

Council Minutes – meeting 165

Date of meeting:	Friday 18 May 2018.
Venue:	Japan Room, Wales Millennium Centre, Cardiff
Present:	Phil George (PG) Chair, Andy Eagle (AE), Mike Griffiths (MG), Melanie Hawthorne (MH), Andrew Miller (AM), Dafydd Rhys (DR), Richie Turner (RT), Alan Watkin (AW), and Marian Wyn Jones (MWJ) left after item 9.2.
In attendance:	Nick Capaldi (NC), Gwyn Williams (GW), Kath Davies (KD), Sian Tomos (ST), Angela Thomas [AT], Louise Wright [LW] and Katy Brown (KB) – minuting.
Apologies:	Iwan Bala (IB), Kate Eden (KE), John Williams (JW) and Rachel O’Riordan (ROR). David Alston (DA), Diane Hebb (DH).
Observing:	Andrew Stevenson (AS).
Translation:	Dafydd Frayling
Presenting:	Emma Robinson (ER), Age Concern
Status of paper:	For public release.

		Action
1.	<p>Welcome, introductions and apologies</p> <p>The Chair welcomed members to the meeting, which had been relocated from the Arts Council of Wales Cardiff office.</p>	
2.	<p>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>3. Minutes of the meeting held on Thursday 15 March and Friday 16 March 2018</p>	<p>The Minutes of the meeting were approved as a correct record of the meeting.</p> <p>PG reported that retired Council member Lesley Hodgson was unable to attend the meeting due to illness. Council asked that their good wishes should be conveyed to Lesley.</p> <p><u>Pay Remit</u> NC had issued a note to staff confirming that the Welsh Government had approved the Pay Remit application for 2017/18. It was noted that the Pay Remit for 2018/19 would be preceded by a salary review.</p> <p><u>Remit Letter</u> NC informed Council that the Minister for Culture, Tourism and Sport had issued the final version of the Remit letter for 2018/19. KB to circulate to Council</p> <p><u>Corporate Assurance Framework and Risk Register</u> It was noted that the Framework and Register will be discussed at the next Audit and Risk Assurance Committee meeting. It will be available to Council at its next meeting in July.</p> <p><u>Internal Communications</u> The internal communications strategy has been published on the intranet 'Hwb'. Two posts in the Communications team are currently vacant. Betsan Jones will be taking up post as the Web Content Editor on 21 May 2018. Sion Brynach has been appointed as the new Head of Communications and will take up post on 11 June 2018.</p>	<p>KB</p> <p>KB</p>
<p>4. Matters arising</p>	<p>All actions were recorded as complete.</p>	
<p>5. Committee reports 5.1 Audit and Risk Assurance Committee meeting held on 7 March 2018</p>	<p>DR asked that a minor amendment be made to the minutes. KB to inform the Committee minute-taker.</p>	<p>KB</p>

<p>Council noted the report.</p>	
<p>5.2 HR and Remuneration Committee meeting held on 2 May 2018</p> <p>MG provided members with a report on the recent meeting.</p> <p>Council noted the report.</p>	
<p>5.3 Welsh Language Monitoring Group meeting held on Friday 20 April 2018</p> <p>MWJ provided members with a report on the recent meeting.</p> <p><u>Welsh language theatre</u> A particular item for Group discussion had been ways of expanding Welsh Theatre, literature and other art forms in order for Council to increase the range and extent of Welsh language activity in Wales.</p> <p><u>Creative Learning Programme</u> The Group also received a briefing from DH on the extent of Welsh language input into schools through the Creative Learning through the Arts programme. The balance between English and Welsh language activities will continue to be monitored.</p> <p><u>Writers Guild in Wales</u> NC reported at the meeting that he had met with representatives of the Writers Guild in Wales. The Guild had also raised the lack of writers working in the Welsh language. In spite of surveys suggesting that more Welsh Language Theatre was being presented across Wales, attendance figures appeared to have dropped.</p> <p>PG was pleased to see an increase of a third in Welsh Language productions by Theatre Clwyd and a significant increase in the percentage of audiences attending that work.</p> <p>Council noted the report.</p>	
<p>5.4 Future Generations Monitoring Group meeting held on 26 April 2018</p> <p>MH provided members with a report on the recent meeting.</p> <p>The group looked at the “Values” section of the 7 Wellbeing Goals and changing behavioural ways in the organisation.</p>	

<p><u>Future operation of Monitoring Groups</u> MH sought Council’s view on whether the Group should continue in its current capacity.</p> <p>Future Generations and well-being is a priority and is embedded in all aspects of the Arts Council of Wales work. To reflect this, there might be merit in combining the current three Groups into a single entity. MH noted that this might also lighten the administrative burden for staff.</p> <p>Members noted that Monitoring Groups had specific reporting responsibilities that linked to our statutory annual reporting. It would be important that this is not lost, although it was noted that this could still be undertaken under the aegis of a single Group accepted.</p> <p>It was concluded that this needed to be an issue examined as part of Council’s next self-assessment exercise.</p> <p><u>Wales Audit Office conference on Future Generations</u> KD, ST and NC had attended a Wales Audit Office conference hosted by the Auditor General for Wales and the Future Generations Commissioner. It was pleasing to note that the Arts Council of Wales had been highlighted as an example of good practice.</p> <p>Council noted the report.</p>	<p>PG</p>
<p>6. Chair’s business 6.1 Chair’s Report</p> <p>PG reported on recent events and matters.</p> <p>Council noted the report.</p>	
<p>6.2 Audit and Risk Assurance Committee</p> <p>At its last meeting, the Audit and Risk Assurance Committee asked for clarification around protocols relating to the appointment of Committee Chairs. It was agreed that Council would seek legal advice. Legal advice confirmed that Council’s processes and procedures were adequately covered by Council’s Code of Best Practice.</p> <p>Council endorsed the proposal that KE be appointed as Chair of the Audit and Risk Assurance Committee.</p>	

6.3 Recruitment of Council members

PG reported that at present Council comprised 13 members, with a gender balance of 9 male and 4 female. Council **agreed** that this was not acceptable.

PG will be aiming to recruit 6 new members with a minimum requirement of 4 female members. He will also be pursuing the recruitment of BAME and disabled people as well as young people. Language and geographical representation were further criteria that were relevant to the recruitment.

It was noted that appointments to Council is a Welsh Government managed process. Members urged PG to persuade Welsh Government to adopt a more proactive recruitment strategy to increase the diversity of potential candidates.

It was suggested that one useful resource for broadening recruitment would be the next round of creative conversations. It was agreed that the recruitment process should not be rushed as new members would not need to be in post before April 2019.

Council **noted** the report.

PG

6.4 Council Self-assessment

Each year Council is required to undertake a self-assessment review of its performance. The outcomes of that review inform the Governance statement that appears in our statutory accounts.

Council undertook its last self-assessment in May 2017, focussing on the issues that exemplified the characteristics of good governance.

Council discussed the self-assessment process and agreed to dedicate an additional time slot at the next meeting.

PG

7. "CArtrefu"

Emma Robinson, Arts and Creativity Programme Manager, Age Cymru Wales provided a presentation on the 'CArtrefu' scheme.

Council thanked ER for the informative and impressive presentation.

9. Policy, Planning and Operations

9.1 Corporate Plan 2018-23 – targets

At the last Council meeting members agreed the broad outline of the new Corporate Plan for the period 2018-2023.

Council was not, however, convinced that the ambitions were satisfactorily reflected in the specific targets offered in the Plan.

There were a number of concerns:

- the rather Spartan language of the targets proposed didn't seem to sit comfortably with the more accessible tone of the rest of the document
- the absence of any context made it difficult to assess how ambitious (or not) the targets were
- the targets needed to encompass a broader range of our proposed activities

Members sought clarity around the baseline figures and provided some minor amendments.

Council **approved** the targets.

9.2 Staff Survey

Following last year's Organisational Review, staff have contributed to two surveys that have provided an opportunity for them to comment on organisational health and effectiveness. The first was co-ordinated by a specially convened Task Group made up of staff members; the second was undertaken by our internal auditors, Deloitte, as part of a wider review of the outcome of the Organisational Review. Both surveys could be completed by staff on an anonymous basis.

ST introduced the report and explained the programme of work either already underway, or planned for the near future.

Council discussed the survey results in detail.

Council noted that there were a wide range of comments, some of which appeared contradictory. Nevertheless, Members were saddened by some of the comments and noted that it would be helpful for Council to reflect on its

<p>role as part of future improvements.</p> <p>Achieving good communication between staff and Council is a high priority. It was agreed that in future PG will issue a note to all staff highlighting the key discussion points from Council meetings.</p> <p>Council noted the contents of the paper.</p>	<p>PG</p>
<p>9.3 Quality Appraisal</p> <p>Quality Appraisal is part of our overall approach to monitoring the artistic performance of the arts organisations that we fund. Currently, it is primarily based on written reports commissioned by us and from our National Advisers who comment on shows, exhibitions or events that they have attended on our behalf.</p> <p>Quality Appraisal is largely focused on the work of the 67 organisations that make up the Arts Portfolio Wales. However, we have also highlighted an ambition to extend Quality Appraisal to selected Lottery funded projects, although this has proved difficult to achieve.</p> <p>Key to our processes have been our National Advisers who have traditionally seen and reported on work. However, it has proved challenging to ensure a consistency of approach and coverage.</p> <p>Presenting the paper, NC introduced proposals for change. A draft of the paper had been reviewed by our internal auditors, Deloitte.</p> <p>Council discussed the contents of the report.</p> <p>Council agreed the new approach that was proposed and noted that it would be presented to the Audit and Risk Assurance Committee.</p>	
<p>10. International</p> <p>10.1 Cymru yn Fenis: Wales in Venice</p> <p>LW briefed members on the outcome of the recent selection of the artist for the next Wales in Venice: Cymru yn Fenis. The work had been undertaken by the Venice Advisory Committee, chaired by MH.</p> <p>The announcement of artist will be issued on the 25 May 2018. The press release will be embargoed until the announcement and Council members</p>	

<p>were asked to maintain absolute confidentiality.</p> <p>PG thanked MH, LW and the team for their hard work.</p>	
<p>11. Chief Executive’s business</p> <p>11.1 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>11.2 Building Resilience – non-public funding of the Arts</p> <p>In March 2018, the National Assembly’s Culture, Welsh Language and Communications Committee published the findings of its Inquiry into Non-public funding of the arts.</p> <p>The Committee had been interested to note the reference in the Arts Council’s 2017/18 Remit Letter encouraging arts organisations to be less dependent on public funding. Whilst not disputing the merit of ensuring that best value was achieved for every £ of public funding, the Committee was interested in examining the practicality of raising funds from other non-public sources.</p> <p>In doing so the Committee examined:</p> <ul style="list-style-type: none"> • how successful the arts sector in Wales has been in increasing non-public funding; • how non-public arts funding in Wales is shared out across Wales; and • whether there were international models of best practice that Wales could emulate. <p>A summary of the recommendations were also included.</p> <p>Council noted the report.</p>	
<p>12. Funding</p> <p>Arts & Business Cymru Funding Update</p> <p>Last year Council had discussed options for the delivery of a range of Business Development Services. This included discussion of the future of Arts</p>	

<p>& Business Cymru (A&BC), a regular recipient of Welsh Government/Arts Council grant funding.</p> <p>Council took the decision to support Arts & Business Cymru (A&BC) on a transitional basis for up to two years at £70,000 per annum. The intention was to allow time and resources for A&BC to become self-sufficient.</p> <p>A year on, Officers reported on progress prior to entering into the second and final year of the current financial arrangement.</p> <p>ST presented the most recent report of progress against the milestones.</p> <p>Council agreed to earmark a second year's funding of £70,000 for 2018/19, subject to the receipt of a formal report from A&BC that:</p> <ul style="list-style-type: none"> • summarises progress in 2017/18 • updates the final quarter's milestone targets • provides an updated version of the business plan and milestones for 2018/19 	
<p>13. Reports for information</p> <p>13.1 Bute Place Property Options</p> <p>GW presented the paper which provided Council with an update on the options for the future of our Cardiff office. The current lease expires on 31 January 2019.</p> <p>A range of potential properties had been considered. An important consideration was our need to generate running cost savings as part of our ongoing cost management plans.</p> <p>In the past few weeks GW had received an advantageous offer from the current landlord which looked as though it might provide a cost-effective basis for us to remain in Bute Place.</p> <p>Council noted the report and asked to be kept informed.</p>	GW
<p>13.2 Arts Portfolio Wales Radar Report</p> <p>The Arts Council of Wales Radar Report was established in 2011 following our first Investment Review. The 2010 and 2015 Reviews resulted in some significant changes within our Arts Portfolio Wales – the number of organisations receiving core funding from the Arts Council reduced from 104 to the current level of 66, and we introduced new arrangements for monitoring the organisational health and performance of Portfolio</p>	

<p>organisations.</p> <p>This was the second Radar Report since the introduction of the 'super red' category. This category includes those organisations facing extreme challenges such as potential insolvency, internal fraud, legal challenges, staffing crisis or serious governance failures. In noting these 'super red' clients, Council was informed that remedial actions are very thoroughly devised and followed through.</p> <p>The final change to the document is the inclusion of a section regarding progress within our annual monitoring cycle for the Arts Portfolio Wales. At this point in the cycle we can report that we have completed the Funding Agreements for 2018/19 and many of the first quarterly payments have been released.</p> <p>Council noted the report.</p>	
<p>13.3 Operational Plan 2017/18 Quarter 4 report</p> <p>Council noted the Year End Report reviewing progress against our Operational Plan targets.</p>	
<p>14. Date of the next meeting</p> <p>Friday 6 July 2018, Arts Council of Wales, Cardiff.</p>	

**Council meeting:
Friday 18 May 2018:**

Summary of actions and decisions

Agenda item	Action/Decision	Responsibility
3	Remit Letter for 2018/19 to be circulated to Council members.	KB
3	Corporate Assurance Framework and Risk Register to be on the agenda for the next Council meeting (July).	KB
5.1	The minute-taker of the Audit and Risk Assurance Committee to be informed of a change to the Minutes.	KB
5.4	Council to examine during the Council self-assessment session the merits of combining the current three Monitoring Groups.	PG
6.3	PG to work with the Welsh Government to try and ensure that the recruitment process for new Council members reaches a wider and more diverse pool of potential candidates.	PG
6.4	Time should be set aside at the next Council meeting to complete the self-assessment.	PG
9.2	Key outcomes of Council meetings to be communicated to staff.	PG
13.1	Council to be kept informed of any further developments relating to the Cardiff Offices in Bute Place.	GW