



ALBA | CHRUTHACHAIL

MINUTES

Finance and General Purposes Committee Meeting

Wednesday 19th April 2023, 10.00am – 12.30

Waverley Gate Office, Edinburgh /Hybrid meeting

Present:

Elizabeth Partyka (EP)	Chair and Board Member
Malath Abbas (MA)	Board Member
Stephanie Fraser (SF)	Board Member (joined online)
David Strachan (DS)	Board Member
Patrick Brown (PB)	F&GP Committee Member

In Attendance:

Iain Munro (IM)	Chief Executive
Anne Langley (AL)	Executive Director, Operations
Karen Lannigan (KL)	Director, HR & Office Services (secretariat)
Ian Stevenson (IS)	Director, Finance
Alastair Evans (AE)	Interim Director Strategy (for items 7&8)
Gordon Barnes (GB)	Head of Digital (for item 9)
Roseann Clark (RC)	Executive Assistant, Minutes

1.0	Apologies and Declarations of Interest
1.1	No apologies were received, and no Declarations of Interest were noted.
2.0	Previous Minutes February 2023
	Minutes from the previous meeting were noted as approved and ready to publish.

	It was agreed to invite the Head of EDI along to the July meeting to provide an update on key areas of work and progress made and clarity of any official relationship we have with Stonewall.
2.1	15 March 2023 Minutes
	Minutes from the March meeting were approved as an accurate record, in which it was agreed to publish the notes.
3.0	Actions from previous meetings
3.1	Actions from previous meeting were discussed and noted, noting actions completed and those that are carried forward to next meeting.
4.0	Finance
4.1	Management Accounts
	<p>IS provided an overview of the management accounts for the 11-month period ending 28 February 2023 for both CS GIA funded accounts and the Creative Scotland National Lottery Distribution Fund. The year-end position was not yet available.</p> <p>IS reviewed the major variances for both areas and projections to the year end, which, based on the draft year-end position, are broadly accurate excluding a pension provision required as a result of the triennial valuation process.</p> <p>The Committee noted the Management Accounts.</p>
4.2	2023/24 Budget Update
	<p>IS provided an update on the current position in relation to Scottish Government approval to spend the 2023/24 Budget.</p> <p>The Committee discussed the risks relating to the Scottish Government approval process and what mitigations and contingency plans are available.</p> <p>The Committee noted the update.</p>
5.0	Financial Stability for Funded Organisations
5.1	<p>AL provided an update noting that following CMI administration and given the level of resources and time dedicated to the CMI response, an After-Action Review (AAR) was undertaken to identify learning from this experience.</p> <p>It was noted the After-Action Review was concluded. It found that the level of response seen in the CMI case will be rare, but recommended that a statement of principle is developed, which can be used in guidance that recognises responses will generally be at the lighter touch end of the spectrum than this CMI experience. This has been developed and included in new guidance.</p>

	<p>The AAR also identified that additional tools and processes should be developed to support staff in handling these kinds of situations. A gap was identified around clarity of expectations of staff, in which staff felt uncertain in scenarios and of the process.</p> <p>A playbook has been developed for staff that holds all the relevant learning, information and guidance in one place, a method for deciding levels of response, i.e. priority, medium and minimal levels of response and associated levels of resourcing a method for assessing urgency learning materials/information to increase staff knowledge of this kind of issue.</p> <p>An associated Quick Reference Guide has been developed along with guidance and a process for capturing new instances of financial concerns and a process for reporting on these. A flowchart has been created that shows the key steps and roles for when a high priority response is require a new Intranet page where all of this information is held in one place.</p> <p>Two further areas of work underway and due to complete by the end of Quarter 1, A review of the Arts Council England and National Lottery Communities Fund provisions around Special Measures and Full Cost Recovery respectively to see how these might be adapted for Creative Scotland. Schedule drop-in sessions to introduce the playbook and principles to staff.</p> <p>SF thanked AL for the helpful update noting that an after-action review has happened which was needed. SF highlighted that some consideration of media or political role pressures and what they may play, out with staff’s controls, which is not included within the document.</p> <p>Transparency, media, comms and how we are making our decisions also needs to be included. It was also noted that there are organisations crucial to Creative Industries in Scotland which will need a different path.</p> <p>AL noted the feedback and will amend where appropriate, noting with regards to transparency, that we are limited in what we can say about specific cases, but principles can be shared. SF noted reiterated the need for transparency of our principles and to consider what elements we can make public.</p> <p>MA questioned as to what the Boards role should or shouldn’t be, asking what priorities go to board and what their position is and whether the document should provide guidance around this. AL noted that the dashboard can be shared with the board in confidence.</p> <p>The committee thanked AL for the helpful update.</p>
6.0	Estates
6.1	Smarter Working Update
	<p>AL provided an update following on from the previous meeting where detail was given on activity across the smarter working pillars, Place and Space, People and Policies, Tech and Tools and Project Management.</p>

AL confirmed the closure of the Task and Finish Group, noting that the plan shared today, sets out our working activity over the next 12 months.

The T&G group was made up of volunteers drawn from across the organisation and provided additional support to the Smarter Working pillars to facilitate a strong start to reinvigorating Smarter Working. Final pieces of activity are being wrapped up throughout April, in which a number of group members have offered to continue to provide virtual support to Smarter Working in the future, acting as a sounding board. Overall good momentum from the group has been maintained to continue to provide support.

Clarity on our position regarding offices is required in order to frame and progress with the other elements of the Smarter Working programme over the coming year, in particular the Estates Strategy.

The Smarter Working programme has adopted best practice in this area so far, in which the use of Team Charters is designed to allow the decisions about where we work to be led by the task and productivity.

The approach is not predisposed to any one type of working and has been adopted by other organisations where there are a wide range of locations and environments required to deliver the work.

An analysis of the pros and cons of this versus a more prescriptive approach identified benefits to recruitment and retention, productivity, flexibility and stakeholder connection and costs associated with our estate. Our recommendation is that we continue to adopt this approach.

The Estates Strategy will consider the office and location requirements of Creative Scotland and make recommendations for our future office space, including location, size and configuration. It will aim to achieve benefits in terms of cost and sustainability. AL noted if any committee members would like to work with us on the estate's strategy work, DS noting that he would like to volunteer.

EP noted the need to take the board along the journey, reiterating the Board's desire to ensure collaboration continues between staff and opportunities to meet in person are created.

SF noted the helpful information provided, noting the position on Estates and the need to look at and revise the estate strategy in light of the smarter working findings. It was also highlighted that not all collaboration is internal and that we should be looking at how we facilitate greater collaboration, looking outwards more and inwards less. SF suggested that having a more flexible estates strategy, would benefit this.

IM noted reflections in which the pandemic has accelerated this way of working but there is a need to find the right balance. Also noted that Creative Scotland's core work is to administer and support the sectors through running good funding processes.

	<p>EP noted that the progress made within this area of work is good and suggested that we need to be conscious of engaging all board members, so they understand the benefits this brings.</p> <p>It was agreed that AL would bring an update on Smarter Working to the May board meeting to talk the board through the measures and benefit monitoring, and the estates project and how we navigate this moving forward.</p> <p>It was confirmed by F&GP that the proposed recommendations were agreed and that the Board item is for information. The team should proceed with the estates strategy and other activity as recommended in the paper.</p>
7.0	Corporate Planning
7.1	Corporate Planning Update (Operational Plan)
	<p>AE attended to provide an update on the current status of the Annual Plan. It was noted revised wording recommended at the last committee meeting was incorporated where relevant within the plan and shared with Board.</p> <p>AE noted that the Plan is now in design stage with Comms colleagues and will be published as soon as possible, and we have begun to progress with some of the work agreed.</p>
8.0	Internal Performance Management
8.1	Performance Management update
	<p>AE noted that the Board have agreed the monitoring and evaluation framework and that colleagues in Knowledge and Research are currently working on the details of the final set of questions, including which external data will be brought in.</p> <p>We are working with Digital colleagues on the equalities monitoring framework, noting that we will begin to report against this for 2023-24. We will need to look at the comms element here, specifically how we communicate the tweaks to our questions with the sector.</p> <p>AE noted that Screen are developing their own strategy and the Knowledge and Research team are working with David and Isabel on the measures for this, noting that economic targets will sit alongside the wider CS framework of KPIs.</p>
8.2	Annual Review 21/22
	<p>EP noted that the following agenda item would not be coming to today's meeting as scheduled due to the Annual Review being delayed. The Director, Communications and External Relations has noted that this piece of work is in hand, but not yet complete.</p>

	<p>AL updated that due to resourcing and prioritisation there has been slippage with this work but reiterated that the Annual Review is a priority. A draft will be shared with the Committee via email on the 1st May 2023, for comment.</p> <p>EP noted the delay, requesting that going forward there must be an easier way for the team to deliver the annual review on schedule. All agreed that the Review is an important piece of work for the organisation and a better delivery plan should be in place for next year.</p>
9.0	ICT - Digital
9.1	Progress Update – including Finance System
	<p>GB provided an update, noting the Finance system migration and Phase one which is due to be completed in early May. Data migration dummy run is taking place this week to determine any issues with the transfer of existing data, in which a project meeting will take place on Friday and will determine readiness to be able to proceed. Phase two will follow swiftly and allow for full integration between our funding management System and the finance system.</p> <p>Continued progress to digitise our application processes, actively developing forms for the first Screen-related fund, Professional Development. New fund, Participatory Arts and Mental Health Fund and ring-fencing key periods in the year to devote time on developing for multi-Year fund.</p> <p>Meeting room fit outs have taken place across both sites to provide simple access to Video Conferencing via dedicated Microsoft Teams systems, which will facilitate Hybrid meetings.</p> <p>Foundational work for Public-facing Funding Management portal in which final work to upgrade some of the underpinning technologies is in place.</p> <p>Continued security to open up opportunity to develop future functionality, with better alignment with Scottish Government Design System.</p> <p>Ongoing work on our Digital Strategy and approach to Digital over the coming years post Digital Transformation.</p> <p>Key sections still to surface around Cyber Security, Environmental Implications of Digital and working closely with Karen Ridgewell to detail how Digital can be part of our overall approach to net zero.</p> <p>Significant changes given to our Digital Transformation journey from 2019 to present, noting transition from traditional IT set up with servers in a room to near 100% cloud-based service and enabling technologies implemented such as Teams.</p> <p>Mobile phones update, noting we have just retendered for SG procurement framework, in which Vodafone are now the preferred option. Reviewing our</p>

	<p>mobile connectivity to provide better service to colleagues and cost reductions on our existing mobile contract, which will better fit with the usage patterns of staff post pandemic.</p> <p>The committee thanked GB for the helpful update.</p>
10.0	HR & Office Services
10.1	Pay Review Update
	<p>KL provided an overview of the discussion paper issued to the committee ahead of the meeting noting that the Scottish Government pay strategy was only issued on 22 March 2023.</p> <p>Draft technical guidance was issued on 31 March along with a business case pro forma which all public bodies are required to complete, noting there is no date yet for when the final technical guidance will be issued.</p> <p>KL noted further discussion to take place with Scottish Government finance business partner and our sponsor team in terms of the central and ceiling metrics within the pay strategy and the business efficiencies and/or pay bill savings required, in terms of affordability.</p> <p>KL noted the implementation of the real Living Wage rate of £10.90 per hour, and it being applied to internships and Modern Apprentices, that Creative Scotland have paid above the real living wage for several years.</p> <p>KL highlighted that as part of the 2022 pay settlement Creative Scotland agreed to review and adapt the Scottish Government's Right to Disconnect agreement, which SG had jointly written with trade unions. This process is underway and will be completed shortly.</p> <p>The committee suggested that we should also be mindful of key people in higher grades, which tend to be penalised due, to pay increases benefitting only the lower grades.</p> <p>KL noted next steps, and more conversations needing to take place and that more detailed proposals would be shared with the committee in due course.</p>
10.2	HR Operational Update
	The committee noted the update provided.
10.3	Health & Safety Report
	The committee noted the update provided.
11.0	Any other business
	There was no other business to discuss.

12.0	Date of next meeting
	5 th July 2023 (Teams)