

Board of Trustees

26th March 2021

Virtual Meeting

11.00 – 1.30

OPEN SESSION: 11.00 – 1.30

Present:

Meri Huws (Interim President and Chair)
Liz Siberry
Gwilym Dyfri Jones
Carl Williams
Mike Cavanagh
Anwen Jones
Hugh Thomas

Lee Yale-Helms (Treasurer)
Lord Aberdare
Steve Williams
Gwenllian Lansdown Davies
Quentin Howard
Elin Royles

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
Emyr Phillips	Head of Finance and Enterprise
Rhian Evans	Senior Executive Officer
Carol Edwards	Governance Manager and Clerk to the Board of Trustees (Recorder)

Observers:

Steffan Roberts	CyMAAL
Nia Dafydd	Partnership Council
Doug Jones	Partnership Council

1.1 President's Welcome and Opening Remarks

The President welcomed all those present to the seventh virtual meeting of the Library's Board of Trustees, and extended a special welcome to Steffan Roberts, CyMAAL, who was attending the meeting instead of Catrin Hughes.

1.2 Apologies for Absence

Eleri Twynog Humphries had tendered her apologies.

1.3 Declaration of Interests

Meri Huws declared that she was 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 was a member of staff at Trinity Saint David University and Non-executive Director of Coleg Cymraeg Cenedlaethol.

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

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

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

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

Elin Royles declared that she was a member of paid staff at Aberystwyth University, and that her husband worked for S4C.

Anwen Jones declared that she was a member of paid staff at Aberystwyth University.

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

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

1.4 To approve the minutes of the meeting held on 29th January 2021 and discuss matters arising

The minutes of the meeting held on 29th January 2021 were approved as a correct record of the matters discussed.

Matters arising from the minutes of the meeting held on 29th January 2021

National Archive for Wales - following the Deputy Minister's announcement on 11th December 2020, there had been no further discussions between the Library and Welsh

Government have taken place, mainly due to the fact that they had had to prioritise Covid-19. Steffan Roberts noted that as it was nearing the pre-election period, this was an issue that the next government would have to deal with.

NCSC toolkit on cyber security - the Executive Team would begin a series of 5 training sessions on 19th April, and then would set priorities and allocate resources, creating a new post in the restructuring process to deal with cyber security, with the intention of producing a Cyber Security Strategy and Action Plan.

1.4.1. Action Log 29th January 2020

All items either actioned or in hand.

Section 2 Matters for discussion and decision

2.1 Head of Estates Progress Report

2.1.1 Carbon Neutral Feasibility Report

Mark Stevens, Head of Estates, was welcomed to the meeting to provide an update on works on the building and on the Library's plans for decarbonisation. The Library had commissioned a report by experts in the field, to look at the options for carbon reduction, and that report had been circulated with the Board papers for the meeting.

The buildings sector had to decarbonise by reducing energy density at least 80% by 2030 and achieve climate-neutrality by 2050 if we were to achieve the Paris Agreement aim of keeping global warming to 1.5C higher than pre-industrial levels. In order to succeed in doing its part, the National Library of Wales would have to deliver an ambitious sustainable buildings policy that would attract the necessary investment to drive its transformation to a carbon-neutral institution. The basis of such a policy would be to reduce the demand for energy and the resulting CO₂ emissions, and at the same time drive-up energy generation.

Gas and electricity were the building's main sources of carbon, and in order to address the root cause of energy use, the Library would need to invest in the building. The Library currently used the following amounts of energy;

- 2.6M kWh of electricity at a cost of £320K a year
- 3.5M kWh of gas at a cost of £91K a year

With regard to electricity, this demonstrated a downward trend since 2017, but evened out over the last 12 months. Usage was higher than in 2015 and there was no clear reason for this. However, it was estimated that over half the electricity used at the Library was used by machinery and equipment used to sustain the environmental conditions in the storage areas. Even without a detailed study, it was obvious that the current system of machinery rooms could be made more efficient. The current system had evolved from the 1970s with

various additions to those systems. It appeared that staff occupancy at the building had a relatively marginal effect on energy usage: in March - May 2019 usage was 616k kWh, and in 2020 during lockdown, it was 613k kWh.

The rolling average for gas had been relatively consistent since 2015. The Library's gas boilers were approximately 10 years old, however they continued to be relatively efficient.

The lights in the Library had been gradually upgraded to Thorlux Smart Lighting, which used very little energy as they were triggered by sensors.

The Library had 80kW of photovoltaic solar capacity fitted at the Library's Third Building and this produced around 40kW a year. This was a successful system and demonstrated PV as a viable option for on-site generation. There was an intention to fit more panels on the flat roof of the third building, the roofs of Store 1 and 2 and the roof of the North Reading Room. CADW was happy with this intention as the panels would not be visible as the roofs were inward-facing.

It was unlikely that there would be any surplus energy that could be returned to the grid, as the Library intended to store it and use it according to need. The University had set photovoltaic panels in a nearby field; however, they were using all of the electricity generated. It was proposed that the Library should commence discussions with the hospital and the university to see if it could be part of a larger project to purchase land for future use to jointly place more photovoltaic panels.

Mark stated that it was his ambition to ensure that the Library was zero-carbon by 2030, and that he was confident that this was achievable.

The President thanked Mark for his report, and praised his ambition. Following his presentation, Trustees agreed that there should be a public communications programme outlining the achievements at the building, and the work that was currently underway to ensure that it would be zero-carbon by 2030. David Michael was also thanked for his paper on decarbonisation, and both were thanked for ensuring that the capital programme had been delivered as well during lockdown.

A video showing works on the building would be circulated amongst Trustees following the meeting.

STEFFAN ROBERTS LEFT THE MEETING AT 12.00.

2.2 Tailored Review – Action Plan

The Action Plan was the result of collaboration between the Library and Welsh Government - it was a living document that would be updated regularly. Progress was being monitored by the Governance and Performance Committee on behalf of the Board, but also by the Library and CyMAAL at their quarterly meetings, and by the Public Bodies Unit.

The Chief Executive stated that this plan addressed the recommendations of the Tailored Review, but that there were other important issues in the Review that also needed to be mentioned but were not part of the recommendations. These issues were summarised in the letter from Ellen Donovan, Chair of the Challenge Committee, to Aled Eurig on 24th June 2020, and the Library would be addressing these issues in the 2021 - 2026 Strategic Plan and the Operational Plan.

The Chief Executive asked Trustees to consider two things;

1. To approve the Action Plan
2. In the context of prioritising expenditure for the delivery of the recommendations, to agree in principle on the direction that was being set, **and not** the expenditure itself - there was a list of anticipated expenditure in the appendices to item 5.1. Business plans would be presented to the Financial Planning Committee in the first instance for several elements of the expenditure, and then to the Board at its meeting on 7th May.

The Treasurer explained that the Financial Planning Committee, in a special meeting on 22nd March, had discussed the expenditure plan, and the investment of £750k to deliver the recommendations.

The appendix to item 5.1 showed the expenditure to be £850k; £460k in the first year and £390k in the second year. The Treasurer wished to stress that the Committee had noted the commitment of the additional £100k from private funds, but that this liability would need further discussion before coming to a decision, and that this would happen at the next Committee meeting in June.

An investment of £442k is also required for digital transformation plans and the Financial Planning Committee had requested a detailed, costed business plan that provided a breakdown of this figure by the next Committee meeting.

Although there were some concerns with regard to how the recommendations would be funded after the second year, 12 voted in favour of approving the Action Plan, and to agree in principle on the direction that was set in the appendix on expenditure to deliver the recommendations, with Steve Williams abstaining from the vote.

2.3 Launch of the 2021 - 2026 Strategic Plan

Rhian Evans provided an update.

Work was currently underway to identify a company to undertake the work of promoting the launch of the Strategic Plan in April and May, however this had proved challenging. Five companies had been invited to tender for the work and all five had refused on the basis that they were already overwhelmed with the work that had come their way over the past year. The Library would continue to search for someone to undertake this work on its behalf,

however if unsuccessful consideration would have to be given to how the Library could undertake this work itself.

The intention was to have a soft virtual launch before the end of April and then a much larger launch about a fortnight after the Senedd elections.

2.4 Update on the Restructuring Process

The restructuring process for the delivery of the new Strategy was underway, and the Executive Team was currently considering the comments that had been received from staff and the unions.

A very constructive meeting was held with the Unions with no objection to the high-level proposed structure in principle, however discussions would have to take place after Easter with regard to the details of the new departments and divisions.

From the feedback that the Library had received it was agreed that transition projects needed to be established in 6 specific areas, in order to ensure that the work functions sat in the correct places and that work processes were running smoothly. The 6 areas would be:

- Desks and Enquiries Service
- Audio-visual, Digitisation and Engagement Functions and the Broadcast Archive
- Collections Maintenance – Collect and Retrieve, Store Management and collections location
- Web Development, Digital Access and Marketing
- Pen Dinas
- Executive Team, Delivery Group and the Librarian's Office

These projects would commence immediately after Easter, with the aim of agreeing on the structures by the end of May, and movements actioned gradually thereafter.

2.5 Welsh Government Letter of Conditions

The Governance and Performance Committee and the Financial Planning Committee had already discussed the letter in detail in two special meetings held over the past week.

The Chief Executive stated that he would be writing to Welsh Government in due course to state that the Library was ready to commit to the terms contained in the letter, and that it would do so for a specific period, and subject to further discussions following the Senedd elections. Concern was expressed with regard to Welsh Government setting such conditions for an arms-length body that was a registered charity, and it was stressed that the Library would have to avoid any potential conflict between its status as a charity and its status as a Welsh Government sponsored body.

The Letter asked the Library to pause the consultation on the Pension Scheme, and this was discussed in detail by the Financial Planning Committee at its meeting on 22nd March. It was

recommended that the consultation should be paused until the end of the current calendar year, but that further research and consultation with the pension advisers and the actuary on the alternative options available to the Library should continue. Trustees agreed unanimously to this recommendation, and the Chief Executive will include this in his response to Welsh Government.

The Chief Executive would share his response with Trustees before sending it to Welsh Government.

Section 3 Chief Executive and Librarian's Report

In addition to the matters highlighted in the report, the Chief Executive added that the Library had very recently been offered the Harry Secombe archive by his son; Harry Secombe's centenary was in 2021, and it would be an opportunity to publicise this later on in the year.

Staff would begin returning to work at the building on 24th March, and it was anticipated that readers would be welcomed back on 12th April.

National Broadcast Archive Project Board

Quentin Howard, who represents Trustees on the National Broadcast Archive Project Board, provided an update, and stated that permission to begin was linked to the Library's partnership with Wales Millennium Centre and the leasing of the Clip Centres, but assurance was provided that there was satisfactory progress in both these areas. It was requested that this item was set as a standing item on the Board's agenda going forward.

The Hay Festival

Owain Roberts stated that discussions were ongoing; an event was offered for the main festival this year, but the Library's offer had not been accepted. The Library would instead be sponsoring an event at the main festival, and looking at having a presence there in 2022.

Exhibitions and Events

The appendix to the Chief Executive's report contained a draft summary of plans for the Library's programme of exhibitions during 2021 and 2022. Digital elements would run in parallel with these events/exhibitions, and there would be an opportunity to experiment further with virtual events during the year.

GWENLLIAN LANSDOWN DAVIES AND MIKE CAVANAGH LEFT THE MEETING AT 1.00

Section 4 Conformance and Risk

4.1 Corporate Risk Register

Emyr Phillips presented the risk register that had been updated following the receipt of additional funding from Welsh Government .

There were no questions or comments on the contents of the Register.

Section 5 Financial Matters

5.1 2021 - 2022 Draft Budget

Following the receipt of additional funding from Welsh Government, the draft revised budget was discussed at the Financial Planning Committee on 22nd March.

David Michael provided an update, and stated that the report on the budget had been prepared in order to assess the Library's medium term financial forecast. Appendices B to E in the report analysed the financial situation forecast between 2021/22 and 2025/26. The 2021/22 - 2023/24 period had been somewhat complicated due to the requirement to move funding forward from one financial year to the next. However, by 2024/25, it appeared that the continuous budget would largely balance, if the forecasts that formed the basis for the budget turned out to be reasonable.

As the restructuring process continued, it was impossible to set a definite figure for the costs, however the budget would be reviewed and updated once the final costs were known.

£750k had been allocated for delivering the recommendations of the Tailored Review, for a period of two years; there would need to be discussions on the funding of any costs following that period and any impact on the workforce.

The Executive Team confirmed that the funding of £1m had now been confirmed in principle by Welsh Government in the baseline, but that they could not commit any more than that as there would be a new government in place after May.

David Michael would review the budget to take the costs of the restructuring exercise into consideration, and at the request of the Financial Planning Committee, he would also include the effect of any presumed pay awards, and present an amended version of the budget to the Financial Planning Committee on 18th June, and following that it would be presented to the Board. David was thanked for drafting the revised budget and the supplementary papers.

5.2 Management Accounts February 2021

The accounts were presented by Emyr Phillips.

The anticipated outcome for the year was a surplus in the range of £250k to £350k based on the 2020-21 consolidated pay award of 2.5% and a contribution of approximately £800k to the pension scheme. These were only indicative figures, and they could vary depending on

non-staff expenditure and the requirement to remain within the annual cap on carrying 2% of cash received such as GIA forward.

The work on the Enlli database (worth £400k) had been completed to a substantial degree and the expenditure profile for the buildings capital programme had been amended to reflect the delay earlier in the year. The Library is on-track to spending the full amount of the capital grant in 2020-21.

Section 6 Committee Reports

6.1 Draft Minutes of the Buildings Advisory Panel meetings held on 22.01.21 and 12.03.21

The Chair, Liz Siberry, noted the sterling work that had been completed on the building during lockdown, and thanked Mark Stevens for facilitating this work.

Members had no comments on the contents of the minutes.

6.2 Draft Minutes of the Governance and Performance Committee meeting held on 05.02.21

6.5 Special Meeting of the Governance and Performance Committee held on 19.03.21

The Chair, Meri Huws, noted that the Library's Anti-Racism Action Plan would be presented to the Board at its meeting on 7th May. The Action Plan for the Tailored Review would be a standing item on this Committee's agenda going forward, and would be regularly scrutinised and monitored, with reports provided to the Board.

6.3 Draft Minutes of the Special Meeting of the Financial Planning Committee held on 09.02.21

6.6 Special Meeting of the Financial Planning Committee held on 22.03.21

The Chair, Lee Yale-Helms noted that the matters that needed addressing had already been discussed, and he suggested that the next Committee meeting, due to be held on 16th April, should be postponed, with any business carried forward to the meeting on 18th June.

6.4 Draft Minutes of the Audit and Risk Committee meeting held on 19.02.21

The minutes were presented by Lee Yale-Helms, who had chaired the meeting in the Chair, Hugh Thomas', absence. It was noted that the Executive Team was preparing a report on single tender thresholds that would be presented to the next Committee meeting on 30th April.

CARL WILLIAMS LEFT THE MEETING AT 1.30

Section 7 Any other business

7.1 2021 Business Cycle

Presented for information only.

7.2 Appointments to the Board of Trustees

The President announced that five new Trustees had been appointed: Susan Davies, Professor Elaine Treharne (Library appointments), Dr Janet Wademan, Lydia Rumsey and David Hay (ministerial appointments). All five will begin their terms on 1st April 2021.

The membership of the Standing Committees and Buildings Panel as from 1st April 2021, was also confirmed;

Audit and Risk - Janet Wademan, Chair, Lydia Rumsey, and Gwenllian Lansdown Davies (to replace Mike Cavanagh) to join as members.

Financial Planning - Elain Treharne

Governance and Performance - Susan Davies and David Hay

Buildings Advisory Panel – Mike Cavanagh, Chair and Liz Siberry will join for two years as a co-opted member.

To ensure continuity in the Board's business during a challenging period for the Library, Trustees agreed in an earlier closed session that Lee Yale-Helms' term as Treasurer should be extended for a period of two years from 1st August 2021 until 31st July 2023.

Meri Huws stated that Welsh Government had extended her term as Interim President until 31st March 2022.

To close, the President thanked the five members whose terms were ending for their commitment and devotion to the Library over a number of years, especially during the challenging periods.

The Chief Executive reiterated this, and thanked them all for supporting him personally, as well as the Executive Team and staff, and also thanked Meri Huws for undertaking the role of interim President, providing the Library with firm leadership as it embraced the challenges of the next period.

**** END OF THE OPEN MEETING ****