

# National Library of Scotland Board Meeting

Date: 23 November 2022

## Participants

**Present:**

* Sir Drummond Bone (Board Chair) - DB
* Helen Durndell (Board Vice Chair) - HD
* Ruth Crawford KC (Board Vice Chair) - RC
* Alan Horn - AH
* Alison Kidd - AK
* Elizabeth Carmichael - EC
* Kirsty Lingstadt - KL
* Robert Kilpatrick - RK
* Robert Wallen - RW

**In attendance:**

* Neil Mackenzie KC, Faculty of Advocates - NM
* Amina Shah, National Librarian - AS
* Anthony Gillespie, Director of Business Support - AG
* Jackie Cromarty, Associate Director of External Relations - JCr
* Kathy Hutton, Board Support & Compliance Officer – KH
* Gill Hamilton, Interim Associate Director of Digital (part-time) - GH

## Minutes of meeting

In advance of the formal agenda, Board members participated in a morning awareness session on Board Trustee responsibilities and Equalities, Diversity and Inclusion, provided by legal advisers Anderson Strathern.

### Chair's Welcome

Sir Drummond Bone (Board Chair) welcomed all to the formal part of the Board agenda. The Chair advised Ruth Crawford KC has agreed to become Board Vice Chair.

### Apologies for Absence

Apologies were noted from Lesley McPherson and Mike Saunders (trade union representative).

### Declarations of Interests

Declarations are as recorded.

### Horizon scanning

The Board noted:

* The Scottish Government (SG) 2023-24 Scottish Budget will be published on 15 December.
* Alison Kidd has agreed to take over as Staffing and Remuneration (S&R) Committee Chair following Helen Durndell stepping down from the role at the end of February 2023.
* The S&R Committee is presently quorate but will benefit from new members in 2023.
* As advised earlier, Ruth Crawford KC will become Board Vice Chair.
* The current Board member recruitment round closes for applications on 25 November.

### Minutes of meetings

The minutes of 28 September 2022 were approved as a correct record.

### Actions outstanding and matters arising from previous meetings

The Board noted there were no outstanding actions or matters arising.

### National Librarian's Report

AS highlighted:

* The Trade Union has confirmed that staff have overwhelmingly voted to accept the proposed 2022-23 pay award. Staff will receive the increase, including backdated payment from 1 April 2022, before Christmas.

The Library welcomed this positive result in the current economic climate and SG's financial support alongside funding from Library reserves. The Board noted, however, that the pay award increase places an increased financial burden on the Library in future years.

* Following a stringent review process, seven applicants have been offered, and accepted, Voluntary Early Exit (VEE). All staff have been advised of the completion of the VEE process and affected staff will leave February/March 2023 to allow a thorough handover.
* A symposium on the impact of AI and Quantum Computing on the Research Library of the future is being organised for April 2023. The Librarian thanked Kirsty Lingstadt and the Board Chair for the valuable input to date in bringing this to fruition.
* The Librarian also thanked Robert Kilpatrick for the invitation to take part in the Scottish Album of the Year awards.
* The Discovery Room at George IV Bridge opened recently, providing both improved study facilities for readers and group/family working space.
* The Library's popular 3D map viewer has been updated. This allows georeferenced map layers to be viewed from a bird's eye perspective.
* Upcoming events include a talk by Ian Rankin inGeorge IV Boardroom which will be livestreamed. Touring exhibitions have also restarted.
* The Library recently won two national impact awards for technology and collaboration in relation to its Climate Action Plan.
* Collecting digitally and the shift to non print legal deposit continues to be monitored. The Library is liaising with the Faculty of Advocates and the Joint Commission for Legal Deposit to make 'legal' deposit material more digitally available to meet the need of increased hybrid working.

Turning to the Library Plan updated, AG advised:

* Staff absence to end Q2 is greater than planned, however, if Covid related absences are omitted, the Library is below its target level. Generally, the Library's absence rates are higher than the private sector average and lower than the public sector average. As normal, a detailed breakdown of absence type will be reported to the S&R Committee.
* In terms of Library Plan progress and key indicators, the outlook is positive at this point in the year.
* The newspaper project has subsequently moved to 'green'.

The Board Chair thanked the Librarian for the update on the valuable work being undertaken by Library staff and AG for the Library Plan update. The Board noted the report.

### Audit Committee (AC) Update

RC (Audit Committee Chair) advised most of the items discussed at the recent Audit Committee will be before the Board later in the agenda. RC highlighted:

* The Committee reviewed the Strategic Risk Register and formed a view that the overall 'Moderate' rating of S10 (cyber risk) was currently appropriate.
* The Committee was pleased to note a project manager has been appointed to progress the collection protection work, including the smoke extract works at Causewayside.
* During consideration of the Q2 financial report, the Committee agreed to consider increasing non-governmental funding reserves from three to six months at the next Committee meeting.
* Two internal audit reports were reviewed. The Strategic Planning internal audit had a finding of Substantial assurance. One item flagged was to more clearly link key indicators to specific strategic objectives and this was recommended for consideration at the Board Away Day. The Communications and Stakeholder Engagement internal audit also had a finding of Substantial assurance with areas of good practice identified.
* A number of policies were approved including Fraud Prevention, Fraud Response and Whistleblowing but with amendment to widen their scope.
* The Committee considered resourcing for cyber security (this will be discussed later) and requested future digital updates contain RAG descriptions and set out prioritisations/timelines.

AS advised a SG working group is reviewing digital strategy across public bodies. The Library is keen to engage with SG as more information becomes available but is conscious of the need to progress cyber security work.

### Governance Committee (GC) Chair update

RW (Governance Committee Chair) advised the Committee had considered two main items at their last meeting – (1) Library Values and (2) Board/Committee annual surveys (both to be discussed later).

###  Staffing & Remuneration (SR) Chair update

HD (S&R Committee Chair) advised:

* The Library's EDI Officer provided a valuable update of EDI related progress, including training, since their appointment.
* Following the staff survey closing end October (with approximately 60% response), the Committee will be appraised of results at their next meeting.
* The Committee received sight of the Hybrid Working Policy noting it was due to start roll out mid-November on a phased basis.
* The Health at Work group continue to support staff with events/ information, for example money advice webinars.

###  Library Values

JCr provided an overview of the paper which had already been reviewed by all Board Committees.

The Board noted the report and that:

* The Library will await output from the CILIP's Intellectual Freedom policy/consultation before engaging with key teams within the Library to develop appropriate training. The scenarios within the paper's appendix should instead be used for training purposes only and may also be useful to include in the Business Continuity Planning framework.
* A flowchart checklist would be useful for staff covering themes such as legal position, Code of Conduct, CILIPs policy when issued, values and reputational risk.
* A further values paper clarifying various stakeholder roles and guidelines on escalation to the Board will be brought to the March 2023 Board meeting.

The Board Chair thanked JCr for the valuable update. The Librarian extended thanks to the Board for their continued support in this area noting that many other cultural organisations are also currently considering this.

###  Board/Committee Self Assessment

JCr advised that it was proposed to amend the Board and Committee self-assessment questions to allow for more qualitative responses.

The Board noted the proposed changes and that any themes coming from Board Chair/Board member appraisals would be amalgamated with survey responses into a single review document for Board discussion.

###  Strategic Risk Register

AG advised:

* S10 (Significant Cyber Security Breach) has been separated out as a new Strategic Risk. The current overall assessment is 'High'. Whilst the impact would always remain 'Major', once cyber security work is further progressed this should reduce the likelihood of a cyber-attack and reduce the assessment to ‘Moderate’.
* S4 (Reduction in Financial Resources) has been rescored but remains as a 'High' assessment which recognises the uncertainty around the level of future Grant in Aid settlements.
* S1 (Significant Loss or Damage to the Collections) continues to be outwith the current agreed Board risk appetite. Following completion of the smoke extract system work at Causewayside, the risk level will reduce.

The Board Chair thanked AG for the update. Following discussion, the Board noted:

* Cyber security (S10) remains a concern for the Board bearing in mind the extreme downsides of a potential cyber-attack but notes the mitigation measures being put in place by the Library.
* Bearing in mind the expected high percentage increase in utility costs in the next financial year, the Library Leadership Team (LLT) is considering measures to offset some of the increase. The new Hybrid Working Policy may afford opportunities to reduce energy use in areas with reduced occupancy.

###  Causewayside Smoke Extract Remedial Works

The Board took the paper as read. AG advised, given the scale of the work, the contract award will require Board approval. The Audit Committee will review early 2023 in advance of that.

At present, a completion date of end 2024 is forecast, conditional on a number of factors such as SG funding and contractor availability; there are only a small number of companies who carry out this type of work. A Project Manager has been appointed to administer the project.

The Board Chair thanked AG for the update. The Board agreed this remains an urgent project to take forward as quickly as possible and asked that the procurement timeline be speeded up if possible.

###  Library Centenary

JC advised:

* Good progress has been made with the Centenary Working Group (CWG) having agreed a draft scoping document to be considered by the LLT shortly.
* The CWG will create a project plan with outputs including a programme of activities for 2025, a communications and engagement plan, a programme of fundable initiatives and a draft project timetable with milestones. A co-produced exhibition or similar event is also a key ambition for the Centenary.
* Consideration is also being given to any small capital projects that could be undertaken to support Centenary ambitions.

The Chair thanked JCr for the useful update. The Board noted:

* A Centenary project plan, aligned with the Library's strategic goals, will be available by June 2023 at the latest.
* Resources for development and delivery of the Centenary plan are a key constraint. The Board agreed an application to the NLS Foundation should be progressed and submitted in time for the NLS Foundation's February 2023 meeting.

Gill Hamilton joined the meeting.

### Digital Update

GH advised:

* The cloud services procurement is on schedule with the tender expected to be published in December. The Library continues to liaise with SG who are considering cloud services for public bodies. The Library will continue with its own procurement whilst awaiting further updates from SG.
* It may not be appropriate for all Library systems and services to be cloud-based. The Board will be kept appraised of which services may move to the cloud, and which may remain on-premise.
* IT staff are undergoing cloud training. A timetable for migrating appropriate services to the cloud will be established, staff will use and build on their learning throughout the migration and implementation phases.
* The tender for moving ArchiveSpace to the cloud is expected to be awarded in early 2023. As the existing service is a critical cyber risk, the procurement process has been expedited.
* The Library is in the final stages of testing and implementing immutable backups to further mitigate the consequences of a cyber-attack.
* Good progress continues to be made with the 2022-23 cyber security plan. The EdgeScan vulnerability scanner has been in place for several months helping the Library identify any vulnerabilities and put mitigation in place. The National Cyber Security Centre continues to advise that cyber threat is high in the UK.

The Librarian advised that, following attending a recent Chief Executive event on cyber awareness, the Board Away Day in June will include a cyber security 'exercise in a box'.

The Board agreed it still considers cyber security a major risk. The Board noted that due to the changing nature of cyber security, resourcing continues to be stretched in this area. The Board asked to be kept updated on resourcing, bearing in mind the IT teams are presently undertaking two major items (cyber security and cloud procurement/move to cloud services).

The Board Chair thanked GH for the update and for thanks to be passed to all those involved in this important work. Gill Hamilton left the meeting.

###  Quarterly Finance Report

AG advised:

* At the end of September 2022, the Library budget deficit overall was less than budgeted for at that point in the financial year. This in part due to under-spends such as staffing costs where a more stringent review of backfilling posts is being undertaken.
* As noted earlier in the Audit Committee update, the Library is considering an increase in reserves for the 2022/23 year-end as 2023-24 onwards will be a financially challenging time for the Library.
* 2023/24 draft budget preparation is underway with a number of options being considered for further financial mitigation of increasing operating costs.

The Board Chair thanked AG for the update. The Board noted:

* The Library's financial reserves will be considered by the Audit Committee and Board in March 2023.
* The Library's Management Forums are meeting to consider where any further savings may be achieved. Alongside this, review of the Library’s property portfolio is going, particularly relating to the Lawnmarket building. The Board noted use of the Lawnmarket building is subject to legal restrictions.

###  Health & Safety report

AG advised:

* No new incidents or accidents had been reported since the last report to Board thus continuing a downward trend.
* The Health & Safety Policy has been approved by the Librarian.

###  Approved minutes

The Board noted the approved minutes of the:

* Audit Committee, 8 August 2022
* Governance Committee, 6 September 2022
* Staffing & Remuneration Committee, 22 June 2022

###  NLS Foundation minutes

The Board noted the NLS Foundation meeting minutes of 3 August 2022.

###  Date of next meeting:

The Board noted the provisional agenda items for the March 2023 Board and that, in advance of that, they would be appraised as appropriate following the SG 2023-24 budget announcement on 15 December.

The Board Chair thanked all for their participation and the meeting closed.