



## **UNCONFIRMED**

### **Minutes of the meeting of the Board of the Arts Council held at MacNeice House on Wednesday 12 May 2010 at 5.00pm**

#### **PRESENT**

Rosemary Kelly (Chairman), Eithne Benson, Damien Coyle (Vice Chairman), Raymond Fullerton, David Irvine, Tony Kennedy, Bill Montgomery, Joe Rice, Paul Seawright, Brian Sore Peter Spratt, Janine Walker

#### **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 & Corporate Services)  
Claire Robinson (Executive Assistant to the Board)

#### **APOLOGIES**

Kate Bond, Ian Montgomery, Sharon O'Connor

#### **1 MINUTES OF PREVIOUS MEETINGS**

##### **1.1 Minute – 14 April 2010**

The minute of the April meeting was accepted by the Board and signed by the Chairman.

##### **1.2 Matters Arising**

Page 2, Shared Internal Audit – Tony Kennedy, Chairman of the Audit & Risk Committee reported that the DCAL proposal had been discussed at a recent DCAL workshop for NDPB Audit Committee Chairs and had been vigorously opposed. DCAL had advised that Arms Length Bodies would be invited to opt into the service but it would not be made compulsory. The Chairman noted that she had written on behalf of the Board to DCAL's Head of Governance Unit, Gavin Patrick following discussion of the proposal at the April Board meeting.

Page 3, Transfer of Funding for Local Arts to District Councils – The Chief Executive provided an update and advised that this would most likely be delayed until 2015.

##### **1.3 Action List**

The Chairman referred to the updated action list. The Board was advised that the Head of Visual Arts, Suzanne Lyle was working on a mechanism for the appointment of co-opted members to the Acquisitions Committee; the Chairman of ACNI undertook to write to National Museums NI Chairman, Dan Harvey and Chief Executive, Tim Cooke to request a meeting to discuss matters of mutual interest; she also undertook to append a covering letter addressed to Minister Arlene Foster to the ACNI response to the draft Tourism Strategy. The letter would be circulated to Board members. The Chief Executive indicated that the issues regarding the capital working group report had been raised with DCAL at a recent accountability meeting. A letter from DCAL in relation to this was

expected. She advised there would be no capital programme for the coming year and the management of the current programme would continue without change

## **2 DECLARATIONS OF INTEREST**

None.

## **3 CHAIRMAN'S BUSINESS**

### **3.1 Chairman's Report**

Since the last meeting the Chairman had spoken at the official opening of the Crescent Arts Centre and hosted, at the same venue, the joint plenary session with An Chomhairle Ealaíon. Following discussion at the latter it had been agreed that the joint North/South Committee would be re-instated to assist with carrying forward the exceptional work currently underway, particularly that relating to living and working conditions of artists. In addition to the Chairs and Chief Executives of both Arts Councils, Tony Kennedy and Peter Spratt had agreed to join the committee from ACNI.

Following a brief discussion on the Crescent Arts Centre facilities it was agreed that, whilst the venue was outstanding, experiences of the management of both events and the catering service had been disappointing. Lorraine McDowell, Director of Operations agreed to relay the Board's comments to the client. The Chairman commented on the organisation of events in general and requested that the Arts Council's events officer(s) be involved in arrangements for future client events.

The Chairman had, along with the Chief Executive and Director of Arts Development, given evidence to the CAL Committee on the rationale behind decisions made at ASOP earlier in the year. She and the Chief Executive had also met with Barry Douglas and Sir George Bain for an update on Camerata Ireland. They had also met with Michael Gilson, Editor Belfast Telegraph to discuss arts coverage. She had also been involved in the shortlisting process for a new Professor of Poetry.

In addition, she had undertaken Board appraisals and completed paperwork for Board member's approval. She requested a quick sign off, as documentation was due to be forwarded to DCAL within the week, prior to her own annual review with the Deputy Secretary.

The Chairman read from a letter received from Rotha Johnston, BBC Trustee for Northern Ireland regarding developments in response to her previous comments on BBC arts coverage. She also referred to the Arts Council's response to the BBC Review of Strategy which was presently being prepared by Grainne. McCann, Communications Manager. She said the response would be reviewed by herself and the Chief Executive within the next week and would be circulated to Board members at the earliest convenience.

In conclusion the Chairman highlighted the new televised Arts programme, Art Space, and an article by Finola Meredith in the Irish Times on public arts commissions.

### **3.2 Meetings and Events to 9 June 2010\***

The Chairman drew attention to the meetings scheduled, Acquisitions Committee 28 May 2010 and Audit Committee 7 June 2010. Brian Sore, Chairman of the Finance and Capital Committee confirmed that a meeting would take place on 2 June 2010.

### **3.3 Attendance Records\***

The attendance records were noted.

### **3.4 Board Workplan 2009/10\***

The Chairman drew attention to the updated workplan. She commented on the balance of business for consideration at the May, June and July meetings noting the agenda for the latter would be very large.

### **3.5 Complaints and Reviews Update\***

The Chairman outlined complaints and reviews received since the last meeting and Lorraine McDowell, Director of Operations satisfied queries. The Board noted the stage three review which was imminent; a misplaced application which had resulted in the complaint and an anonymous letter which had been addressed as a third party complaint.

Lorraine McDowell, Director of Operations reported that, following a funding review, a client, had been reinstated to ASOP programme. The Board accepted the reasons for this decision.

### **3.6 Freedom of Information (Fol) Update\***

Lorraine McDowell, Director of Operations advised that only one new Fol request had been received since the last meeting. The explanation for the delay in responding as outlined in the footnote was noted by the Board.

### **3.7 Register of Hospitality and Events\***

Noted. Further discussion at item 6.3.

### **3.8 Chairman's Priorities**

The Chairman highlighted her priorities for the meeting as item 4, Financial Update and item 5.1, Musical Instruments for Bands.

The Chairman drew the Board's attention to a missive from DCAL requesting an amendment to the Minute of the December 2009 Board meeting which referred to DCAL's "approval" of the reviewed Standing Orders. She noted that DCAL had "commented on", but did not approve the Standing Orders. The amended paragraph was accepted by the Board, signed by the Chairman and would be appended to the December minute.

## **4 FINANCIAL UPDATE**

Geoffrey Troughton, Director of Finance and Corporate Services spoke to the report circulated. He reported that the 09/10 exchequer accounts were currently being prepared for audit which would be undertaken by Grant Thornton and was scheduled to commence on 12 May 2010. Details of three issues which had arisen were summarised; a £132k charge in relation to pensions; a £62k under spend and a £4,451 write-off arising from inclusion of Heritage Assets.

The Board noted that DCAL's advice had been sought with regard to the pension and Heritage Asset issues and expressed dismay that the under spend would have to be surrendered. The loss of £5k of the re-imaging funds was of concern especially at a time when additional funding had been requested. In response to the Board's suggestion that earlier notification of under spends would permit consideration of reallocation to other areas, Lorraine McDowell, Director of Operations confirmed that most of the under spend could not be accounted for until year end and although the largest under spend, (Cultural Olympiad), had been anticipated it could not be reallocated as it was ringfenced.

Geoffrey Troughton clarified that the balance of £4,451 for write-off had arisen as a result of changes to IFRS accounting standards and the inclusion of Heritage assets in the statement of financial position. This had prompted an administrative exercise to move records on works of art between databases which when reconciled had highlighted the difference.

Board members noted that the issues highlighted should have been brought to the attention of the Finance and Capital Committee in advance of the Board meeting and indicated that a clear procedure should be established for reporting on such financial matters. The Chairman expressed the Board's concern with regard to the lack of financial reporting between 28 January and 2 June 2010 and sought clarification on why this had occurred; how it could be rectified and the timescale for doing so. She added that regardless of the situation financial reporting to the Committee and Board should not be interrupted.

Geoffrey Troughton outlined the systems currently adopted by the Finance Department and highlighted the Finance and Capital Committee had been cancelled as financial information had been limited due to resources being focused entirely on year end audits. This had also been influenced by the fact that the annual budget and capital line had not yet been finalised by DCAL and that previous practice had been not to provide management accounts at year end. He did however, express concern about the financial reporting at year end and acknowledged that changes were required. The Board was assured that everything possible would be done to ensure appropriate reporting was provided in the future and clarity on the Board's requirements would dictate the systems put in place within the Finance Department. Following discussion of a number of issues with Brian Sore, Chairman of Finance and Capital Committee it was agreed processes would be reviewed and a draft plan on key reporting dates and timing of Committee meetings would be produced. The Committee Chairman, Brian Sore emphasised the need to maintain six committee meetings during the year.

The Chief Executive acknowledged that the current process focused very much on year end for audit purposes to the detriment of other financial reporting. She accepted there was no official requirement for accounts to be completed and audited before summer recess and agreed this would be taken into account when reviewing and planning for the future. A report would be prepared for the June Committee and Board meetings. The Board was content with this proposal

The Committee Chairman reiterated his concerns that the 2010/11 budget had not yet been approved and the difficulties of the previous year would be repeated. Lorraine McDowell, Director of Operations advised that as the NI budget had just been approved by the Stormont Executive it was anticipated that the letter of offer for the exchequer and capital budgets would be issued by DCAL in the near future.

Lottery expenditure and the NLDF balance were noted. The Board was advised that consideration would be given to providing an improved method of reporting and as the audit of the 2009/10 lottery accounts had been postponed for one week it was unlikely that the accounts would be laid at Westminster before the summer recess.

The Director of Finance and Corporate Services responded to queries raised by Raymond Fullerton and Bill Montgomery. He outlined factors which had increased the workload of the Finance Department in the past year and indicated final quarter exchequer management accounts would be produced for the June meeting. He added that revaluation of the Collection would not be an issue for 2010/11 accounts if the gifting process progressed to plan, as only the new Collection would appear in the Statement of Financial position.

The present position with regard to the 2010/11 budget was reiterated and the Board noted that an interim allocation had been received. Potential pressures which could arise during the year were highlighted.

## **5 CHIEF EXECUTIVE'S REPORT**

Updates were provided on several items within the report circulated.

### **5.1 Musical Instruments for Bands**

FOI Exemption Section 22

### **5.2 CAL Committee Meeting**

Nothing further was added to the Chief Executive's report.

### **5.3 Update on Works of Art**

FOI Exemption Section 22

### **5.4 Events and Meeting attended**

Noted.

## **6 ITEMS TO NOTE**

### **6.1 Delegated Decisions\***

The Board noted the delegated decision taken since the last meeting.

### **6.2 North/South Liaison Update\***

Noirin McKinney, Director of Arts Development reported that liaison with An Chomhairle Ealaíon was ongoing; that the executive met periodically and that, in addition to the annual joint plenary meeting, it had recently been agreed, as mentioned by the Chairman earlier, to re-establish the joint committee.

She provided an update on the recent joint plenary meeting. A draft minute of the meeting had already been agreed with the ACNI Chairman and had been forwarded to the AC/ACE Chairman for comment. A North/South Strategy had been approved. A presentation had been given on the Artists in Ireland/Living and Working Conditions of Artists project, which would be progressed through the joint committee. No issues were apparent with regard to the jointly funded clients. Developments with Opera were summarised and it was noted that considerable progress had been made with the new company in the Northern Ireland whilst issues in the Republic of Ireland would most likely take a couple of years to resolve. In closing she conveyed compliments received from colleagues on the Board of An Chomhairle Ealaíon on the standard of art facilities in the North of Ireland.

The Chairman thanked Noirin McKinney for the report and praised Wilma Haines, PA to the Chief Executive on the prompt turnaround of the minute for the meeting. She stated that the first task for the joint committee would be to draw up a Terms of Reference.

### **6.3 Events Attended Annual Report\***

The Board was referred to the report circulated. Lorraine McDowell, Director of Operations reported that, based on returns received, the target set within the business plan had almost been achieved. She indicated that returns had been limited and encouraged Board members to provide information on events attended on a regular basis. She also stated that the process and reporting documentation were currently being revised and a paper including guidelines on completion of paperwork would come to the Board with a recommendation from the Audit and Risk Committee.

Board members requested a less complex format for the electronic return of information; guidance on what to include; a list of forthcoming events in advance and a report on attendance half way through year.

### **6.4 Report on Integration of SAGE/GIFTS**

Lorraine McDowell, Director of Operations advised that an adhoc group had been set up to assist with the integration of the SAGE and GIFTS and that work was nearing completion. She indicated that full integration would not be possible but a process to improve interaction between the two systems had been identified following discussions with the companies responsible for maintaining the systems. She was hopeful the process would be completed by the end of September 2010 and agreed to report back to the Board at this stage.

### **6.5 Summary Introduction to Digest of Arts Statistics\***

The executive summary to the Digest of Arts Statistics was noted. Nick Livingston, Director of Strategic Development reported that the master document was now with the Arts Council and was ready for publication. He said it was his intention to get the document into circulation as soon as possible and in order to keep it current, would carry out a review within the year. The executive's proposals for a formal launch for the Digest were outlined. The Board concurred with the proposals to organise an event with MLAs and include in the programme for the Chairs' and Chief Executives' Forum. In response to Raymond Fullerton's query the Chief Executive confirmed that a full publicity campaign would be put in place to cover any launch events.

Nick Livingston, Director of Strategic Development referred the Board to the document tabled which provided a snapshot of advocacy messages drawn for the Digest. He

indicated these were available for immediate release with other being available for future use.

Noirin McKinney, Director of Arts Development stated that an advocacy card regarding a National Gallery had recently been signed off and would initially be circulated to Board members only. Additional cards using the messages would follow.

The Chairman indicated she would raise the matter of the National Gallery with the Minister at her annual accountability meeting on 24 May 2010.

## **7 COMMITTEES**

### **7.1 Committee Minutes\***

Minutes of meetings of the Audit Committee, 22/3/10 (unconfirmed); Lottery & Grants Committee, 2/3/10 (unconfirmed); Policy & Planning Committee, 14/1/10 (confirmed); and Finance & Capital Committee, 28/1/10 (unconfirmed), 12/3/10 (unconfirmed) were noted by the Board.

## **8 ANY OTHER BUSINESS**

### **8.1 Derry City of Culture Bid**

The Chief Executive reported that a request for pledges in support of the City of Culture bid had been received. She asked the Board to consider making £225k available if the bid was successful. The additional resources would be provided over a three years period commencing 2011/12.

**The Board approved the proposal to pledge £225k to the City of Culture programme.**

## **9 PRESENTATION**

The Chairman advised that the Belfast Circus School had, at their request, been scheduled to make the presentation but had had to pull out of this date. It had been impossible to find a substitute within the timescale.

## **10 DATE OF NEXT MEETING**

Board members were reminded that the June Board meeting and a client reception would be held at Cultúrlann Uí Chanaín in Derry/Londonderry and were asked to make every effort to attend. The programme for the day was outlined. Arrangements for the meeting and reception would be circulated in accordance with normal practice prior to the event.

There being no further business the Chairman closed the meeting at 8.20pm.

### **RESERVED MATTERS:**

**FOI Exemption Section 22:**  
Item 5.3 pg 5; Item 5.1, Pg4

**Information intended for future publication**

Signed: \_\_\_\_\_  
**Rosemary Kelly**  
**(Chairman)**

Date: \_\_\_\_\_  
**9 June 2010**