

Nature of Meeting	National Library of Scotland Board Meeting
Venue	Boardroom, George IV Bridge
Date of Meeting	Wednesday 27 March 2019

Present: Kenneth Calman (Chair - KC), Helen Durndell (Vice Chair - HD), Simon Learoyd (Vice Chair - SL), Elizabeth Carmichael (EC), Dianne Haley (DH), Alan Horn (AH), Lesley McPherson (LMcP), Iain Marley (IM), Amina Shah (ASh), Melissa Terras (MT), Robert Wallen (RW)

In attendance: John Scally (National Librarian - JS), Anthony Gillespie (Director of Business Support - AG), Jackie Cromarty (Interim Associate Director of External Relations and Governance - JCr), Matt Jackson (Faculty of Advocates - MJ), Susanne Munro (TUS Representative - SM) and Kathy Hutton (Board Support and Compliance Officer - KH - minutes)

Minutes of Meeting

The meeting opened with a presentation by Stuart Lewis (SLe), Associate Director of Digital, on Non-Print Legal Deposit and Digital Library Storage. SLe provided an overview of the existing storage arrangement which is held in four nodes across the country in collaboration with the British Library and the National Library of Wales.

1. Chair's Welcome

KC welcomed all to the meeting including the four new Board members who each gave a short introduction of their experience. KC also congratulated Helen Durndell, Iain Marley and Amina Shah on being re-appointed for a second four year term.

2. Apologies for Absence

Apologies for absence were intimated on behalf of Noreen Adams, Ruth Crawford QC and Adrienne Scullion. Mungo Bovey QC had also tendered apologies with Matt Jackson now attending on behalf of the Faculty of Advocates.

3. Declarations of Interests

KC requested any declarations be made at the appropriate time in the agenda.

4. Minutes of the meeting of 28 November 2018

The Board approved the minutes (BM/19/01).

5. Actions outstanding and matters arising from previous meetings

The Board noted actions were complete or ongoing. The Board also noted that the exhibition loan request by Sydney Living Museum had been withdrawn by them and this action would be closed.

6. Draft Minutes, Governance Committee, 8 February 2019

The Board noted the minutes (BM/19/03).

7. Approved Minutes, Audit Committee, 12 November 2018

The Board noted the minutes (BM/19/04).

8. NLS Foundation – Minutes from 08 November 2018

The Board noted the minutes (BM/19/05).

9. Governance Documents

The Board approved the recommended minor updates to the Terms of Reference, Standing Orders and Scheme of Delegation as detailed in paper BM/19/06.

10. National Librarian and Chief Executive's Report

JS introduced paper BM/19/07 and highlighted:

- Continued good progress in digitisation with the cumulative figures for the year standing at 159,592 at the end of Q3 against a target of 150,000.
- Work is planned in the forthcoming year to showcase the high level of website traffic. This will include monitoring the reach of the Library's collections via digitised resources to third party services such as Wikipedia, Flickr and YouTube. The current exposure is very impressive.
- A continuing strong acquisition programme with a good blend of physical and digital content.
- Increasing successful collaboration including, in the last few months, working with volunteers in Beaulieu to put online an important set of maps owned by Lovat Highland Estates.
- A new online addition of a set of British Ordnance Survey Popular edition maps (German Army's *Karte von Schottland* in 1941) which gives an insight into the advanced plans for an invasion of the UK.
- The start of collaboration with the University of Aberdeen with a view to establishing another possible point in our geographic triangle.

DH suggested it would be useful for Board members to be kept updated on outreach events/exhibitions outside of Edinburgh to give the Board the opportunity to support the Library. JCr undertook to advise Board members of such events going forward and to liaise with event/exhibition partners on their communication.

11. Library Plan Update – Q3

JS introduced paper BM/19/08 and highlighted some of the key points from the report:

- The Library continues to make solid progress with the 2018/19 Library Plan with 39 of the 50 targets (78%) on schedule to be met.

- At this stage, four targets are not anticipated to be achieved in 2018/19 due to external circumstances. One example, to extend the range of data resources for national entitlement card holders, awaits formal permission from the Scottish Government.
- Delivery of a new Library Services Platform was successfully completed with the system rolled out to Library users and staff in Q3.
- The 2018 Staff Survey results showed a 4% increase in overall staff engagement since the 2017 survey, putting the Library in the top 12% of employers within the Survey.

AG highlighted it was forecast that 50% of total users would be online only users by next year from 33% reported in 2015/16. JS advised work is ongoing to increase all types of engagement through the lowering of point of entry barriers, whilst striking the right balance with the different ways in which people engage with the Library.

MJ queried whether the reduction in reading room users had any particular implications. JS advised there was a general trend with less people using the reading room however, there is not a significant drop giving cause for any concern and usage is being monitored.

KC thanked staff for the work done and progress made.

12. Audit Committee Report

SL advised the update from the recent Audit Committee meetings would be covered within later items.

13. Library Plan 2019/20 and Budget

JS introduced paper BM/19/09 advising he felt the Plan was suitably stretching across the agreed strategy. The Plan had been shared with the Scottish Government (SG). AG then highlighted a number of points from the proposed budget:

- AG confirmed compliance with the reserves policy previously agreed by the Board.
- AG advised the grant in aid expected from the SG for 2019/20 did not fully fund the recommended pay increases as in previous years. Saving efficiencies achieved in the last year would offset this shortfall resulting in a balanced budget.
- AG highlighted that employer pension costs are expected to increase by 25%. The initial expectation was that the first year's increased costs would be covered by the Treasury however, this is now looking unlikely and the amount that will be funded has not been confirmed by SG. There is a risk the full costs will not be covered.
- AG advised that although a balanced budget had been produced, this may need early revision due to the known risks of increased pension costs, pay policy affordability and deferred maintenance costs including fire protection.
- SL advised the Audit Committee had reviewed the 2019/20 Plan and Budget at its meeting of 11/02/19 and agreed the two key risks were the increased pension costs and the deferred maintenance costs, noting that the costs relating to fire protection were likely expected in the year 2020/21.

- SL confirmed the Audit Committee recommended that if the Plan and Budget are approved by the Board today, this is conditional on a possible review depending on the outcome of discussions with the SG on funding of pension costs.
- IM agreed the outcome of discussions with the SG was key in determining whether the budget needs early revision including possible reprioritisation of certain activities.
- KC thanked the Audit Committee members for their input.

The Board approved the 2019/20 Library Plan and Budget as presented however, the Board recognised it was likely these may need to be reviewed in the near future dependent on the outcome of discussions with the SG.

14. Quarterly Finance Report – Q3

AG summarised paper BM/19/11 advising the Library remains in line with the 2018/19 budget as revised as part of the mid-year review. AG advised the Audit Committee had received presentations from the Library's investment managers at its February meeting. The income yield to date from investments is slightly above budget.

The Board noted the report.

John Coll (JC) joined the meeting.

15. George IV Bridge Reimagined

- JC advised the Programme Mandate presented in paper BM/19/10 was as discussed at length during the recent Board 'Away Day' meeting. Additional material requested at that meeting had been supplied to the Board separately on 22 March, namely the Jura economic consultancy report and the feasibility study tender brief.
- JC confirmed that a strong procurement framework was in place. A governance process was also in place where a Capital Programmes sub-group would report to the Library Leadership Team and in turn updates/progress would be advised to the Board.
- SL suggested Board oversight could be strengthened by establishing a separate Board sub-committee. JS undertook to look at the best way to establish oversight going forward. SL also suggested the feasibility study is regarded as a self-contained step in the proposed overall project.
- IM suggested the procurement strategy be reviewed by the Audit Committee, if necessary outwith the existing meeting dates.
- EC queried whether the feasibility study would look at possible increased running costs rather than simply capital costs. JS confirmed the feasibility study would look at a sustainability outcome.

KC thanked all for their valuable input. The Board approved the mandate, noting the NLS Foundation had agreed to provide funding for the feasibility study up to £150k.

Melissa Terras left the meeting.

16. Collection Protection Update

- AG provided a summary of paper BM/19/12 outlining the measures the Library has in place to mitigate against potential fire risk to the collection, staff and visitors.
- SL advised the Audit Committee (AC) had been looking at the safety and security of the Library's infrastructure. In particular, the AC had considered fire risk management within the context of the deferred maintenance backlog and the recent fire at the Glasgow School of Art. From the reviews commissioned by the Head of Estates, the AC noted three key points:
 - The Library has satisfactory procedures in place to ensure adequate protection for staff and visitors in all buildings.
 - Fire protection strategy for collections follows best practice.
 - The deferred maintenance budget includes a number of priority items which, if not resolved, represent a potential risk to the fabric of the buildings, in particular Causewayside, and hence the collections.
- SL advised the recent report on the GSA fire by the Scottish Parliament Culture, Tourism and External Affairs Committee had acted as a prompt for discussion within the Audit Committee. From this discussion, the AC proposed to the Board:
 - The work already underway to scope and cost the priority remedial works continues with expected completion by September. This work is left to run its course, with the bulk of the remedial works expected to take place during financial year 2020/21.
 - Engagement with the Scottish Fire & Rescue Service continues noting a response is awaited on their ability to deal with a fire in the Library before all remedial works are completed.
 - The Scottish Government should be formally engaged now in writing to explain the issues identified, the work underway and the expectation of a need for additional funding to deal with the issues. This early disclosure allows the SG to be able to influence the work underway should it wish. Engagement with HES may also be appropriate.
 - The Library Leadership Team has existing governance processes in place to adequately manage the delivery of the required actions. Oversight should be through the Audit Committee and thereafter to the Board and Scottish Government as required.
- KC thanked SL and the Audit Committee for the valuable input and clearly illustrated points. The Board concurred with the recommended way forward proposed by the Audit Committee.

John Coll left the meeting.

17. 2020/2021 Board and Committee Dates and Year Planner

JCr introduced paper BM/19/13. KH advised the Board that the Committee planner is being shared with the Board following a request from the Governance and Audit Committees for increased awareness of the work of the different Committees. KH

advised the proposed Board and Committee dates would be circulated shortly for any feedback before being finalised.

18. Committee Membership

KC introduced paper BM/19/14 which highlighted the need for additional members to be considered to join the various Committees. The Chair advised discussions would now begin with a view to new Board members joining one of the Committees. KH to arrange.

19. Fundraising Update

LC provided a summary of paper BM/19/15 highlighting:

- 41% increase in the number of donations from the previous year (from 80 to 113).
- An improved ROI of £3.20/£1 spend from a previous base of £2/£1 spend (the industry norm being £4/£1 spend).
- Significant groundwork undertaken on developing policies and protocols including due diligence, ethical fundraising, formal complaint handling and GDPR.
- Key areas of focus for 2019/20 are increasing our donor base and planning for the centenary.

LMcP queried how the team are working to increase awareness. LC advised the integration of the External Relations department, now including fundraising and marketing, had played a key part in providing opportunities to widen and spread the fundraising message.

EC suggested it would be useful for the Board to have sight of the fundraising related policies such as Ethical Fundraising. The Board agreed it would like to have sight of these policies annually. KH to add to Board planner.

AH commended LC on a very thorough report and highlighted that ROI can be dependent on the activity stage the fundraising programme is at.

KC thanked LC for a well presented report and the Board noted the report.

Lucy Clement left the meeting. John Coll (JC) re-joined the meeting.

20. Health & Safety Report

JC provided an overview of paper BM/19/16 and highlighted:

- JC advised that although there have been three accidents and one incident reported since the last report, there was increased staff awareness to report all instances in order to allow any actions to be undertaken quickly.

- One accident had involved a reader tripping whilst coming down the main staircase. This was the first recorded accident on this particular stair in the past 20 years. However, arrangements have been made to fit brass discs on the stair nosings to better contrast the live edges of each step.

JC highlighted that many Library staff had taken part in the Scottish Workplace Journey Challenge which encouraged more environmentally friendly travel. JC commended Tom Proudfoot who had driven the initiative.

The Board noted the report.

21. Date of next meeting

Wednesday 26 June 2019

The meeting closed at 1610.