

Item 2.1

## MINUTES

### Finance and General Purposes Committee Meeting Wednesday 15<sup>th</sup> March 2023 9.30am – 11.00am MS Teams meeting



#### Present:

Elizabeth Partyka (EP)	Chair and Board Member
Malath Abbas (MA)	Board Member
Stephanie Fraser (SF)	Board Member
David Strachan (DS)	Board Member

#### In Attendance

Karen Lannigan (KL)	Director HR & Office Services (Secretariate)
Ian Stevenson (IS)	Director Finance
Anne Langley (AL)	Executive Director Operations
Alastair Evans (AE)	Interim Director Strategy
Roseann Clark (RC)	Executive Assistant (Minutes)

<b>1.0</b>	<b>Apologies &amp; Declarations of Interest</b>  Apologies received from Iain Munro (IM), Chief Executive and Patrick Brown (PB) (co-opted Committee Member)  No declarations of interest were noted.
<b>2.0</b>	<b>Budget 2023/24</b>
2.1	AL noted that an IM update was shared with Board on 14 <sup>th</sup> March and various conversations are ongoing between Creative Scotland (CS) and relevant Scottish Government (SG) colleagues regarding budgets for both 22/23 and 23/24.  AL confirmed that permission to spend the 23/24 RFO budget has been confirmed by SG. IS stated that the 120 contracts will be issued this week but that they have been delayed due to the SG approval process.  The Committee discussed the SG spend approval process, how it will impact delivery during 2023/24, what mitigations could be put in place and the associated communications required.

	<p>EP noted that the spend approval process poses risks around delivery and SF noted that she was concerned that some budget areas may not be delivered if SG approval is not provided. It was also recognised the significant levels of inefficiency that the SG process creates for CS.</p> <p>The Committee discussed options to address this issue and agreed that it should be discussed at the upcoming Board where an accompanying briefing should be provided. <b>Action: IS</b></p> <p>AL confirmed that the Future Funding Framework implementation is continuing to plan.</p> <p>EP asked whether there is support and understanding of the situation in the organisation. AL highlighted that the SLT team have been involved in various conversations and 2023/24 planning, therefore they are fully informed and engaged for the year ahead.</p> <p>The Committee discussed the 2023/24 budget and the observations and questions in PB's email. IS provided explanations for the movement in operating costs from the 2022/23 budget and the key changes in grant budgets that were mentioned in the paper. IS confirmed that more comparative information will be provided in the detailed budget document in future years. <b>Action IS</b></p> <p>IS updated on the National Lottery reserves and the letter dated 13<sup>th</sup> March from the CS Chair to the Cabinet Secretary for Constitution, External Affairs and Culture.</p> <p>It was noted that the revised Estates Strategy will go to Board in the Autumn, which will consider office space requirements and related costs.</p> <p>EP raised a question on the 2022/23 Screen numbers in the supporting table in appendix 1. IS stated that he would investigate the discrepancy and amend, if necessary, in the Board paper. <b>Action: IS</b></p> <p>The Committee agreed that, subject to the actions noted above, to recommend the 2023/24 budget to Board.</p>
<b>3.0</b>	<b>Planning - Draft Annual Plan 2023/24</b>
3.1	<p>AE provided a helpful update, noting that we are awaiting written confirmation from Scottish Government on budgets, and this will impact how we communicate the budget position in the Annual Plan.</p> <p>EP noted the need to be more upfront about activity in the Annual Plan being subject to any change in budget and AE noted he would have a think about how this messaging could be incorporated. <b>Action: AE</b></p>

	<p>SF noted that she felt the introduction was too gloomy a start, with more positivity not until para 5. EP echoed SF comments, noting that the introduction does not say enough about the good work achieved and planned, and it would be helpful to highlight the value and benefits of arts and culture more directly.</p> <p>DS queried whether we are being too specific in stating what we will do in the coming year, and whether all this activity can realistically be achieved. AE updated that extensive and challenging conversations have taken place with Leads about priority and deliverability and SLT are confident, budgets allowing. It was agreed that messaging re. Budgets should be re-enforced in the draft.</p> <p>MA noted with regards to 1<sup>st</sup> point on tone that we should highlight how important the Creative industries are in helping society navigate through challenging times and acknowledge the work people have been doing to achieve this.</p> <p>AE acknowledged point on tone, and that while targeted budgets have reduced to £5.1, this is still substantial, and we have 150 lines of projects that will move forward and have impact: this is still a positive message. <b>Action: AE</b></p> <p>EP noted with regards to international, Edinburgh International Film Festival is not mentioned, and this is a positive story. AE updated that the information was collated before we went public with the launch – it can be included here and potentially in Iain’s introduction. <b>Action: AE</b></p> <p>AE noted that the next steps were to bring the draft annual plan to Board on 30<sup>th</sup> March - at this point we are not finalised on all activity lines, with some conversations still ongoing with teams, but that these would conclude shortly. Board will consider for sign-off on 30<sup>th</sup> March, with the plan being published in April.</p> <p>AL noted the whole year of work has been plotted out in the FPDG (Funding Delivery Programme Group) along with capacity and timelines. FPDG has agreed that the plan is deliverable, and capacity is sufficient. It has been emphasised that we have no room for slippage of activity for any reason (including availability of funds) given the timeline for and priority associated with delivery of multi-Year funding. As a result, if there is slippage, the associated activity will likely need to pause and be reprogrammed into the next financial year as there is no capacity to push plans out within the 23/24 year.</p> <p>AL noted that F&amp;GP will be kept informed of any significant slippage in the plan or any unexpected activity that could affect a Fund opening.</p> <p>AE thanked the committee for their comments which he would reflect on and amend the annual plan where appropriate.</p>
<b>4.0</b>	<b>AOB</b>
4.1	AL thanked the committee for their support and feedback in relation to the pay review and strike related information. AL noted that she provided robust feedback from the committee to the Scottish Government, noting the expectation that the

financial impact will be added to the base line budget. AL also noted that if this form of approach happens again, we would not be supportive of this. AL confirmed that a response had not been received as yet and will keep the committee in the loop as and when a response is received.

KL provided a brief update on the PCS strike taking place today, noting that there is limited information at present. Initial attendance returns indicate approx. 20 members of staff are on strike today, noting that Waverley Gate building management has informed us that there is a small picket gathering outside the building. KL noted that she would keep the committee informed of any further significant information.

EP noted that it would be helpful to discuss having one of our committee meetings in person this year, EP noted that she would liaise with RC re a date which could work for this. **Action: EP & RC**