

Council Minutes – meeting 160

Date of meeting:	Friday 7 July 2017.
Venue:	The Arts Council of Wales, Cardiff.
Present:	Phil George (PG) Chair, Andy Eagle (AE), Kate Eden (KE), Mike Griffiths (MG), Andrew Miller (AM) left after item 9.2, Rachel O’Riordan (ROR), Richie Turner (RT), Alan Watkin (AW) left after item 10, John Williams (JW), and Marian Wyn Jones (MWJ).
In attendance:	Nick Capaldi (NC), David Alston (DA), Hywel Tudor (HT), Sian Tomos (ST), Kath Davies (KD), Nathalie Camus (NCa) item 10, Andrew Richards (AR), Carys Wynn Morgan (CWM) item 12, Nikki Morgan (NM) item 9.2, Betsan Moses (BM) and Katy Brown (KB) – minuting.
Apologies:	Melanie Hawthorne (MH), Dafydd Rhys (DR), Iwan Bala (IB) and Lesley Hodgson (LH).
Observing:	Andrew Stevenson (AS)
Translation:	Dafydd Frayling (DF).
Status of paper:	For public release.

	Action
<p>1. Welcome, introductions and apologies</p> <p>The Chair welcomed members to the meeting held at the offices of the Arts Council of Wales, Cardiff.</p> <p>PG reported that Dame Hilary Boulding Principal of the Royal Welsh College of Music and Drama would be leaving her position to take up the new post of President of Trinity College, Oxford. Council recorded its congratulations and noted Dame Hilary’s significant contribution to the cultural life of Wales during her time at the College.</p>	

<p>PG informed members that those staff colleagues who would be leaving the organisation had been invited to join Council for lunch.</p> <p><u>Tony Bianchi</u> PG informed Council of the sad news of the death of Tony Bianchi. PG had issued a statement of appreciation on the Arts Council website. It was noted that the funeral will be held on 14 July.</p>	
<p>2. Declarations of Interest (to note)</p> <p>Members of Council asked for Declarations of Interest to be recorded in the minutes (attached as an appendix to these minutes).</p> <p>RT asked that Hay Festival be removed and Castle Trust be added.</p> <p>AW informed members in advance that he would leave the room for item 9.2 on the Publishing and Literature Review given his role has a Panel adviser for the Welsh Books Council.</p>	
<p>3. Minutes of the meeting held on Friday 17 March 2017</p> <p>The Minutes of the meeting were approved as a correct record of the meeting.</p>	
<p>4. Matters arising</p> <p><u>Committee membership</u> The following members were appointed to serve on Council Committees: KE - HR and Remuneration Committee DR – Audit and Risk Assurance Committee IB – Venice Committee ROR – Capital Committee</p>	
<p>5. Committee Minutes</p> <p>5.1 Audit and Risk Assurance Committee – meeting held on 24 May 2017</p> <p>In the absence of LH, MG noted that LH had provided a verbal report on this Committee meeting at the previous Council in July.</p> <p>The report and minutes of the meeting were noted.</p>	
<p>5.2 Audit and Risk Assurance Committee – meeting held on 28 June 2017</p> <p>MG reported on discussions at the recent Committee meeting, highlighting</p>	

<p>some of the key topics that had been discussed.</p> <p><u>Quality Appraisals</u> DA reported that there had been an improvement in the number of completed Quality Appraisals but that we were continuing to fall short of our targets. He had concluded that persisting with the current scheme was unlikely to deliver the outcomes required. A new scheme would therefore need to be devised. It was noted that a paper, with recommendations, would be presented to the December 2017 Council meeting.</p> <p><u>Organisational Review</u> MG reported that the internal auditors Deloitte would be undertaking an examination of the outcomes and learning from the Organisational Review.</p> <p>The report and minutes of the meeting were noted.</p>	DA
<p>5.3 Capital Committee – meeting held on 23 June 2017</p> <p>JW reported on discussions at the recent Committee meeting.</p> <p>The Committee discussed the recent Study Trip to Liverpool and Manchester. The trip had included visits to Liverpool Everyman, Mann Island, RIBA National Centre for Architecture, the Bluecoat Centre, Whitworth Gallery and ‘Home’.</p> <p><u>Theatr Clwyd Feasibility Study</u> The Capital Committee minutes required a minor amendment to record that AW was in fact absent for the discussion of this item. The Committee was informed that Architects Haworth Tompkins were appointed to undertake the feasibility study following a comprehensive procurement process. Estimates of the likely capital costs were significant and a challenging process of assessment and review would be needed to ensure that all appropriate avenues to reduce cost were being explored.</p> <p><u>Clwb Ifor Bach</u> KD reported that Clwb Ifor Bach had sought our support for a Feasibility Study looking at an extension. The Club is also looking to purchase the building. This was a positive response to recent press and media reports about the threats to music venues in Cardiff.</p> <p><u>Cwmni Fran Wen</u> The organisation is hoping to move from its current base to a new site. A newly commissioned business plan will underpin the proposals.</p>	

<p>The report and minutes of the meeting were noted.</p>	
<p>5.4 HR & Remuneration Committee – meeting held on 8 May 2017</p> <p>MG reported on discussions at the recent Committee meeting. There was particular interest in the Management Information prepared by HR staff. The data contained within the report provided important insight into a range of HR matters.</p> <p>The report and minutes of the meeting were noted.</p>	
<p>6. Annual Reports 2016/17</p> <p>6.1 Audit and Risk Assurance Committee Annual Report 2016/17</p> <p>The Committee’s report forms part of Council’s Governance regime. The report summarised the Audit & Risk Assurance Committee’s activities during 2016/17, and provided members with a brief overview of the planned focus of audit and review work for the year ahead.</p> <p>It was noted that internal auditors’ opinion of our overall performance warranted a ‘moderate’ assurance rating. The Forward Work Plan of future internal audit activity was noted.</p> <p>Council approved the report.</p>	
<p>6.2 HR & Remuneration Committee Annual Report 2016/17</p> <p>The Committee’s report forms part of Council’s Governance regime. The report summarised the HR & Remuneration Committee’s activities during 2016/17, and provided members with a brief overview of the planned focus for the year ahead. Implementation of the outcome of the Organisational Review would be a particular area of interest for the Committee over the next few meetings.</p> <p>MG had thanked his predecessor, Margaret Jervis, for her hard work and commitment as the previous Committee Chair.</p> <p>Council approved the report.</p>	

6.3 Capital Committee Annual Report 2016/17

The Committee's report forms part of Council's Governance regime. The report summarised the Capital Committee's activities during 2016/17, and provided members with a brief overview of the projects currently in development.

Council **approved** the report.

7. Chair's business

7.1 Chair's Report

PG reported on recent events and matters.

Activity had included:

- speaking at the premier Music Theatre Wales' 'Y Twr' at the Sherman
- being involved in a number of events at the Hay Literature Festival
- a visit to Llantarnam Grange
- speaking at a conference on Arts and Health
- opening the Welsh School of Architecture
- attending an Ideas: People: Places event at Trebannog
- attending the biannual monitoring meeting with Cabinet Secretary Ken Skates AM

PG reiterated the importance of advocacy and communications – getting our good news stories across by promoting the relevance and value of the Arts Council's work.

AW felt that it was especially important to advocate Council's achievements to AMs and MPs. BM offered to circulate to Council members the Bulletin that AMs and MPs currently receive.

Council mandate

Council noted that the current Director of Finance and Resources would be leaving during August, to be replaced by a new Director of Finance. This would require changes to a range of executive authority and mandates including delegations, signing powers, bank signatories, and recording the appointment and removal of trustees.

Council **agreed** to delegate to the Chair – in consultation with the Chief Executive – the delegation of any authority necessary to maintain business continuity.

BM

<p>Any action taken under this arrangement would be recorded in the Minutes of the next available Council meeting.</p>	<p>NC</p>
<p>7.2 Annual Accounts for General Activities the year 2016/17 [for approval] Annual Accounts for Lottery Distribution 2016/17 WAO - Audit of Financial Statements report 2016/17</p> <p>The Arts Council of Wales has a statutory duty to produce annual reports and accounts in compliance with prevailing accounting standards, the Government Financial Reporting Manual (FReM), the Charity Statement of Recommended Practice (SORP) and the accounts directions issued to Council by Welsh Government (for General Activities) and the Department for Culture, Media & Sport (for Lottery Distribution).</p> <p>As well as the two single documents presented to Council for approval there is a fully designed, combined document which is available to members for review.</p> <p>This single document will be the version that we make publicly available via our website and the Charity Commission once the separate reports have been laid at Parliament and the National Assembly for Wales.</p> <p>The final drafts of the audited Reports and Financial Statements for 2016/17 were reviewed by Audit & Risk Assurance Committee on 28 June 2017 and recommended to Council for approval.</p> <p>The Committee also received and considered the report on the Audit of the financial statements from the Auditor General for Wales.</p> <p>Members considered the report of the Auditor General for Wales (AGW) on the audit of the financial statements, which included at Appendix 1 a letter with the representations that Council members/Trustees make to the AGW. This covers their responsibility for the financial statements, for reviewing and approving the draft Reports and Financial Statements and for laying before the National Assembly for Wales (General Activities and Lottery Accounts) and Parliament (Lottery Account) and subsequent publication.</p> <p>The Chairman evidenced Council's approval and its endorsement by signing the separately printed Letter of Representation and Reports and Financial Statements on the identified pages, along with the Chief Executive in his capacity as Accounting Officer.</p> <p>Council approved the accounts.</p>	

<p>In approving the accounts, Council recorded their appreciation and good wishes to Hywel Tudor, Director of Finance and Resources, who would be leaving the Council in August.</p>	
<p>8. Chief Executive’s business 8.1 Chief Executive’s report</p> <p>The Chief Executive’s report detailed recent meetings, events and performances that he had attended.</p> <p>The Chief Executive’s report also included information on staff joining and leaving the Council since the last meeting.</p> <p>The report was noted.</p>	
<p>8.2 Implementation and Transition</p> <p>NC presented the paper which summarised activity undertaken since the last Council meeting. He explained the activities being undertaken to facilitate the move towards the introduction of the new staff structure.</p> <p>MWJ reported that she had constructive and useful meeting with the Organisational Review Task group that had been established by Council. The group was assured that the project plan was being progressed with pace. It was noted that the Senior Leadership Team had a challenging workload and that consultant Richard Watts had been appointed to assist in the change management process.</p> <p>It was noted that a Director of Finance had been appointed and a verbal offer had been made to the candidate. It was hoped that the preferred candidate would be available to start in early September.</p> <p>The report was noted.</p>	
<p>9. Policy 9.1 Renewing our Corporate Plan in the future</p> <p>By the end of the calendar year Council needs to have developed the first draft of a new Corporate Plan for the period 2018-2023. The final version would need to be in place for February 2018.</p> <p>DA presented the paper which considered some of the practical considerations if we are to achieve these outcomes.</p>	

<p>Four issues of particular relevance were noted:</p> <ol style="list-style-type: none"> 1. The current arts development strategy, “Inspire: our strategy for creativity and the arts”, is scheduled to run until 2019. It should be integrated with the new Corporate Plan to create a single strategic vision 2. Council is intending to focus on a reduced number of priorities. These were summarised in the paper discussed at May Council – “Re shaping our Creative Future” 3. Council has agreed a broad based public engagement process which we are calling our “All Wales Creative Conversation”. The roll-out of this conversation will be central to our renewal of the Corporate Plan 4. If managed effectively, the corporate planning process could usefully act as a unifying force for our staff. Members recognised the need to re-energise our collective sense of purpose after a challenging process of organisational change as well as deepening our connection to sectors ,our public and our stakeholders. <p>Council noted the report.</p>	
<p>9.2 Publishing and Literature Review</p> <p>In May 2015, Cabinet Secretary Ken Skates AM (then Deputy Culture Minister) announced a Review of Support for Publishing and Literature in Wales. The review panel was asked to assess the delivery of the main aims of the Welsh Government in supporting the publishing industry and literature in Wales, in both languages. This included looking at the scale and remit of current support, including the relationship between the bodies responsible for delivering this support.</p> <p>The report was published in June 2017. It contained some radical proposals, the most significant of which is to remove from Literature Wales some of the activities that they currently deliver (and the activities associated with that activity). Officers are not persuaded, on the basis of the information contained in the report, that the proposal is the right outcome. A response has been drafted for Council’s consideration.</p> <p>Council:</p> <ol style="list-style-type: none"> 1. Considered the contents of the paper 2. Discussed Council’s draft response 3. Delegated to the Chair and Chief Executive responsibility for submitting the final version of Council’s response 	<p>PG/ NC</p>

10. Ideas: People: Places

A presentation on the initial outcomes from the programme

Endaf Griffiths provided a presentation on the programme identifying some of the themes, outcomes and initiatives that were emerging as part of the evaluation of the programme. PG thanked EG for the presentation.

11. Directors' report

The report provided brief information from across the organisation.

Website

It was reported that the launch of a new website was expected to be operational around the start of the new financial year.

Wales: India programme

DA reported that all the selected projects in this programme of international exchange and collaboration were up and running.

12. Financial reports

Funding recommendations

Decisions on lottery applications of £50,001 or more require Council approval. A total of 6 recommendations were presented.

ID/Ref	Organisation	Request	Recommendation	Strand
20170840	Creu Cymru	£56,775	£56,775	Audience Development
20170118	Royal Welsh College of Music & Drama	£95,045	£53,608	Programme Support
20170821	Beyond the Border Storytelling Festival	£80,000	DEFER	Festivals
20170822	Llangollen International Musical Eisteddfod	£80,000	£80,000	Festivals
20170824	Vale of Glamorgan Festival	£69,500	REJECT	Festivals
20170809	Wales Millennium Centre	£80,000	DEFER	Festivals
		£461,320	£231,820	

Council discussed the recommendations.

Vale of Glamorgan Festival

Council members noted the officers' recommendation. Council understood the rationale for officers' assessment and recommendation, but wished to

know what other opportunities there might be to sustain this important festival of contemporary classical music. It was widely accepted that the Festival was an event of the highest quality. It is internationally recognised and unique in Wales. However, Council also noted that the Festival had a high degree of financial dependency on the Arts Council and that the scale of that dependency appeared to be increasing. This presented particular challenges at a time when overall funding was diminishing significantly.

Council acknowledged officers' detailed and careful assessment of the Festival's application and confirmed that it did not wish to disagree with the recommendation. However, Council asked that further discussions take place urgently with the Festival to explore whether an alternative approach could be found that better met Council's priorities.

Council considered and **agreed** the Lottery funding recommendations contained in the paper and **noted** the lists of grants awarded under delegated authority.

13. Date of the next meeting

Friday 13 October 2017, Arts Council of Wales, Cardiff

Council meeting Friday 7 July 2017: Summary of actions and decisions

Agenda item	Action/Decision	Responsibility
5.2	A paper proposing a new approach to Quality Appraisal will be presented to the December 2017 Council meeting.	DA
7.1	Council members will receive a copy of the Bulletin that is currently sent to AMs and MPs.	BM
7.1	Authority was delegated to the Chair and Chief Executive to action any mandates and authorities necessary to maintain business continuity. Any action taken under this arrangement would be recorded in the Minutes of the next available Council meeting.	NC
9.2	The Chair and Chief Executive were delegated by Council to prepare and submit the final version of Council's response to the Publishing and Literature Review.	PG/NC