

**Minute of a Meeting of Shetland Arts Development Agency Board of Trustees held at 6.15pm on Thursday 05<sup>th</sup> November 2009 at Bridge End Outdoor Centre, Burra**

**Present:**

Jim Johnston (JJohn), Chair, Shetland Arts  
 Robina Barton (RB), Trustee, Shetland Arts  
 Mark Burgess (MB), Trustee, Shetland Arts  
 John Goodlad (JG), Trustee, Shetland Arts  
 James Sinclair (JS), Trustee, Shetland Arts  
 George Smith (GS), Trustee, Shetland Arts

**In Attendance:**

Gwilym Gibbons (GG), Director, Shetland Arts  
 Christine Simpson, Finance Officer, Shetland Arts

**Apologies:**

Johan Adamson, Trustee, Shetland Arts  
 Joanne Jamieson, Trustee, Shetland Arts  
 Alan Murdoch, Trustee, Shetland Arts  
 Donald Murray, Trustee, Shetland Arts

**Observers:**

Apology from Councillor Rick Nickerson, SIC Cultural Spokesperson

Item	Topic	Action
<b>1</b>	<b>Apologies and welcome</b>	
	Apologies were received from Trustees Alan Murdoch, Donald Murray, Johan Adamson and Joanne Jamieson, and observer Cllr Rick Nickerson.  Mr Johnston welcomed everyone to the meeting.	
<b>2</b>	<b>Minutes of last meeting (23/09/09)</b>	
<b>2a</b>	<b>Approval of Minute</b>	
	Trustees noted the changes made and approved the minute as an accurate account. Proposed by Ms Barton and seconded by Mr Smith.	
<b>2b</b>	<b>Matters Arising</b>	
	Box Office update: A board meeting has been arranged to discuss a variety of issues, both technical eg (Firewalls, ICT support) and operational issues eg (training and ticket charges). The target for the box office going online is no later than the end of January 2010. The Chair asked if there was anything the Board could do to speed things up and requested a further discussion at the next meeting.	<b>Agenda</b>
	<b>Action Points: 1, 2, discussed as above.</b>	

<p>2c</p>	<p><b>Action Point: 3</b> Further discussion on how to engage with the public is to be discussed at the next meeting.</p> <p><b>Action Point: 4</b> Revisions to the Draft Craft Exhibition Curatorial Strategy and the Draft Exhibition Policy are to be finalised. Mr Gibbons has asked the Visual Art team to use their Portage experience to help revise the draft policies. Mr Smith suggested usefulness in looking at the Amenity Trust exhibition policy for shared synergies, learning and ideas. GG assured Trustees that the Amenity Trust and SADA work closely together in the areas of exhibition, are aware of each others policies and have promoted a number of joint exhibitions as a result. Mr Burgess expressed a wish for improving the profile of SADA when in partnership with other trusts and Mr Gibbons agreed there had been a challenge to get proper exposure when working with others in the past, but this has now been resolved. The recent G-Man collaboration is a good example of this.</p> <p><b>Action Point: 5</b> The Chair has sent Ms Molloy a letter of thanks following her resignation as Trustee.</p> <p><b>Action Point: 6</b> In response to a query on capital costing, Mr Gibbons spoke to Mr Hetherington at A9 who explained there were reasons why it was not accrued as a capital cost. The Chair requested an update for the next meeting.</p> <p><b>Action Point: 7</b> – Approved at last meeting</p> <p><b>Action Point: 8</b> Mr Gibbons explained that the Scottish Arts Council have offered £2,000 towards the cost of a resilience fund. This grant will help towards management and some consultancy costs associated with the social enterprise model. Mr Gibbons recent meetings with Mr David Cook (WASPS) and Ms Rachel Arnold (Impact Arts) regarding social enterprise models have been very useful, and a further grant of £30,000 approx may be forthcoming towards exploring this further.</p> <p><b>Action Point 9:</b> Will be discussed at next Arts Development meeting.</p>	<p><b>Agenda</b></p> <p><b>Action 1</b></p>
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	<p><b>Action Points 10,11,12,13:</b></p> <p><b>Action Point 15:</b></p> <p>Board Meetings are advertised in the Shetland Times, What's On Advert, SADA Website and Twitter. The agenda from the public pack is also on the website.</p>	
<p><b>3</b></p>	<p><b>Finance and Management</b></p>	
<p><b>3a</b></p>	<p><b>Finance Sub-Group Report: Meeting 28<sup>th</sup> Oct.</b></p> <p>Mr Gibbons outlined the background to setting up the group, addressing the challenges of the Board and the need to grasp the financial position. Present were Mr Gibbons (Director), Mrs Simpson (Finance Officer) Ms Adamson (Trustee) and Mr Smith (Trustee). Mr Johnston was not available for the meeting but Mr Smith and Ms Adamson agreed the format of the information to be presented to the Board, which will be in an overview form. The financial detail will be discussed at regular Finance Sub-Group meetings, and art form detail at the Arts Development Trustee meetings.</p> <p>Mr Smith felt that this was the correct level of detail to be presented to the Board. Scrutiny over detail was required but that was best dealt with at the sub group meetings. The Board needed to have the confidence to make decisions based on the reports and detail behind the figures. It was also important to know the what, how and why behind the expenditure and income figure, and this was the best format to do so.</p> <p>Mr Sinclair asked if individual events would be reported on, but Mr Gibbons explained that it would be art form areas as a whole reporting back, although perhaps some large scale individual events could report too. Mr Smith requested the information to show what has been achieved, and if we did what we set out to do.</p> <p>Ms Barton raised the possibility of Trustees mentoring individual Arts Officers again. Mr Burgess agreed and added that he felt he was most useful to be around during and just after events.</p> <p>To conclude, Mr Smith noted that the Finance Sub-Group was an advisory body only and did not have any delegated powers.</p> <p>The recommendation to approve the role of the Finance</p>	

	<p>Sub-Group as outlined was proposed by Mr Goodland and seconded by Mr Sinclair.</p>	
<p><b>3b</b></p>	<p><b>Management Accounts:</b></p> <p>The Director gave an overview of the report which set out the current financial position after two quarter's activity. The income and expenditure figures increased as a result of the Mirrie Dancers Project which attracted large scale funding. The Staffing Budget shows a slight overspend but this will even out over the year, especially with the People Development post now vacant and the extra summer cover staff now ended. The addition of the Homecoming event is showing an over spend in the Overheads Budget but this will be offset by matched income from EventScotland. Business sponsorship may move from a local to more national level in future. The overall position is satisfactory and on target.</p>	
<p><b>3c</b></p>	<p><b>SADA Annual Budget Approval:</b></p> <p>An updated sheet with a slightly revised reduced total was circulated. After a review of the Music budget the figure has dropped slightly to show the expected level of activity next year.</p> <p>The budget application process for SCT and SAC has been brought forward to a November deadline. This budget still contains some unknowns however, the SCT amount is set at last years total, less £77,000 offered as savings plus a 2% inflationary cost. The requested saving by SCT was 10%, and we offered a slightly higher amount of £77,000. The SAC has provided a standstill budget for the last two years with no inflationary increase. The Director is working hard at maintaining the SADA profile at a strategic level and is hopeful to negotiate a new 5 year foundation funding package (or equivalent) with Creative Scotland in time for when the current agreement runs out in March 2012.</p> <p>The budget differs slightly from those set in the Business Plan, with the opening of Mareel and staffing costs which have been scheduled in for the last quarter of the year. Also, there may be a reduction in Arts Development both as a result of a squeeze on public funding and extra pressure due to the 10% cut in funding from SCT.</p> <p>Mr Burgess asked about the 1% donation from the SIC towards public art but although this has been passed</p>	

	<p>and adopted by the SIC in principle it is not likely to be put into practice.</p> <p>GG explained that percent for art only applied to large scale investment in public building and he was not aware of the SIC Planning Dept. implementing the policy to date.</p> <p>Mr Sinclair asked for clarification for the jump in the Ancillary Earned Income figure. This was explained by the opening of the Mareel Café and Bar at the end of the year, however if it does not open then there will be a corresponding drop in Expenditure.</p> <p>Mr Gibbons also highlighted the additional funding available from the SCT for the transition year of £100,000. Part of this sum (£50k) has been included in the budget as the increased costs of opening will be included during this year.</p>	
	<p>Mr Goodlad raised a couple of queries:</p> <ol style="list-style-type: none"> <li>1) How do budgets get allocated to the individual art forms?</li> <li>2) What role, if any, do the Trustees have in this process?</li> </ol> <p>1) The Chair invited the Director to respond. He explained that the Business Plan apportions time from all relevant staff and charges the cost to each art form. This is then matched with income from the revenue funding. Project expenditure is mainly from additional income sources and discussions are held with each officer to identify the level of activity they intend for the year and how they are going to fund it. Each year the core allocation decreases slightly and therefore staff have to work harder to find income to cover their costs. This is in line with the aim of reducing dependency on revenue funding from the SCT and SAC.</p> <p>2) In response to this question, the Chair suggested the Board may wish to have a greater input in this process. Mr Goodlad suggested there may be occasion where the Board felt it better to concentrate on three art forms as opposed to six, for example. Mr Gibbons added that Dance and Film were shared with Drama and Literature at</p>	

	<p>present and did not attract the same level of funding. It was up to officers to find additional funding for their activities.</p> <p>In reality, the Trustees have the opportunity to become involved in greater detail when the Business Plan is set. Reviews of the Business Plan would also afford this opportunity. Mr Goodlad reiterated his question and felt that key decisions were being made and wanted clarification on the Trustee's involvement with the procedure.</p> <p>GG explained that the budget presented was in line and consistent with the Five Year Business Plan agreed by the Board in November 2008.</p> <p>The Business Plan is due for review early in the new year (2010) and there will be opportunity for Board Members to consider and suggest changes to the current allocation of funds and resources. There will be a need to consider the impact of reductions in core funding and likely reduction in project funding in coming years.</p> <p><b>Approval:</b> The decision to approve the budget followed and was proposed by Mr Smith and Seconded by Mr Goodlad.</p> <p>Mr Smith left the meeting and no more decisions were made. <span style="float: right;">7.30pm</span></p>	
	<p>Mr Goodlad enquired if, when a big project (eg the Olympiad) was being considered, was the Board informed? Did the Board discuss Mirrie Dancers before committing to the project?</p> <p>GG said yes. The Hansel of Light Project was discussed at an early stage by the Board and regular updates have been reported. Mirrie Dancers formed part of the Mareel public art project and grew from that point. Mr Gibbons said that what often happens is a project starts out relatively small, then grows into something much bigger. However, the use of resources to support such projects are offset with additional income. Both projects are also identified within the agreed Business Plan.</p> <p>Mr Goodlad felt that the Board should be made aware of potential large scale projects as they can have a</p>	

	<p>significant implication on the activity of SADA. GG agreed.</p> <p>The Chair added that with the opening of Mareel on the horizon, SADA would not be looking to take on any new large scale projects and would concentrate on getting Mareel up and running efficiently. For information, Mr Johnston has agreed a calendar of meetings with Mr Gibbons every second Friday for this purpose, and will e-mail Trustees if there are any issues arising from these meetings.</p>	
<b>4</b>	<p><b>Mareel Project</b></p> <p><b>4.1 Construction Update:</b></p> <p>The budget update was circulated. Mr Gibbons said the build was going well and the floor slabs were almost finished. Next would be the block work and the external envelope going on next spring. DITT have reported an eight week delay but they are confident of making up the time. The QS is happy with the current spend levels against budget.</p>	
	<p><b>4.2 Operations Update:</b></p> <p>Still on target for a Spring 2011 opening. Hopefully the hand over will be in December with a three month commissioning and soft opening period. The economic climate has changed since the Business Plan was developed and a comprehensive review of projections is required.</p>	
<b>5</b>	<p><b>Dates of future meetings</b></p>	
	<p>SADA Arts Development Meeting – Tuesday December 1<sup>st</sup> at 6.30pm at the Shetland Amenity Trust Board Room.</p>	
	<p>SADA Board Meeting – Tuesday 15<sup>th</sup> December at 6 pm Learning Room in the Shetland Museum.</p>	