

Commission

Final Minutes of the 346th meeting held on 19 September 2024 at Cannon Bridge House, London, EC4

Commissioners present: Lord Mendoza (Chairman)
Nairita Chakraborty
Sandie Dawe
Ben Derbyshire
Sandra Dinneen
Paul Farmer
Lady Jane Gibson
Dame Julie Kenny
Sir Jonathan Marsden
Patrick Newberry
Robert Sackville-West
Susie Thornberry
Richard Upton
Sue Wilkinson

Staff present: Duncan Wilson, Chief Executive
Liz Bushell, Director of Corporate Services
Beatrice Carpineta, Governance Officer (minutes)
Luminita Holban, Development Director (for part)
Nick Kent, Head of Governance
Uta Langley, Organisation Development Director (for part)
Mel Lewis, Director of Strategy & Business Improvement
Ian Morrison, Director of Policy & Evidence
Amy Pitts, Director of Communications & Public Engagement
Kate Schwarz, Head of Strategic Planning (for part)
Emma Squire, Director of Regions [Job-share]
Julia Ward, Head of the Chairman & Chief Executive's Office

Others present: Dr Nick Merriman, Chief Executive, English Heritage Trust (for part)
Nick Wright, Chief Financial Officer, English Heritage Trust (for part)

1 Apologies, announcements and Declarations of Interest

- 1.1 Attendees were welcomed to the meeting, including Nick Wright, the Chief Financial Officer of English Heritage Trust (EHT).
- 1.2 Apologies had been received from Commissioner Professor Helena Hamerow; and from staff member Andrew Wiseman, General Counsel & Corporate Secretary

Declarations of Interest

- 1.3 Dame Julie Kenny declared in an interest in respect of Wentworth Woodhouse. Sue Wilkinson declared an interest as a Trustee of the Churches Conservation Trust.

2 Minutes of 13 June 2024 Commission meeting and matters arising

2.1 The minutes of the 345th Commission meeting held on 13 June 2024 were considered. Paragraph 5.6 was amended to delete the reference to the learning centre at Stonehenge. With that amendment, the minutes were approved as a correct record. There were no actions arising from the minutes

2.2 **Commission approved the amended minutes of the 345th meeting held on 13 June 2024 as a correct record.**

3 Chairman's Report

3.1 The Chairman spoke on his activities since the last Commission meeting. He congratulated colleagues on reaching final agreement on the new Property Operating Licence with English Heritage Trust (EHT) and in getting the *2023/24 Annual Report & Accounts* published and laid in Parliament before the summer recess.

3.2 The main event since Commission last met was the change of Government. He had been focusing on getting to know new Ministers and in contacting departments. The Chairman said he was keen to cement Historic England's role in the creative industries, housing, net zero and the economy. He noted also the communications successes of HE over the summer and that the Spending Review settlement next April would be the key event during the next period.

3.3 In discussion, Commission noted the importance of engaging with metro mayors. Mayors in the north of England had launched the "Great North" programme to keep up the momentum in culture and heritage achieved by the Northern Corridor.

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

4 Chief Executive's Report

4.1 Meeting with Minister for Heritage

The Chief Executive reported on his and the Chairman's recent positive meeting with the new Heritage Minister, Sir Chris Bryant MP. He noted the Government's focus on growth and HE's continuing need to demonstrate how it could contribute. This included showing the positive value of listing and how HE's role in the planning system enabled better outcomes. HE would relaunch the strategy for saving and converting disused mills, particularly for housing.

4.2 Stonehenge A303 bypass

Despite the disappointing decision to postpone the Stonehenge bypass, the judicial review was continuing and HE would participate. The project could return at a future date. It was a good example of the wider benefits of cultural heritage capital.

4.3 Budget 2025/26 and the Spending Review

The Chief Executive updated Commission on discussions with the Department of Culture, Media & Sport (DCMS) on prospects for the 2025/26 Budget to be announced on 30 October and the Spending Review period 2026-228.

4.4 Commission discussed the financial issues facing HE, including the proposed bids for the Spending Review. The proposals were welcomed as addressing the structural

financial deficit in HE and financial resilience issues in the sector. Members noted the current difficulties and the balance between addressing those and taking a longer view. It would be important, it was suggested, to identify which of the Spending Review bids was the first priority. Commission noted that other statutory planning consultees were better funded.

4.5 The value of strong local relationships with Members of Parliament and local authorities to making HE's case was recognised, along with the need to ensure that HE's spokespeople were sufficiently diverse to connect effectively with different audiences.

4.6 Historic Chapels Trust

The Historic Chapels Trust disposals programme was progressing positively. Several chapels could have legal agreements in place with new owners by the end of the financial year. The Churches Conservation Trust was running a maintenance and repair programme to get the chapels ready for sale.

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

5 Historic England Financial Update

5.1 The Director of Corporate Services updated Commission on the current financial year. A deficit of £2.8M was now predicted, largely as a result of HMRC having indicated that they intended to reject a VAT refund claim. The HMRC panel considering the matter had been delayed until November. The expectation had been that the VAT claim (worth £1.9M in the current year) would be successful but it was no longer possible to include receipt of those funds in the forecast. This meant a forecast deficit and several measures to reduce the potential deficit.

5.2 The Director said that substantial savings had been identified so far but they were insufficient to eliminate the forecast deficit and it was likely that part of the reserves from commercial income would have to be drawn down. There were also pressures on HE to increase expenditure, particularly in respect of pay.

5.3 Commission discussed the current financial position and noted that:

- pay pressures were impacting recruitment in some specialist roles but to a limited extent;
- the issue for recruitment was base pay, rather than the current rate of increase;
- the rate of staff turnover at nine per cent over a year was low;
- HE was facing difficulties partly because two public bodies were withholding funding to which HE felt it was entitled;
- the Remuneration & Appointments Committee would need to look at the pay picture for 2025/26 and consider scenarios.

5.4 **Commission NOTED the year to date and forecast year-end positions, and the main risks to them.**

6 English Heritage Trust financial performance report

- 6.1 The Chief Executive of EHT reported on the current financial position of EHT. Income was below forecast. This was a picture seen across the sector, partly because of the poor weather over the summer but also the impact of the cost-of-living crisis and, to a lesser extent, the slow return of inbound tourism.
- 6.2 Dr Nick Merriman said that in-year measures were being taken in response to this situation, including deferring expenditure on capital projects at some sites and focusing maintenance on health and safety issues. These were short-term solutions. Dr Merriman explained the longer-term measures that senior management were planning included improving marketing and income development as part of a broader strategy to ensure financial stability.
- 6.3 Commission welcomed Dr Merriman’s exposition, discussed the report, and noted that:
- this was a sector-wide problem, reflecting a reduction in discretionary spend by visitors and significant supplier price increases;
 - EHT could not be dependent on good weather to be financially viable; the business model needed to change;
 - delaying or abandoning capital projects would impact on partners;
 - there were though, opportunities to improve income through new partnerships that EHT was exploring;
 - repayment of the Cultural Recovery Fund loan was factored into EHT’s plans;
 - given the potential impact on the care of the National Collection, the Historic Estate Conservation Committee (HECC) should be briefed on the financial situation;
 - membership retention was holding up.

Action: Chief Executive of EHT to brief HECC on EHT’s financial situation and its potential impact on care of the National Collection

6.4 Commission noted the English Heritage Trust Financial Update, September 2024.

7 Enforcement & Prosecution Policy

- 7.1 In the absence of the General Counsel & Corporate Secretary, the Chief Executive explained that Commission was being asked to approve a new enforcement and prosecution policy. It had been felt necessary to set out in writing current practice in light of the allegations of misuse by the Post Office of their prosecution powers.
- 7.2 Commission discussed the proposal and requested that they be notified of use of enforcement and prosecution powers, perhaps in an annual report. The Chief Executive welcomed the suggestion of annual reporting and said the Executive Team would ensure that that happened in future.

Action: General Counsel & Corporate Secretary

7.3 Commission APPROVED the Historic England Enforcement & Prosecution Policy.

8 Historic England Foundation Trustee Appointments

- 8.1 The Development Director outlined the recruitment process for new trustees for the Historic England Foundation. The Foundation had been pleased to select Purnima Mookerjee and William Stratton-Morris as potential trustees.
- 8.2 Commission welcomed the selection of two exceptional candidates and approved their appointment as trustees of the Historic England Foundation.

8.3 Commission APPROVED the appointment of William Stratton-Morris and Purnima Mookerjee as trustees of the Historic England Foundation.

9 Corporate Priority Summary: Progress & Performance Update

9.1 The Chief Executive introduced the corporate priority summary report, which updated Commission on progress in meeting the six priorities in the Corporate Plan.

9.2 Better Places Service

The Director of Regions said that the Better Places Service, which HE provided on behalf of the Ministry of Housing, Communities and Local Government (MHCLG), had been extended by six weeks while Ministers considered whether it should continue until the end of the financial year. Commissioners highlighted the value of the service but noted that its future partly related to the debate around devolution in England and to the future of place-based work carried out by HE.

9.3 Inclusive opportunities

The Director of Communications & Public Engagement said that round three of the Everyday Heritage grant programme was in progress with a closing date of 7 October 2024 and this round would focus on rural and coastal heritage.

9.4 Planning, listing and conservation

The Director of Regions updated Commission on the Countryside Stewardship Heritage programme that HE delivers on behalf of the Department of Environment, Food & Rural Affairs (Defra). Launched in April, the scheme will provide £5M for rural heritage and has a dedicated HE team.

9.5 The Chairman reported that a meeting had recently been held between representatives of HE and the Corporation of London as part of a dialogue to improve the relationship.

9.6 Climate action

The Director of Corporate Services noted that there was a red rating on this activity because of the funding challenge with de-carbonising HE's estate. Other work on the HE to net zero programme was going better with the internal net zero champions having an impact.

9.7 Stewardship of the National Collection

Commissioners enquired about progress on the master planning work at Fort Cumberland, given its red rating. The Chief Executive said that work on Shrewsbury Flaxmill Maltings had been prioritised and that the focus at Fort Cumberland at present was to ensure that it was maintained to a safe standard as a listed building. There was a lack of capacity and capital to take the project further.

9.8 Commission NOTED the Corporate Priority Summary and welcomed the updates.

10 Strategy Session

- 10.1 Commission participated in a discussion of future developments and strategy for Historic England led by the Organisation Development Director.
- 10.2 Members broke into small groups and discussed corporate priorities and the future of heritage in England.

10.3 Commission PARTICIPATED in a discussion on future strategy and NOTED that the outcome would be discussed by the Executive Team at a future meeting.

11 Historic England Committee minutes and updates

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

11.2 Commission noted the minutes from:

- a **the 04 July 2024 meeting of the Audit & Risk Assurance Committee;**
- b **the 04 July 2024 meeting of the Business & Finance Committee;**
- c **the 27 June 2024 Historic England Advisory Committee.**

12 Casework Report & Planning Bulletin

- 12.1 Commission received its regular update on Historic England's business critical casework and recent and forthcoming planning developments. The Director of Regions said that the style and format of the Casework Report was under review and she welcomed feedback on how it could be improved.

12.2 Commission noted the Casework Report and the Planning Bulletin.

13 Closed Session

- 13.1 Commission held a closed session.

**Nick Kent
September 2024**



Commission

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Commissioners present: Lord Mendoza (Chairman)
Sandie Dawe
Ben Derbyshire
Sandra Dinneen
Paul Farmer
Lady Jane Gibson
Professor Helena Hamerow
Dame Julie Kenny
Sir Jonathan Marsden
Patrick Newberry
Robert Sackville-West
Susie Thornberry
Richard Upton

Staff present: Duncan Wilson, Chief Executive
Liz Bushell, Director of Corporate Services
Beatrice Carpineta, Governance Officer (minutes)
Nick Kent, Head of Governance
Claudia Kenyatta, Director of Regions
Ian Morrison, Director of Policy & Evidence
Amy Pitts, Director of Communications & Public Engagement
Hannah Talbot, Head of Marketing
Julia Ward, Head of the Chairman & Chief Executive's Office
Andrew Wiseman, General Counsel & Corporate Secretary

Others present: Tony Cates, Trustee, English Heritage Trust (for part)
Dr Nick Merriman, 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 Nairita Chakraborty and Sue Wilkinson; and from Fazima Osborn and Helen Dhoot, DCMS Deputy Directors Heritage & Analysis; Gerard Lemos, Chairman of English Heritage Trust (EHT); and from staff member Luminita Holban, Development Director.

Declarations of Interest

- 1.3 None.

2 Minutes of 21 March 2024 Commission meeting and matters arising

2.1 The minutes of the 344th Commission meeting held on 21 March 2024 were approved as a correct record. Of the three action points from the last meeting, two had been resolved: details of HE events at the UK Real Estate Investment & Infrastructure Forum had been circulated to Commission and the new Framework Agreement with the Department of Culture, Media & Sport (DCMS) had also been sent to Commission. The remaining action, concerning the Historic Places Panel, would be resolved at its annual meeting on 28 June.

2.2 Commission approved the amended minutes of the 344th meeting held on 21 March 2024 as a correct record.

3 Chairman's Report

3.1 The Chairman referred to meetings outlined in his written report. He also said that he had been visiting Historic England's regional offices; he had been to Bristol, Newcastle and Cambridge so far and would be visiting Swindon, London, Manchester and Birmingham within the next month.

3.2 The General Counsel & Corporate Secretary explained the rules that applied to Commissioners during the general election period to ensure political neutrality.

3.3 Commission noted the Chairman's report.

4 Chief Executive's Report

4.1 The Chief Executive highlighted several issues from his report.

Shrewsbury Flaxmill Maltings

Commissioner Richard Upton had led the presentation to the local authority of the Peter Barber proposals for residential development. The meeting had gone well but parking issues still needed to be resolved. The aim was to get the project to market in 2025.

4.3 The project had won five awards at the RIBA West Midlands Regional Awards, including West Midlands Building of the Year and will now be entered for a national award. It had also won a Europa Nostra award in the conservation and adaptive reuse category.

Baguley Hall, Manchester

The property, which had been taken back from EHT, was now being marketed with the aim of ensuring a long-term future for the building.

National Blue Plaques Scheme

The unveiling of the plaque to George Harrison in Liverpool had been a very successful event receiving extensive media coverage. The Chief Executive thanked the HE team involved and the Commissioners who had attended.

4.6 The national call for nominations was now open and over 100 had been received so far.

4.7 Richards Review of Statutory Consultees

A draft of the report had been sent to Government departments to check for accuracy but not shared with arms-length bodies. Nothing further had been heard since Parliament had been dissolved.

4.8 Stonehenge

The state party report to UNESCO had been delayed by a month because of the general election.

4.9 The Court of Appeal had agreed to hear an appeal by Save Stonehenge World Heritage Site Ltd against the High Court decision not to allow their challenge to the Development Consent Order.

4.10 Director of Corporate Strategy & Business Development

The Chief Executive said that Melanie Lewis had been appointed Director of Strategy & Business Development from 28 August 2024. She was currently the Chief Executive of the Shakespeare North Playhouse.

4.11 During questions to the Chief Executive, Commission discussed preparations for the next Parliament. Commissioners noted the forthcoming spending review, the likelihood of planning reforms, the work HE was doing on a policy framework for new towns and the potential value of Shrewsbury Flaxmill Maltings as a model of high-density residential development in a heritage-led regeneration project.

4.12 Commission noted the Chief Executive's report.
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5 **English Heritage Trust financial performance report**

5.1 The Director of Corporate Services introduced the report on EHT's financial performance in the 2023-24 financial year. She noted that the outturn was a lower deficit than forecast than in the budget but there had been challenges around income, particularly development income, and some of the savings made were in conservation maintenance expenditure, which was lower than budget.

5.2 Dr Nick Merriman said that the challenges left by Covid (including the slow return of international visitors) meant that a deficit had been expected but it was less than forecast. Other factors affecting the outturn included the need to return a significant donation and the Hollywood writers' strike reducing income from filming.

5.3 Turning to the conservation maintenance budget, Dr Merriman noted that it appeared as if there had been a fall since last year but spending had been exceptionally high in 2022-23 at £9.9M (compared to £5.3M in 2023-24). That year was an anomaly with several projects completing at the end of the new model capital funding. The outturn had been less than planned in 2023-24 partly through cost savings but also reprofiling with several projects extended over two years because of weather and technical issues. This year EHT had a budget of £6.3M and the expectation was that that would be about the level of spend in future.

5.4 Commission discussed the financial report. In answer to questions, Dr Merriman said that there had been price pressures because of construction cost inflation. EHT had carried out a review of systems and processes that he believed would lead to improved project management, and capital works would have larger contingencies in future.

- 5.5 Dr Merriman also said that although the current EHT forecast is a balanced budget, that seems unlikely because of poor weather reducing visitor numbers; senior management would be looking at means of mitigating this. Commissioners reported that similar issues were affecting other heritage attractions and that the change in weather patterns was likely to be a longer-term issue requiring changes in policy. In answer to questions, Dr Merriman added that there was nothing at present to suggest that EHT would have difficulty meeting the Covid Recovery Loan repayments from next year.
- 5.6 In more positive news, EHT volunteer numbers were up since Covid at c. 5,000 people – their highest ever level and a £0.5M donation had just been received.

5.7 Commission noted the English Heritage Trust Financial Update, June 2024.

6 2023-24 Annual Report & Accounts

- 6.1 The Director of Corporate Services reported to Commission that they had before them the draft of the Annual Report & Accounts (ARA), which had been reviewed by the Audit & Risk Assurance Committee in May. Amendments were being made following that meeting, particularly to ensure that the ARA was clearer about the value of the National Collection.
- 6.2 Commission would be asked to approve the final edition of the ARA at a special meeting on 5 July 2024, after the completion of the audit by the National Audit Office (NAO). The Director of Corporate Services reported that the timing of the general election meant that the intended laying date would not be met and that HE might not be able to lay before the summer recess. The NAO were intending to stick to the planned audit timetable and would provide for a shadow certification process to enable the ARA to be provisionally approved by the Comptroller & Auditor General even if it could not be laid immediately.
- 6.3 The Director said that there was an additional problem: the inability of the Civil Service Pension Scheme administrators to supply the pension disclosures required for the ARA. This was due to legal questions around age discrimination and resourcing challenges; it was expected that only forty per cent of arms-length bodies (ALBs) would get the necessary information in time. HM Treasury would issue an accounts direction to enable ARAs to be laid without a pensions disclosure.
- 6.4 The outturn for 2023-24 was also covered in the report to Commission and the Director of Corporate Services noted that the outturn came within 0.1 per cent of the budget allocation.
- 6.5 In discussion, Commission praised the structure and content of the draft ARA; recognised the difficulty of recording the value of the National Collection in the ARA because of the way the accounts are compiled; and that a short summary of the final ARA would be published later. Commissioners questioned the amount of the NAO audit fee but noted that they are a monopoly supplier.

6.6 Commission NOTED that the Audit & Risk Assurance Committee reviewed the draft Annual Report & Accounts on 28 May 2024 and NOTED the final outturn for 2023-24.

7 Corporate Priority Summary: Progress & Performance Update

- 7.1 The Chief Executive said that the corporate priority summary report related to the six priorities in the Corporate Plan. It provided a framework for reporting on, and reviewing progress with, those six priorities.
- 7.2 Levelling-up
The Chief Executive noted that the year-end financial snapshot showed that HE's first priority, levelling-up, had received the largest share of HE expenditure in 2023-24.
- 7.3 In questions, Commissioners expressed concern that the legal requirement for local authority-wide design codes was impracticable. The Director of Policy & Evidence reported that HE is supporting design code trailblazers to ensure that heritage is included and carrying out its own pilot in Pendle to identify the issues with design codes.
- 7.4 Commissioners expressed disappointment that the seaside enhancement fund might not proceed.
- 7.5 Inclusion, Diversity & Equality (IDE)
The Chief Executive said that IDE was increasingly business as usual – a mark of the good progress that had been made. The Director of Communications & Public Engagement said that HE was sharing this area of work with the heritage sector through the launch of the Inclusive Heritage Advice Hub. A third round of everyday heritage grants would be launched in July. The Director added that the impact of HE's IDE work could be seen in the key performance indicators (KPIs).
- 7.6 Commissioners noted the sophisticated work on IDE being done in recruitment and retention, which had been highlighted at the Remuneration & Appointment Committee as well as the need to explain to a wider audience why HE is promoting IDE as part of its work.
- 7.7 Planning, listing and conservation
The Chief Executive reported that the focus in recent months had been on consolidating HE's engagement in this area as part of the Richards Review. The review had enabled HE to show the value of its casework, including evidence that showed that HE's advice led to better development, something acknowledged by developers themselves. Several senior staff had attended the UK Real Estate Investment Forum in Leeds recently and got across the message that HE is not a block on growth.
- 7.8 Responding to comments on the substantial growth in digital engagement, the Chief Executive said that this showed the impact of the DCMS-funded investment.
- 7.9 The Chief Executive noted that HE had taken a clear line on tall buildings, stressing the need for economic growth, and recognising the value of tall buildings in the right place, but the need for a tall buildings' strategy in England.
- 7.10 Climate action
The Director of Corporate Services reported that a group of staff champions for net zero had been established to help meet HE's targets. A lot of investment was needed in the office estate to reach the target, especially at Swindon because of the high energy costs of the archive. It was hoped that the Government Property Agency taking over the lease would help as it had some resources to support energy efficiency (but that would not apply to the archive). This area was amber rated because of the investment issues.

- 7.11 The Director of Policy & Evidence reported that the rollout of net zero training to the heritage sector was going well and would increase following the introduction of a sharable training package that did not require further HE support to deliver. A research observatory exercise had trawled all the research in the UK on climate and its impact on heritage. Over one thousand research papers had been found and, at a meeting last week with the UK agencies, the Arts & Humanities Research Council and the Irish Government, there was strong support for a UK/British Isles-wide research strategy and plan for climate change and heritage; funding would now be sought.
- 7.12 The Director Policy & Evidence updated Commission on the forthcoming HE Climate Change Advice Note, which was due for publication in July. There had been good co-operation from the Departments for Levelling-up, Housing & Communities and for Energy & Net Zero. Commissioners raised the issue of ensuring consistent application by local authorities and the Director said that 70 per cent of local authorities had now signed up to HE's new training module on the advice note. Commissioners noted this would be critical work for the next government and also the growing importance of new energy infrastructure as an issue for regional offices.
- 7.13 Stewardship of the National Collection
The Chief Executive said that this priority included those parts of the National Collection not under the management of EHT, notably Fort Cumberland and Shrewsbury Flaxmill Maltings. It would probably be necessary to make further investment at Shrewsbury to realise the residential element and at Fort Cumberland because of its condition. Commissioners welcomed the inclusion of the archive in the report and noted that future strategy for the archives would be discussed by BFC in the autumn.
- 7.14 Developing Historic England
The General Counsel & Corporate Secretary updated Commission on the new estate strategy. It would provide a framework for reviewing the type and location of offices in the light of changes in ways of working since Covid. It would take time to make changes as most offices were leased. Commissioners suggested that the approach might be to make locations a hub shared with compatible organisations.

7.15 **Commission NOTED the Corporate Priority Summary and welcomed the updates.**

8 HE Brand Refresh

- 8.1 The Director of Communications & Public Engagements introduced the report. She explained that the brand concept being presented to Commission had been revised after initial responses. The intention was to get feedback from Commission on the strategic direction of the brand refresh.
- 8.2 The Director explained that the reason for the brand refresh was that although Historic England was doing well in terms of visibility, there was an opportunity to increase its profile further. Current branding has been in use since 2016 and there was now an opportunity to build on success. This brand refresh was a small step rather than a jump.
- 8.3 Hannah Talbot gave an on-screen presentation showing the development of the brand refresh and the revised branding that was now proposed. The new branding was built on audience research and focused on the effect that heritage has on people.

- 8.4 The Director explained that the concept was being tested between May and July and would then be refined before Executive Team approval.
- 8.5 Commission discussed the branding proposals and gave feedback on the ideas shown in the presentation. Commissioners welcomed the overall concept, the desire to be bolder in the presentation of HE but noted that there was a tension between the focus on the extraordinary and the message about people loving local heritage. It was also suggested that the concept was perhaps too focused around buildings and needed to bring in other aspects of the National Collection, including the archives. The crisp, direct language and the lack of jargon was welcomed.
- 8.6 Commission asked about the differentiation between Historic England and English Heritage Trust. The Chief Executive said that EHT's brand refresh was a bigger exercise but that some differentiation between the two organisations was needed. The Director of Communications & Public Engagement explained that her team were working with EHT colleagues and sharing information with one another.
- 8.7 In other points, Commissioners noted that HE had to have a brand that could operate business to business and business to consumer, but it did need to be clear about what it wanted each of those audiences to think, to feel and to do. It was also suggested that an audience strategy would be needed alongside the new branding to make the best use of the change.

8.8 Commission NOTED the report and CONSIDERED the proposed creative brand concept and visual identity.

9 Planning for the 2024/25 Spending Review

- 9.1 In the absence of the Development Director, the Chief Executive spoke to the report on the 2024/25 spending review. He explained that the planning for the spending review was running in parallel with HE's post-election planning.
- 9.2 The Chief Executive said that work on the spending review was being carried out within a framework set by DCMS. Management is planning for a several possible scenarios and the Chief Executive took Commission through them.
- 9.3 The Executive Team was preparing a response to DCMS which explained what action HE would have to take in the event of each of these scenarios being realised. HE would be setting out how to build on its contribution to economic growth. It would be important to make clear to the Department that Historic England had been through significant expenditure reductions already.
- 9.4 Commissioners discussed the approach, the various scenarios and the impact each could have on HE's work. Commission noted there was a growing financial problem resulting from the annual two per cent uplift in the HE budget, which was well below both price and wage inflation. This was already having an impact on staff morale. Commissioners also noted the importance of building capacity in the heritage sector but that could not be done cost free. Heritage had much to contribute to economic growth.
- 9.5 Commission noted that that was clear evidence of the positive economic and social impact of local heritage projects, for example, the renovation of Wentworth Woodhouse. It will be important to put this evidence before ministers and show the value of HE becoming the development agency for the heritage sector. This would include

heritage's contribution to expanding regional tourism. Commission noted that HE disburses approximately one-fifth of the resources that the National Lottery Heritage Fund is able to disburse.

9.6 Commission NOTED the report and COMMENTED on the proposed strategy and approach, the three baseline scenarios, the proposal that Historic England should be the heritage sector development agency, the potential additional bids and the draft key messages.

10 HE-EHT Shared Services Agreement

- 10.1 The Director of Corporate Services updated Commission on the progress of the negotiations between Historic England and English Heritage trust on the fourth Shared Services Agreement between them. The Director said the negotiations had gone well and it was hoped the new agreement would be signed over the summer. It would last for three years but by mutual agreement could be renewed for up to nine years. The agreement was important to both organisations as it generated economies of scale.
- 10.2 One issue was the difficulty of maintaining the current commercial insurance for both parties. It was likely that the parties would have to self-insure in future because of the reluctance of the commercial market to cover the risks involved. Historic England was familiar with the self-insurance concept as arm's-length bodies do not normally have insurance – the existing Shared Services Agreement had been an exception.
- 10.3 The Director requested that Commission agree that approval of the new Agreement be delegated jointly to the Chairs of the Audit & Risk Committee, the Business & Finance Committee and of the Shared Services Oversight Board as it would be difficult to call committee meetings over the summer holiday period.
- 10.4 Commission discussed the update and the change to the insurance position. It was noted that the Chairs of committees would need an estimate of the risks of proceeding without commercial insurance before approval.
- 10.5 Commission agreed to the resolution delegating authority to approve the new Agreement to Chairs of the Audit & Risk Committee, the Business & Finance Committee and of the Shared Services Oversight Board.

10.6 Commission NOTED the UPDATE on the negotiations and APPROVED the recommended approval process set out in the report.

11 EHT Property Licence Renewal

- 11.1 The General Counsel & Corporate Secretary updated Commission on the progress of the licence renewal negotiations. The General Counsel explained that the intention was to complete negotiations before the 4 July 2024; this had been agreed by the Department. A detailed report would be produced before seeking approval.
- 11.2 The General Counsel explained that there was the requirement in the current licence for English Heritage Trust to apply public procurement rules. There was no longer any need for it to follow these rules and EHT wished to dispense with what is a burdensome requirement. If there was a delay in signing the new licence EHT had requested that a

Deed of Variation be agreed to enable it to drop the requirement in the current licence before the new Procurement Act comes into force in October 2024.

- 11.3 The General Counsel explained that Commission was being asked to agree that approval of the new licence be delegated to the Chair of HE, the Chair of the Audit & Risk Committee, and the Chair of the Business & Finance Committee. It was also being asked to agree that a separate Deed of Variation could be entered into if required.
- 11.4 Commission discussed the licence renewal negotiations. It agreed to the resolution delegating authority for approval and to a Deed of Variation being entered into if required.

11.5 **Commission NOTED the update on the EHT Licence Renewal negotiations, APPROVED the delegation of the final agreement to Chair of the Commission, the Chair of the Audit & Risk Committee and the Chair of the Business & Finance Committee. Commission APPROVED a Deed of Variation being entered into with EHT if required.**

12 Historic England Committee minutes and updates

- 12.1 Commission noted the minutes and oral updates from recent sub-committee meetings.
- 12.2 The Chair of the Historic England Advisory Committee spoke to the annual report of the committee. She noted that an important issue was creeping development - the gradual, piecemeal development that erodes historic settings. Climate change was another recurring theme. Finally, tall buildings and overscale developments were also a key concern, this year in Manchester, Bournemouth and Derby. But there were many examples of where Historic England's advice had made a big and positive difference and the regional teams should be thanked for that.
- 12.3 The Chair of the Remuneration & Appointments Committee said that his Committee had specifically asked that the exceptional work of the Human Resources Director be highlighted to Commission. He also noted the difficult issues around pay facing Historic England and the need to resume recruitment of Commissioners immediately after the general election.

- 12.4 **Commission noted the minutes from:**
- a **the 27 February 2024 meeting of the Audit & Risk Assurance Committee;**
 - b **the 27 February meeting of the Business & Finance Committee;**
 - c **the 1 May 2024 Historic Estate Conservation;**
 - d **the 25 April 2024 Historic England Advisory Committee (*and Annual Report*);**
 - e **the 25 April 2024 meeting of the London Advisory Committee (*and Annual Report*);**
 - f **the 9 May meeting of the Remuneration & Appointments Committee.**

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 Closed Session

14.1 Commission held a closed session.

**Nick Kent
September 2024**