

22nd May 2018, 4 pm

Present: Brian Lawrie (Chair), David Caldwell, Derek Bottom.

Attending: Heather Stuart, Kirsty Keay, Steve Renwick, and Diane White for FCT. Eleanor Hodgson for Fife Council

Apologies: Nic Beech

1. Welcome and Apologies for Absence

BL welcomed everyone to the meeting, round table introductions were made. The apologies were noted above.

2. Declarations of Interest

There were no declarations of interest

3. Minutes of the Previous Minutes and Action Points – 13th Feb 2018

The Minutes were accepted as an accurate record of the meeting.

Item 3 (a) Xero will become operational when recruitment to accountant position is complete. EPOS is on site and it is hoped that it will be operational at the end of July or beginning of August. Trading Sub members to be kept involved and informed. Item 7. Brewin Dolphin risk level has been revised from 4to5 and consideration to level 6 later in the year.

Action Points

Verdi Clark will cover programming at 6th June Board Meeting – complete.

Some discussion around the Book fund – remove as action point.

Reassurance needed that museum exhibitions are being planned ahead. - This would be covered during the exhibition tour before the Board meeting on 6th June and then picked up in future.

The sickness absence action is ongoing due to absence in the HR team. Caroline Rochford is picking up this work. The new HR adviser starts on Monday and this should help to ease difficulties. Ongoing action.

All other actions complete.

Action – Action log to be updated as per the points above.

4. Performance Report – Paper 1

BL explained that the committee's primary focus of the performance report was Finance and that due to circumstances, particularly in relation to staffing, the report was less comprehensive than anticipated . It was noted that the provisional Outturn position is more positive than originally thought but this was not the case with the trading position. There was some discussion around this as the catering invoice from Fife Council had a major impact.

It was noted that the Catering Transition Manager Post ends in November, this will have to be replaced but not in its current form.

Pension Deficit figure is notional and FC will pick up any deficit as sole member. Auditors are relatively comfortable with this.

There was some discussion around libraries and theatres performance and it was felt that this was positive. Thanks were given to Verdi Clark for her hard work.

HR – The financial value given to absences was thought to be a useful inclusion. How and when this message goes out to staff to be considered. Benchmarking thought to be important for future.

There had been no pattern identified with leavers but structural issues have become apparent which are now being dealt with. Further discussion would take place at the Board Meeting.

It was noted that Steve Renwick's contract was coming to an end and the committee thanked him for all his help and support along with Iain Charlton and Joe Purves.

It was noted that there were some reputational and financial risks around mobile libraries, in particular the need for replacement. It was agreed that this should be brought up at the Board. Elected members may be able to help.

Action - More detailed notes on accounts, eg comparison with budget, etc, to be brought to the next meeting.

Action – Further discussion around leavers to take place at the 6th June Board Meeting

Action – Further discussion around Mobile Library issues to take place at the 6th June Board Meeting

5. Risk Report – Paper 2

KK ran through the Risk Report. The potential of the catering bill reduction and year end position make risks lesser than when the paper was written.

It was recognised that support from Fife Council is helpful to alleviate some of the staffing pressures currently being experienced. Maintaining theatre equipment risk – all equipment has now been inspected and graded, and all marked as safe. The scheduling of ongoing maintenance is now the biggest area of work.

The Management Fee was discussed. Theatre tax relief £7k more than budgeted for. Museums Tax relief may be possible in future.

It was felt that the staff training on risk was positive.

6. Budget Planning 2018-19 – Paper 3

KK ran through the Budget and explained that the figures in the report had changed. It had been agreed that the £120k savings had been rephased £60k 2019/20 and 2020/21. There was some discussion around underspend of £50k in libraries which had been carried forward and £90k for DCL&G. EH agreed to check that DCL&G funding is in addition to the core management fee. It was agreed that spend to save proposals were still to be worked up and discussed with Fife Council.

It was noted that as a starting point for 2018/19 had been set, forward planning can now take place for 2019/20 and years going forward. When a more detailed budget plan had been worked up, it would be circulated round the committee, and brought to the next meeting. BL thanked EH for her help with the figures and for her attendance and contribution to the meeting.

Action – Spend to save proposals to be worked up

Action – EH to check that the £90k for DCL&G was still to be received.

Action – Budget plan to be brought to the next meeting

7. Investment Update – Paper 4

There was some discussion around the standard documents from Brewin Dolphin. It was noted that any Income was held by Brewin Dolphin and then reinvested. Should any income be drawn down by the Trust? KK agreed to pick this up with Brewin Dolphin.

Action – KK to ask Brewin Dolphin about drawing down income from investment.

8. Audit Update – Paper 5

SR ran through the audit update and explained that the Interim visit went very well. It was felt that there has been an improvement on last year's audit process. SR circulated support in kind spreadsheet and confirmed that the 2017/18 in kind costs changed due to Fife Council not recharging central support costs. Scott Moncrieff now challenging this with Fife Council. Members expressed concern that the Trust is having to directly fund costs previously borne by the Council and included as part of in kind support. An electronic copy of the spreadsheet to be sent out with the minutes. SR confirmed that the 4 audit recommendations from last year have been addressed.

Action – Electronic copy of the in kind spreadsheet to be sent out with the minutes of this meeting.

9. Fife Council Catering Invoice for Services

KK explained that she and SR had met Andy MacLellan, and Fife Council catering last week. There was some discussion around the meeting. Angus Thomson is willing to look into apportionment of the bill. The committee agreed that as there had been considerable management time expended on this, that the costs of engaging a specialist to undertake a forensic review of figures would likely be greater than any saving and that both parties to date had made revisions to the original figures that 50% apportionment on the revised figure should be sought. If this is accepted then there will be no claim for an increase in the management fee for unexpected costs.

10. Chairs Business

There was no Chair's Business as staffing issues have been addressed

11. AOCB

There was no other competent business

12. DONM

21st August 2018