



ALBA | CHRUTHACHAIL

## MINUTES

### Board Meeting 1 December 2022 10.00 – 12.30 Creative Scotland Board Room Waverley Gate

#### Present:

Robert Wilson (RW)	Chair
Malath Abbas (MA)	Board Member
Yahya Barry (YB)	Board Member
David Brew (DB)	Board Member
Duncan Cockburn (DC)	Board Member
Stephanie Fraser (SF)	Board Member
Philip Long (PL)	Board Member
Carol Main (CM)	Board Member
Sarah Munro (SM)	Board Member
Elizabeth Partyka (EP)	Board Member
David Strachan (DS)	Board Member

#### Apologies:

Duncan Hendry (DH)	Board Member
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#### In Attendance:

Iain Munro (IM)	Chief Executive
Isabel Davis (ID)	Executive Director (for item 6)
Anne Langley (AL)	Executive Director, Operations (for item 6)
Ian Stevenson (IS)	Director, Finance (for item 6)
Clive Gillman (CG)	Director, Creative Industries (for item 7)
Lyndon Jones	Minutes

<b>1.</b>	<b>Apologies and declarations of interest</b>
1.1	<u>Apologies</u> Apologies were received from Duncan Hendry. It was noted that due to a personal matter, Duncan had decided to resign from the Board, with the approval of the

	Chair and Cabinet Secretary. Thanks were extended to Duncan for his wise counsel and enormous expertise during his time on the Creative Scotland Board.
1.2	<u>New declarations of interest / relevant to the agenda</u> There were no interests related to the agenda.
<b>2.</b>	<b>Previous minutes</b>
2.1	<u>Board call – 3 October</u> The draft notes were agreed as an accurate reflection of the meeting and were approved.
2.2	<u>Board meeting – 26 October</u> The draft minutes were approved as an accurate record of the meeting.
2.3	<u>Matters arising</u> There were no matters arising out of the previous notes or minutes.
<b>3.</b>	<b>Committee updates</b>
3.1	<p><u>Minutes - Finance and General Purposes Committee, 19 October</u> Full minutes of the meeting of the 19<sup>th</sup> October were included with the papers and had previously been reported at the Board meeting of the 26<sup>th</sup> October. The Chair agreed a suggestion to the wording of the minutes regarding the revised Code of Conduct and register of interests.</p> <p>Following Duncan Hendry’s resignation, a member of the Board was requested to join the Finance and General Purposes Committee. David Strachan, who currently joined each F&amp;GP Committee meeting as an observer, agreed to formally become a Committee member.</p> <p>The Board agreed David Strachan would be co-opted as a member of the Committee on an interim basis, until the conclusion of the next round of Board recruitment.</p> <p>With the next Board recruitment round beginning early in 2023, it was agreed to convene a meeting of the Nominations Committee to review the skills matrix of the Board for the appointments process. As the Committee, chaired by Robert Wilson, is voluntary, David Brew, Carol Main, Stephanie Fraser and Malath Abbas agreed to be members. A date would be found in early 2023.</p>
3.2	<p><u>Agenda – Audit and Risk Committee, 17 November</u> The main focus for the meeting was the review and approval of the Annual Report and Accounts for both Creative Scotland and the National Lottery Distribution Fund and were presented today for Board approval. Other items discussed at the meeting included the Charitable status paper that would be provided to the Board on any implications before potential discussion with the Scottish Government. Also discussed was the Future Funding Framework and the involvement of the Board in shaping the process for Multi-Year decisions.</p>

	<p>The Committee discussed the outstanding audit recommendations and the need to ensure the recommendations were actioned timeously as a high priority. The Committee also agreed to hold a separate meeting where a comprehensive review of the Risk Framework was undertaken. Once the date was identified, all Board members would be invited to join the meeting.</p>
3.3	<p><u>Audit and Risk Committee Annual Report 2021/22</u></p> <p>The Chair presented the report to the Board to provide assurance of the role and activities of the Committee. The self-assessment identified a need for focused training for new members of the committee.</p>
<b>4.</b>	<b>Chief Executive Report</b>
	<p>The Board discussed the report. Support for the Fair Work agenda was clear but it would create additional budget pressures when incorporated into Creative Scotland's grant processes. The report produced by Culture Radar on Fair Work was referred to. All public bodies are required to set out their plans for implementation.</p> <p>The Board noted Scottish Government Round Table meetings had been scheduled, where the discussion would focus on a future strategic approach to the Culture sector in light of potential budget challenges. Further information out of the meetings would be shared with the Board.</p> <p>Reflections on the Arts Council England National Portfolio Organisations announcement were discussed by the Board and any learning that could impact on Creative Scotland's future funding approach would be reflected in the development of CS processes.</p> <p>Allwyn Entertainment, the successful bidder in running the 4<sup>th</sup> National Lottery licence, has bought Camelot, bringing a close to part of a current legal action. However, there remains one action by Camelot, impacts of possible success in that case are yet to be understood.</p> <p>The Board discussed the two reports that had been launched with the British Council at a well-received event at Scotland House in London, noting the contents of the reports highlighted the strengths of Scotland's international reputation and potential risks.</p> <p>Some Board members had engaged with the creative economy event with Tom Fleming, hosted by CS, and with key enterprise and skills bodies in attendance. The challenge being discussed was the need to agree a simple consistent narrative on the Creative Economy, which everyone could use. The Design Council had also completed some research that could also help inform this work.</p> <p>In year budget conversations continued with the Scottish Government, which would need to reach a conclusion soon in order for CS to be able to deliver funds within the current financial year. Confirmation of Screen funding was of particular concern. The Scottish Government would be making its budget announcement for 2023/24 on 15<sup>th</sup> December, with detail to follow. A Board meeting was confirmed on the 19<sup>th</sup> December to be able to discuss the budget announcement.</p>

<b>5.</b>	<b>Screen Scotland Report</b>
	<p>ID joined for this agenda item.</p> <p>Highlights out of the report were the appointment of the new Head of Screen Commission who will join Screen Scotland in the new year. There was continued conversation on the Filmhouse with the deadline for bids on the sale of the building scheduled for 7 December. A number of potential bidders were in the public domain, including a crowd-funder bid with high profile backers which is currently gathering momentum. The Board agreed that the Screen Committee would hold an additional meeting to review a proposal for Creative Scotland to make a contribution to the bid. Also noted was the Senior Leadership approval of some of the former CMI RFO grant to be reallocated for development work on the 2023 edition of the Edinburgh International Film Festival. Also noted with the Board was the review of business rates in Scotland and the impact that potentially has on studios.</p>
<b>6.</b>	<b>Annual Report and Accounts</b>
6.1 & 6.2	<p><u>Creative Scotland &amp; National Lottery Distributors Fund</u></p> <p>AL and IS joined for this agenda item.</p> <p>A key point raised out of Audit Scotland's report was the suggestion to Creative Scotland to financially plan further into the future beyond the current 5 years. Whilst this was acknowledged as making good fiscal sense, the ability to do was currently impossible. A minor adjustment to the figures relating to an award was reviewed and had been discussed with the Audit and Risk Committee and Audit Scotland, and was agreed as being below Audit Scotland's materiality limit.</p> <p>Both sets of accounts had been scrutinised by the Audit and Risk Committee and were presented to the Board for approval. Both sets were formally approved by the Board.</p> <p>Now approved, both sets would be signed with Audit Scotland and laid before the Scottish and Westminster Parliaments.</p>
<b>7.</b>	<b>Future Funding</b>
	<p>CG joined for this agenda item, AI and IS remained in the meeting.</p> <p>A status report was discussed by the Board. Much remains as previously reported until the outcomes of the Scottish Government budget announcement are known. There was a discussion and agreement to work with the Board on the final stage design of the multi-year funding and the balancing exercise of the overall approach. A request was also made through the Audit and Risk Committee that the Internal Auditors could also help inform that process. The Board discussed the timing of final decisions on multi-year funding, noting the likely pressures on budgets and the ability to provide transition support.</p> <p>Also raised was a concern about some RFO's consistently failing to meet deadlines and submission of monitoring reports and data returns. The Board was keen to be robust with RFO's given the information was important to account for public funding</p>

	and to be used in evidence to the Scottish Government for ongoing budget advocacy. The Board also discussed the position of strategic use of funds supplied through Grant in Aid and The National Lottery, notably during 2025/26 at the commencement of the new multi-year arrangements.
<b>8.</b>	<b>Schedule of Board and Committee meetings 2023/24</b>
	With some minor amends to dates for Board meetings, the Board agreed the proposed schedule of Board and Committee meetings. All agreed where possible there should be no adjustment of dates.  Invites to the Board meetings would be circulated shortly.
<b>9.</b>	<b>Any Other Business</b>
	There were no items.
<b>10</b>	<b>Date of next meetings</b>
	19 December 2022 9.30 – 11.00 Via Teams  26 January 2023 10.00 – 14.00 Waverley Gate

