

Council Minutes – meeting 151

Date of meeting:	Friday 18 March 2016.
Venue:	The Arts Council of Wales, Cardiff.
Present:	Dai Smith (DS), Gerwyn Williams (GW), John Williams (JW), Melanie Hawthorne (MH), Lesley Hodgson (LH), Marian Wyn Jones (MWJ) John Geraint (JG), Margaret Jervis (MJ), Alan Watkin (AW), Kate Woodward (KW) via videolink, Richie Turner (RT) and Mike Griffiths (MG).
In attendance:	Nick Capaldi (NC), David Alston (DA), Betsan Moses (BM), Hywel Tudor (HT), Sian Tomos (ST), Kath Davies (KD), Diane Hebb (DH), Carys Wynne-Morgan [CWM], Chris Batsford [CB] Andrew Richards (AR), David Newland (DN) and Katy Brown (KB) – minuting.
Apologies:	Andrew Miller (AM).
Observing:	Peter Owen (PO).
Translation:	Dafydd Frayling (DF)
Status of paper:	For public release.

	Action
1. Welcome, introductions and apologies The Chair welcomed members to the meeting held at Arts Council of Wales, Cardiff. Apologies were recorded.	
2. Declarations of Interest (to note) Members of Council asked for Declarations of Interest to be recorded in the minutes (attached as an appendix to these minutes). RT asked that Operatics be added to his declarations of interest.	KB

3.	Minutes of the meeting held on Friday 17 February 2016 The Minutes of the meeting were approved as a correct record.	
4.	Matters arising All action points were reported as completed.	
5.	Committee Minutes 5.1 Audit and Risk Committee – held on 9 March 2016 JG provided an overview of some of the key pieces of business conducted at the Audit and Risk Committee Meeting. A future Committee meeting would be holding a Risk Workshop, reflecting the importance of this issue to the Committee’s work. The report was noted . As this was the last Council meeting for JG and GW, the Chair extended his sincere thanks on behalf of Council to the two members. Both had made an invaluable contribution in their capacity as Council member and Committee Chair.	
5.2	Sustainability Monitoring Group – meeting held on 16 February 2016 MH provided an overview of some of the key pieces of business conducted at the Sustainability Monitoring Group Meeting. MH welcomed the feedback that she had received that the Arts Council was being increasingly identified as an exemplar organisation. The report was noted .	
5.3	Equalities Monitoring Group – meeting held on 1 March 2016 RT reported on a change of approach to formulating Equalities priorities. It is the Group’s intention to focus on a smaller number of priorities with the expectation that this will lead to more significant outcomes. The report was noted .	
6.	Chair’s Report DS reported on recent events and matters.	

Committee Appointments

Both JG and GW term would come to an end on 31 March 2016. KW would also be taking time out for her maternity leave. As a result, this would leave a gap in the membership of Committees.

Council **agreed** the following changes:

- LH to become Chair of the Audit & Risk Committee.
- JW to become Chair of the Capital Committee.
- MJ to become Chair of the HR and Remuneration Committee.
- MH to become Chair of the Venice Advisory Committee during KW's maternity leave. Council thanked KW for her work.
- MG to join the HR and Remuneration Committee.
- AM joining HR and Remuneration Committee.
- AM to join Venice Committee.

Council **noted** the report.

7. Chief Executive's Report

7.1 Chief Executive

The Chief Executive's report detailed recent meetings, events and performances that he had attended. The Chief Executive's report also included information on staff joining and leaving the Council since the last meeting.

Welsh Government's Budget for 2016/17

On Tuesday 8 March 2016 the National Assembly approved the Welsh Government's Budget for 2016/17. There were no changes to the figures previously communicated.

Welsh National Opera (WNO)

NC reported that WNO has appointed a new Chair – Mark Molyneux. He is currently a non-executive director at the London School of Economics, where he chairs the Finance Committee. Mark will be formally joining WNO in July 2016.

Remit Letter 2016/17

NC confirmed that the Chair had now formally received the final version of the Remit Letter for 2016/17. It was consistent with drafts which had been seen previously.

<p>7.2 Welsh Language Standards (No.2) Regulations (2016)</p> <p>NC reported that the legislative process for Phase 2 of the Welsh Language (Wales) Measure was completed in February with the publication of new Standards for Phase 2. As one of the designated bodies affected by the legislation, the Arts Council of Wales must comply with these Standards.</p> <p>NC's paper looked at what the standards may entail.</p> <p>It was noted that a formal Compliance Notice would be issued soon. At that point Council would have a clearer view of the implications.</p> <p>Council noted the contents of the report and looked forward to receiving an update from NC at the May Council meeting.</p>	<p>NC</p>
<p>8. Directors' Report</p> <p>Council members asked for further information on the following items:</p> <p><u>Collectorplan</u> Collectorplan loan values per month are much higher than last year's figures (bar the usual slow January when many galleries close). This reflects the consumer credit changes and the allied changes to our own scheme in June.</p> <p>AW asked if it was possible to have an analysis of the geographical breakdown of sales, and the proportion of Wales-based artists benefitting from the scheme. ST agreed to look at what additional data might be provided as part of a future report.</p> <p><u>IPP</u> Most of the projects are coming towards the end of year one activities. They are currently reflecting on and evaluating experiences to date to inform their approach moving forward. In some cases this involves re-profiling budget plans for the next 2 years.</p> <p><u>Arts and Health</u> Council welcomed the inclusion of Arts and Health in the Remit Letter. Council members noted the amount of activity already underway, but recognise the merit of organising a more strategic approach to this area of work.</p>	<p>ST</p>

<p><u>Literature and Publishing Report</u></p> <p>The Deputy Minister has agreed a review of Literature and Publishing, to report after the Election. A task group will be Chaired by Medwin Hughes who will report back on the findings by September 2016. The task group will be inviting the Arts Council of Wales to provide evidence.</p> <p><u>Creative Learning through the arts</u></p> <p>The second tranche of Lead Creative Schools is being recruited. DH reported that Welsh Language Schools are being targeted as part of the process.</p> <p>DS reported that Nathalie Camus, Portfolio Manager's sister had passed away following a long battle with Cancer. Council's thoughts were with Nathalie.</p> <p>Council thanked Directors and noted the report.</p>	
<p>9. Operational Plan</p> <p>At the last Council meeting members discussed the Operational Plan 2016/17. Council considered the key issues that would affect the work of the Arts Council next year, and the actions that proposed to take in response.</p> <p>Council:</p> <ol style="list-style-type: none"> 1. Agreed the proposed draft targets for 2016/17 2. Approved a small change of wording to the second of the corporate objectives 3. Noted that Council will need to submit the Plan to the Welsh Government 	NC
<p>10. Supporting Creative Professionals in Wales</p> <p>CWM presented the paper which provided Council with the opportunity to see the final outcome of research commissioned by our Individual Artists internal project group. The research evaluated Council's approach to supporting creative professionals in Wales and establishes baseline data to help future analysis.</p> <p>Council discussed the report's principal findings. In some cases, conclusions presented in the report appeared to represent divergent or contestable opinions. It was therefore agreed that publication of the research would need to be accompanied by a response from Council.</p>	

<p>Council:</p> <ol style="list-style-type: none"> 1. Discussed the evaluation report, its findings and recommendations 2. Considered what the priorities should be for the Individual Artist project group in 2016/17 3. Agreed that a response from Council would accompany publication of the research. 	
<p>11. Investment Review</p> <p>KD provided a verbal update on the concluding activity associated with the Investment Review.</p> <p>Officers have developed a new Funding Agreement and Portfolio Handbook. KD reported that Officers were meeting with every member of portfolio and setting targets. Formal letters had been issued.</p>	
<p>12. Local Authority Relationships</p> <p>Council members receive regular information updates on the management of relationships with Local Authorities.</p> <p>ST presented the paper which summarised the current position and explained the work that Officers are currently engaged in with local authorities (and other partner organisations), locally, regionally and nationally.</p> <p>Council noted the information contained in the paper.</p> <p>CB provided an overview of the Local Authorities Survey 2015/16.</p> <p>Council thanked CB for the presentation.</p>	
<p>13. Governance</p> <p>13.1 Terms of Reference for Committees, Monitoring Groups and Senior Management Team</p> <p>Council agreed the revisions to the Committee Terms of References, as summarised in the paper presented.</p> <p><u>Capital Committee</u></p> <p>Council agreed that the membership dates for GW and AW be amended.</p>	

Details of Ruth Cayford and Alan Hewson would also be amended.	KD
<p>13.2 Internal Audit – proposed extension of contract</p> <p>Following an open-tender process, in 2010 Deloitte was appointed to deliver our Internal Audit services. The contract covered a five year period, and contained a break clause at the end of year three, which we chose not to exercise.</p> <p>Last autumn, Officers identified a number of major risk areas facing Council at a time when the Arts Council is also facing challenges with continuity in our governance arrangements. In order to support the organisation during this period, it was felt to be sensible to extend the contract for two years to provide stability and continuity of service.</p> <p>A business case was submitted to Welsh Government who subsequently informed Officers that this was a matter for Council.</p> <p>Council considered the paper and agreed that officers should be asked to proceed with the extension of the Internal Audit contract.</p>	HT
<p>13.3 Use of the Seal</p> <p>In accordance with the authority dated 31 March 1994, Council noted the documents which had been sealed since the last report to Council (21 March 2014).</p>	
<p>14. Financial Reports</p> <p>14.1 Budget Running Costs</p> <p>Following agreement to the overall 2016/17 Budget at February's Council meeting, the report provided Council with an overview of Running Costs for 2016/17.</p> <p>The Running Cost budget was apportioned between our General Activities and Lottery Distribution accounts. In the case of the former, the Arts Council is capped by the Welsh Government and given an annual limit which Council have to work within.</p> <p>Council approved the proposed Running Cost budget for 2016/17.</p>	

14.2 Financial report year to February 2016

HT provided a verbal update on financial performance for the year to February 2016.

It was **noted** that SMT would receive a written version of the report. HT is to circulate the written report.

Council **noted** the report.

HT

14.3 Funding recommendations

The paper comprised three elements:

- funding decisions requiring Council approval
- an update on funding arrangements for Wales Literature Exchange
- awards made under delegated authority

Decisions on Lottery applications of £50,001 or more require Council approval. A total of 16 recommendations were presented.

ID/Ref	Organisation	Request	Recommendation	Strand
20160144	Creu Cymru	£65,000	£58,800	Audience Development
20160147	Ensemble Cymru	£75,000	Defer	Audience Development
20160154	Oriel Wrecsam	£120,000	£120,000	Audience Development
20160093	Stiwt Arts Trust Ltd.	£120,000	Defer	Audience Development
20160064	Vale of Glamorgan Festival	£85,000	Reject	Festivals
20160067	Theatr Mwldan	£130,565	£69,875	Music Industry Development
20160079	Cascade Dance Theatre	£60,000	£60,000	Production
20160086	Cwmni Mega Cyf/ Ltd	£55,000	£55,000	Production
20160153	National Dance Co Wales	£100,000	£100,000	Production
20160104	OPRA Cymru Cyf	£98,000	Reject	Production
20160105	Theatr Bara Caws	£87,528	£87,528	Production
20160095	Theatr Genedlaethol Cymru	£100,000	£100,000	Production

20160063	Theatr Pena	£96,000	Reject	Production
20160112	St. David's Hall	£97,000	£97,000	Programme Support
20160115	Arts Active Trust	£66,930	£33,465	Taking Part
20160068	Oriel Wreccsam/Wrexham CBC	£152,580	£88,230	Taking Part
		£1,508,603	£869,898	

Council:

1. **Agreed** the Lottery funding recommendations contained in the paper
2. **Noted** the proposal for Wales Literature Exchange
3. **Noted** the grants awarded under delegated authority

15. Concluding comments

It was **noted** that this was the final Council meeting of Council Chair, Prof Dai Smith.

Council and staff joined in expressing their thanks and appreciation to Prof Smith. In his nearly ten years as Chair, Prof Smith had overseen a transformation of the Arts Council. His landmark report for the Welsh Government *Arts and Education in Wales' Schools* was just one example of the impact of his work.

Council and staff warmly wished Prof Smith well in whatever future challenges he might accept.

16. Date of the next meeting

Friday , 13 May 2016
Arts Council of Wales, Cardiff.

Council meeting
Friday 18 March 2016:
Summary of actions and decisions

Agenda item	Action/Decision	Responsibility
2	Declaration of Interests to be updated in Council records.	KB
3	Minutes of the meeting held on 17 February 2016 to be updated in line with the specified corrections.	KB
7.2	Further paper on Welsh Language Standards to be provided to the May Council meeting.	NC
8	Additional information to be included in the Collectorplan report, if possible	ST
9	Operational Plan 2016/17 to be submitted to Welsh Government	NC
13.1	Terms of Reference for Capital Committee to be updated to include correct membership details	KD
13.2	Officers to extend Internal Audit contract with Deloitte	HT
14.2	Written version of Financial Report Year to February 2016 to be circulated to Council members.	HT