

Minute 4
2020/21

Exemptions

FOI Exemptions:

Section 5.1, page 2,	FOI Exemption Section 43
Section 5.2, pages 2-3,	FOI Exemption Section 22
Section 5.3, page 3,	FOI Exemption Section 22
Section 5.3, page 3,	FOI Exemption Section 43
Section 6.1, page 4,	FOI Exemption Section 43
Section 7.2, page 6,	FOI Exemption Section 43
Section 7.5, page 6,	FOI Exemption Section 43
Section 8.1, page 7,	FOI Exemption Section 43

CONFIRMED



**Minutes of the meeting of the Board of the Arts Council
Held on Wednesday 22 July 2020 at 3.00pm
via Microsoft Teams**

1. ATTENDANCE

PRESENT

John Edmund (Chair), Katy Radford (Vice Chair), Cian Smyth, Julie Andrews, Lynne Best, Liam Hannaway, Sean Kelly, Una McRory and Máirtín Ó Muilleoir

IN ATTENDANCE

Roisin McDonough (Chief Executive)
Geoffrey Troughton (Director of Finance and Corporate Services)
Noirin McKinney (Director of Arts Development)
Paul Harron (Director of Operations)
Debbie McKibben (DfC, Head of Arts Branch)
Louise Hyland (DfC, Arts & Creativity Branch)
Diane Dillon (Assistant to the Board and Directors)

The Chair opened the meeting at 3.00pm and extended a welcome to the new Board members to their first Board meeting.

2. DECLARATIONS OF INTEREST

No new conflicts of interest were declared by existing Board members. The Assistant to the Board and Directors advised that Declarations of Interest forms had been circulated for new members to complete and return.

The Chair advised that all Board and Committee meetings will be held virtually for the foreseeable future until government advice changes. However, he recognised that it would be good to meet in person and advised that he hoped to arrange a meeting in early August for the Board in Belfast at a location that has enough space to ensure that the necessary social distancing can be achieved.

3. PREVIOUS MEETING

3.1 Minutes – 26 June 2020

The minutes were approved and signed by the Chair.

3.2 Matters Arising

There were no matters arising.

4. CHAIR'S REPORT

4.1 ALB Review

The Chair provided a brief update on the meeting held with the Minister and all ALB Chairs prior to this meeting. For the benefit of the new Board members, the Chair provided an update on the background and rationale for the ALB Review.

4.2 Committee Appointments

The Chair circulated a note of suggested Committee appointments prior to the meeting and advised that he had tried to accommodate expressed wishes of membership where possible.

Board members were content with the proposed appointments; the Assistant to the Board and Directors will liaise with the Committee Chairs to schedule dates for the remainder of 2020/21.

5. CHIEF EXECUTIVE'S REPORT

5.1 Update

[REDACTED]

A lengthy Q&A session followed, where Board members raised several questions and points of discussion, which were addressed by the Chair, the Chief Executive and the Director of Arts Development. The Chair suggested that the discussion could be continued at the August meeting.

Board members noted the document.

5.2 ACNI Bid to DfC

The Chief Executive provided an update on recent funding announcements made by the Chancellor of the Exchequer and the allocation of a £33M rescue package to the NI Executive towards the arts, culture and heritage sectors (Barnett consequentials¹). The NI Executive has the authority for the allocation of the resources, however the Arts Council will need to contribute to the business case being prepared by DfC.

¹ The Barnett formula is an administrative mechanism used by the Treasury to determine annual changes in the block grant allocated to Scotland, Wales and Northern Ireland, reflecting changes in spending levels allocated to public services in England, England & Wales or Great Britain, as appropriate

The Chief Executive advised that the Minister will make an announcement on 23 July 2020 regarding a £4M support package for the arts, creative industries and cultural sector, which she anticipates the Arts Council will manage.

The Chief Executive provided an overview [REDACTED]

The Chief Executive explained the parity with Arts Council Wales [REDACTED] the footprint of the Welsh arts council in terms of cover/responsibilities etc., is the most similar to NI, as Arts Council England includes museums and libraries and Creative Scotland has film under its remit.

Board members raised several questions, points of discussion, suggested minor changes and queried some of the phraseology, all of which were all addressed by the Chair and the Chief Executive.

The document was noted.

5.3 Overview of Capital Bid to DfC

The Chief Executive advised that the document provides an update on the current situation regarding the five capital bids which have been submitted/scheduled for submission to DfC for approval. The Chief Executive provided a brief update on each capital bid:

[REDACTED]

Board members discussed arts and cultural activities that take place in rural areas and local venues, for example, church halls, and if there was an opportunity for these venues to avail of Arts Council funding. The Chief Executive said that these venues may have assistance from their local authority, and agreed they are essential to the lifeblood of the arts, especially in rural areas.

The Board noted the document.

5.4 Re-opening

The Chief Executive provided an overview of the document which has been produced as a comprehensive guide for the re-opening of performance venues, based on current advice from the NI Executive and UK Government. The document was produced by the Head of Literature and Drama and the ADO Programmes Officer, in collaboration with SLUA Event Safety Consultancy and staff from local venues.

A Board member raised a number of concerns regarding the document and also its factual accuracy. The Chair answered the queries raised and responded that the document had been produced as a general response for the sector, to be used as a reference guide that individual organisations and venues could adapt as appropriate.

The document was noted.

5.5 Covid-19 Survey Update

The Chief Executive advised that two surveys are currently live and noted that there had been an extraordinary response within the first 24 hours. The surveys have been developed by ACNI's Policy and Research Team, working collaboratively with University of Ulster's Creative Industries Institute. An analysis of the results will be complete by early August and will be shared with the Board.

The document was noted.

6. FINANCIAL UPDATE

6.1 Financial Report

The Director of Finance and Corporate Services provided a detailed overview of the report for month ending 30 June 2020; this is made up of three main schedules which highlight:

Exchequer Resource

- The opening budget was £10.197M.
- With the Minister's additional £1M COVID-19 emergency funding, whilst not formally allocated, the current Resource budget is considered as £11.197M as of 9 July 2020.
- Risks for 2020-21 include:

- [REDACTED]
- Sectoral pressure for financial assistance arising from COVID-19.

Exchequer Capital

- The current Capital budget is £1,574M as of 9 July 2020.
- Five Capital bids have been submitted to DfC (as detailed in Paper 5.3).
- There is nil expenditure.

The Director of Finance and Corporate Services explained the levels of delegated authority within ACNI and advised that whilst the Capital budget allocation had been awarded, approval was still required from DfC for four of the allocations.

Lottery

- Lottery income is based on projections and dependent on 'game play'.
- Lottery NLDF (National Lottery Distribution Fund) was over committed at 30 June 2020.
- The narrative in the report provides details of awards issued between April and June 2020.
- As demonstrated by the graph accompanying the document, it was noted that actual Lottery income over the first two months of 2020-21 had been consistent at approximately 5% below budget.
- In June there was a sudden drop in income to 7% below budget.

The Director of Finance and Corporate Services explained that the Exchequer and Lottery budgets have different funding rules; the Exchequer budget must be spent by the end of the financial year, whereas Lottery can be carried forward on a rolling basis.

The final schedule to the report shows the allocated budget for Board training costs and travel expenses. The Director of Finance and Corporate Services requested that the Chair seek clarification from DfC regarding provision of On Board training for new Board members.

The Director of Finance and Corporate Services advised that standard operating procedure for many years has been that the Finance and Capital Committee receives more detailed schedules and reports back to the Board on any matters of exception. A Finance and Capital Committee member assured the new Board members that the Committee has sight of comprehensive and thorough reports which are discussed in detail at committee meetings.

The Director of Finance and Corporate Services welcomed suggestions from Board members on how best to present the Management Accounts to the Board going forward.

The Board noted the report.

7. BUSINESS REPORTING

7.1 Business Plan Q1 Update

The Director of Arts Development advised that the 2020/21 Business Plan had been updated to reflect the impact of COVID-19. The Q1 report notes progress to date.

With regards to objective 2.2, a Board member enquired about the possibility of combining the Disability Access Card with, for example, the JAM card or if ACNI should consider introducing an App. The Director of Arts Development advised that a UK wide feasibility study had been undertaken to determine disability access gaps as they related to arts venues and confirmed that consideration would be given to the most user-friendly approach should a scheme of development follow from this study.

The Board noted the report.

7.2 Resilience Programme Update

The Director of Arts Development advised that the Resilience Programme was developed and implemented in partnership with Belfast City Council and had been regarded as a successful initiative for the 14 organisations involved. Funding has been made available for Phase 3, which will provide a governance element for the resilience cohort. [REDACTED] have been asked to scope this element of the programme and it is anticipated that this could be delivered within the current year.

The Board noted the report.

7.3 Derry City & Strabane District Council Resilience Plan

The Director of Arts Development provided an update on progress since the last Board meeting and advised that with DfC support it was proposed to reinstate the £50k budget that had previously been de-committed due to the impact of COVID-19. Therefore, the Chief Executive sought formal approval from the Board to recommit £50k for the programme.

The Board were unanimous in their support for the programme and approved the request to reinstate the £50k budget.

7.4 Report on Organisations Emergency Programme (OEP)

The Director of Operations advised that the OEP opened on 1 June and closed on 12 June 2020; there were approximately 170 applications which included five museums. Approximately £2.85M had been requested against an allocated budget of £500k for the programme. There is therefore the potential for a reserve list to be created should there be the prospect of further funding for the programme. Initial assessments have been completed and moderation is scheduled for 27 July 2020. The recommendations will be presented to the Grants Committee on 3 August 2020 for approval.

The Chair, on behalf of the Board, extended thanks to the staff team for their hard work and efforts for a quick turnaround of the applications.

7.5 [REDACTED] Delegation Report

The Director of Operations provided an overview of the report. Annually ACNI delegates responsibility for the support of film, script, and video media through a Memorandum of Understanding (MOU) [REDACTED]. £250k per annum is granted to support screen writing and short film production. [REDACTED]

Board members discussed several points, i.e. allocation of grant aid, geographical spread and rural reach. The Chair noted that the programme is largely a responsive one, and that most companies and individual film makers are Belfast based, however it was noted that a number of rural areas have benefited.

The Director of Operations sought Board approval to award £250k [REDACTED] for their 2020/21 programme under the current MOU.

The Board approved the £250k award [REDACTED].

8. MATTERS TO NOTE

8.1 Internal Audit Strategy 2020-23

The Director of Finance and Corporate Services provided an update on the draft Internal Audit Strategy, which was reviewed at the Audit and Risk Committee on 26 June 2020. [REDACTED] have been appointed as Internal Auditors for the next three years and have undertaken a broad-based risk assessment of each audit area and have proposed a timetable (as outlined on pages 4 and 5 of their planning document). It was noted that the Audit and Risk Committee oversees the internal audit process.

The document was noted.

9. ANY OTHER BUSINESS

9.1 The Vice Chair noted the exceptional circumstances that staff have been working under since COVID-19, and suggested that staff be given one additional days holiday in appreciation of the hard work undertaken during this difficult time.

The Chief Executive thanked the Vice Chair and appreciated this very generous gesture for staff and she would discuss with the Directors.

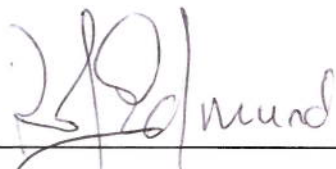
There being no further business the Chair declared the meeting closed at 5.10pm.

10. DATE OF NEXT MEETINGS

Wednesday 12 August 2020 at 2.30pm in the Ulster Reform Club, Belfast
(Informal meeting for Board members only)

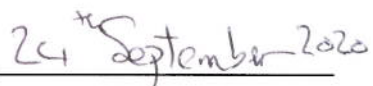
Thursday 24 September 2020 at 2pm via Microsoft Teams.

Signed: _____



John Edmund (Chair)

Date: _____



24 September 2020