

Board of Trustees

26th April 2019
Council Chamber
10.00 – 1.00

Present:

Rhodri Glyn Thomas (President)
Gwilym Dyfri Jones
Steve Williams

Lee Yale-Helms (Treasurer)
Hugh Thomas
Lord Aberdare

Eleri Twynog Davies
Liz Siberry

Executive Team:

Pedr ap Llwyd Chief Executive and Librarian
David Michael Deputy Chief Executive and Librarian

Also in attendance:

Carol Edwards Governance Manager and Clerk to the Board of Trustees (Recorder)
Annwen Isaac Human Resources Manager
Nia Wyn Dafydd Partnership Council
Peter Owen MALD

1.1 President's Welcome and Opening Remarks

The President welcomed all those present to the meeting, and extended a special welcome to Pedr ap Llwyd to his first meeting in his role as Chief Executive and Librarian. Linda Tomos, Pedr and Rhodri had met the previous day and had discussed the formal transfer of duties to Pedr from here on.

After the meeting, Elin Jones AM, the Assembly's Presiding Officer, will uncover the portrait painted of her by David Griffiths, in the company of family and guests.

1.2 Apologies for Absence

Apologies had been tendered by Richard Houdmont, Iwan Davies and Dyfrig Jones and were duly received.

1.3 Declaration of Interests

The President declared that he is Trustee on the Board of the National Botanic Garden of Wales.

Gwilym Dyfri Jones declared that he is a member of staff at Trinity Saint David University and Non-executive Director of Coleg Cymraeg Cenedlaethol.

Liz Siberry declared that she is a member of the Council of the University of Wales, a member of the Council of the University of Trinity Saint David and a Trustee with Gregynog Charitable Trust.

Steve Williams declared that he is a member of Swansea University.

David Michael declared that he is an independent member of the Heritage Lottery Fund Audit Committee.

Pedr ap Llwyd declared that he is a Non-Executive Director with Coleg Cymraeg Cenedlaethol.

1.4 To approve the minutes of the meeting held on 15th February and discuss matters arising

The minutes were approved as a correct record of matters discussed; proposed by Hugh Thomas and seconded by Gwilym Dyfri Jones.

Matters arising from the minutes

Pay Increase

David Michael gave an update and stated that the Library has received guidelines with regard to the pay remit, but is waiting to see what Welsh Government's agreement with civil servants will be. The Devolved Sector Pay Group is collecting information about sponsored bodies' pay and terms of employment, and David will update the Board on any developments following the Group's next meeting.

2.1 Broadcast Archive Project

The Lottery Heritage Fund Board is expected to come to a decision on the Round 2 bid at its meeting in London on 11th June.

7.3 Trustees for the Pension Scheme Board

It needs to be formally noted that Trustees have agreed to Susan Davies continuing as Trustee for the Pension Board Scheme.

8.4 Repertory

During the Board's last meeting, it was promised that a paper on the Repertory would be shared with Trustees; Carol Edwards will forward the paper to Trustees after the meeting.

8.5 Board of Trustees External Appraisal

The Chief Executive was keen to postpone the external appraisal until the completion of the Tailored Review, as this review will look at the effectiveness of the Board. It would therefore be better to await the review's recommendations; Trustees agreed with this suggestion.

8.6 Mumph Collection

Politicians have expressed a great deal of interest in this collection as a number of them are portrayed in the cartoons. Both Alun Cairns, Secretary of State for Wales, and Lord Elis-Thomas have been urging the Library to purchase the collection, and Pedr ap Llwyd was pleased to announce that the Library has now committed to purchasing the collection. Mal Humphreys was asking £100k for the collection, but the Library has succeeded in lowering the price to £75k, and this price also includes the copyright for the collection.

We intend to use £50k from the Purchasing Grant, and raise £25k ourselves to meet the cost. A letter has been drafted to be sent to Welsh politicians outlining the significance of the collection and

asking them to consider contributing towards the purchase cost. The Fundraising Task and Finish Group has been asked to note this intention.

Any politician who has contributed will receive a cartoon of their choice as a token of our appreciation. As we are on the verge of celebrating twenty years of devolution, it was agreed that it would be an appropriate time to release a press release about the collection.

The Library already owns Illingworth cartoons, and therefore the Mumph Collection will be a valuable addition to our collection of political cartoons.

1.5 Action points from the meeting held on 23rd November

All actioned.

Section 2 Matters for discussion or decision

2.1 Medium Term Financial Plan

The Treasurer presented the Strategy.

He stated that the Financial Planning Committee had discussed it in detail during its meeting on 5th April, and that Members had unanimously decided to suggest adopting the following option:

“the Library's unrestricted private funds would contribute annually from 2020/21 to support the running costs of the Public Funds - and in particular the pay award.”

This would entail setting aside £1.4m from the unrestricted private funds over the next four years, with £300k per year from 2020/21 until 2022/23, and then £500k in 2024.

According to the Treasurer, failure to do so would be detrimental as it would mean reducing the workforce and cutting our services.

The President stressed that the funds needed only to be set aside at this point, and that the decision would not be executed should the level of GIA be increased to where it should be.

Some concern was expressed regarding the use of private funds to this end, but it was agreed that Trustees needed to demonstrate responsible planning for the future, and following discussion it was agreed that the Financial Planning Committee's recommendation should be adopted.

It was agreed that the Strategy would be reviewed on an annual basis, and it was requested that the Executive Team updates the Board on the situation with regard to funding at each meeting from now on, especially the dialogue needed with Welsh Government with regard to the insufficiency of current funding.

In response to a question, David Michael stated that all private funds, apart from £500k, were unrestricted funds, and that the Board could use its discretion in spending that money. The sum of

£300k from private funds was decided on as this is the amount of interest on the capital of £11.6m - the capital would not be used at all. It was therefore stressed that it would be the annual income derived from the private funds that would be used should we have to execute this decision.

The vote was unanimously in favour of guaranteeing the total of £1.4m until the end of 2024 and the Chief Executive thanked Trustees for their support. The Library will start lobbying Welsh Government regarding the insufficiency of the current GIA, and will request also that it recognises the increasing pressure on the Library to generate more income. The Chief Executive and Deputy will raise these issues with Welsh Government and report back to the Board.

2.2 Board Committee Structure

As the Tailored Review is underway, it was decided that no changes would be recommended to the structure of the Board's committees for now, until the review has been completed.

It was stated that a new chair was needed for the Governance and Performance Committee. The Chief Executive suggested that this could be done following the completion of the current process of appointing new members to the Board, and that in the meantime one of the current members could be asked to step in. Members agreed with this suggestion and Eleri Twynog Davies agreed to chair the meeting on 17th May.

Section 3 Information and Updates

3.1 Y Gen January - March 2019

'Y Gen' report was presented by the Chief Executive and he wished to thank staff for the substantial work that is highlighted in this report.

In response to a question asked by Trustees regarding the circulation of this report, it was confirmed that it is available to the public on our website. It was also suggested that it should be sent to the Friends.

<https://www.library.wales/about-nlw/governance/corporate-documentation/>

A point was raised with regard to informing Trustees of any events occurring in their area, so that they can attend and represent the Library. It was promised that this would be executed.

3.2 Executive Plan January - March 2019

3.3 Performance Indicators 2018 – 2019

3.2 and 3.3 were taken together.

The Remit Letter was received very late this year, and the Chief Executive will start working on the Executive Plan for 2019 /2020 shortly. It will be circulated to Trustees for comment. Discussions are currently underway with Welsh Government to agree on practical and useful performance indicators for the coming year.

It was asked whether or not a short report could be prepared on the 5 most important indicators and the 5 that are problematic with regard to achievement. The Chief Executive agreed to prepare a report for the next Board meeting and to invite Owain Roberts, Interim Director of Collections and Public Programmes, to the meeting to deliver a short presentation, as he has been discussing the indicators with Welsh Government.

3.4 2019 - 2021 Remit Letter

One Trustee expressed concern that the financial annex to the Remit Letter does not recognise the Library's significance and status as a national institution and that it would not be possible to achieve everything stipulated in the Letter within the set budget. Although the Chief Executive sympathized a great deal with the Member's comments, he stated that the contents of the Letter had been discussed several times by the Library and Welsh Government, and that we had agreed to the contents before receiving the Letter. The Library will endeavour to achieve the requirements stipulated in the Letter, and considering the fact that a number of the requirements listed in the Letter are also included in our strategy, we are confident that we can satisfy the Government's requirements. However, achieving these will be no mean feat and will require hard work and a diligent effort from our staff.

"Continue work to increase funding from external sources" - it was asked whether the Library could try and negotiate funding for achieving this, and the Executive Team agreed to initiate dialogue with Welsh Government on this issue.

"Continue to provide strategic support to the wider library sector in Wales" - concern was expressed that public libraries are funded by the councils and that those councils are closing more and more public libraries or depending on volunteers to run them. The President stated that the Library is more than happy to offer support and collaboration to public libraries, but that it would not accept any responsibility for them.

Section 4 Financial Matters

4.1 Management Accounts until the end of March 2019

David Michael presented the management accounts. At the end of the financial year, Welsh Government gave the Library an additional £250k of GIA - £155k towards pay revenue costs and £95k in RCAHMW rent for the next year. David wished to express his gratitude to Welsh Government for this, as it means that the Library breaks even at the end of the financial year.

There is underspend in capital expenditure but the contract for the work on the building is about to be let.

The Treasurer and President both thanked the Executive Team for achieving a balanced budget at the end of the financial year.

Section 5 Committee Reports

5.1 Draft Minutes of the Buildings Advisory Committee held on 13.03.19

David Michael outlined the latest situation with regard to the asbestos dispute. The Library has come to an agreement with John Weaver and John Weaver has received instruction from the architect. David thanked Liz Siberry and Hugh Thomas for their assistance and advice, and also Richard Baker and Huw Davies from Welsh Government. With regard to Lucion and Kaefer, the Library continues to search for evidence to see if it is possible to take legal action against them.

David also stated that Welsh Government has now set aside additional capital funds of £1.325m that will enable the Library to let the whole contract for the building works to the main building. The work on the building will therefore commence in May.

Liz Siberry, Chair of the Buildings Advisory Committee, added that talks with Ceredigion County Council and Cadw had led to the Library being able to build a very positive relationship with them.

It was further stated that Welsh Government officers had been regularly updated on these issues and that the Library had sought and received their approval for every step. The Executive Team is immensely grateful to those officers for their advice and cooperation.

5.2 Draft Minutes of the Financial Planning Committee held on 05.04.19

The Chair, Lee Yale-Helms, stated that the main topics for discussion were the budget, management accounts, Purchasing Grant and Mid Term Financial Strategy. As these were draft minutes, the Chair will contact the Clerk with any amendments.

5.3 Draft Minutes of the Audit and Risk Committee held on 12.04.19

The Chair, Hugh Thomas, stated that the Committee had scrutinized the Annual Report on Procurement, and had asked for a report at the next meeting on the Library's partnership work both locally and UK-wide, to ensure best value from suppliers in terms of price, quality and service levels.

The Risk Register is being updated following the Committee meeting, and the Chair asked for the Register to be presented to every meeting off the Board of Trustees from now on.

Grant Vernon, Audit Manager, Audit, Assurance and Counter Fraud Division, Welsh Government, gave a presentation on a joint service approach to internal audit services. The Chair wished to remind Trustees of the need to ensure that the quality of the internal audit service is maintained, and that any decisions should not be based solely on cost.

5.4 Fundraising Task and Finish Group

In the absence of Richard Houdmont, Chair of the Group, the Chief Executive outlined the discussions. The Group had considered the current situation with regard to fundraising, and a paper presented to the Board in 2016 on this issue was discussed. It was also stressed that fundraising should be used for additional projects, and not core services. The Group was informed that only one member of staff works on fundraising and the Executive Team was asked to prepare justification for additional staff resources for fundraising.

The Group agreed on the following objectives for the year - focus on legacies, trusts and micro payments via the website. The next step will entail the Chief Executive preparing a paper on additional staffing resources for fundraising, preparing a list of the 20 major trusts, and experimenting with "popups" for gifting on the website. Lord Aberdare will also draft a short paper on his experience of fundraising.

A discussion ensued on how Trustees could support the fundraising work, and Lord Aberdare was thanked specifically for being an ambassador for the Board and the Library at the House of Lords and the House of Commons. The President also reminded members about the Friends scheme and the Clerk to the Board stated that she would ask Rhian Evans to send out membership forms to Trustees.

The Chief Executive and Librarian reported that news of a very substantial legacy had started to reach the Library during the past few days: further news to follow shortly.

Section 6 The Librarian's Business

6.1 House of Lords Event – feedback

The President thanked Lord Aberdare for being patron of this very successful evening. Approximately 70 invitees attended the event, and it was obvious that they had enjoyed. A follow-up letter, as well as the Collections Fund brochure and Friends membership form, will be sent to all those who attended the evening.

6.2 Tailored Review

Julia Douch, Head of the Public Bodies Unit and Lindi Lloyd, Welsh Government Head of Service Delivery and Improvements, met with the Chief Executive, David Michael and Carol Edwards to discuss the scope of the review on 28th March.

The Library is the first public body in Wales to agree to this type of review. The defined scope, remit, schedule, process and reporting mechanisms will be jointly agreed by Welsh Government and the Library, with the Public Bodies Unit taking the lead and facilitating.

The Library has submitted representations on the initial scope, and Iwan Davies, Trustee, has agreed to be a member of the panel. The Library anticipates further information and documentation shortly.

6.3 2018 - 2019 Annual Review

Before retiring, Linda Tomos drafted initial text for the review and the Chief Executive is currently amending it and adding to it, before it is sent to the designer. It is hoped that a draft version will be available for sharing with Trustees shortly.

6.4 PhD Scholarship

Coleg Cymraeg Cenedlaethol has agreed to fund a joint PhD with the Library and Bangor University. The advertisement will appear shortly, and is a joint advertisement between us, Bangor University and Coleg Cymraeg Cenedlaethol.

The Chief Executive proceeded to explain that the Library would have an independent presence at the National Eisteddfod this year.

6.5 Hay Festival

It was agreed that the Chief Executive should consider how the Library could have a presence at the Hay Festival from next year.

Section 7 The President's Business

7.1 Appointments to the Board of Trustees - update

The President reported that 14 applications had been received, and that 9 applicants were due to be interviewed between 30th April and 2nd May. Unfortunately, there has been further delay on the part of the Government and the dates have now changed to 22nd and 23rd May. Those appointed are expected to commence on 1st July.

The interview panel for the role of Vice President will be Peter Owen, Mai Parry Roberts and Rhodri Glyn Thomas, and for the roles of Trustee, Mary Ellis, Mai Parry Roberts and Rhodri Glyn Thomas.

Section 8 Any Other Business

8.1 Storage of Digital Collections

The Chief Executive introduced Illtud Daniel to provide a background to storing digital collections.

We are now receiving more materials electronically than in print, and are also archiving Web content - the workload is shared between all legal deposit libraries. The information is stored in four "nodes" - 2 at the British Library, one in Scotland and one at the National Library of Wales; giving us greater assurance that no data will be lost. The British Library is leading a proposal to end information storage at the Library itself and move towards cloud-based storage; there are several possible models for doing so, but to date no costs have been provided.

Illtud asked for Trustees' opinion on this, and whether or not they felt it was important that this information continues to be stored at the Library. Members felt that the Executive Team and relevant members of staff should continue with the discussions and present a report to the July meeting, to update the Board.

8.2 Peter Owen

The President expressed his sincere thanks to Peter Owen, as this would be his last meeting before retiring. Peter has been extremely supportive of the Library during his short period at MALD and we will sorely miss his support. We wish him a very long and happy retirement, and the President was pleased to present Peter with a gift on behalf of the Board and the Executive Team as a token of appreciation for his support to the Library over the years.

Peter thanked the Trustees and the Executive Team for their good wishes, stating that he had enjoyed his contact with the Library. He stated that it was an exceptional institution with excellent staff that are fully supported by the Board.

**** END OF MEETING ****