

MINUTES

**Board Meeting
26 October 2022
10.00 – 13.30**

Board Room, Waverley Gate / via Teams.

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 (until 13.00)
Carol Main (CM)	Board Member (until 13.00)
Elizabeth Partyka (EP)	Board Member
David Strachan (DS)	Board Member

Apologies:

Duncan Hendry (DH)	Board Member
Sarah Munro (SM)	Board Member

In Attendance:

Iain Munro (IM)	Chief Executive
David Smith (DS)	Director of Screen (for item 5)
Kenneth Fowler (KF)	Director, Communications (for items 6 & 9)
Anne Langley (AL)	Executive Director, Operations (for items 7, 8 & 9)
Ian Stevenson (IS)	Director, Finance (for items 7, 8 & 9)
Alastair Evans (AE)	Interim Director, Strategy & Planning (for items 8 & 9)
Clive Gillman (CG)	Director, Creative Industries (for item 9)
Dana Macleod (DM)	Executive Director, Arts, Communities & Inclusion (for item 9)
Janice Skakel (JS)	Organisation Project Development Manager (for item 9)

1. Apologies and Declarations of Interest
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1.1	Apologies were noted.
1.2	There were no new declarations of interest, or any relating to the agenda.
2.	Previous Minutes / Notes
2.1	<u>Board meeting 20 July</u>
a	With a correction to the list of attendees and an additional clarification made to item 3.1, the minutes were approved as an accurate record.
2.1	<u>Board notes 3 October</u>
b	It was requested that some additional reflections on the discussion on Future Funding would be included, with this addition the agreed the notes would be approved as an accurate record of the call.
2.2	There were no further matters arising out of either the minutes or notes.
3.	Committee Updates
3.1	<u>Screen Committee Minutes – 20 September</u> The Chair highlighted the meeting discussed partnership working, noting it was strong and provided good advocacy for the sector, an example was a dinner being arrange between Committee Chair and members and the Ofcom Chair and members of the Leadership team to discuss further collaboration. Progress also continues with Education and the development of school age initiatives and curricular qualification. Policy engagement remains challenging and there is an ambition to raise its importance. Further updates would be provided through item 5.
3.2	<u>Finance & General Purposes Committee minutes – 6 July</u> Previously reported into the 20 July Board meeting, there were no further questions.
3.3	<u>Finance & General Purposes Committee minutes – Pay Review 11 October</u> An additional meeting to discuss and agree a revised pay offer from CS, in line with the improved SG position. Offer agreed with Committee and will be progressed with SG Pay Policy and Unions.
3.4	<u>Finance & General Purposes Committee agenda 19 October</u> The Committee discussed general updates across the operational areas of CS. Role of the Non-Board Committee member was discussed and out of the meeting the Chair would discuss further with Chair of Audit and Risk and IM. Board members asked how the working group created to explore the feasibility of a 35-hour working week would work. It was clarified that agreement of outcomes would be adopted by the whole working group which included members of both Unions. The conclusions would be discussed by the F&GP Committee and brought to the Board.
3.5	<u>Audit and Risk Committee draft minutes – 25 August</u> Items from the meeting were on the agenda for the Board meeting today and there were no further questions from the minutes.

4.	Chief Executive Report
	<p>Highlights of the report included the continued building of stakeholder relationships, bringing increased awareness of the issues that CS was managing, with open dialogue with SG officials and Ministers in particular. Non-Departmental Public Bodies meetings continued with the next meeting focusing on an update from the Permanent Secretary. SG are being encouraged to convene roundtable events to bring together the sector to discuss the current challenges and look for innovative solutions. IM attendance at the Constitution, Europe, External Affairs and Culture (CEEAC) Committee has also raised greater awareness of the current challenges and being reported in ongoing media coverage.</p> <p>A positive note was the current Culture Collective projects were producing a rich spread of results, although the current financial restraints could lead to this falling away if not maintained.</p> <p>Wider policy areas covered the National Lottery and the Board were updated on the legal position being pursued by the current operator with the risk that any successful claim may impact the Good Causes fund. The current economic climate may also affect income forecasts.</p> <p>The CS Climate and Sustainability action plan has been published and well received, however, recruitment into the senior role to lead the work is difficult in the current environment.</p> <p>There will be an all-staff meeting held on 9 November. A moment for staff to gather, reflect on the past couple of years and look at CS values and 'smart' working to reflect the shift in working practices and spaces as a result of the pandemic. Board invited to join for the whole or part day and the agenda would be circulated.</p>
5.	Screen Scotland Report
	<p>DS joined for this agenda item.</p> <p>The report captured much of the success of the August festival activity. Other areas of discussion were the Economic Value report and the Screen Scotland strategy with the ambition to increase growth significantly by the end of the decade. The Board discussed the growth potential in light of the current financial environment and agreed it was a challenging ambition but maintaining sector confidence and opportunities will remain key. Linking into the strategy were the Education developments as highlighted in item 3.1 and detailed in the report.</p> <p>The Board also discussed the current CMI administration process and how that was progressing. Dialogue continues with the appointed Administrators and we are working with colleagues in the Scottish Government, Aberdeen and Edinburgh City Councils on next steps. The Board would be kept informed of progress.</p> <p>Also discussed was the drive to increase awareness of sector policy engagement and the Board were made aware of the potential Policy Matters event in the new year.</p>

6.	Gaelic Language Plan
	<p>KF joined for this agenda item.</p> <p>Following the discussion at the July Board meeting, the public consultation of the draft Gaelic Language Plan had been completed and the final draft was presented to the Board for approval. Data improvements would run alongside the plan to identify the impact it makes and be reported to Bòrd na Gàidhlig. Also, in connecting with other public bodies, CS would be able to demonstrate the scope and scale of the work including through RFO reporting. As an action from the discussion, KF would review how the actions from the plan map onto the ambitions for the Future Funding Framework.</p> <p>The Board approved the Draft Gaelic Language Plan.</p> <p>The next steps would be to present to Bòrd na Gàidhlig for approval at their next Board meeting, before final publication.</p>
7.	Risk update
	<p>AL and IS joined this agenda item.</p> <p>Following the Board Risk Workshop and subsequent Audit and Risk Committee review, the Board were presented with the proposed revised Risk categories and descriptors for approval. A technical comment on maximum appetite and scale would be reviewed.</p> <p>The Board was content to approve the approach with the technical issue being addressed.</p>
8.	Budget
	<p>AE joined AL and IS for this agenda item.</p> <p>The Board was updated on the current position regarding the 2022/23 budget from the Scottish Government, noting there had been little movement since the Board call on the 3 October and a significant proportion has yet to be confirmed. Concern was expressed that the reputational risk for CS becomes greater as delays in being able to process grant in aid programmes and awards continue, given the circumstances are outwith our control. Awaiting the announcement of the draft SG budget was also delayed whilst the new administration in the UK Government was put in place.</p> <p>Turning to the modelling for future years that CS has provided at the request of SG on various budget scenarios, the Board discussed the range of negative impacts arising and the need for ongoing advocacy against budget cuts, whilst also describing the positive value of culture to people's lives and the country. It was also acknowledged that CS is only one of the overall funding partners involved and others, such as Local Authorities, equally had a key role to play in sustaining support to avoid the risk of collapse in some parts of the sector. It was apparent through RFO relationships that there was a degree of awareness of the seriousness of the budget situation and some were preparing themselves but that was not across the whole network.</p>

	The Board acknowledged the update.
9.	Future Funding Framework (FFF) update
	<p>CG, DM, KF and JS joined AE, AL and IS for this agenda time. The paper proposed an approach on multi-year arrangements that looked at the challenges and budget uncertainty currently faced and would aim to provide a degree of stable support for the next two years. The elements for Board consideration and approval were to implement the new 2-year Open Fund for Organisations from early 2023, extend the current multi-year implementation timeline by up to 12 months, aim to maintain standstill funding for RFOs, and explore potential further interim support to RFOs. Existing arrangements with the RFOs could also be discussed to allow flexibility to respond to the current situation. The paper acknowledged that this approach would not fix all the issues, however, was seen as the appropriate way forward in the current environment and enable time for some clarity to form around future budgets.</p> <p>The Board discussed the proposed revised approach, particularly concerns relating to the delay to multi-year plans, and the implications for organisations at this critical time. Members pressed the need to keep moving forward on addressing the outcomes of the funding review through the revised funding framework but recognised that budget uncertainty was a significant factor inhibiting the ability to do so confidently. The rationale would have to be very clearly communicated to ensure it was understood the revised plans are a necessary decision by CS arising from the current set of circumstances with SG budgets and pressures on the sector. Sector engagement and testing of the thinking were important.</p> <p>It was confirmed that the plans for the FFF were continuing, albeit under revised timelines for some elements. Sector development bodies were being kept informed of the plans.</p> <p>It was noted that budget planning would continue as information becomes available, particularly from the SG draft budget for 2023/24 expected to be announced on 15 December, but it was clear that significant cuts are likely and National Lottery flexibility would be required to help stabilise CS funding offer. The Board was clear that this would only be a temporary measure and was not sustainable beyond the next two years.</p> <p>It was anticipated there would be disappointment and perhaps some frustration from some in the sector about a delay to the multi-year arrangements. However, the communications plan would explain it clearly and why it is necessary, with an indication of potential further temporary support for RFO's. The Board encouraged the need for sector organisations to collaborate as part of helping to plan for the future when there is likely to be less budget available.</p> <p>There was broad support for the approach, and all acknowledged that full implementation could not take place until final clarity on SG budgets was received. To note CM and PL left the meeting towards the end of the discussion but had also provided their support for the revised approach.</p>

10.	Any Other Business
	There were no items.
11.	Date of Next meeting
	Next meeting scheduled for the 1 December. It was noted that there is a likely need for an additional Board meeting following the SG draft budget and 19 th December was proposed.

Robert Wilson

Approved