



UNCONFIRMED

**Minutes of the meeting of the Board of the Arts Council
held at Cultúrlann Uí Chanáin, 37 Great James Street, Derry/Londonderry on
Wednesday 9 June 2010 at 2.00pm**

PRESENT

Rosemary Kelly (Chairman), Kate Bond, Damien Coyle (Vice Chairman), Raymond Fullerton, Tony Kennedy, Sharon O'Connor, Brian Sore, Peter Spratt,

IN ATTENDANCE

Roisin McDonough	(Chief Executive)
Nick Livingston	(Director of Strategic Development)
Lorraine McDowell	(Director of Operations)
Noirin McKinney	(Director of Arts Development)
Geoffrey Troughton	(Director of Finance)
Claire Robinson	(Executive Assistant to the Board)

APOLOGIES

Eithne Benson, David Irvine, Bill Montgomery, Ian Montgomery, Joe Rice, Paul Seawright, Janine Walker

1 MINUTES OF PREVIOUS MEETING

1.1 Minute – 12 May 2010

The minute of the meeting held on 12 May 2010 was accepted by the Board and signed by the Chairman.

1.2 Matters Arising

Page 1, Item 1.3 Action List – The Chief Executive confirmed there had been no response from DCAL with respect to the Capital Working Group Report.

Page 2, Item 3.1 Chairman's report – The Executive Assistant advised that work on identifying dates for North/South Committee meetings was underway and would be agreed with Committee members at the earliest convenience.

1.2a Amendment to Minute of Board meeting held on 11 February 2010.

The Chairman referred Board members to the amended minute of the ASOP meeting tabled. She advised that changes had been made in order to identify more clearly that Board members had not been present for any discussion relating to clients in which they had declared an interest. The amendment was accepted by the Board and signed by the Chairman.

1.3 Action List

The Chairman referred to the updated action list, noting completed and outstanding issues.

Noirin McKinney, Director of Arts Development reported that following a meeting with the Chairman and the Head of Visual Arts it had been agreed that a mechanism to bring the appointment of co-opted members to the Acquisitions Committee in line with other Board

committees, would be devised once the process for selection of external advisors had been considered under the implementation of the Visual Arts Strategy. Lorraine McDowell, Director of Operations advised that the implementation of the Review of Grants Distribution would also impact on the selection process for external advisors. The matter would be revisited later in the year.

The delay in presentation of policies to the Board for approval due to the rescheduling of Staffing Committee meetings was noted and the Committee Chairman, Damien Coyle was asked to ensure a meeting of the Committee was arranged at the earliest convenience.

Discussion on when the guidance and template for Board preparation for ASOP would be available followed. The Board agreed it would be pertinent to wait until the review of grants distribution had been implemented and a format for ASOP had been established. An update would be provided at the September Board meeting.

Kate Bond joined the meeting.

The Chairman confirmed she had a date in the diary at the end of June to visit the Collection storage facilities.

A letter acknowledging receipt of the Arts Council response to the NITB Draft Tourism Strategy had been received and was appended to the Chief Executive's report.

The Board noted the advocacy card tabled and stressed the importance it attached to the development of appropriate messages using the information from the Digest of Arts Statistics presented at the May Board meeting. Noirin McKinney, Director of Arts Development advised that additional advocacy cards would be produced periodically throughout the year.

The Chairman had received a letter from Rotha Johnston, BBC Trustee and Chair of the BBC Northern Ireland Audience Council, thanking the Arts Council for producing a response to the strategy consultation. The Chairman said the response had been excellent and asked that the Board's appreciation be extended to Grainne McCann, Communications Manager.

The Board noted that the annual plan for the Finance and Capital Committee had been prepared for discussion at the meeting on 2 June 2010.

Tony Kennedy requested that the Works of Art remain on the action list until the Internal Auditor's report had been considered by the Audit and Risk Committee.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 CHAIRMAN'S BUSINESS

3.1 Chairman's Report

Since the last meeting the Chairman had attended, along with Tony Kennedy Chairman of the Audit and Risk Committee, the annual accountability meeting with Minister Nelson McCausland at Stormont. The strength of governance/accountability and excellent performance with respect to capital investment had been acknowledged and the issue of the National Gallery had been raised. Subsequently the Chairman had met with the Deputy Secretary, Edgar Jardine for her annual Chair's Review. The Chairman and Chief Executive had also met with Dan Harvey and Tim Cooke, Chairman and Chief Executive of National Museums NI. A meeting at the Linenhall Library with the Director, Brian Adgey and Librarian John Killen had also taken place.

In addition, the Chairman had attended a British Council meeting; a Scottish Ballet Performance of Romeo and Juliet at the Grand Opera House; the Northern Ireland Tourist Board Awards at Belfast City Hall; the Ulster Orchestra's end of year concert at the Waterfront Hall at which the Chairman, Sir Des Rea had spoken warmly about the Arts Councils continued support; and two Chairs' Forum events; the Chairs Review and the Good Governance Conference. Brian Sore and Tony Kennedy had also attended

the latter and Board colleagues Brian Sore, David Irvine and Raymond Fullerton had been present at the Ulster Orchestra concert.

The Chairman had also met with Mike Edgar, Head of Entertainment and Events, BBC NI to visit the set of Arts Space; had spoken at the RSUA Design Awards and presented the award sponsored by the Arts Council for the best example of integrating artworks into a building project.

She had also chaired a stage three review of application ACNI/5524 from Festival of Fools. The Chairman highlighted that following thorough examination of the paperwork and discussion of the issues the review panel had agreed unanimously that there was no evidence that the Arts Council had failed to follow procedures, nor were the procedures deficient. The panel did however note that, although reference to the moderation process was not relevant to its final decision in this case, the inclusion of such references in future review material was recommended.

In response to a query from Peter Spratt, Noirin McKinney, Director of Arts Development advised that the Gifting process was well underway and that as the closing date had been Friday 4 June 2010 she could confirm at least 10 applications had been received. She anticipated meeting with the Acquisitions Committee early September and was working toward bringing a recommendation to the Board at its September or October meetings.

In conclusion the Chairman reported that during David Irvine's period of absence due to illness it had been agreed that Sharon O'Connor's offer to join the Audit and Risk Committee to cover this period had been accepted.

3.2 Meetings and Events to 7 July 2010*

The Chairman drew attention to the meetings scheduled. Lorraine McDowell, Director of Operations noted an error in the paperwork. There had been no change to committee membership.

3.3 Attendance Records*

The attendance records were noted.

3.4 Board Workplan 2009/10*

The updated workplan was noted.

3.5 Complaints and Reviews Update*

The Board noted the one review received since the last meeting. No complaints had been received. Lorraine McDowell, Director of Operations advised that all ASOP related queries had now been dealt with.

3.6 Freedom of Information (Fol) Update*

The one Fol request was noted.

3.7 Register of Hospitality and Events*

Board members were asked to complete and return the register of events and hospitality electronically.

3.8 Chairman's Priorities

The Chairman highlighted her priorities for the meeting.

4 FINANCIAL UPDATE

Geoffrey Troughton, Director of Finance and Corporate Services spoke to the reports circulated. He indicated that the exchequer and lottery management accounts for the 12 months ending 31 March 2010 and the exchequer management accounts for one month ending 30 April 2010 had been considered by the Finance and Capital Committee and only high level issues had been included in his report to the Board. The draft published accounts for the year ended 31 March 2010 had been reviewed by the Audit and Risk Committee and were with the Northern Ireland Audit Office. Grant Thornton had commenced the annual audit of the 2009/10 exchequer accounts on 12 May 2010. A

summary of high level issues as detailed in the financial update report circulated was provided.

4.1.2 Exchequer Management Accounts - period ending 31 March 2010

The Board noted that under spends in relation to capital and revenue income had been the result of technical accounting issues and reflected a loan to An Gaelaras and cash drawn down after year end. Notional pension charges under spend in ring fence projects and issues arising from the inclusion of heritage assets in the statement of financial position, as highlighted at the May Board meeting, were reiterated.

4.1.3 Exchequer Management Accounts - period ending 30 April 2010

The Board was advised that the month one reports were of limited value as trends could not be identified at this early stage and significant variances were a result of timing issues.

4.1.4 Board Expenditure

A small under spend on the Board expenditure was noted for the first month of the current year...

4.2 Lottery Management Accounts – period ending 31 March 2010

No issues arose with the lottery management accounts for year ended 31 March 2010. Geoffrey Troughton clarified that the overall target for a £5m NLDF balance by 2013 was achievable.

Brian Sore, Finance and Capital Committee Chairman said he was content that all issues discussed at the committee meeting had been covered by the Director of Finance and Corporate Service in his report.

4.1.5 Exchequer Draft Published Accounts 2009/10

Geoffrey Troughton referred to the draft published accounts which had been considered by the Audit and Risk Committee and summarised issues discussed. He stated that the accounts were the first set produced under the new International Financial Reporting Standards (IFRS) and highlighted changes undertaken in preparation for this.

The Chairman proposed that with Board approval the tabled paper on budget implication would be considered at this point in the meeting.

Budgetary Implications for the next CSR Period – 2011/12; 21012/13; 2013/14

The Chief Executive referred to the paper prepared by the executive in response to a request from Deborah Brown, Director of Finance at DCAL for an assessment of the impact of a 5% budgetary cut to the Arts Council budget over the next three year period. She said the department had confirmed the cuts were notional at this stage but said there was a possibility of further reductions and an additional exercise for a 10% cut was anticipated.

The Board agreed that a special meeting would be convened during the first week of July and the preparations for the Biennale should be put on hold until that point. The Board requested supplementary information for the special meeting.

5 CHIEF EXECUTIVE'S REPORT

The Chief Executive referred to her report which had been circulated prior to the meeting and drew attention to a number of issues.

5.1 Works of Arts

The Chief Executive referred to the appended letter from the Internal Auditor, Brian Clerkin received in light a further meeting to discuss the initial report and additional fieldwork undertaken. She advised that the outcome represented a significant improvement and would be further considered by the Audit and Risk Committee at its meeting at the end of June.

5.2 Internal Communications Update

The Chief Executive reported that a cross departmental working group had been established to take the project forward and a number of focus group meeting which would

include all staff had been put in place during June, to discuss the areas for improvement. An update and action plan would be presented to the Board later in the year.

5.3 DETI Tourism Strategy and NITB Response

The Chairman thanked Nick Livingston, Director of Strategic Development for his work on the Arts Council's response to the draft Tourism Strategy and made reference to the comments on shared issues and strengthening of the partnership between the two bodies included in the response from Laura McCorry, Director of Corporate Development at Northern Ireland Tourist Board.

5.4 DCAL 2010/11 Business Plan

The Chief Executive drew attention to the proposed budgets for the Arts and noted the only reference to a 'shared and better future' was in the Minister's Foreword. The Board noted expenditure and targets quoted for cultural expenditure within the report.

5.5 Response to BBC Review

The Arts Council response to the BBC Strategy Review Consultation, prepared by Grainne McCann, Communications Manager was noted. The Chairman indicated that she and the Chief Executive had reviewed the document prior to despatch. She thanked Grainne McCann for the considerable effort put into preparation of this excellent report.

5.6 Musical Instruments for Bands

The Board noted the letter of response sent to Arthur Scott, Director of Culture, DCAL in relation to the Musical Instruments for Bands Programme.

5.7 Events and Meeting attended

Noted.

The Chairman thanked the Chief Executive for her report.

6 ITEMS FOR APPROVAL

6.1 Ireland Chair of Poetry

The Chairman reported that the Trustees of the Ireland Chair of Poetry had, after considerable discussion, agreed to recommend the appointment of Harry Clifton as the new Professor of Poetry. She provided details of his work and awards and said he had been born and currently lived in Dublin and was a member of Aosdána.

The Board endorsed the recommendation of the Trustees appointment panel.

The Executive Assistant would communicate the Board's endorsement of the decision.

6.2 Own Art Scheme and Acquisitions Update

With the Board's agreement this item was moved to the end of the meeting.

7 ITEMS TO NOTE

7.1 Delegated Decisions*

Delegated decision for Re-Imaging and Small Grants taken since the last meeting were noted.

7.2 Capital Projects Update *

The Chairman noted with satisfaction the completed projects and extended congratulations to all staff involved in the successful management of these projects.

Brian Sore, Finance and Capital Committee Chairman said the reports had been reviewed by the Committee at its most recent meeting at the beginning of June. He referred to projected spends for the coming year and indicated potential risk for some projects with regard to spend not being achieved within the financial year. Lorraine McDowell, Director of Operations reported that the two projects of particular concern would be monitored closely and ACNI funds would be profiled for spend early in the process in order to ensure expenditure within year.

7.3 Artform and Specialist Reports *

The Board was referred to the reports circulated. Noirín McKinney, Director of Arts Development provided an update on recent appointments to the new Opera Company and stated that announcements were imminent. The Chief Executive clarified that in partnership with the festival organisers and Northern Ireland Tourist Board work on the development of a central ticketing portal was ongoing.

The Chairman extended thanks to the officers for the informative reports.

7.4 The Big Arts Give*

Nick Livingston, Director of Strategic Development provided details of the new challenge fund scheme to encourage individual philanthropy for the arts supported by Arts and Business in partnership with the Alex Reed Foundation. He reported that the scheme was UK wide and that Peter Spratt had spoken on behalf of the Arts Council at the Northern Ireland launch on Tuesday 8 June 2010. Peter Spratt added it had been a very successful and well attended launch, for a very positive initiative which had raised £1m within its first hour.

In response to queries from Sharon O'Connor and Raymond Fullerton, Nick Livingston indicated that arts organisations in Northern Ireland were very aware of the project and the closing date for applications. He also advised that information was currently available on the Arts and Business website and would be placed on the Arts Council website. Press activity was in hand.

8 COMMITTEES

8.1 Acquisitions Committee Update (4/6/10)

In the absence of the Committee Chairman, Peter Spratt provided a short update. He advised that the main item of business had been the Own Art Scheme and the Committee's recommendation had been accepted by the Board earlier in the meeting.

8.2 Finance and Capital Update (2/6/10)

Brian Sore, Committee Chairman said that the items discussed by the Committee had been addressed to his satisfaction earlier in the Board meeting.

8.3 Audit and Risk Committee Update (7/6/10)

The Committee Chairman, Tony Kennedy reported that Board members of the Committee had met with the senior management and a representative from the Northern Ireland Audit Office on Monday 7 June 2010, to review the 2009/10 Exchequer Accounts prior to completion of the external audit. The Committee had been content with the documentation, and the discussion had been reported by the Director of Finance and Corporate Services within his Financial update. He requested consistency in the use of the correct name for the Committee in future paperwork.

8.4 Committee Minutes*

The Chairman advised that the minutes of meetings of the Audit and Risk Committee, 22/3/10 and Finance and Capital Committee, 28/1/10, 12/3/10, previously circulated as unconfirmed documents, had been approved without change at recent meetings. The confirmed minute of the Acquisitions Committee held on 26 February 2010 was tabled and endorsed by the Board.

6.2 Own Art Scheme and Acquisitions Update*

Suzanne Lyle, Head of Visual Arts joined the meeting to present on the Own Arts Scheme. It was a scheme designed to facilitate the purchase of single or multiple works of art by the public using an interest free loan up to a maximum value of £2000 which would be repaid over a period of ten months. Further details of the scheme as outlined in the report circulated, were highlighted along with potential costs and the Board was assured that the Arts Council was well protected against any loan defaults. She also advised that similar schemes were currently available through other UK Arts Councils and that a number of galleries within Northern Ireland had already registered an interest in

participating in such a scheme. Peter Spratt reported that the Acquisitions Committee had, at its meeting on 4 June 2010, fully endorsed the proposal.

The opportunity for ACNI to buy into the scheme operated by a subsidiary company of the Arts Council England in partnership with a credit provider, Hitachi Capital Consumer Finance was considered. Suzanne Lyle, Head of Visual Arts confirmed that anyone with a valid consumer credit license could apply to be involved; that the criterion for membership would be assessed by Arts Council officers and that the Acquisitions budget would cover costs associated with the implementation of the scheme.

The Board accepted the Committee's recommendation and approved the scheme.

The update on acquisitions would be rescheduled for a meeting later in the year.

7 ANY OTHER BUSINESS

8.1 Special Board Meeting

The Executive Assistant would liaise with Board members and executive to identify a suitable date and time, early July, for the meeting to discuss implications of a reduced budget.

8 PRESENTATION

The Chairman welcomed James Kerr, Director of the Verbal Arts Centre. He thanked the Board for the opportunity to make a presentation and highlight the work of the Verbal Arts Centre.

A brief history of the organisation was outlined along with the mission statement and the two aims which linked well with the Arts Council's own objectives. Attention was drawn to sources of income which included own earned income and the challenges associated with attracting additional sponsorship. He highlighted the three areas of business; publishing, education and training; external services; and provided further detailed information on activities, projects and events within each area.

Paul Seawright and Ian Montgomery joined the meeting.

The establishment of a literature development agency for Northern Ireland was noted as a major vision for the future and details of how this might be accomplished and developed were outlined. Responses were provided to questions raised by the Board. A copy of the presentation would be made available to all Board members.

The Chairman thanked James Kerr for the presentation; congratulated him on the successes and vision for the future.

9 DATE OF NEXT MEETING

The date of the next meeting was confirmed as 7 July 2010. The meeting would be held at MacNeice House and would commence at 5.30pm.

There being no further business the Chairman closed the meeting at 5.15pm.

RESERVED MATTERS:

FOI Exemption Section 22:

Information intended for future publication

Item 4.15 pg 4/5.

Signed: _____
Rosemary Kelly
(Chairman)

Date: _____
7 July 2010