

# **Strategic Review**

## **Report for January 2010**

The National Trust for Scotland  
The Rt Hon George Reid

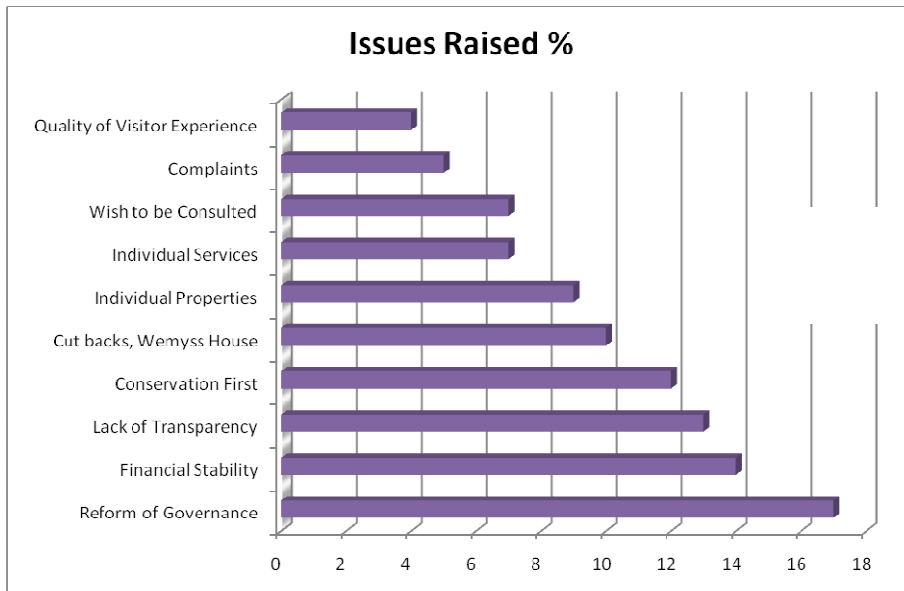


## OVERVIEW

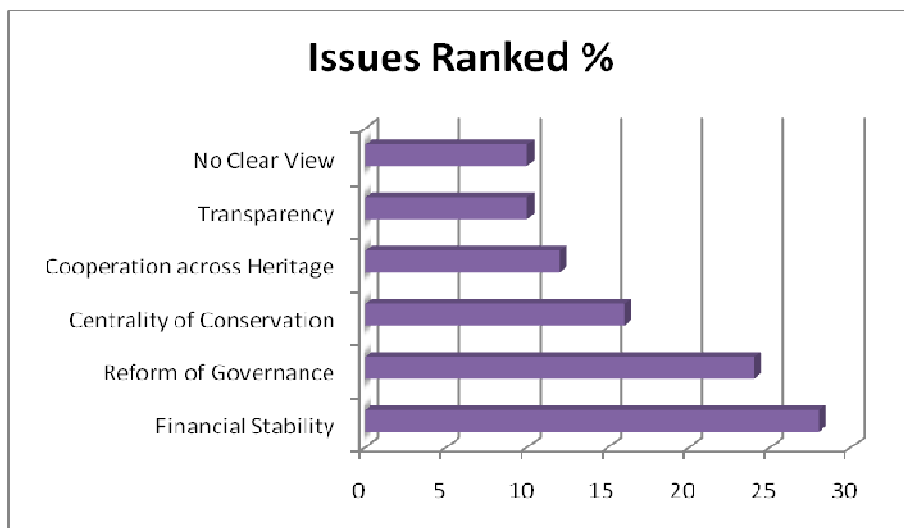
- Reid outlines possible “Agenda for Change”
- First driver of change, says Futures Group, is NTS common purpose
- Council reviews outline Issues and Report structure (29 Jan)
- Focus Groups at Culloden (20 Jan) and in Scottish Parliament (25 Jan)
- Presentations to Audit and Investment Committees (18 Jan)
- Final four Focus Groups in Aberdeen (12 Feb), Glasgow (19 Feb) and Edinburgh (18 & 26 Feb)
- Issues papers to be dispatched for meetings at end of February
- Support staff arrive in January and February
- Trade Union welcomes transparency of Review procedure
- Steering Group to meet in 1 March, 29 April and 10 May

## AN AGENDA FOR CHANGE

Since November the Review has received evidence from around 700 people through written submissions, one-to-one interviews, eleven group presentations, hundreds of emails, phonecalls and Focus Group discussions. The issues raised have now been broadly grouped under ten headings:



General overview of matters raised with the Review to date, without any prioritisation



Ranking of issues by participants in terms of their overall importance to NTS.

Operational matters and complaints removed as not relevant to the Review

Issues about individual properties subsumed into conservation, governance and finance.

1. This analysis reflects only the opinions of people, committed to NTS as an institution, who have made their views known to the Review. Members in general would clearly put much more emphasis on the quality of their visitor experience, and this will be tested by questionnaire.
2. There has been a significant drop off in submissions about dismissals, property mothballing and the sale of Wemyss House since November. This indicates that respondents, having registered their views with the Review, are prepared to move on. However, the continuing emphasis on transparency and need for reform of governance indicates that last year’s difficulties are still much in mind.
3. After ranking, the need for financial stability and sustainability emerges as the key issue. But there is still considerable uncertainty and diversity of opinion about how this is to be addressed.
4. A number of issues raised with the Review have now been dropped. General complaints and issues about individual staff and services are clearly operational matters. Submissions about individual properties, while clearly important, will be addressed in the report within a general review of prime, smaller and non visited properties.
5. People are positive about more joined-up working across the Heritage sector, but want more details.
6. There is a general willingness to put Conservation at the core of all Trust business.

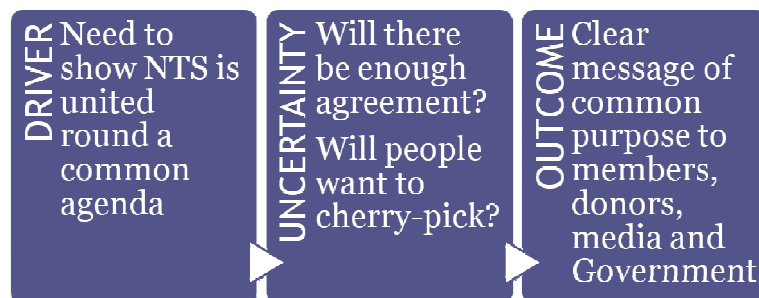
Mr Reid said: “This wide consultation exercise has gone some way to addressing demands for transparency and consultation. It has been a two-way learning process.

“There is general recognition that the Trust has to change and that financial sustainability, governance reform, joined up working and core conservation are the way forward”

### COMMON PURPOSE FIRST

After two meetings, experts working on future challenges for the Review have grouped NTS drivers of change in two categories – those with immediate impact on NTS, and those impacting the whole Heritage sector over the next decade.

The Group say that agreeing a common route forward in 2010 is probably the most immediate challenge for the Trust – a confident statement that it agrees where it is heading:



And the Group, which is made up of research and policy staff from across the Heritage sector, adds: “In the aftermath of the economic crisis, there are clearly big questions about grants, recruitment, donations and legacies. However, clear indications that the issues of 2009 are being addressed is the best way to send a positive message to national and local government, to members, to media and to funders”.

Other areas being studied are the tourism sector, new localism and community enterprise, climate change, emerging lifestyles, and the shortage of skills in some conservation sectors.

## POSITIVE ABOUT PROSPECT

George Reid had 2-hour meeting in Wemyss House on 2 February with Alan Denney, the Prospect trade union official who represents over 400 NTS staff. Mr Denney said he was “very positive” about the “open and constructive way” in which the Review was being conducted.

They discussed the difficulties of the past year and their impact on staff. They then reviewed the five areas – the need for stable transition, financial sustainability, reformed governance, joined-up working and conservation excellence – on which the Review is concentrating.

Mr Denney said: “It is not easy to move NTS from trying to do ‘more for less’ to doing ‘less better’. I welcome George’s commitment to change being done with staff, not done to them”.

Mr Reid added: “Trust staff love their job and the idea of what NTS should be. But they are stressed and want to know how they fit inside a clear strategic plan.”

Both men agreed to examine models in which budgetary proposals require to be tested against impact on conservation and employees.

## FOCUS GROUP MEETINGS

Around 90 office-holders and members were present at the two-hour focus group meeting in the Scottish Parliament on Monday 25 January. A further meeting - involving 40 staff, volunteers and local representatives - was held at Culloden on Friday 29 January.

The Holyrood meeting was facilitated by Scotland’s Futures Forum, with a report being published by the end of February. In the meantime, responses have been included in the ranked Issues register.

George Reid said the Culloden meeting was “very positive” – “My general impression is that staff simply want to get on with a job they love.”

The remaining Focus Group meetings are:

- Haddo House, Aberdeen, Friday 12 February – 11.30 to 13.30
- Pollok House, Glasgow, Friday 19 February – 10.30 to 12.30
- Wemyss House, Edinburgh, Thursday 18 February – 14.00 to 16.00
- Scottish Parliament, Friday 26 February – 18.00 to 20.00

People wishing to participate in the Scottish Parliament meeting on 26 February must submit a home address and contact number, a week in advance, for security reasons to [Donald.jarvie@scottish.parliament.uk](mailto:Donald.jarvie@scottish.parliament.uk) or by post to Strategic Review Team, Wemyss House, 28 Charlotte Square, Edinburgh EH2 4ET.

Mr Reid said that, by the end of February, the Review would have had contact with around 1000 people - which would be further boosted by a questionnaire going out with the Spring NTS magazine.

“There has been a twofold purpose to these meetings,” he said. “First, to provide the widest possible engagement within the tight timescale. Second, to rank and group Issues for the next stage of the Review which is exploring the Options”.

## STAFF ARRIVE

The Review was joined by three part-time staff with long-time NTS experience in mid-January. They are:

- Vicky Junik, NTS interim Policy Manager (part-time secondment)
- Nikki Sinclair, former Policy Officer
- Ann Johnstone, former Development Officer

With NTS staff now working to the Review, the Government has agreed to attach a civil service Fast Streamer to the Review from mid-February to end June. She is:

- Vikki Bruce, who has previous experience with RSPB and the National Lottery. She will work primarily on those sections of the Review dealing with the overall Heritage sector, charity regulation and legislation.

George Reid said: “These are highly experienced staff. While I would have preferred them to be available much earlier, we are now positively focused on the future.”

## STEERING GROUP MEETINGS

The next meetings of the Steering Group will be held in Wemyss House:

- Monday 1 March 2010,
- Monday 29 March 2010
- Monday 10 May 2010.

The main task of the Group will be to assist and steer technical work being done in such areas as finance, institutional governance, property rationalisation, secretariat structures and the probable need for a new NTS Act to be put through the Scottish Parliament.

## STRUCTURE OF THE REPORT

George Reid provided National Council on 29 January with his outline structure for a 46pp final report on 30 June:



- Working title only: Both an NTS and a Scottish Message; Emphasises the centrality of conservation; Aspirational link between what NTS has done in the past and will do in future
- Letter to Council emphasises that mandate is for an independent review of resources and governance, aimed at securing a stable and sustainable future for the National Trust for Scotland.



- Five broad headlines, cross-referenced to individual proposals later in the report on:
  - Need for a stable period of transition covering 18 months
  - Finances in balance with a limited number of key objectives
  - A Governance structure which is transparent, accountable and efficient in decision-making
  - Cooperation within a joined-up Scottish heritage sector
  - Excellence of conservation driving everything

## How we Got Where We Are Today

**The Story of the National Trust for Scotland**

- Not a history but an outline of how a 1930's creation is where it is today
  - Born out of English legislation
  - Global reputation for conservation excellence
  - Grewed, like Topsy; gifts accepted without adequate endowment
  - Post-War, entered new competitive world of other Heritage organisations and alternative days out
  - An organisation living beyond its means
  - Regular changes of senior staff
  - 2009 as a driver of change

## A Fit for Purpose NTS

**The Methodology of the Review**

- The methodology of the Review
  - The Fit for Purpose Model – vision, resources, governance, staff, outcomes, appraisal, open reporting
  - Issues>Ranking>Options>Recommendations
- The consultation and engagement exercise
- The drivers of change for NTS and the Heritage sector

## A Stable Transition

**18 months to start the process of change**

- No Big Bangs which would destabilise NTS
- Commitment to Do Less Better, round core conservation principles
- Ongoing work to make a surplus and build reserves
- Concentration on secretariat and staff
- Timetabling of process of change

## Secure and Sustainable Finance

**Balancing the Books, Against Vision**

- Recognition that NTS is too big (in responsibilities) and too small (in resources) and cannot go on living beyond its means.
- Technical work, to be reported in April, now being done on cost savings through rationalisation of estate, prioritisation of services, reduction in bureaucracy. more joined up working across the Heritage sector, and in other areas.
- Recommendations | Proposals tied to Five Key Findings above

## Over-Governed, Under-Managed

### Reform of the Governance Structure

- Recognition that a system of duplicatory governance (involving, with committees, up to 200 people) is not appropriate to the 21<sup>st</sup> century.
- Need for all-round engagement in corporate purpose and plan and the rights and responsibilities of who does what.
- Technical work, to be reported in April, now being done on best practice in corporate governance, the delineation of responsibilities in direction and conservation, and the probable need for new legislation
- Recommendations | Proposals tied to Five Key Findings above

## It's Scotland's Heritage

### The Case for Joined Up Working

- NTS is itself the Trustee for the Nation
- NTS should participate, with other agencies, in maximising the potential of Scotland's heritage as a whole.
- Technical work, to be reported in April, now being done on joint working, marketing, shared services and rationalisation of outputs
- Recommendations | Proposals tied to Five Key Findings above

## Doing Less Much Better

### Quality before Quantity

- Excellence in Conservation (not Preservation) as the core purpose – bringing NTS properties to life sustainably, and driving:
  - Excellence in visitor experience – each visit a life-enhancing experience
  - Excellence in finance and resource management – a self-reliant and secure NTS
  - Excellence in People – motivated staff and volunteers

Speaking at National Council on 29 January, George Reid said: “I am making the outline structure of the Report available at this early stage in the interests of transparency. Everyone can see the broad direction in which the Review is heading. The intention always has been to have an ongoing dialogue. This is not a process of working behind closed doors until the final document is produced.

“I very much hope that people will accept, however, that highly technical work has now got to be done in the areas of finance, governance and inter-agency working between now and April”.

## **ISSUES INTO OPTIONS**

Briefings to NTS representatives on the Issues groups will be issued next week. These will cover key questions for the next stage of the Review, emerging from the consultation process. Participants will be asked to give professional and technical advice at meetings in Edinburgh over the first week in March.

## **NTS on BBC**

Speaking on the BBC on 19 January, George Reid said that it was “nonsense” that NTS was going “bust”.

The reality was that the Board had taken a number of tough decisions – implemented and communicated rather poorly – to balance the books and start growing the reserves.

“Fundamental problems of the Trust living beyond its means – if it is to do everything it says it want to do – still remain, however. Addressing these issues is made significantly more difficult, in my view, by its cumbersome governance structures”.

Asked about proposals by a former Board member to merge with the National Trust south of the border, he added: “That would save millions of pounds overnight. But it would be a very strange thing to happen in a devolved Scotland, would it not?”.

Mr Reid commented positively on the contributions to the programme from representatives of In Trust for Scotland and Inveresk Gardens. “I believe this shows we have moved on from a number of last year’s confrontations,” he said.

ENDS...