

WELSH BOOKS COUNCIL

EXECUTIVE COMMITTEE

VENUE: Castell Brychan, Aberystwyth

DATE: 23 June 2006

PRESENT: Professor M. Wynn Thomas (Chairman); Messrs. W. Gwyn Jones; W. Gwyn Williams; Gareth Davies Jones; Ioan Kidd; Dr Hywel Owen (representing Mr P. Mark Williams); Lawrence Rawsthorne; Mrs Catrin Puw Davies; Mrs Siân E. Jones; Councillor Eirwyn Williams; Councillor Morfudd M. Jones; Councillor Liz Hacket Pain.

Staff: Miss Gwerfyl Pierce Jones; Messrs Elwyn Jones; Elgan Davies; Dewi Morris Jones; D. Philip Davies; Arwyn Roderick; Dafydd Charles Jones; Ms Helgard Krause; Miss Menna Lloyd Williams

APOLOGIES: Messrs D. Geraint Lewis; Milwyn Jarman, QC; Gareth William Jones; Rhys Bebb Jones; P. Mark Williams; Iolo M. Ll. Walters; Alun P. Thomas; Dr Huw Meirion Edwards; Dr Rhidian Griffiths; Mrs Ann Keane; Councillor Keith Morgan; Councillor Gill Clark; Councillor Ray Davies.

1 CHAIRMAN'S BUSINESS

- 1.1 The Chairman welcomed members to the meeting and especially those attending for the first time: Councillor Liz Hacket Pain (Monmouth) and Dr Hywel Owen from the Welsh Assembly Government, representing Mr Mark Williams. A welcome was also extended to Helgard Krause who was attending her first meeting since being appointed the Council's Head of Sales and Marketing.
- 1.2 Dr Kirsti Bohata was congratulated on the birth of her daughter, Ula.
- 1.3 Members extended their sympathy to staff members, Elinor Edwards and Robert Dobson, on their respective bereavements; and wished Heather Bastow well following her recent second operation at Morriston Hospital, Swansea.
- 1.4 Dafydd Charles Jones was welcomed back to work and thanks were offered to staff who had taken on extra duties during his absence.
- 1.5 Two members were congratulated on recent publications: Mr Ioan Kidd for his collection of short stories, *O'r Cyrion*, and Mr Gareth William Jones for a further novel in the *Mewnwr a Maswr* series.

Congratulations were extended to Mrs Catrin Puw Davies on being made Honorary President of the Flintshire and District National Eisteddfod 2007 and to Councillor Morfudd Jones who had just begun her term as Mayor of Ruthin.

- 1.6 The Chairman conveyed members' good wishes to Elgan Davies and Dewi Morris Jones on their retirement at the end of the month, and added that there would be an opportunity during the afternoon meeting to acknowledge the contribution made by both of them.

2 CONFIRMATION OF MINUTES

The minutes of the previous meeting held on 2 December 2005 were confirmed.

3 MATTERS ARISING

3.1 Changes to the Constitution

The Chairman referred to a paper, circulated to members, which recommended amendments to the Constitution. The Honorary Counsel was thanked for his advice in connection with the second clause, which had been altered in light of a report from the Charities Commission. The following recommendations were approved for presentation to the Council at the afternoon meeting.

IV(d) MEMBERSHIP: Representatives

DELETE

The Qualifications, Curriculum and Assessment Authority for Wales

Amend current clause

VIII(1) DELETE 'subject to the control of the Council'

The Executive Committee shall exercise on behalf of and subject to the control of the Council such functions as may be delegated to it from time to time by the Council.

Revised clause to read:

The Executive Committee shall exercise on behalf of the Council such functions as may be delegated to it from time to time by the Council.

Amendment to current heading

XI TRUSTEES

The revised heading to read:

CUSTODIAN TRUSTEES

3.2 The Charity Commission: Review Visit Report

It was noted that the report of the Charity Commission had been circulated to members with papers for the last meeting of the Executive Committee. A response had to be made to the action points by the end of October.

The Chairman reported that the Chief Officers' Panel had scrutinised each recommendation and referred to those recommendations which had already been implemented.

Detailed consideration was given to the following matters:

.1 The charity's legal position

Having considered the Honorary Counsel's advice, the Executive Committee decided that the charity's legal structure was appropriate. They were of the opinion that the Distribution Centre needed to be a Department of the Council

in order to fulfil the organisation's objectives with regard to Welsh-language books and English-language Writing in Wales and to succeed in this task without support from the public purse. It was noted, in addition, that this matter had been considered as part of the process of assessing risk. In this connection, it was important to recognise that at least 80% of stock held at any one time was the property of the publishers.

.2 Reserves Policy

The following policy was agreed:

Capital Funds

- £450,000 to cover the historical cost of buildings and unforeseen capital expenditure
- £100,000 target for urgent computer developments which cannot be funded through normal revenue funding.

Revenue Funds

- Grant-in-aid: Maintain a reserve balance of no more than 5% of core funding (which equates to £57,950 in 2006/07).
- Distribution Centre: Target of 6 months of overheads (£269,151 based on 2005/06 figures).

.3 Training for New Trustees

A training programme for new Trustees was presented and approved, to include an invitation to visit the Books Council in order to acquaint themselves with the aims of the organisation and the duties and responsibilities of the Trustees.

4 FINANCIAL SITUATION

4.1 2006/07 Grants

A paper was distributed outlining the latest situation regarding 2006/07 grants (See Appendix 1). It was noted that the Welsh Assembly Government had agreed to add £50,000 to the budget, although this sum had been reduced to £45,000 (a reduction based on a formula which affected all Welsh Assembly Government clients).

4.2 Budget Requirements for 2007/08

A paper was presented noting the financial requirements for 2007/08 (See Appendix 2). It was noted that an earlier version of this paper had been presented to the Welsh Assembly Government in the form of an appendix to the Corporate Plan. Revisions reflected changes in staff, but totals were similar to those in the original paper.

5 OPERATIONAL PLAN 2006/07

The Director presented the Plan to the members. She explained that it had been approved by the Culture Minister and would be placed on the Welsh Assembly Government and Welsh Books Council websites.

6 SALES AND MARKETING

- 6.1 Mr Dafydd Charles Jones, Manager of the Distribution Centre, presented a report on the Distribution Centre's activity, noting that sales for the year had risen by 6.5%, after setting aside additional sales in the previous year through ACCAC's scheme for schools.

It was reported that the Centre had enjoyed a good start to 2006/07, with an increase of 13.79% over the first two months of the year. Stands at the Urdd Eisteddfod and the Hay Festival had contributed to this success and arrangements were already underway to have stands at the Royal Welsh Show and at the National Eisteddfod.

The Chairman thanked Dafydd and the staff for their work. He added that he had visited the new Borders bookshop in Llantrisant at the beginning of the week and been much heartened by its excellent selection of books from Wales in both languages.

6.2 Kewley and Richardson Report

It was reported that Helgard Krause had been appointed Head of Sales and Marketing and had been released for three months in order to hone her Welsh and become fluent by the time she took up her appointment on 3 July.

It was noted that the negotiation of contracts with the main publishers would be a priority.

7 INFORMATION SERVICES

Mr Phil Davies reported that work on developing a *gwales*/library module had been completed and that there would be a presentation on this facility at the afternoon meeting.

He also noted that these developments included provision of an on-line system to enable publishers to offer bibliographical information directly about their books. With the help of the publishers, information available on the Council's databases would be extended, to the benefit of librarians, booksellers and the public.

The Chairman thanked Phil Davies for taking the lead role in developing schemes in this important area.

8 PRESENTATION OF MINUTES

The minutes of the following Panels were presented and approved:

- 8.1 Publishing Grants Panel (Welsh-language), 30 November–1 December 2005
- 8.2 Publishing Grants Panel (Welsh-language), 22–23 March 2006
- 8.3 Publishing Grants Panel (English-language), 9–10 March 2006
- 8.4 Children's Books Panel, 5 December 2005
- 8.5 Trade Representation Scheme: Steering Committee, 19 January 2006
- 8.6 Chief Officers' Panel, 21 June 2006

9 RECENT APPOINTMENTS

The following list of appointments made since the last meeting was presented and confirmed.

Helgard Krause – Head of Sales and Marketing
 Date appointed: 10 April 2006
 Starting date: 1 July 2006
 A one-year initial appointment.

Eleri Huws – Senior Editorial Officer
Date appointed: 7 February 2006
Starting date: 1 April 2006

Karina Wyn Dafis – Editorial Officer
Date appointed: 24 March 2006
Starting date: 24 July 2006
A two-year initial appointment.

Sion Ilar – Senior Design Officer
Date appointed: 20 April 2006
Starting date: 3 July 2006

Tanwen Haf – Design Officer
Date appointed: 25 May 2006
Starting date: 19 June 2006
A two-year initial appointment.

10 ARRANGEMENTS FOR THE HALF-YEARLY MEETING

Mr Elwyn Jones noted that lunch had been provided for members and that a meeting of the Council would follow in the afternoon.

CYNGOR LLYFRAU CYMRU / WELSH BOOKS COUNCIL

GRANTIAU / GRANTS 2006 / 2007

	2005/06	2006/07	Cynnydd/ Increase
	£	£	£
Llywodraeth y Cynulliad / Welsh Assembly Government			
Grant cynnal / <i>Grant-in-aid</i> (yn cynnwys rhaglen weithgarwch graidd / <i>including core programme activity</i>)	1,108,000	1,159,000	+ 4.6%
Grantiau i'w dosbarthu / <i>Grants for distribution</i> Grant Cyhoeddi / <i>Publishing Grant</i>	2,274,000	2,268,000	- 0.26%
	3,382,000	3,427,000	1.3%

	2005/06	2006/07
	£	£
Grantiau Prosiect Eraill / Additional Project Funding		
Llywodraeth y Cynulliad: Yr Adran Addysg, Dysgu Gydol Oes a Sgiliau / <i>Welsh Assembly Government: Department for Education, Lifelong Learning and Skills</i>		
Diwrnod y Llyfr / <i>World Book Day</i>	75,000	75,000
Catalog Llyfrau Plant / <i>Children's Books Catalogue</i>	12,000	12,000
Llywodraeth y Cynulliad / <i>Welsh Assembly Government: CyMAL</i> <i>gwales/llyfrgell / gwales/libraries</i>	80,000	—
Asiantaeth Sgiliau Sylfaenol / <i>Basic Skills Agency</i> Cynllun Stori Sydyn / <i>Quick Reads Project</i>	43,128	I'w gadarnhau/ <i>To be confirmed</i>

Financial Requirements 2007/08**Updated 21/06/06****1 Core costs/running costs**

- .1 There is no provision for inflation in the Welsh Assembly Government's estimates for 2007/08 and 2008/09. (Note also that £25,000 has been specifically earmarked for capital costs.)

This situation follows a standstill budget in 2005/06 and a small increase of £50,000 in 2006/07 (4.6%) which was added in order to avoid cutbacks to core services.

- .2 The new post of Head of Sales and Marketing resulting from the Kewley and Richardson report is a one-year post only at present. This is a key post which should be integrated in the staffing structure.
- .3 An increase of £50,209 is needed in 2007/08 simply to maintain our current position in real terms. An additional sum of £36,861 would be needed to reinstate the Overseas Marketing post. Total: £87,070.
- .4 There is increasing pressure on the Council's Head of Finance who is also responsible for Information Technology throughout the organisation – including both the VISTA and *gwales* systems.

Creating an Information Systems Strategy is a priority for 2006/07. All risk assessments agree that this is the greatest risk factor facing the Council at the present time, due to the fact that our systems have developed significantly in recent years.

We would ask that this be simply noted, for the time being.

2 Grants

- .1 The Grants Department saw its budget reduced by £6,000 for 2006/07. The estimates reinstate this sum for 2007/08 and 2008/09.

It should be noted that there has been no inflation related increase for several years: additional funding has been for new, specific projects.

An increase of 3% (£68,190) would assist in recognising the element of real increase in costs, in particular the supported posts and running costs of the publishing houses.

- .2 An additional sum of £100,000 – £200,000 would enable the Council to proceed to implement some of the most important elements of the Joint Marketing Strategy. This is one of the main recommendations of the Welsh Writing in English report and it would benefit both Welsh- and English-language publishing.

.3 **Totals**

Running costs:	£50,209	
	<u>£36,861</u>	£ 87,070
Publishing Grants	£68,190	
	<u>£100,000</u>	£168,190
		<u>£255,260</u>

21/06/06