsequently been redeveloped. **The Chairman** agreed that this policy should be kept under review.
- 13.4 **Kunle Olulode** agreed that a drive to boost the number of blue plaques to under-represented people was not the correct way forward, and that the current approach was the right one. However, he felt that more work could be done to explain the process to under-represented groups to encourage greater engagement. **The Chairman** suggested that Q&As should be developed to ensure a consistent response to those challenging English Heritage's approach to awarding blue plaques.

- 13.5 **Kunle Olulode** commented that the variety of plaque schemes was confusing and he felt that a national scheme would be developed at some point, but acknowledged that this would require significant resources. **The Chairman** commented that there was also likely to be some resistance to extending a national scheme into areas that already had flourishing local schemes. **James Twining** suggested that thought might be given to developing a virtual national scheme, bringing information about the different schemes together into a single database.
- 13.6 **The Board agreed that English Heritage should:**
- a) **continue to pursue current approaches to increasing the diversity of those commemorated by the London blue plaques scheme;**
 - b) **retain the scheme’s London focus rather than seeking to expand it;**
 - c) **continue to keep under review the policy that plaques could only be erected on extant buildings with which the recipient was associated; and**
 - d) **do more to explain the process to under-represented groups to encourage greater engagement.**

Item 14 – Telling the Story of England

- 14.1 **Anna Eavis** explained that, given recent public debates about approaches to history, she thought it would be useful for the Board to agree a statement encapsulating English Heritage’s approach to history and telling the story of England. The paper also included a Q&A sheet which could be adapted for use throughout the organisation.
- 14.2 **Ronald Hutton** commented that, whilst he supported the detail of the paper, he felt that it would be more appropriate to refer to the *stories* of England, not just because of diversity issues but because of the intractability of the past and the many different, legitimate ways of reading history and pre-history. This issue had been debated at Commission meetings prior to the charity’s creation and the counter-argument was that in an age of increasing diversity it was important to have a single agreed story for the national past with which everyone could identify. However, this was an issue long-debated by academics and had never been resolved.
- 14.3 **Victoria Barnsley** queried whether it was appropriate for one of the key messages in the Q&A document to be that English Heritage deals “in facts not in ideologies”. She felt this was open to misinterpretation and was at odds with the statement on the following page that, “modern perspectives inevitably involve seeing the past in different ways”, which she felt was a more appropriate comment.
- 14.4 **Kunle Olulode** suggested that sometimes there was a need to fill out existing stories rather than tell new ones. He also felt that it was important to empower staff to answer questions on this topic, supporting them if they get things wrong, and to assure BAME staff that the charity is inclusive.
- 14.5 **Charles Gurassa** felt that it was the charity’s role to tell the overarching story of England through the constituent parts or individual stories making up the whole and that there were always new stories to be discovered and explained. It was essential to tell different

stories to engage as many different groups of people as possible and he encouraged the team to keep exploring new trends and stories, but to see them as part of a whole.

- 14.6 **The Chairman** congratulated staff for producing such a thought-provoking and high quality paper but noted that the Q&A document would need to be reviewed regularly and suggested that it should use a more all-encompassing term than black history to reflect all the stories the charity wants to tell.

14.7 The Board:

- a) **approved the statement setting out English Heritage’s approach to Telling the Story of England, and the accompanying Q&A document, subject to the comments above;**
- b) **offered its support to staff, particularly those in the front-line, who had to respond to questions and criticism from the media and members of the public on this subject.**

Item 15 – Interim Capital Investment Programme

- 15.1 **Kate Logan** introduced a paper setting out progress with the 2020/21 capital investment programme (CIP) and outlining the nine live projects, already approved by the Board, due for launch between 2022-24, subject to affordability. Work was also underway to revise the longer term CIP.

15.2 The Board noted:

- a) **the CIP projects due to complete in 2020/21;**
- b) **the adjusted timetable for delivery of live CIP projects in subsequent years;**
- c) **the update on the Dover Castle Masterplan project;**
- d) **the emerging priorities and next steps in developing the CIP beyond 2021, a paper on which would be brought to the October Board meeting.**

ACTION: Kate Logan

Item 16 – Any other business

- 16.1 **Mark Stuart-Smith** advised that, during the meeting, Historic England had confirmed their support for their CRF loan, subject to some non-contentious conditions which he would circulate after the meeting. **The Board agreed to delegate approval of these conditions to the Chairman.**
- 16.2 **The Chairman** thanked Lumi Holban for filling the role of Development Director so well during the past nine months.

Next meeting

A short discussion session would be held on 22 April at 10.00 via Zoom.
The next full Board meeting would be held on 15 June 2021 at 10.00.

Kathryn Lanning, Governance Officer, March 2021