



OFFICIAL REPORT
AITHISG OIFIGEIL

Constitution, Europe, External Affairs and Culture Committee

Thursday 30 October 2025

Session 6



The Scottish Parliament
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.parliament.scot or by contacting Public Information on 0131 348 5000

Thursday 30 October 2025

CONTENTS

	Col.
DECISION ON TAKING BUSINESS IN PRIVATE	1
HISTORIC ENVIRONMENT SCOTLAND.....	2
SPORTING EVENTS OF NATIONAL INTEREST	23

CONSTITUTION, EUROPE, EXTERNAL AFFAIRS AND CULTURE COMMITTEE
27th Meeting 2025, Session 6

CONVENER

*Clare Adamson (Motherwell and Wishaw) (SNP)

DEPUTY CONVENER

*Jamie Halcro Johnston (Highlands and Islands) (Con)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)

*Neil Bibby (West Scotland) (Lab)

Keith Brown (Clackmannanshire and Dunblane) (SNP)

*Patrick Harvie (Glasgow) (Green)

*Stephen Kerr (Central Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Alasdair Allan (Na h-Eileanan an Iar) (SNP) (Committee Substitute)

Andrew Davis (Historic Environment Scotland)

Sir Mark Jones (Historic Environment Scotland)

Ian Maxwell (Scottish Football Association)

CLERK TO THE COMMITTEE

James Johnston

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Constitution, Europe, External Affairs and Culture Committee

Thursday 30 October 2025

[The Convener opened the meeting at 08:31]

Decision on Taking Business in Private

The Convener (Clare Adamson): Good morning, and welcome to the 27th meeting in 2025 of the Constitution, Europe, External Affairs and Culture Committee. We have received apologies from Keith Brown, and Alasdair Allan is attending as a substitute.

Under agenda item 1, does the committee agree to consider in private at future meetings our draft pre-budget scrutiny 2026-27 report on funding for culture?

Members *indicated agreement.*

Historic Environment Scotland

08:32

The Convener: Our next item is to take evidence from Historic Environment Scotland. Before we begin, I give members a gentle reminder that the committee does not have a role in Historic Environment Scotland's operational decisions.

We are joined from Historic Environment Scotland by Sir Mark Jones, chair, and Andrew Davis, board member. I give you both a warm welcome and I invite Sir Mark Jones to make a brief opening statement before we move to questions.

Sir Mark Jones (Historic Environment Scotland): Thank you for inviting me to be here. As you know, I started about a month ago as chair of Historic Environment Scotland, which is a part-time appointment for one or two days a week and is a non-executive role. Government guidance emphasises that board members have no authority to instruct the chief executive or any member of staff on operational matters—I mention that by way of excusing myself if you find that I am not fully informed on every aspect of HES's operations.

I am very pleased to have been given this responsibility, if at the same time rather daunted by it. We in Scotland are very fortunate to live in a country where many aspects of our past are made present to us by and in the historic buildings that we encounter every day and the great archaeological sites that speak to us of life thousands of years ago. Elsewhere in the world—for example, in China—we see the wholesale destruction of historic buildings and the consequent, and I think now regretted, loss of that link. In many European countries we see over-restoration, which turns what was authentic into something that now seems false. Historic Scotland did, and Historic Environment Scotland continues to do, a great job in protecting historic buildings from both such fates and in informing and educating people about them.

While archaeological sites are under threat in many parts of the world, here they are meticulously recorded, archived and, where necessary, protected by HES, which provides a lead to the whole archaeological community in Scotland. When it comes to tourism, Historic Environment Scotland is responsible not only for some of our most visited and genuinely iconic buildings and sites but for hundreds of lesser-known monuments and structures, often in less-visited parts of Scotland, which help to drive the tourism economy and so bring visitors and jobs.

I mention those aspects of HES's work because I want to emphasise that, even during this troubled period, it should be remembered that HES has many dedicated and experienced staff, who are doing a great job. That is not to deny that we have problems; clearly, we do and they need to be tackled. I certainly do not yet and probably will never have all the answers, but my aim is to do my part in returning Historic Environment Scotland to a situation in which the board and the senior management are seen to be effective leaders of an organisation that is able to concentrate on doing a much-needed and widely appreciated job.

The Convener: You mentioned the troubled period that you are in, which has been played out in the press and media. What do you see as the main challenges and how will you address them?

Sir Mark Jones: One of the main challenges is that we have a lack of leadership. One action that I have proposed that we take is to bring in an interim chief operating officer for a six-month period to help us with that problem. That process is getting under way now, and I hope that it will be complete in the next month or so. That is one step.

It is clear that other steps are needed. It is very important that a series of investigations into grievances of various kinds is under way. Those investigations need to be concluded and then the right action needs to follow from that. I am satisfied that that is happening, but it is not the work of an instant, because there are proper procedures to be gone through, which we must make sure are observed. I hope that most of that will be concluded in the next month or two.

The Convener: I will ask about relationships in general with the staff. Within its organisations, the Scottish Government promotes the fair work agenda. The current situation will have had an impact on staff morale in general. How have staff been supported by the organisation since your appointment and what will the support be going forward?

Sir Mark Jones: I do not know that this is since my appointment particularly, but we have a good human resources department, which is doing a good job in difficult circumstances. It ensures that people who are going through disciplinary processes are properly supported.

The Convener: Thank you. We will move to questions from members.

Jamie Halcro Johnston (Highlands and Islands) (Con): I have a couple of quick questions and I may come back on some specifics a bit later, if that is all right. I do not want to get too involved in individuals' situations, but will you give us an update on the current chief executive's situation and their future—or not—in the organisation?

Sir Mark Jones: I cannot really properly discuss individuals, but I suppose that I can say that it is my opinion that Historic Environment Scotland needs a fully engaged chief executive. It is certainly one of my priorities to ensure that the current situation is fully resolved so that we can say that the organisation has proper leadership again.

Jamie Halcro Johnston: Without referring to any individuals, do you expect there to be changes and people leaving the organisation? Have you looked at whether, as people leave, there will be a requirement for redundancy payments or golden goodbyes? Have you set anything aside for that?

Sir Mark Jones: There are a number of processes under way; obviously, I do not want to prejudge any of them. It would surprise me if nobody left the organisation over the next few months. I am not involved in the executive side of HES's work and I am afraid that I cannot give you any sensible answer on redundancy payments.

Jamie Halcro Johnston: Convener, I may come back a bit later with more specific questions.

In relation to your role, Sir Mark, the cabinet secretary said that you will be focused on getting the organisation back on an even keel—those are my words, not his. Do you have timescales that you are working to? Has the Government set any targets for bringing stability back? Are there markers for when things are to improve by or be resolved by, to put it that way?

Sir Mark Jones: No—the Government has set us no time deadlines. It is in everyone's interests that the current situation is dealt with as speedily as is practical. That is certainly my objective.

Jamie Halcro Johnston: On a practical point, are you in regular contact with the Government? Does that happen directly with HES? How is that relationship working?

Sir Mark Jones: I am very glad to say that I and we have received exemplary support from the Government. It has been immensely helpful to me in beginning my role at HES.

Stephen Kerr (Central Scotland) (Con): I hope that you get the feeling that our committee—I do not think that I am speaking out of turn to say this—wishes you all the best in solving this issue. However, I do not think that we can overstate the seriousness of the situation at Historic Environment Scotland. The section 22 report that the Auditor General has said that he will issue is pretty much a mayday signal in respect of the current status of Historic Environment Scotland. That means that, in effect, the Auditor General is saying, "This public body is broken and Parliament and Government must now act."

Sir Mark, how many days a week did you say you have?

Sir Mark Jones: Two days currently, but normally one.

Stephen Kerr: One day a week.

Sir Mark Jones: At the moment, it is, I think, two days a week. In normal times it is one day a week.

Stephen Kerr: That is given that you are a non-executive chairman. Would it not be more helpful if the cabinet secretary were to be more proactive in supporting you by sending in a truly independent person or a couple of people to conduct an inquiry into what has happened inside HES and what needs to be done to put right the organisation? Given that you have one or two days a week, surely too much is being expected of you as a non-executive chairman.

Sir Mark Jones: Absolutely, and I do not think that it is my role to conduct an investigation. However, I welcome the section 22 process. I think that the three areas of study that have been chosen by Audit Scotland are the right areas, and I am sure that we will go through a rigorous and effective process to make sure that we bottom out the problems in those three areas.

I would say that the inquiry is unimpeachably independent. It is very important that we concentrate on that. I am not sure whether, at a later stage, we will need a broader inquiry into the culture at HES and if so, how that culture can be changed. It is very possible that we will do, but at the moment, my focus is on the section 22 inquiry.

Stephen Kerr: Is there an on-going independent inquiry?

Sir Mark Jones: No. I mean at the moment.

Stephen Kerr: Do you mean that there is no current inquiry into the broader issues related to the section 22 report, but you are fully supportive of the areas that the Auditor General has highlighted?

Sir Mark Jones: Yes.

Stephen Kerr: How will we proceed? How will this be tackled internally? Will there be someone from outside the organisation who comes in to do it?

Sir Mark Jones: Do you mean to work with Audit Scotland?

08:45

Stephen Kerr: To address the very many issues highlighted in what will be the section 22 report.

Sir Mark Jones: No, I think that it is important that we first work with Audit Scotland to make sure that its study is as thorough and comprehensive as it can be and that it results in findings that we can then act on.

Stephen Kerr: Given the fact that HES clearly is an organisation in deep trouble and having the equivalent of a nervous breakdown, there needs to be an external intervention. Would it not be better if an independent investigation were to be appointed?

Sir Mark Jones: The section 22 investigation is exactly that—an independent investigation—and it is looking at the right areas.

Stephen Kerr: The papers that we were given in advance of this committee reveal some extraordinary things that were not previously in the public domain. For example, it is revealed that on 2 June 2025, a set of documentation entitled, in our papers, “HES Corruption”—numbered volume 1 and so forth—was circulated to ministers, the board and Audit Scotland. Another set of these “HES Corruption” volumes was circulated as recently as last month. In June, the Scottish Government asked the board to investigate the allegations. Did that investigation happen to your knowledge?

Sir Mark Jones: It is under way at the moment.

Stephen Kerr: When did it start?

Sir Mark Jones: I do not know because I was not in post at the time. Andrew, do you know when it started?

Stephen Kerr: Sir Mark, I appreciate that you are a month into your role and that answering these questions is quite difficult. Andrew Davis, you were a member of the board—you have been on the board of HES for a lot longer than the few weeks that Sir Mark Jones has been the chairman. What happened when the Scottish Government asked the board to conduct an investigation into these so-called “HES Corruption” volumes?

Andrew Davis (Historic Environment Scotland): The board appointed one of the members of the audit, risk and assurance committee to lead an investigation into these allegations. Obviously, as each volume came in, it was added to the investigation, which is why the investigation is still on-going. I believe that it started in June, but I do not have the exact date—it may have been early July.

Stephen Kerr: There was an immediate investigation launched. Who did you say was conducting the investigation?

Andrew Davis: One of the ARAC board members.

Stephen Kerr: It was an internal investigation and it has not reached any conclusions yet?

Andrew Davis: It has not completed yet, no.

Stephen Kerr: Are you aware of what is contained within these volumes?

Andrew Davis: I am aware of what is contained within them.

Stephen Kerr: What was your part in initiating the inquiry? Did you have a role to play in any of this? Can you explain your role?

Andrew Davis: I was a member of the board.

Stephen Kerr: Okay. Sir Mark Jones, how many of the current board and how many of the senior management—no names—are currently suspended?

Sir Mark Jones: Well, no member of the board is suspended. Of the senior management—it is difficult for me to give a figure; I might well be wrong—I think that the current figure is two.

Stephen Kerr: So, no members of the board are currently suspended, but two senior managers are suspended.

Can I ask you about the four-month period—at least—in which Historic Environment Scotland has had no accountable officer? Just revisiting the topic of suspension, it has been widely reported that the chief executive is suspended. Can you say whether that correct?

Sir Mark Jones: No, that is not correct. The chief executive and accountable officer is, in fact, currently working on the conclusion of the accounts for this year and will in due course be signing those off so that they can be submitted to Parliament.

Stephen Kerr: So did Katerina Brown recently return to work?

Sir Mark Jones: She is at work now, yes.

Stephen Kerr: Are you saying that there is no suggestion that Katerina Brown has been suspended at any time from her duties as CEO?

Sir Mark Jones: I really cannot comment on individuals in this way, but I can say that Katerina Brown is not suspended.

Stephen Kerr: All right. So, has there not been such a period?

Sir Mark Jones: I am sorry, it is a difficult line for me to keep to. I am not really able to answer questions about individual members of staff.

Stephen Kerr: My concern—

The Convener: Stephen Kerr, I will just stop you. It would not be appropriate for the committee

to become involved in individual staffing issues today.

Stephen Kerr: Well, it is very relevant because the chief executive officer is the accountable officer. It is a requirement of the Scottish public finance manual that there has to be an accountable officer in the organisation.

The Convener: You have been assured that that person is in post and is working.

Stephen Kerr: That is why I am asking.

The Convener: I think that we need to leave it there.

Stephen Kerr: That is why I am asking. The question is highly relevant in respect of an organisation that is in receipt of over £70 million of public money. Is there an accountable officer? I am trying to ascertain whether there was indeed an accountable officer in HES during the period when the chief executive officer, I think it is recognised—without going into personal details—was not present at work. Andrew Davis, was there an accountable officer in HES during that time?

Andrew Davis: I believe that the accountable officer is an appointee of the Scottish Government and, therefore, I am not sure that as board members we should necessarily be speaking to what is a Scottish Government appointment.

Stephen Kerr: All right. Is it the responsibility of the cabinet secretary to see that there is an accountable officer in HES?

Andrew Davis: It is not the board's responsibility.

Stephen Kerr: It is not the board's responsibility. All right.

Freedom of information requests have shown that the HES human resources department removed an independent investigator's recommendation that an urgent review of the organisation's culture be carried out after staff reported a "culture of fear" and "fear of retribution". The Auditor General has now flagged culture as a material concern, alongside the so-called "HES Corruption" volumes.

I will put these questions to Andrew Davis, who has been a director at HES for some time, because I acknowledge that it is not fair to ask Sir Mark Jones to address them. Why was the recommendation that a culture review be carried out deleted from the investigator's report? I am quoting FOI information.

Andrew Davis: I do not know the answer.

Sir Mark Jones: Can I attempt to answer that?

Stephen Kerr: Yes, of course.

Sir Mark Jones: It has not been deleted in the sense in which I think that you are suggesting. A process is under way. That recommendation did not belong in the document that was germane to that process, but there will be a proper investigation into the matters that we are talking about. That process has already begun.

Therefore, it is entirely misleading to suggest that the HR department was in some way covering up a recommendation. It is simply pursuing the recommendations in a rational order, and that particular recommendation has to come at the end of the process, not at the beginning.

Stephen Kerr: But a recommendation was made on the urgent need for a review of culture as part of the independent investigator's recommendations.

Sir Mark Jones: We have to deal with the individual processes first, before going on to a wider review. That is the reason why that recommendation was not in the document.

Stephen Kerr: These issues have been hanging over Historic Environment Scotland for a very long time, and there does not seem to have been any action to address the concerns. There is a catalogue of concerns. While some of those concerns are in the public domain, some of them are not, but some members of the committee have become privy to them through whistleblowers.

I am deeply concerned about the lack of an urgent approach to tackling the culture issues inside HES. I am not sure that it is fair to expect Audit Scotland to be the independent investigator on those matters, although you rightly highlight that that is one of the points that are mentioned in the section 22 report remit. I put it to you, Sir Mark, as the new broom, that something more fundamental needs to be done.

Sir Mark Jones: Yes, and I agree with you.

Stephen Kerr: Someone needs to come in to deal with these issues who is not currently part of the organisation and who has no particular dog in the fight, because there has been a lot of dog fighting in HES over the period of probably more than a year.

Sir Mark Jones: I agree with you; I am not disagreeing. I think that you are right. I simply think that it is sensible to try to do this in order. We have a limited resource, and we have to devote that resource fully to the section 22 investigation. I think that we will then almost certainly need to move on to another stage, which also needs to be independent, which I expect will look at ways in which HES can make a fresh start, in terms of both the way that it is structured and the behaviours that it exhibits. I think that that wider bit

of work will need to follow on from the conclusion of the section 22 study.

Stephen Kerr: Earlier, in answer to Jamie Halcro Johnston's question, you said that it is almost certain that some people will have to leave HES in order for that to happen.

I wonder whether I can tempt you to answer this very simple question. Would it be helpful from a resource point of view—you specifically mentioned resource, and we have not yet talked about the current finances of HES—to you as the new chair of HES if the cabinet secretary were to resource an independent investigation? By "independent", I mean independent of the Scottish Government and independent of HES. Would it be useful to you in your work, in relation to the charge that Angus Robertson has given you as the new chairman of HES, if Angus Robertson were to initiate that form of independent inquiry, which would deal primarily with the whole culture of the organisation?

Sir Mark Jones: As I have said, the cabinet secretary has been extremely supportive to me personally and to HES as an organisation. It is too early for me to say what form the wider study needs to take. I agree that there needs to be such a thing, but I think that, when we come to that point, the question of how we resource it will certainly arise. I am hoping that the Government will support us at that stage, but I am not saying that we have any specific request at the moment.

Stephen Kerr: I have two last questions for Andrew Davis before I give way, the first of which is about how many times in the past four and a half years the HES board has met the Cabinet Secretary for Constitution, External Affairs and Culture. In that period, how many times has the board had a meeting with the cabinet secretary?

Andrew Davis: I am not aware of any such meetings.

Stephen Kerr: You have had no such meetings at all—there have been no meetings between Angus Robertson and the board.

Andrew Davis: Not that I am aware of.

Stephen Kerr: Okay. That is quite an interesting and revealing statement, in and of itself.

With regard to the organisation's current finances, it has been publicly discussed that there is currently a shortfall of between £4.5 million and £5 million in this year's budget. Can you bring us up to speed on where HES's finances are?

Andrew Davis: Yes. The half-year finances are in balance. Overall commercial income is up 9 per cent year on year—it is part of the new business model to try to drive up commercial income. The plan is slightly behind where we would like it to be.

Expenditure is up 7 per cent. Therefore, we are broadly in balance with where we would expect to be. We are running a significant surplus, but that is expected at this time of year, because we are at the peak of the income streams from the summer season. The expectation is that we will be in balance at the end of the year.

09:00

Next week, a paper will come to my finance committee that will look at the forecast for the rest of the year. When I look at the balance of risks and opportunities for the rest of the year, I think that there are slightly more in the way of opportunities than there are in the way of risks, so I am very comfortable with the position of the finances as they stand and with the projection for the full year.

Stephen Kerr: Is it correct to say that the new business model predates Katerina Brown's appointment?

Andrew Davis: It straddles it, I think. A lot of the work was done under Alex Paterson, but the final agreements were made under Katerina Brown.

Stephen Kerr: Thank you.

The Convener: Before we move on to the next member, I would like to ask a question. The Scottish Government sponsorship team has been attending board meetings since May. Could you give us a bit of information about what its role is? Is the sponsorship team's role purely observational or has it been able to offer any support and advice to the board at this time? That question is probably not for Sir Mark Jones, given the timescale for which he has been in post.

Andrew Davis: The SG has been able to offer advice, guidance and a perspective in board meetings.

The Convener: Thank you very much.

Alasdair Allan (Na h-Eileanan an Iar) (SNP) (Committee Substitute): Good morning, Sir Mark. While the activity that you have just described is under way, the HES has other, important work. In your opening statement you alluded to the importance of your organisation's work to communities up and down the country. While that change of culture is taking place, I am interested to know what is being done to build community confidence in the work that you do. I should say that you have made some progress on this, but I am thinking specifically about the 5 per cent of sites that are still closed, with only partial access to many others. How is the organisation balancing the period of reflection that you have described with the work of reopening sites?

Sir Mark Jones: As you say, many of our properties were closed as a result of issues to do with high-level masonry posing a risk to visitors. As you also say, 95 per cent are now open—not all of them are fully open, but 95 per cent are open. Clearly, our hope and intention is to continue that process because it is very important that as near to all our sites as possible should be fully open. That is part of the contribution that we make to the preservation of these sites and to the tourism economy throughout Scotland.

The media storm about Historic Environment Scotland is undoubtedly disturbing to everyone who works there. Nevertheless, I think that most people are continuing to work very much at full stretch and that we are continuing to make progress on the issues that you mentioned.

Alasdair Allan: Is there a plan now in place? I appreciate that you cannot have every site open all the time for reasons of conservation work and all sorts of things, but is there a plan now in place that you have confidence will be enacted to ensure that something closer to 100 per cent of sites are open?

Sir Mark Jones: Yes. That is very much something that is in process. I am confident that we are making good progress on that.

Patrick Harvie (Glasgow) (Green): Clearly, many aspects of the range of issues have been reported in the press, including different dimensions of the situation at HES, all of which will have compounded the damage done to the public's trust in the organisation and its reputation. I want to move on to the allegations of racism.

You will be aware, I am sure, that we are in a very dangerous time at the moment as a society, with overt racism as well as other forms of prejudice—anti-immigrant prejudice, homophobia, transphobia, antisemitism and Islamophobia—being normalised at a very high level. It is hugely important that a public organisation—particularly one that has a role in telling Scotland's story of itself to us and to the world—takes these issues very seriously.

I will obviously not press you to get involved inappropriately in individual staff management issues. However, my first question is whether you have rejected the accuracy of any of the media reports that have been published about the allegations of racism and, in particular, about the damage that those allegations have done to your relationship with the University of Glasgow, which, it is reported, has suspended a joint project that you were working on with it in relation to slavery and empire. Are those media reports accurate, or have you challenged their accuracy?

Sir Mark Jones: I cannot honestly speak to the entire range of media reports, but I think that,

broadly, they are accurate, yes. I am aware, I think, of two allegations of racism, one that occurred a year and a bit ago, and one that was a bit more recent. We have taken both of those very seriously. In one case, the situation was dealt with. In the other case, there is a live investigation that has not yet concluded.

Patrick Harvie: I am sorry, but could you speak up a little?

Sir Mark Jones: Sorry. There is a live investigation that has not yet concluded.

Patrick Harvie: Okay. There are two aspects to what I want to ask you about. One is about accuracy and, in particular, the accuracy of the suggestion that the allegation has damaged or ended a relationship that you had with the University of Glasgow on a project around slavery and empire. Do you know whether that suggestion is accurate and whether there is the potential to repair the damage to the organisation's reputation so that such work can recommence?

Sir Mark Jones: I am afraid that I do not know.

Patrick Harvie: I wonder whether it would be possible for you to follow up in writing and let us know the status of that work. It is an issue that the committee has been interested in previously.

Sir Mark Jones: Yes, we can do that.

Patrick Harvie: Secondly, I would like to ask how you can reassure us, and by doing so reassure the public, that, as an organisation, you will have a zero-tolerance attitude to racism and other forms of prejudice, bearing in mind not only the special responsibility that all public bodies have but the particular role of your organisation in expressing something of Scotland's essential identity, character and story? How can you reassure us of that?

Sir Mark Jones: All that I can say is that it is very clear that the board and the organisation as a whole are committed to zero tolerance of any of the forms of prejudice or discrimination that you referred to.

Patrick Harvie: Zero tolerance to me would mean that those who have been found to have expressed racist views or attitudes would no longer have a role in the organisation. Is that your understanding of what the phrase "zero tolerance" means?

Sir Mark Jones: No. That is not my understanding. My understanding is that it means that wherever it is encountered it will be dealt with appropriately.

Patrick Harvie: Okay. Thank you.

Neil Bibby (West Scotland) (Lab): Good morning, Sir Mark and Mr Davis. First, I reiterate

other members' acknowledgement of the fact that you are new to your role, Sir Mark. I, too, wish you well with resolving the very many issues that there are in the organisation. However, I also make clear that I think that we need to see decisive action being taken quickly to resolve those issues.

I will follow on from Mr Harvie's point about responding to media reports. Our Scottish Parliament information centre briefing today helpfully points out that:

"There have been a range of media reports that have highlighted concerns over governance issues and the internal culture at HES. At the time of writing, HES has not published a formal response or statement on any of these issues on the News section of its website."

Given everything that has been in the public domain and all the issues and allegations, why is that the case? Why has an organisation that is facing so many allegations, concerns and issues not published on its website a response to the very many issues that have been raised? Is that a deliberate strategy? What does it say about the culture of HES that no response to any of the allegations has been put on the website?

Sir Mark Jones: I am not clear that there has been no response. I know that we have been in touch with the different media organisations and that we have certainly tried to correct stories where they are incorrect.

Neil Bibby: But there is nothing on the website.

Sir Mark Jones: Right. Well, I do not think that I really have a good answer for you, except that I will take that away with me and I will try to get back to you on it.

Neil Bibby: Thank you.

One of the issues that I will come back to in a minute is the need for openness and transparency, and the need to address the very many issues that there are. As has been said, we have seen allegations of racism and other impropriety, concerns about financial mismanagement, and concerns about a culture of fear, a culture of spin and a culture of secrecy. We have used the word "culture" a lot, and it is clear to me that we need a review of the culture in HES, which, as Mr Kerr said, should be an independent review.

You mentioned earlier that a culture review would not take place until the individual processes were resolved. When do you expect those processes to be resolved?

Sir Mark Jones: Over the next couple of months.

Neil Bibby: The next couple of months—okay.

Now that there is an intervention from Audit Scotland, which is doing its section 22 report, and

Parliament is asking questions, do you not think that HES should be ordering its own independent culture review?

Sir Mark Jones: I do, but I think that we should do that after we have concluded our work with Audit Scotland on the section 22 inquiry.

Neil Bibby: Do you not think that, if Audit Scotland is looking at the culture of the organisation, it may assist that inquiry if HES showed that it was turning a corner or trying to address the issues itself and ordering its own independent culture review?

Sir Mark Jones: I take your point. I am non-executive, but, nevertheless, I cannot help but notice that we have a very small number of staff who are trying to deal with a large number of issues. I think that launching an inquiry that runs in parallel with the section 22 inquiry simply would not be practical in terms of the amount of resource that it would take. It is not just a question of bringing in more resource from outside; we need the people who are actually in the organisation and familiar with the way it works to be able to participate fully. My opinion, as someone who has some experience of organisations of this kind, is that we need to take things in order, because we can only resource it properly if we do that.

Neil Bibby: When you are trying to find a solution to any problem, you need to understand that problem first. I think that having that culture review and addressing the issues needs to happen as soon as possible.

I want to go back to the issue of transparency. This very much relates to the Parliament and scrutiny by the Parliament. In September, I put a question to Alison Turnbull from HES. I asked:

“I understand that, in June 2024, HES budgeted for a 2 per cent increase in pay despite the Scottish Government having set out a public sector pay policy just two months before that suggested an increase of 3 per cent in the public sector. Is that correct? Is that your understanding? What does it say about your organisation’s financial planning if it is not adhering to the Scottish Government’s pay policy?”

The response was:

“We do adhere to the Scottish Government’s pay policy. I am not aware of the instance that you mention. We will get back to you on that.”—[*Official Report, Constitution, Europe, External Affairs and Culture Committee*, 11 September 2025; c 29.]

HES sent a letter after the meeting and gave us a one-line response on that. It said

“For 2025-26 HES budgeted a 3 per cent annual cost of living pay increase in line with Scottish Government pay policy.”

That may predate your time, Sir Mark. Mr Davis, did HES at any point budget for a 2 per cent pay increase in 2025-26?

09:15

Andrew Davis: No. The 3 per cent was in the budget. The 2 per cent figure to which you are referring was part of a financial strategy paper, which was work that had been on-going for some time and looked at sensitivities for the new financial model. There was a 2 per cent figure—that is not made up—but it was not the budgeted figure. The budget was based on 3 per cent.

Neil Bibby: I have a couple of follow-up questions on that. My understanding was that a presentation was given to senior managers in August of this year referencing that 2 per cent increase and the 3 per cent increase in public sector pay policy. When I asked that question and we got a follow-up letter, why did we not get the response that you just gave me? Why did the committee just get a one-liner that said, “We always adhered to the 3 per cent policy,” and which did not talk about the financial strategy being 2 per cent—

Andrew Davis: I am sorry—I could not tell you exactly why that answer was the one that was given.

Neil Bibby: Well, I certainly cannot say why that happened.

I am here to ask questions on behalf of the committee. My original question was about financial management and financial strategies. Clearly, budgeting for 2 per cent and increasing it to 3 per cent suggests that the financial strategy that was in place was not sufficient, because the budget had to be increased to 3 per cent. That was my original question.

My subsequent question today is that there are not only financial management issues in that regard but transparency issues. Parliament is asking questions about the financial strategy and public sector pay, yet we are given one-line answers that do not go into what was clearly an increase in the budget in line with public sector pay policy, which was not originally budgeted for. You may not be able to comment on the specifics, but clearly there are concerns about financial management and transparency within the organisation. Would you agree?

Andrew Davis: To be honest, I do not think that I would. Within the organisation, we were clear at finance committee and at board as to what assumptions were being made when we looked at things. Any assumption that you make in financial modelling is simply that—it is an assumption.

Neil Bibby: You do not think that there are any issues with transparency when HES provides a one-line answer that does not go into the detail of the answer that you just gave me.

Andrew Davis: Sorry—I thought your question was about the situation within the organisation, which I was answering. You have had an answer to the specific question; I was not—

Neil Bibby: It did not answer the premise of my question.

Andrew Davis: If it did not answer the premise of your question, we must apologise for that. I hope that you have a clear answer now.

Neil Bibby: I have a clear answer now, but I do not have a clear answer on the issues around transparency and the culture in HES. I think that there are more questions than answers, given what I also said about the lack of statements on the website. I will leave it there just now, convener.

The Convener: Thank you. I think that Mr Kerr has a small supplementary.

Stephen Kerr: I do. Thank you, convener, for your indulgence. I want to go back to Stephen Boyle's letter to me on Friday, in which he said:

"I am also concerned that Historic Environment Scotland has operated without an Accountable Officer for an extended period".

On the basis of what I have heard this morning, I am now unclear about this. The chief executive officer of HES was not in the business; therefore, there was no accountable officer. Is that right? You went without one for a length of time—the letter refers to "an extended period".

Andrew Davis: There was a period of time when the chief executive officer was out of the business and was still the nominated accountable officer.

Stephen Kerr: However, Stephen Boyle says in his letter that you were operating without an accountable officer. He is correct, is he not? That is one of the bases for the section 22 report.

Andrew Davis: I think that his premise probably is correct, but it is technical whether she was still the accountable officer—I could not tell you whether she was still the accountable officer, but she was not in the business.

Stephen Kerr: She was clearly not. In Audit Scotland's letter, that is one of the issues that is highlighted as promoting the need for a section 22 report, which is an extreme measure on the part of the Auditor General.

Did the board discuss at any time during the period when the CEO was out of the business the issue that you were operating without an accountable officer? I have already referred to the Scottish public finance manual. Was that issue discussed?

Andrew Davis: Did the board discuss it? Yes. Is it a matter for the board? No. It is a matter for the Scottish Government.

Stephen Kerr: Did you seek to communicate with the Scottish Government about the issue of the lack of an accountable officer? Did you communicate with the Government? Did you point the issue out to it? Did you ask for a new accountable officer?

Andrew Davis: As far as I am aware, the Scottish Government was fully apprised of the position of the accountable officer.

Stephen Kerr: By the board?

Andrew Davis: By the board and by the chief executive.

Stephen Kerr: By the chief executive?

Andrew Davis: Yes. There is a requirement on her, which she fulfilled, to keep the Scottish Government informed. The accountable officer reports to the Scottish Government and not to the board; therefore, in her role, she appropriately contacted the Scottish Government.

Stephen Kerr: So, you and the board were saying to the Scottish Government, "We do not have an accountable officer. We understand the regulation and the requirement. We do not have one. Will you give us one?" Was that your request?

Andrew Davis: That is not a role for the board.

Stephen Kerr: So, what did you do? Did you just point out that you did not have one but not say, "We need one"? Was it understood that you were saying, "We need an accountable officer because we do not have one in the business"?

Andrew Davis: It is not for the board to determine who the accountable officer is and how they are appointed.

Stephen Kerr: I was not referring to who the accountable officer should be; I was asking whether you asked the Scottish Government for an accountable officer because, to use Stephen Boyle's words, the accountable officer was out of the business for "an extended period"?

Andrew Davis: No, we did not ask it because it is not our role as a board to appoint or to have appointed an accountable officer.

Stephen Kerr: Why did you point out that there was no accountable officer if that is nothing to do with you? You are aware of the requirements under the Scottish public finance manual. You were presumably pointing it out on the basis that you thought that you should have one.

Andrew Davis: We communicate regularly with the Scottish Government, and the Scottish

Government was at that stage in the board meetings.

Stephen Kerr: You are dancing around my question. It is a very simple question. Did you ask the Scottish Government to appoint an accountable officer?

Andrew Davis: No, we did not. It is not the role of the board to ask.

Stephen Kerr: You pointed it out to the Government, so presumably there is a written communication or a minute somewhere that says, "We are pointing out to you formally that we do not have an accountable officer".

Andrew Davis: I could not tell you whether there is exactly that.

Stephen Kerr: Really? It is a big deal not having an accountable officer. It is a big enough deal that the Auditor General will issue a section 22 report.

Andrew Davis: It is not the board's responsibility; it is not our business.

Stephen Kerr: You do not know, as a director, whether there was such communication on this huge issue. I am really surprised by that, I have to say.

The Convener: Mr Kerr, I think that we have had the answer that we are going to get.

Stephen Kerr: I agree.

The Convener: However, if there is such a minute or if the matter was discussed, perhaps the committee could be informed of that after today's session. We will move on.

Stephen Kerr: Thank you, convener.

My last question is to Sir Mark Jones. There have been a lot of whistleblowers, and I should declare an interest and make it clear with reference to my entry in the register of members' interests that I passionately believe in the importance of a culture where people can speak up. However, it is interesting that some public comments, even from a trade union leader, have been disparaging towards people who have had the courage to speak up. I ask you to affirm, as the chair of HES, that you understand the importance of whistleblowers and that you have no negative view of people who feel that they have no internal recourse and who reach out to someone it is appropriate for them to speak to under the Public Interest Disclosure Act 1998 to share their concerns with or ask to do something on their behalf. Will you affirm that you personally, and on behalf of the organisation, would actively encourage people to speak up?

Sir Mark Jones: I am clear that it is important that people should be able to whistleblow when they feel that that is the recourse available to them and that they are not satisfied with the normal internal processes. Absolutely—it is clearly important that people should feel able to do that.

Stephen Kerr: Good. Thank you very much.

Jamie Halcro Johnston: I have just a few more questions. I would like to go back to the chief executive. Sir Mark, or perhaps Andrew Davis, are you aware of any actions that have had to be taken to accommodate Katerina Brown coming back, albeit just to sign off or work on the accounts?

Sir Mark Jones: I am afraid that I really do not think that I can or should discuss the details of an individual's working arrangements.

Jamie Halcro Johnston: It was quite widely reported in the media that Katerina Brown posted on LinkedIn:

"Sometimes we need a wee reminder ... the story depends on who is telling it".

What role will Katerina Brown play or is she playing in any changes within the organisation and any investigations, inquiries and so on?

Sir Mark Jones: I cannot really comment on what will happen in the future because to do that I would need to have information that I do not yet have. There are processes under way that will need to conclude before I can give any answer to that.

Jamie Halcro Johnston: On timescales, I am sorry if I missed this, but you are in the process of recruiting or appointing an interim chief operating officer. Do you know how long that will take? Do you have candidates who are already being considered? I take it that it will be somebody external rather than internal?

Sir Mark Jones: I think that it is likely to be somebody external. I do not have a timetable. I would expect it to take weeks rather than months. We are moving on it as quickly as we can.

Jamie Halcro Johnston: My last question is slightly different.

You answered some questions from Dr Allan on closures. You will appreciate that all that is happening is a great distraction from the work of the organisation. This is a slightly smaller example—and I will get the pronunciation wrong—but I have had raised with me the case of the Knocknagael stone, a Pictish carving that is more than 1,000 years old that it is alleged is not being looked after properly. A colleague of mine has written to Highland Council about it; the stone is under its care although it is your responsibility. No action has been taken in months.

Is there a concern that some of the bread-and-butter, day-to-day things—I know that these are not your responsibility—that HES is there to do, which are to protect our heritage, are not being done because there is so much going on in other parts of the organisation? Is the organisation fit for purpose in doing that primary job of protecting Scotland's heritage?

Sir Mark Jones: Yes, I believe that HES continues to do a good job in its primary role and that the whole range of work that we do to protect sites, promote the restoration of historic buildings, look after HES's own 300 sites and so on is continuing and is being done well. I do not know about the particular thing that you refer to, but I would be glad to look into it. Certainly, it is part of our role to be aware of any threat to ancient monuments or scheduled sites.

Jamie Halcro Johnston: I would be very impressed if you were aware of it. The concern is that there is so much going on that perhaps attention may not be on some of the day-to-day operations.

Sir Mark Jones: I am keenly looking forward to making the visits that would enable me to answer you more fully and more sensibly, but I have not been able to start those yet.

09:30

George Adam (Paisley) (SNP): Good morning, everyone, and apologies for being a wee bit later. I might have been as well not coming, however, because there seems to be more that we cannot ask you than we can ask you. You can understand how concerning and frustrating it is for us—as I suspect it is for you—that you are not able to give us straight answers. Sir Mark, when you got this role and you first had to deal with these issues, your first public statement was:

"My priorities as chairman will be to ensure the organisation can build on its recent successes and retain the trust of the public and our partners".

Without going into individual things, how are you going to do that, in light of how public all the allegations are that have been made regarding the organisation? How are you going to regain trust after everything that has happened very publicly?

Sir Mark Jones: The route to that is first to ensure that the investigations that are under way are concluded and that the issues in question are dealt with and the public can see that they have been dealt with effectively. That is one aspect.

Another aspect is strengthening the management of the organisation so that people can see that it is well led. I think that if we get those two things right we can begin the process of turning attention from the issues that have

predominated in the media recently to what I would prefer to concentrate on, which is the good work that HES does in looking after and making policy on the historic environment.

George Adam: Sir Mark, your record speaks for itself. You are dealing with the situation now to try to fix it. One of the other things that you said in that statement was:

"openness, transparency and good governance is at the heart of everything that we do."

That is important. Can I get a commitment now, which I think that you have hinted at, that as you go through this process, the committee will be able to get information and be involved? Like you, we want you to succeed, but the problem is that you are a public organisation and allegations have been made very publicly, so we must find a way to get to the other end. Given that openness and transparency are at the heart of everything that you are doing, can we ensure that the committee is involved as well?

Sir Mark Jones: Yes.

George Adam: Thank you.

The Convener: Thank you. I think that exhausts questions from the committee this morning. Sir Mark and Mr Davis, thank you very much for your attendance this morning. I will suspend the meeting for five minutes.

09:33

Meeting suspended.

10:14

On resuming—

Sporting Events of National Interest

The Convener: A warm welcome back to the meeting. Our next agenda item is to take evidence on sporting events of national interest. We are joined by Ian Maxwell, chief executive of the Scottish Football Association.

My opening question is about your suggestion that

“any proposal to include qualifying matches under Group A of the Listed Events regime must be considered carefully given the significant commercial implications for Scottish football.”

When we look at the accounts of your body, the Union of European Football Associations and other organisations, it is quite difficult to see any trail of money and how such a change would impact on front-line Scottish football, so will you explain that in more detail?

Ian Maxwell (Scottish Football Association): I am happy to do that. Good morning, everybody. Thank you for the opportunity to come to discuss the subject.

You talk about a trail of money and, in effect, we have a number of income streams. Money from television rights goes into the big pot, which we use to promote, develop and grow Scottish football up and down the country. The approach is not necessarily siloed, where revenue would come in for a specific purpose, but the UEFA TV revenue that we receive is our single biggest income stream. Generally, the income that we receive through the men’s A squad—whether that is from gate receipts or commercial opportunities—adds to that, and that is the biggest single revenue driver for the Scottish Football Association. That money is used to fund women’s football up and down the country from national team level right through to grass roots; it funds boys’ grass-roots football and referee recruitment and development; and we have launched our own facilities fund. The funding all plays a part in that.

The Scottish Football Association is a business that, in an average year without European qualification or anything like that, will turn over about £50 million, so from a revenue perspective we are a small business. The challenge is that, although we are the national association for the biggest sport in the country by a considerable distance, we do not have anything like the funding that we would love to have in order to do what football can do up and down the country. We need to make the best use of the funding that we have.

We said in our letter to the committee that any change to the listed events scheme would reduce the commercial attractiveness and the commercial opportunity in the broadcasting market, which would have an impact. Ultimately, that impact would lead to the stopping of some football activity around the country.

The Convener: Do I understand that UEFA gets the money for the broadcasting rights and it distributes that to you?

Ian Maxwell: Yes.

The Convener: What is the significant difference? I understand that commercial matters are involved, but is there a significant difference between what an online or private company would bid and what a public broadcaster would bid in terms of income?

Ian Maxwell: Yes. Removing the ability for anybody who wants to have the rights to be able to bid for them reduces competition in the market. That reduces the competitive tension in the marketplace. If there is a free-to-air requirement, the subscription-based companies could bid for rights and show events free to air—there is nothing to stop them doing that—but their model is completely different from that. Around the country, I do not know of many national associations’ events where that applies. Usually, if an event is listed, it goes to a national broadcaster, such as the BBC, STV or whatever it may be.

The Convener: Are you in favour of removing all the listed events that affect Scottish football?

Ian Maxwell: What do you mean?

The Convener: So that they could not show any of the football matches on the BBC, STV or public broadcasting channels.

Ian Maxwell: Fundamentally, we want as much exposure as we can have, whether that is on the BBC or STV or in another form. That has to be our objective, because we want to grow the game, but we need to consider the implications of that change. That is our position.

George Adam: Good morning, Ian. It is nice to see you again. I will not go on about the fact that you are a St Mirren legend; most people would not know that, but I ask you to take that into account when I ask my questions. This is not personal, but what the hell is the video assistant referee all about?

I come to my question on the issue that we are discussing. You say that television rights are a third of your turnover, but the convener is right that it is almost a quasi-secret society activity to try to trace the money from UEFA to your body. It was only from a press release that I managed to work out that the money is a third—or 33 per cent—of

your budget. Is it not a bit of an issue for us as fans or as the committee that it is difficult for us to follow the money in our national game? You are saying that most of it goes into grass-roots football and women's football, but it is difficult to follow the money when it comes from UEFA.

Ian Maxwell: Obviously, the agreement with UEFA is commercially sensitive. Like all other national associations, we centralised all our rights. UEFA distributes them and sells them as best it can, and UEFA gives us a guaranteed amount off the back of that. I do not even know the amount that UEFA gets for our rights; I am not party to that information, which is commercially sensitive between UEFA and the broadcaster. I do not know what that number is. The only number that I know is the number that UEFA gives us and, because of commercial sensitivity, we cannot get into that.

The paperwork that was provided refers to a report in 2009, when the Scottish FA said that it thought that the impact would be a loss of £12 million. That was pre-centralisation and a long time before I came into my role.

George Adam: That report also said that free-to-air TV was probably the best route.

Ian Maxwell: I do not know how it could be the best route if it was being said that the impact would be a loss of £12 million in Scottish FA revenue.

George Adam: The report said that because of the impact on the game and—as you said—because the game would be seen by as many people as possible. In the end, more people would see the game.

Ian Maxwell: There is no doubt that, as the figures show, if we are talking just about viewers, free to air makes sense, but from our perspective this is not just about viewers—it is about activity. When we talk about the revenue that the Scottish FA gets and what we spend our money on, I want to be clear that we do not fund professional, elite clubs to any significant degree. The biggest amount of funding that they get is through club academy Scotland, and that funding is based on criteria that they need to meet.

As I said, the income that we get goes to the men's and women's national teams from A squad down to youth level. It goes into grass-roots development for boys and girls and into the support that we give our national associations, and it funds the staff we have around the country who are helping to grow the game and the programmes that we have in our communities.

As a business, we do not separate out money that comes in to be spent on particular purposes. We are not big enough to do that and do not have the resources to do that. We need to decide

annually where the priorities are and where we need to divert our revenue to in order to have the biggest impact.

As I said, we are a small business in financial terms, with responsibility for more than 1 million people who regularly engage in football in some way, shape or form throughout Scotland. Impacting that positively with the finances that we have is difficult, and we need to be very sure and very clear about what we are doing.

The situation is not simple. We do not get money in that then goes out to professional clubs or to help St Mirren or whoever to sign players; that is not how we work as an association.

George Adam: I know that.

Ian Maxwell: Our fundamental objective is promoting the power of football, growing the game and making an impact on communities. That takes a variety of forms and involves a variety of activity.

George Adam: The recent scenario with Viaplay was a bit of a sham. In April 2022, Viaplay got the rights through the centralised UEFA deal and then suddenly—because of whatever happened at Viaplay and because it withdrew from various markets—we had a situation where everybody was trying to watch matches on YouTube. Was the SFA doing that feed?

Ian Maxwell: It was through Viaplay.

George Adam: We ended up doing that, but it was madness to end up in that position for our national team—yes, everybody could see matches, but that was not on a perfect platform for watching them. Do we open ourselves up to such scenarios when companies bid for rights but we do not know how they go about that and there is difficulty with the transparency in finding out about that? We can end up not being able to see our national team's games or using a platform that is not really acceptable.

Ian Maxwell: Which platform is acceptable is an interesting point. If we look at the demographic now, kids spend their time on YouTube and on social media platforms. They do not sit and watch 90 minutes of football in the way that we as the older generation do. That is a change in the broadcast market. Maybe YouTube was not ideal, but the benefit was that it was free to air and the viewer numbers were really good. People got used to that over the two or three games that were on. There is probably a bit of preconceived thinking of, "Oh well, it is on YouTube—that can't be right."

George Adam: The issue is about the type of production that it was.

Ian Maxwell: I accept that.

George Adam: There was no build-up to the game, although it involved our national team. That

would not happen to any other nation. There was no build-up to the game and no analysis of the game—there was just the game. Surely you admit that that was not acceptable.

Ian Maxwell: That was not good enough. There were specific circumstances because of the issues that Viaplay was facing. Northern Ireland had the same challenges, and I think that Wales did, too. You are right that, because of the issues that Viaplay was facing during those matches, the production and the service around the games were not good enough. However, I do not think that I would necessarily discount YouTube as a platform.

George Adam: The issue was more the production values of what was on offer.

Ian Maxwell: I accept that.

George Adam: I understand that the biggest broadcaster in Scotland is slowly but surely becoming YouTube.

I was surprised when you mentioned that some of the money goes to referee training and recruitment. It will be interesting to see how that works.

We are now in a position where we have the best of both worlds. The BBC is showing it free to air and it has managed to get the rights. There is a multimillion-pound deal with ITV in England. Do you think that, if it comes to bidding for rights again, the BBC as an organisation should look at it not just as BBC Scotland but as the BBC for the whole of the United Kingdom, and make a bid as such an organisation, to try to make it free to air? BBC Scotland's budget is much like your organisation's budget—it is a small fish in a big ocean.

Ian Maxwell: I would absolutely encourage the BBC to do that. As I said, we want as much exposure as we can get for our national teams, but we need to assess that alongside the commercial imperative and commercial reality that exists. I have no problem with that. The BBC should be looking at that possibility—I would like to think that it is doing so, having seen the increase in our viewer numbers, given the world cup campaign that we are in the midst of. I am sure that the numbers for the Denmark and Greece games that are coming up in November will be as high as the BBC has seen, and I hope that that can convince it that it is worth making the right commercial offering to UEFA.

There are other options around that as well. With the Viaplay deal, S4C, the Welsh-language channel, had free-to-air rights for those matches, so there is an opportunity. It does not always have to be the primary broadcaster that has it on free to air. S4C effectively did a deal with Viaplay, which

owns the rights. S4C came along and said, "We want to show some of the matches on a Welsh-speaking-only channel." There was then a commercial negotiation between them that involved Viaplay saying, "Well, if we do that, we will lose X pounds, so you need to give us X pounds for the right to do that." That is not the same as buying the full package of rights and paying for it.

George Adam: No, I get that.

Ian Maxwell: There is no reason why a channel such as BBC Alba, as a Gaelic-language channel, could not do a similar deal, which would allow the games to be free to air across the country.

George Adam: There can be various bids in order to air games free, but, as I say, the budget for that is challenging. One of the things that we do not talk about is that, when games are behind a paywall, many people out there access them but do not pay to watch legitimately. Surely that has an impact on sporting events as well.

Ian Maxwell: That is a challenge generally across broadcasting. Piracy is a big issue. When you speak to any of the broadcasters, dealing with piracy is the biggest issue on their agenda at the moment. It does have an impact, and not just in sport. When you speak to somebody and you ask them what they are watching on the television, the next question is to ask what channel it is on, because everybody is paying subscriptions for different channels to watch different TV programmes. That is a huge issue for broadcasters and it is something that they are working on. If the Scottish FA can work in partnership with them to address that, we will do.

George Adam: Good, because I would say that it is a particular issue with sport. A lot of people do it to access sport in general.

Ian Maxwell: I think that they do it to access sport and TV more generally.

George Adam: That has a long-term impact on a third of your income.

Ian Maxwell: It will do. Who knows what the broadcast market will look like in 15 or 20 years. I mentioned earlier that youngsters do not watch TV and do not sit and engage with 90 minutes of football now. They have their iPad on at the same time; they have their phone on at the same time; they are watching clips of things rather than sitting and engaging for 90 minutes.

George Adam: Basically, the SFA's opinion on free-to-air television is "you pays your money, you gets a deal". Is that it?

Ian Maxwell: The SFA's opinion on free-to-air television is that we want as many people to watch the games as possible, but there is a commercial

reality that we are involved in. We want to have a conversation about what that looks like.

I do not want us to get bogged down in football specifically, because we have a bigger sporting challenge as a country that we are not doing well enough with, and I do not want this to become the single issue that we look at.

If you look at investment in sport across the country, there was to be a doubling of the sports budget, which has not happened yet. Investment from sportscotland through the Scottish Government in sports generally is at best staying the same, which, in real terms, means that it is actually going down, because the cost of facilities and the cost to participate are increasing. Therefore, we are seeing less activity at a time when everybody wants the country to be more active. We all talk very passionately about the benefits of physical activity and the impact that it can have on individuals and communities.

10:30

I think that there is a bigger conversation to be had. If we thought for a minute that the BBC would do a deal with UEFA, and knowing that UEFA would come to us and say, "Because of this, your money is reduced"—because that is the commercial reality that we live in—we would want to have a wider conversation about recompense and what that looks like, to make sure that we do not have to stop activity. Stopping activity cannot be anybody's objective—that would not make any sense, given the times that we are living through.

We need to consider what else are we doing alongside that in relation to sport, including prevention and its other benefits, and how we increase funding into that. I know that I represent a football association, and we talk passionately about this all the time, but there is no better investment that a Government can make in order to have happier, healthier and more active people. Football and sport more generally can help the Scottish Government to achieve what it wants with the framework. It is about how we wrap that up into a bigger conversation about where we are going as a country, rather than focusing on a particular isolated sport and what that means.

George Adam: Ian, you have managed to segue into something that we both agree on. You seem to be even more silky in the committee than you were on the football field.

The Convener: Thank you. I should have declared an interest as I am a member of Motherwell Football Club Community Trust. I will bring in Mr Halcro Johnston.

Jamie Halcro Johnston: I do not want to go over the same points again, but as somebody who

watches quite a lot of football, one of the great frustrations is the point that George Adam makes, first about the standard of production, but also about the fact that, nowadays if you want to follow particular clubs you need to have almost 18 different subscriptions. That is a great frustration for a lot of people. First, do you think that that model will change? What seems to happen is that a new entrant comes into the broadcasting arena, bids high to get sports—whether it is the Scotland games or whatever it happens to be—shows them and then, because they have the subscribers, moves on and somebody else comes in. Is that likely to continue?

I am torn on this next question. I watched the Scottish cup final in a pub—as people will know, Aberdeen won—and there is a huge camaraderie from that but it is also vital for our hospitality sector. However, I am also conscious that that excludes a huge number of people. What do you think the impact of having free-to-air games is on the next generation? If Scotland is on free-to-air television and the team is also successful, what impact does that have on the take-up of the sport, participation and that kind of thing? I will leave it there for now and let you answer.

Ian Maxwell: To answer the first question on the subscription model, you are right that there have been new entrants, although there have not been that many recently. Scottish football has been fortunate. We always consider the number of subscriptions that people will need to watch football. If you take Scottish football at the minute, men's and women's national team games are on BBC, Sky is the main partner of the league, and we have Premier Sports as a league partner and also as a Scottish cup partner. The main major competitions in the Scottish Professional Football League, Scottish Women's Football League and the Scottish Gas Scottish cup and the Premier Sports cup are all on either BBC, Sky or Premier. So while that is two subscription broadcasters, it could be worse—we try to make decisions that limit the amount that we will have to ask supporters to pay.

What that looks like in the future is a good question. Obviously, we are a national association within UEFA and broadcast rights, value and what that landscape looks like is a regular topic of conversation. That is about how people will be watching football in years to come.

You talked about the impact on the next generation. I have a 24-year-old son who will sit and watch some football, but he is doing two or three other things at the same time. That is just the way that the world is now and we need to be aware of that. A lot of sports are looking at their offering and how they engage that younger audience in particular.

A big driver, and we saw this off the back of England winning the women's Euros fairly recently, is success on the pitch. That success on the pitch is the biggest driver of positivity and engagement around the country. That is where this is all linked. If we invest the revenue that we get in our academies or if we are helping grow the grass-roots game, that will ultimately develop the players who will be successful on the pitch in 20 or 25 years' time, which will help to grow that engagement. It is all a cycle. We cannot split things out and look at them in isolation.

The positivity that we have seen around the national team for the past four or five years has been fantastic. We have a great chance of qualifying for the world cup next year and that will continue to grow engagement. It was not that long ago that we were in nations league C, we were playing Kazakhstan, and it felt that we played Israel every other week at that point and there were 17,000 or 18,000 people at Hampden. That also has an impact on how we can develop the game. There is a chunky difference between 17,000 sales target for a game and 50,000, as we are seeing now, and what we can do with all that revenue. As I said, that all goes back into the development of football up and down the country.

These conversations are always on-going and we always need to be aware of the subscription model and not putting supporters under too much pressure at a time when we know the financial challenges facing everybody up and down the country.

Jamie Halcro Johnston: You talk about younger people. Last night, there may well have been people reading notes for this morning's committee and watching games at the same time—it is not just young people who get distracted by such things.

I want to go on to what the alternatives are and what the impacts will be. There was one game last night on Sky and there were a lot of games on the club channels, such as Killie TV, Celtic TV and the like. Do you see an opportunity further down the line for the clubs? Do you get a share of that revenue if the game is shown on a club television channel?

Ian Maxwell: No, they are league matches so that sits within SPFL, but even from a league perspective, the SPFL does not get any revenue. That is an additional club revenue stream and it is becoming more important, particularly when you consider the number of supporters of our clubs around the world who want to watch football matches.

Jamie Halcro Johnston: The obvious question then is, if there is the change that is being suggested, which you are opposed to, what

happens? I represent the Highlands and Islands. We have the Highland league, which is very important. Orkney, where I am from, is in the North Caledonian league. Do you see an impact on those leagues, clubs and communities?

Ian Maxwell: There is just an impact generally across football. The simple reality is that, if our funding reduces, some activity must stop. We would have to make some difficult decisions on what that looks like. Look at what we are trying to achieve. We are the sole bidders for the women's world cup and hopefully we will be confirmed with the rest of the home nations as the hosts for that in 2035. It would make no sense not to be able to engage as much as we can with girls' and women's football over the next 10 years to make that a milestone event. That is a huge event to bring to the country and its impact would be very significant. It defies logic to make a decision that we know will negatively impact the amount of activity that we can undertake in the girls' and women's space. That is an example.

I cannot sit here and say that if that money reduces this is what the impact would be specifically. What I can say is that it would have a significant impact given that football activity up and down the country would be impacted and would have to stop as a result unless something else comes along to fill that hole. That is my point. We should not just be talking about filling in that hole. We should be talking about the bigger sporting landscape and how we make ourselves a sporting nation. We are a sporting nation because a lot of people watch football, a lot of people go to football, but we are not a sporting nation inasmuch as we do not participate anything like our European counterparts. We are miles away from where they are in terms of physical activity. How do we change that?

Jamie Halcro Johnston: It was a great frustration when we had the Olympics and even the Commonwealth Games. I always felt that we did not build on that legacy. I have been involved in sports clubs and even their national bodies—this is not necessarily football but other sports—do not take advantage of the huge coverage and success of those events and build on it.

On your point about how you take things forward and build on events, are you looking at other potential revenue streams? Are there other ways that you could, if not plug the gap, at least do things? I am sure that you are looking at them anyway because you are always looking, but what other areas are you are investigating? I appreciate that there is a limit on what you are able to do around the broadcast side if UEFA does the contracts and given the fact that the league is a different organisation.

Ian Maxwell: We are always looking commercially at how we can improve investment in the country and into Scottish football. It is a challenge. As I said, we are a small business so even a 10 per cent increase in commercial revenue, which is a big percentage from a business perspective, is still only £4 million or £5 million. That does not let us do a huge amount because of the size of business that we are. We will do as much as we can. We have committed to doing as much as we can.

We have launched our own facilities fund and through our own investment, through philanthropic investment, through work with Government and partnerships with businesses, we want to raise £50 million over the next five years to improve facilities up and down the country. That has been borne out of the current situation where, because of the fiscal challenges that Government and local authorities face, there has been very limited investment in our local facilities at a time when we are trying to grow the game.

You touched on the impact and making the best of the impact that these mega events have. That is great in theory but when people want to play football, the first thing that they need is somewhere to play. At the moment we are seeing a decline in facilities up and down the country at a point when football participation numbers continue to grow—those two things do not align and do not make sense. We have taken it upon ourselves to address that; we know that there is a problem and have asked ourselves what we want to do to try to fix it. That is another area where there is an impact: if there is a significant reduction in our income, that facility investment would have to stop, which again sets us back because we are not giving the people who want to play the ability to do so. It is all linked. It is a sporting ecosystem that we need to make sure we are developing and driving as properly as we can.

Jamie Halcro Johnston: So, there is a bit of good news but the worry is that we might not be able to take advantage of it.

My last question is around the commercial relationships. How have those changed? I am thinking, obviously, about sponsorship as well as other commercial relationships that the SFA has. What is the picture now in terms of proving that those are successful and is that getting more difficult?

Ian Maxwell: Commercially, we are in a very good place. When you think about cup sponsorship and national team sponsors, most of the major assets that we have as a business are sold. We are not permitted under UEFA regulations to put a sponsor on the front of the national team shirt and there would be a big debate if we were ever allowed to do so. I am sure

that people would have an opinion on that. From a commercial perspective, we are driving revenues as much as we possibly can.

We are having more consults more regularly at Hampden. We are looking at the stadium to see how we can generate more revenue from that, not just as a football stadium. Glasgow Warriors played there last December and they are going to play there this December. We are looking at the stadium as a big revenue driver. There is a commercial imperative around the stadium as well because, like every stadium across the country, Hampden is of an age. It needs investment and it needs significant amounts of money annually just to keep the lights on. We need to be aware of that.

It is part of my job at the SFA to make sure that the commercial income that we receive is as high as it possibly can be, and that is something that we are very focused on.

Jamie Halcro Johnston: Thanks, Ian. I will leave it there.

Neil Bibby: Good morning, Mr Maxwell. I see that Calvin Harris is doing a concert in the summer at Hampden park. That was announced yesterday. It is great news.

Ian Maxwell: I am up for that, Neil.

Neil Bibby: We have talked a lot about the balance between accessibility and cash, and the impact on young people. We obviously want to showcase the game—the men's game, the women's game—to the next generation to inspire them to get involved in football. Equally, it is not just about that, because we want to provide them with the youth coaching opportunities to enable them to be the footballers of the future. There is a difficult balance to be struck: we all want matches to be free to air and we all want to ensure that there are proper resources for Scottish football.

At the moment, we have free-to-air qualifiers on the BBC, and we have the resource that follows from that. I think that George Adam described that as the best of both worlds. Is that the optimum situation?

Ian Maxwell: Absolutely. The optimum situation would be free to air with a bit more money coming towards us for the television rights, but that is something for UEFA to discuss. What we have at the moment gives us the best of both worlds, because we have a secure level of income and as much exposure as we can get.

10:45

Neil Bibby: Obviously, if the situation were to change, and we did not have free-to-air broadcasts, we would need to look at it again. This

is the first time that the committee has taken oral evidence on the issue.

On the financial challenges that you mentioned earlier, the Scottish Government promised to double the sports budget more generally but that has not happened—in fact, there has been a real-terms cut. That is the wider context, which I think is important. Sport is not part of this committee's remit, but broadcasting is, and we need to consider it in that context. The Cabinet Secretary for Constitution, External Affairs and Culture, Angus Robertson, has also said that the Scottish Government supports the men's and women's qualifiers being listed as category A events. Given the concerns that have been raised about funding, has the Scottish Government given an indication that, in principle, it would meet any shortfall that might arise from that listing?

Ian Maxwell: No such commitment has been given. A question has been asked, and we are keen to understand what that would mean, but no commitment has been given.

Neil Bibby: Okay, that is helpful to know.

My last question seeks clarity on the process with UEFA. Obviously, we need to strike the correct balance, and the discussions that must take place have to take account of commercial sensitivities. However, let me put an example to you, for the sake of argument. If, in the bidding process, Sky Sports bid £5 million and the BBC bid £4.9 million—a £100,000 margin—then simply selecting the highest bidder could mean that you get the balance wrong. Is that factor taken into account, or can it be, to help achieve the right balance?

Ian Maxwell: That is a good point, and there definitely would be a conversation in that regard. We have conversations with UEFA at the point when the bidding process is on-going, but the bids have never been anywhere near each other in terms of value, so that discussion has never needed to be had.

UEFA fundamentally wants as many eyes on European football as possible. It wants to grow and develop the game. When it is assessing bids, it will look at the financial benefit but it will also look at potential viewership. You have to take that all together and look at all those things in the round. In the situation that you describe, we would definitely be keen to have that conversation with UEFA and I am sure that it would engage with us before it made a decision, because—whether we are talking about UEFA, the Scottish FA, or any club at any level—the aim is to grow the game.

Neil Bibby: Thank you.

Stephen Kerr: I am interested in the alternative business models that the SFA can see elsewhere.

I understand that you are constrained by UEFA, in a sense, but what other business models have you looked at and thought might work in terms of maximising audience and generating the revenue that you need?

Ian Maxwell: From a broadcast point of view?

Stephen Kerr: Yes, but you can be broader than that if you want.

Ian Maxwell: At the moment, we are pretty focused on maintaining what we have. As I touched on earlier, UEFA is always looking at what the next step or the next stage in the broadcast market will be. Not that long ago, it set up UEFA TV, and there have been some free-to-air matches on that channel. Every so often there is a conversation about Scottish football and whether there should be a Scottish football TV model. However, that only works if it is a subscription channel—we could not do that on a free-to-air basis.

Stephen Kerr: It could have free-to-air games occasionally, mixed in with the subscription stuff.

Ian Maxwell: It could, yes, but the value comes to the channel through people wanting to watch the high-profile matches, so you need to strike that balance. There have been no real, serious discussions about another business model, but there are always discussions about what the commercial landscape and the broadcasting landscape look like and how other countries are dealing with those issues.

Stephen Kerr: So, having SFA TV is not a consideration at the minute.

Ian Maxwell: No, that is not under active consideration at the minute. However, I would not say that anything is ever off the table. You always have to be aware of what the options might be and what the landscape might look like in the future, because we just do not know what the subscription model generally will look like over the coming years.

Stephen Kerr: What about collaboration? You have presumably talked to the FA, the Welsh FA, and other football associations in Britain and Ireland about some collaboration. Is there anything there? There is a lot of commercial muscle in those football associations, including, of course, those in Ireland.

Ian Maxwell: We have never had a conversation about doing anything joined up. Again, that only makes sense if it is a commercially viable opportunity, and for that to happen, it has to be subscription based.

Stephen Kerr: It would give you more control.

Ian Maxwell: Over the longer term, there could be something. As I touched on earlier, we have

league games, cup games, league cup games, women's league games, women's cup games and national team games. There is a lot of inventory, and every national association will be looking at that over the longer term. The deal that we have with UEFA is until 2032. We will be looking beyond that and asking what things will look like at that point. Those conversations will happen in conjunction with UEFA.

Stephen Kerr: Would UEFA see it as a threat if the SFA, the FA, the Irish FA, and the Welsh FA all got together? Would that be seen as an attempt to compete?

Ian Maxwell: No, I do not think that UEFA would see it as a threat. I think that UEFA would think about what was the best thing for football.

Stephen Kerr: UEFA is a huge commercial entity. We have a bill in front of us at the minute in terms of the—

Ian Maxwell: It is, but in terms of the broadcast revenue as a standalone sum, whatever UEFA receives goes out through the centralisation deal to all the national associations. UEFA's income is generated by the European championships, which are every four years, and by Champions league. The broadcast revenue that UEFA receives is not a revenue generator for it because it distributes it across the national associations.

I do not think that it would necessarily see your proposal as a threat. If the case was strong enough, it would potentially see it as an opportunity because, as the governing body for European football, it wants to grow the game.

Stephen Kerr: Have you ever done a calculation of the number of viewers being excluded because of the current arrangements, as opposed to matches being free to air? There will be a particular group that is unable to watch if—

Ian Maxwell: If it is on a subscription?

Stephen Kerr: Yes. Some people may just be seeing highlights of the qualifiers on YouTube, as opposed to being able to watch the matches. Of course, I was interested in what you said about the younger demographic—who it is important to sell football to—preferring to view the highlights packages on YouTube.

Ian Maxwell: In smaller chunks, yes, definitely.

Stephen Kerr: Does that present some commercial challenges down the line, even in terms of subscription channels selling football?

Ian Maxwell: I do not think that anybody can tell you what the broadcast market will look like in 20 years' time. If you look at the technology that we have—

Stephen Kerr: We have had broadcasters in front of us recently, and I can concur with your sentiment. They do not know what their future looks like.

Ian Maxwell: Yes. It is not outwith the realms of possibility that, at some point in the future, we will all be sitting at home with a virtual reality headset on and feeling like we are in the stadium.

Stephen Kerr: At the game, sitting in our armchairs.

Ian Maxwell: That is not far from becoming a reality. The technology moves on constantly and we just need to make sure that we are up to date and aware of the challenges that are coming.

Stephen Kerr: The key thing that I am taking from your answers is that a different business model is not on the agenda at the minute, and something more grandiose is certainly not on the agenda. Collaboration across the football authorities in the United Kingdom and Ireland is not on the agenda either.

Ian Maxwell: From a broadcast perspective, it is not.

Stephen Kerr: You are quite content with the current arrangement.

Ian Maxwell: I think that we are where we are, but we need to keep looking forward and understand what will come down the line in future years.

Stephen Kerr: Okay.

The Convener: As members have no further questions, I will ask a final one.

I do not frequently go to football matches or take part in the sport, but the centre of excellence at Braidhurst high school is in my constituency. I have visited it many times, and I see the excellent work that it does and the altruistic impact that it has in the community and the wider school.

You are trying to balance your ambitions for football with issues of commercial viability. I appreciate that you must have an income stream, but it seems to me that getting that audience, particularly in women's football, is what UEFA and yourselves should be striving for. We know the phrase, "You have to see it to be it", and we have seen the importance of that with the impact that the Lionesses have had on English women's football.

You and Mr Kerr talked about different business models. Do you think that there is too much emphasis on maximising the commercial value, and not enough on the other, altruistic aims of the football associations in each country?

Ian Maxwell: I do not think that there is too much emphasis on commercial value. We are always cognisant of both aspects. For example, we made a decision to move the women's games to Hampden. The men play there, and we felt that it was right that the women play there. However, through conversations with the players and staff involved in the women's team, we realised that we did the wrong thing for the right reasons, because, given where the girls' and women's game is at the moment, it is more important to take the matches around the country. We had a game on Tuesday night in Dunfermline that was attended by 6,000 people—it was a good game and the team played really well. We have had games at Easter Road and we are looking at other places around the country where we can take girls' and women's football. That is not a commercial decision; we make a significant annual investment in women's football that does not, at this time, return anything commercially, but we are happy to do that and we are committed to doing that.

I get the question that you are asking about the balance with regard to commercial value, but we are also engaged in a lot of activity that has no commercial benefit but is about growing and developing the game up and down the country. What we have done with girls' and women's football is a prime example of that. We have asked what is right to help grow the game and what makes the most sense at this point in time. From the perspective of the women's national team, the priority is taking the game around the country and getting more girls and women in local communities out to matches. I do not know the last time that an international match was played in Dunfermline—it will have been a while—but we are happy to arrange that. The club was delighted, the community was delighted and, as I said, there was a crowd of nearly 6,000, which is significant for a women's A team friendly match at this point in time.

We are always considering how we grow the game; we cannot always simply think about commercial revenue.

The Convener: Finally, there is a voluntary code of conduct for rights owners, which the SFA currently has not signed up to. Is that something that you are considering? Is there a reason why you have not engaged with that process?

Ian Maxwell: I will be totally honest and say that that was not something that I was aware of.

The Convener: Perhaps you could write back to us on that issue.

Ian Maxwell: I will find out more and get back to you on that one.

The Convener: Thank you very much, and thanks for your attendance this morning. We now move into private session.

10:56

Meeting continued in private until 11:01.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@parliament.scot



The Scottish Parliament
Pàrlamaid na h-Alba