

Item 3.



ALBA | CHRUTHACHAIL

MINUTES

**Creative Scotland Board Meeting
12 October – 10.40am to 1.00pm
British Council Board Room,
Waverley Gate, Edinburgh**

Present:

Robert Wilson (RW)	Chair
Iain Aitchison (IA)	Board Member
Ewan Angus (EA)	Board Member
David Brew (DB)	Board Member
Karen Forbes (KF)	Board Member
Erin Forster (EF)	Board Member
Cate Nelson-Shaw (CNS)	Board Member
Elizabeth Partyka (EP)	Board Member
David Strachan (DS)	Board Member
Karthik Subramanya (KS)	Board Member

Apologies:

Sheila Murray (SM)	Board Member
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In Attendance:

Iain Munro (IM)	Acting Chief Executive
Kenneth Fowler (KeF)	Director, Communications
Karen Lannigan (KL)	Director, HR and Offices Services
Iain Stevenson (IS)	Director, Finance
Janice Kelly (JK)	Executive Officer (for item 6)
Lyndon Jones (LJ)	Notes

1	Apologies
	As noted
2	Previous Minutes
	The minutes had been previously circulated and were approved. Scotland + Venice would be an agenda item for the December Board meeting. A meeting of the Board sub-group would be convened to discuss the recommendations that have emerged from the report and Creative Scotland's

	position. It was also agreed that the agenda would include items on Strategy, Budget and Risk.
2.1	There were no matters arising.
3.	Committee Minutes
3.1	<p>Audit and Risk - 28 August 2018 The draft minutes circulated had been reviewed by the Committee Chair and still needed reflections from the other Committee members. The Committee had reviewed and approved various changes in the annual report and accounts. The Committee had also agreed that the Screen Committee would have oversight of the Screen Risk Register. The term of appointment for the current Internal Auditors will end on the 31 March 2019. A procurement process would take place shortly, with DB participating in the decision panel.</p>
3.2	<p>Finance and General Purposes – 12 September 2018 The approved minutes were circulated with the papers. The main points to note were connected to a discussion that Audit and Risk had had around Stewardship, i.e. oversight of operational activities and the role of the F&GP Committee. How resources are aligned to delivery of CS priorities. It was agreed that management information would be further developed to provide appropriate oversight.</p>
3.3	<p>Screen Committee – 15 August 2018 The draft minutes reflected the meeting on the 15th August. There had been a subsequent meeting on the 5th October and minutes would follow. Updates included the memorandum of understanding between Screen Scotland partners which has been signed and published online. The response to the CTEER has been issued and will be discussed later as a Board agenda item. Discussions are underway regarding the group of industry advisors to be established as a successor to the SSLG. Work is ongoing around the MOU's with broadcasters. The Business Plan is under development with the partners. Training for staff is currently underway on TV business to support the new Broadcast Content Fund.</p>
4.	Annual Committee Reports of activity 2017-18
	<p>The reports for both Audit and Risk and Finance and General Purposes Committees were reviewed and had been produced to help support the Annual Review Governance Statement. Both reports mirrored each other structurally and recognised that the Terms of Reference were currently in the process of being updated.</p> <p>One specific point highlighted in the Audit and Risk report evolved around the production of the two separate sets of Annual Accounts rather than one single set of consolidated accounts. It was suggested this could be resolved by the production of a proforma summary set of accounts.</p> <p>Action: CS management to investigate a resolution.</p>
5.	Executive Report
	Full report had been read in advance of the meeting and specific points were raised.

	<p>The report from the independent consultants Wavehill on the comprehensive review of the Regular Funding 2018-21 process was being finalised. It would be shared with the Board in advance of publication. Measures were being put in place to support staff, particularly Lead Officers in their forthcoming regular meetings with RFOs.</p> <p>Internal process refinements are being planned for OPF, plus better data analysis and presentation on the CS website.</p> <p>An update was provided on the impact of the fire at the Glasgow School of Art and CCA. It was hoped access to the CCA building would be granted imminently. CCA had met with members of CS Senior team and fed back positively on the support they had received from CS, whilst highlighting that overall there had been a negative impact on overall programmes.</p> <p>HR reflected that recruitment activity in the past six months had equated to the equivalent previous 2 years' worth of activity. The volume related mostly to Screen team roles. The number of interim positions across the organisation was noted. Whilst of concern as being unsustainable for the longer term, KL reported that it had been positively received as it was currently providing development opportunities for staff.</p> <p>National Lottery income was discussed, noting the wider actions and initiatives taking place to address the competition in the market place and highlighting the benefits to communities of National Lottery funding.</p> <p>A specific query was discussed in relation to publishing and OPF.</p> <p>A discussion took place on budget flexibility to support Pitlochry Festival Theatre's new business model.</p> <p>It was confirmed that a comprehensive update on EDI work would be brought to the December meeting.</p>
<p>6.</p>	<p>Governance Framework</p>
	<p>Following previous discussions, the revised framework was submitted to the Board for approval. This reflected previous feedback, review by the Internal Auditors and discussion with the Audit and Risk Committee Chair.</p> <p>It was noted that the notice period for calling a meeting of the A&R Committee should be 14 days, not 21 as stated in the document. This would be amended.</p> <p>The governance framework for the internal Executive meetings would also form part of the framework, with Board approval as appropriate to reflect delegated governance arrangements.</p> <p>Also, it was noted that strategic and external facing EDI matters should come to Board for review. This will be clarified in the document.</p>

	Based on the amendments made, the Board approved the governance framework.
7.	Annual Report and Accounts 2017-18
	<p>It was confirmed that both sets of accounts had been audited by Audit Scotland, with their recommendations incorporated and approved through the Audit and Risk Committee. It was noted that the overspend in Grant in Aid was due to a late adjustment on the pension fund, which had no material effect to the final accounts.</p> <p>The balance sheet makes disclosures around 'going concern' in relation to grants especially for capital projects. This shows a negative liability as the majority of capital grants had been awarded.</p> <p>The Board noted the going concern and the financial plans that were in place to ensure the future operation of the funds were appropriate.</p> <p>The Board approved the accounts.</p>
8.	Screen Scotland
8.1	<p>Progress update and CTEER Screen Enquiry Committee response</p> <p>The response to the CTEER Screen Enquiry Committee was circulated with the Board papers, feedback had been positive. The Partner MOU had been completed, signed and was now on the Screen Scotland website.</p> <p>The SSLG was scheduled to meet to discuss the transition to an advisory group within the Screen Scotland governance structure.</p> <p>Good progress was noted across all workstreams.</p>
8.2	<p>Studio Short term lease</p> <p>Board approval was sought to request Scottish Government approval to enter a short-term lease of the proposed location for the studio and enable the tender process to progress. A Project Manager had been appointed to assist planning and delivery.</p> <p>To ensure the success of the studio there would need to be combination of investment that is both private and public sector. There are ongoing conversations around State Aid, with key tests being built into the proposed tender process.</p> <p>The Board considered the options and risks and approved the recommendation to request Scottish Government approval to enter into lease arrangements. No activity which received support from Creative Scotland should take place in the building whilst the process was underway, in order to manage potential conflicts of interest with production support. The final lease costs would be negotiated and agreed in consultation with the CS Board Chair and Chair of the Screen Committee.</p>
9.	Capital Update
	The Board were provided with a paper to update them on Large Capital investments. A discussion took place on the positive progress of Hospitalfield and

	<p>the Tay Cities Deal. Also highlighted was the imminent opening of the Artists Collective Gallery.</p> <p>A discussion took place on the scope for a further Capital Grants programme. It was understood that budgets were tight, however, the life cycle of maintaining estates showed that many would now be due for updating, especially the earliest National Lottery funded developments.</p>
10.	Board schedule
	<p>The draft schedule had been shared with the Chairs of the Board and Committees. Requests were made to move the Board meeting in July to the 11th. The strategy day and board meeting in October to the 26th and 27th September. It was questioned why the December meeting was close to the holidays and it was confirmed that it was connected to the timing of the budget from the Scottish Government. Also highlighted was the request to hold time for a meeting in both February and March would help should the need be to call the Board together to discuss final budgets.</p> <p>DB requested that the timing of Audit and Risk Committee be extended to three hours. The May meeting moved to the 6th June.</p> <p>KL confirmed that in a conversation with SM, the dates were fine for the Finance and General Purposes Committee.</p> <p>An updated draft of the schedule would be shared with the Board.</p>
11.	AOB
	<p>The Board were asked of agreement to adjust the timing of the December meeting to 12 midday. The idea would be at the end of the Board meeting, time would be available for a Board and Staff social Christmas gathering. The Board agreed.</p> <p>It was also asked if time could be scheduled for dinner with previous Board members.</p> <p>Action: LJ</p>
12.	Date of Next meeting
	Tuesday, 18 th December 1200 – 1600

Rebecca Wilson