

## Board of Trustees

18<sup>th</sup> September 2020

Virtual Meeting

10.00 – 1.00

### OPEN SESSION: 10.00 – 1.00

#### Present:

Meri Huws (Interim President and Chair)  
Eleri Twynog Humphries  
Gwilym Dyfri Jones  
Steve Williams  
Mike Cavanagh

Lee Yale-Helms (Treasurer)  
Liz Siberry  
Lord Aberdare  
Gwenllian Lansdown Davies  
Quentin Howard

#### Executive Team:

Pedr ap Llwyd	Chief Executive and Librarian
David Michael	Director and Deputy Chief Executive and Librarian (Corporate Resources)
Owain Roberts	Director and Deputy Chief Executive and Librarian (Collections and Public Programmes)

#### Staff:

Annwen Isaac	Human Resources Manager
Carol Edwards	Governance Manager and Clerk to the Board of Trustees (Recorder)

#### Observing:

Catrin Hughes	CyMAAL
Nia Wyn Dafydd	Partnership Council
Doug Jones	Partnership Council

### 1.1 President's Welcome and Opening Remarks

The President welcomed everyone to the fourth virtual meeting of the Library's Board of Trustees, and extended a special welcome to Chris Roscoe from Natural Resources Wales, member of the Future Generations Leadership Academy, who will be working closely with the Chief Executive and Librarian during the coming months as part of the Academy's reverse mentoring scheme.

The President thanked those members of staff responsible for ensuring that internal building works had been able to progress in the building during these unusual times, and stated that one can see exceptional improvements in the Main Hall and Gregynog Gallery. She also thanked those members

of staff who had been holding online sessions on the 'Curators Present' and 'Eisteddfod Amgen' platforms over the summer, enabling the Library to reach out to numerous audiences.

The President was also grateful to the security staff for their commitment during the pandemic, safeguarding both the building and the health of members of staff and public alike.

It was reported that a meeting had been held with the Deputy Minister earlier in the week. The main topic discussed during the meeting was the funding situation. It was noted during the meeting how the Government's Star Chamber had considered a package that would support the arms-length organisations that have suffered as a result of the pandemic, however unfortunately the Deputy Minister could not divulge any information on the Chamber's decision. It is anticipated that the budget will be announced on 8<sup>th</sup> December, however to date there is not much to report on the general funding position.

It is anticipated that the Tailored Review will be published next week, and a joint statement will be agreed between Welsh Government and the Library; following that, Welsh Government and the Library will work on a joint action plan to address the report's recommendations.

The Deputy Minister was updated on the Strategic Plan that will be approved by the Board in November.

A joint public appointments process between Welsh Government and the Library will commence shortly to appoint a President, Treasurer and five Trustees. Everyone is encouraged to think of suitable individuals who could be encouraged to apply for these posts.

## **1.2 Apologies for Absence**

Apologies had been tendered by Carl Williams, Anwen Jones, Elin Royles, Hugh Thomas and Steffan Roberts, CyMAAL.

## **1.3 Declaration of Interests**

Meri Huws declared that she is a member of the Council of the University of Aberystwyth, a Non-executive Director of Coleg Cymraeg Cenedlaethol, a member of the VTCT Board, and a Board member for Shelter Cymru.

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

Steve Williams declared that he is a member of staff at Swansea University, Chair of WHELP and Trustee on the CILIP Board.

Mike Cavanagh declared that he is Head of Cultural, Leisure, Tourism and Registration Services with Pembrokeshire County Council, and is working in partnership with the Library on the Riverside Gallery project, Haverfordwest.

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

Eleri Twynog Humphries declared that she is involved with the Children's Festival of Welsh History, that is being supported this year by the National Library's Education Department.

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 24<sup>th</sup> July 2020 and discuss matters arising**

The minutes of the meeting held on 24<sup>th</sup> July were approved as a correct record of the matters discussed.

#### **Matters arising from the minutes of the meeting held on 24<sup>th</sup> July**

##### **Income Generation**

A meeting of the Income Generation Group was held on 10<sup>th</sup> September, and the Chief Executive thanked Lord Aberdare, Liz Siberry, Eleri Twynog Humphries and Meri Huws for joining. This Group will be turned into a Task and Finish Group, tasked with drafting an income generation strategy before the end of the year. The group will meet again in a month's time, to receive a progress report.

##### **Pension Scheme Board**

In the last meeting, it was confirmed that Anwen Jones would join as a Trustee of the Pension Scheme Board, and the President noted that she herself had volunteered as the second Trustee. All members agreed to these appointments.

##### **Technical Infrastructure**

An update was provided on the incident in October 2019 that required the fire brigade to attend to deal with an incident involving equipment that had overheated. An application has been submitted to Welsh Government for capital funds to replace equipment, and the Library is awaiting the result of that application. This has been discussed by the Buildings Advisory Committee and the Financial Planning Committee, and is a high priority for the Library.

## **Black Lives Matter**

The Chief Executive and Librarian confirmed that an internal programme of work is available, and that the issue is also a consideration in drafting the new Strategic Plan.

## **Cyber Security**

Following the meeting, a link to the National Cyber Security Centre's cyber security toolkit will be circulated to members. Members will need to decide how they wish to implement this training.

### **1.4.1. Action Log 24.07.20**

All items have been actioned or are in progress.

### **1.5 Minutes of the closed meeting held on 24<sup>th</sup> July**

Any comments on the minutes of the closed meeting held on 24<sup>th</sup> July should be presented to the President and/or Clerk to the Board.

## **Section 2 Matters for discussion and decision**

### **2.1 International Strategy**

The Chief Executive presented an initial high-level draft of the Strategy, stating that this is the first international strategy that the Library has ever considered adopting. The draft strategy draws on the strategy of Eluned Morgan, Minister for International Relations and the Welsh Language, that has received cross-party support. This strategy aims to;

1. Provide an opportunity for us to take our culture to the world
2. Support Welsh Government's central strategy, and an opportunity to collaborate with Welsh Government's international officers on a global level
3. An opportunity to generate income and foster relationships

Members welcomed the Strategy as a very positive step in our efforts to highlight our rich culture and collections to the world.

Amongst comments received, it was noted that the Welsh landscape needed to be included whilst developing the narrative, as the landscape has such a prominent role in the works of numerous artists and has inspired many, and it also sits with the 2020 thematic year, Year of Outdoors. The strategy could be an opportunity to highlight the wealth of our collections. It was emphasised that we need to focus on doing a few things well, rather than trying to achieve too much, as well as trying to foster networks with Minority Language Commissioners and societies.

Members were invited to present any further comments on the initial draft to the Chief Executive and Librarian by 1<sup>st</sup> October, and advised that a revised version would be presented to the Board at its November meeting.

## **2.2 The Impact of Covid-19 on the Library's activities and events**

Owain Roberts presented an update on activities and events, and stated that the reading room had reopened, offering a limited service, on 1<sup>st</sup> September. He thanked the staff for their work in ensuring that the reading room could reopen, and reported that feedback to date had been positive.

The following activities have also resumed;

- Receiving and processing physical items (including items for legal deposit)
- Preservation works on physical items
- Curatorial works on site
- Digitisation works

Approximately 60 members of staff are on site on a daily basis, with approximately 120 having received induction to attend at different times.

A concern was noted that the Library is offering free copies of printed material to remote users via the quick scan service, especially in light of the fact that the Library is losing income as a result of Covid-19. However it was noted that this was a small price to pay in order to mitigate the effects of the current limited service that is not being delivered to our usual standard.

It was noted that there has been an increase in the use of online resources, and the Library was urged to look at feedback on the services that have had the most use to drive the digital agenda during the next period.

The NHS Covid-19 app will be released on 24<sup>th</sup> September, and the Library is keeping an eye on the situation, and intends to operate this system once it is released; members were reassured, however, that there is a track and trace system in operation at the building.

Owain Roberts noted that the Education Service would be working on the following areas over the coming months:

- Increasing online digital resources
- A virtual programme of Zoom sessions to hold remote workshops
- Responding to the Curriculum Bill

It was confirmed that the online shop will be operational in time for Christmas trading, having resolved some technical issues. It was also noted that the Library will be collaborating with the Welsh Books Council to sell its books. Although the Library does not currently use Amazon or eBay to sell goods, members were eager for the Library to consider a presence on alternative selling platforms in order to increase its commercial income.

Going forward, it was agreed that this report should report on future plans - mid term and long term, that will have to be implemented in light of the continuation of the pandemic.

### **2.3 Contingency Funds Policy**

The Contingency Funds Policy was presented to the Financial Planning Committee at its meeting on 14<sup>th</sup> August, when the appropriate level of contingency funds (£10m) was discussed and the possible uses of these funds updated.

A minimum of £10m was set, with £5.5m of this notionally earmarked as an endowment fund for the National Broadcast Archive, and £4.5m as general conditional contingency funds. These sums were set for the following reasons;

- The funds for the National Broadcast Archive have been set at £5.5m as this is the level of capital resources deemed necessary to generate an income of £200k to fund operational costs based on a rate of return of 3.5%.
- The general contingency funds have been set at £4.5m considering the general level of funding risks the Library faces in relation to its level of certainty with regard to its GIA funding and the possible demands on contingency funds to fund other items.

The Board was assured that the policy would be reviewed on an annual basis due to the volatility of the funding climate, and although members agreed that this was a sensible step to take, it was requested that a clause be written in to state that the funds should not fall below £10m under any circumstances; this would eliminate the need to review the Policy urgently should the funds unexpectedly fall below £10m.

It was noted that regular reports are being provided by Investec, the investment managers, giving the Library assurance and mitigating the risks as far as is possible. Investec will deliver a presentation to the Financial Planning Committee at its meeting on 16<sup>th</sup> October, and an update will be prepared for the Board following this.

The Board agreed in principle to approve the Contingency Funds Policy, subject to the inclusion of a clause stating - Should the Board of Trustees come to a decision that causes the value of the contingency funds to fall below £10m, then the Financial Planning Committee will consider the matter at its next meeting.

With regard to the use of up to £1m to fund redundancy costs, members were assured that there were no public funds available for this purpose, and should the Library not use private

funds then it would have to identify yet further savings. Members agreed in principle to the use of contingency funds to support restructuring, however they were uncomfortable with fixing a specific sum for doing so.

The Board therefore agreed in principle to the use of a sum of money, yet to be determined, but likely to be a substantial sum, from private funds, to support the restructuring and to fund the redundancies.

## **2.4 Activities Timeline**

The timeline was presented to the Financial Planning Committee at its meeting on 14<sup>th</sup> August, following a request at the previous Board meeting in July. The Chief Executive and Librarian thanked Annwen Isaac for preparing the time line, and noted that any variation to the timeline would be reported to the Board immediately. Members were extremely pleased with the update on the timeline.

## **Section 3 Chief Executive and Librarian's Report**

The Chief Executive and Librarian presented his report, summarising activity since writing the report.

### **National Broadcast Archive**

The Heritage Lottery Fund's Wales Committee met on 10<sup>th</sup> September, and has approved the new vision for the Archive. However the Committee has asked for more information in some areas, that would further strengthen the bid, in order to ensure that the UK Committee approves the bid in due course.

The Committee also wished to stress that the bid's success depends on financial backing of £1m from Welsh Government towards the project. Welsh Government has received a copy of the amended bid in August, and has requested further information. Catrin Hughes from CyMAAL confirmed that the new plan is closer to what Welsh Government wished to see, and that the Deputy Minister welcomed the changes. The £1m continues to be earmarked by Welsh Government for the project, and Catrin hoped that a new business case would be presented to the Deputy Minister shortly.

### **Tailored Review**

A press release had been drafted by the Library, and was sent to Welsh Government this morning for their contribution. A joint statement will be published next week.

## **Political Manifesto**

The Chief Executive has drafted a political manifesto that he hopes will be shared with the authors of the political parties' manifestos.

## **National Museum Wales**

It was also noted that there have been helpful discussions recently between the Presidents and Chief Executives of the Library and the Museum to discuss issues of interest to both parties and to share information.

## **Section 4 Conformance and Risk**

### **4.1 Corporate Risk Register and Departmental Risk Registers**

At the Board meeting on 24<sup>th</sup> July, a request was made to see the Library's departmental risk registers, so that Trustees could be satisfied that departmental risks are being managed and mitigated effectively and efficiently. This is an issue highlighted by Audit Wales and The Charity Commission in light of Covid-19, and Trustees were pleased to receive assurance that risks are being managed appropriately on both a departmental and corporate level within the Library.

As the Board has been appropriately reassured, it was decided that there would be no need to present these registers to the Board from now on, however it was felt in order to ensure due diligence that a list should be circulated to the Board along with the dates of revision/updating.

It was suggested that the registers should be consistent with the Corporate Risk Register, and that a standard format should be used for them. It was also suggested that the Audit and Risk Committee should conduct a "deep dive" of a specific area at each meeting to ensure robustness.

The Corporate Risk Register was noted, and members had no questions or comments.

## **Section 5 Financial Matters**

### **5.1 Management Accounts July 2020**

David Michael presented the Management Accounts, and highlighted the fact that commercial income had fallen to £17k, but that the Library had received over £200k from the

furlough scheme Once staff are working in the building once again, the money from the furlough scheme will disappear.

The underspend of £163k on non-staff costs is attributed to the fact that the Library has been closed due to Covid-19.

The Financial Planning Committee will receive more up-to-date management accounts for scrutiny at its meeting on 16<sup>th</sup> October, and will also review the budget, and present an amended budget to the next Board meeting in November.

ELERI TWYNOG HUMPHRIES LEFT THE MEETING AT 12.10

## **Section 6 Committee Reports**

### **6.1 Draft Minutes of the Financial Planning Committee held on 14.08.20**

The Chair, Lee Yale-Helms, stated that the Terms of Redundancy and Pension Scheme would be discussed in the closed session following this meeting. Members had no further questions or comments on the draft minutes.

### **6.2 Draft Minutes of the Governance and Performance Committee meeting held on 04.09.20**

For various reasons, the Committee had not met since May 2019, however it has now been reconvened, with Meri Huws as Chair. This committee will have a crucial role in scrutinising the action plan for delivering the recommendations of the Tailored Review, and to this end an additional meeting of the Committee had been arranged for 2<sup>nd</sup> November. The Committee will report to the Board on its initial steps at its November meeting.

### **6.3 Draft Minutes of the Buildings Advisory Panel held on 04.09.20**

It was noted that most of the internal works on the building had been completed, except for the windows in the North Reading Room. It is anticipated that works on Gregynog Gallery will be completed in the next four weeks.

Asbestos claim - David Michael will follow this up with the solicitors.

It was suggested that photos should be taken, and a film produced to show Trustees the internal works that have taken place at the building over the past months.

## **Section 7 Any Other Business**

### **7.1 2020 Business Cycle**

It was requested that a Progress Report on the Operational Plan is placed on the agenda for the next Board meeting, as the Board had not received one at the last two meetings.

### **8. Any Other Business**

It was asked if Trustees could visit the building if they happened to be in the vicinity; the Chief Executive and Librarian stated that they would be welcome but that they would need to arrange this before hand.

**\*\* END OF OPEN MEETING \*\***