EXEMPTIONS

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Minutes of the meeting of the Board of the Arts Council  
held at MacNeice House, Belfast on  
Wednesday 22 January 2014 at 5.00pm

1 ATTENDANCE

PRESENT
Bob Collins (Chair), David Alderdice, Anna Carragher, Noelle McAlinden, Paul Mullan,  
Paul Seawright, Conor Shields, Brian Sore, 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)  
Sean Keenan (Programme Manager, Re-Imaging Communities) Item 4 only  
Sharon O’Connor (Chief Executive, Derry City Council) Item 5 only

APOLOGIES
Damien Coyle (Vice Chair), Eibhlín Ní Dhcchartaigh, Katherine McCloskey, Ian Montgomery,  
Nisha Tandon.

The Chair welcomed everyone to the first meeting of the New Year and acknowledged  
Janine Walker’s return following a short illness. He extended deepest sympathy to Board  
colleague Katherine McCloskey’s on the recent death of her husband and indicated that he  
would write to her and convey condolences on behalf of the Board.

2 PREVIOUS MEETING
2.1 Minutes*
The minutes of the previous meeting held on 18 December 2013 were approved.

2.2 Matters Arising
Section 23 Commercial Interest

* - documents circulated with agenda
3 DECLARATIONS OF INTEREST
Conflict of interests would be noted as they arose during the meeting.

4 OFFICER PRESENTATION – Building Peace through the Arts Re-imaging Communities
Sean Keenan, Programme Manager joined the meeting and provided an update on the programme to date. He reported that the present programme had been launched in February 2013 and would run until 2016, with a commitment of £3.1m funding from SEUPB Peace 3, International Fund for Ireland and ACNI.

The new programme had been extended to allow for funding to the Border regions, and would enable non visible and obvious signs of sectarianism and racism to be addressed. He outlined the two stage process which focussed on the quality of both visual art and community engagement and noted that the applications were considered on an on-going basis at bi-monthly consortium meetings. Since the programme launch the support team had facilitated 22 road shows across 12 counties; responded to 224 enquiries; engaged with/built relationships with other bodies; produced/circulated 579 copies of a newsletter and was currently preparing for additional information sessions.

To date 24 grants had been awarded to 33 projects widely spread across Northern Ireland and the border areas. Approximately half had appointed a facilitator and were at various stages of completion at stage one. To date only one stage 2 project had been approved. The total funding currently allocated was £180k.

In response to questions from Board members Sean Keenan identified differences between stage 1 and 2 projects and the timeframes involved; outlined stages of the selection process; confirmed that the mix of projects included single identity communities; advised that an interim evaluation would be available by September 2014; and highlighted the volume of work done to promote and encourage applications to the programme.

5 CLIENT PRESENTATION
The Chair advised that the presentation had at the client's request, been moved to later in the meeting.

6 POLICY ISSUES
6.1 Future Use of Ebrington Building (post Turner)
The Chief Executive reported that she had met with Mel Higgins, Chief Executive of Ilex and had, along with the Chief Executive of Derry City Council, written to Ilex in relation to the Visual Arts Strategy and the future use of the buildings 80 /81 at Ebrington used for the Turner Exhibition. In addition, she had spoken to Tim Lusty, OFMDFM officer responsible. She reported that there appeared to be empathy towards the campaign to retain the
building/provide new gallery space and noted that although nothing had yet been agreed it was likely that other propositions would be considered.

The Chief Executive advised that there had been no response to the tender for a consultant to work on the Visual Arts Strategy and ACNI was now in dialogue with Derry City Council and SIB to try to identify someone to undertake the work.

The Board was assured that considerable work had gone into the development of terms of reference for the project and concerns raised regarding the sustainability of the Ebrington building, and robust appraisal of existing and potential gallery space would be addressed.

6.2 Business Plan 2014/15*

The Director of Strategic Development referred to the document circulated, noting that the layout followed the same format as the previous year; that DCAL guidance issued in December 2013 had been taken into account and that the plan had to be submitted to DCAL by 31 January 2014. Discussion was directed towards the key objectives/targets derived from the new Five Year strategy and the Director of Strategic Development agreed to look at several amendments proposed by Board members.

The Chief Executive advised that there was an iterative process with the Department in relation to the business plan and any changes would be brought to the attention of the Board.

The 2014/15 business plan was accepted by the Board and would be submitted to the Department.

6.3 Lottery Short Term Balance/Target Policy

The Chief Executive reported that due to illness it had not been possible to prepare the Lottery Short Term Balance/Target Policy for this meeting. The paper would be included in a future agenda.

7 FINANCIAL UPDATE

7.1 Financial Report*

The Director of Finance and Corporate Services referred to the tabled report for the period ending 30 November 2013 and indicated there had been little movement since the last report. The resource budget remained unchanged at £13.37m. He was confident that the 98% KPI would be met and the budget would balance at year end. Consideration was given to the schedule detailing the breakdown of the resource and capital budgets. The Director of Finance and Corporate Services reported that no problems had been identified for the higher risk ring-fenced resource projects highlighted in the report. However these projects would be subjected to more in depth scrutiny in the forthcoming internal budget meeting.

Attention was drawn to the key capital risks and concern that any shortfall would impact on the 97% KPI. It was expected that any reduction in expenditure would be reflected in the DCAL capital budget allocation.

The Director of Finance and Corporate Services advised that Lottery was currently under committed and a policy which would reflect a budget up to 2016/17 was currently being prepared.

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A virement out of the Board budget line was also accepted. The reduced budget of £17k would still allow for planned expenditure up to year end. Further virement might be required before year end.

The Finance and Capital Committee Chair advised that the next meeting had been moved to 20 February 2014 as a clearer picture of year end position would be available.
7.2 Report to those Charged with Governance – Lottery 2012/13*
The Director of Finance and Corporate Services advised that the report had been considered at the Audit and Risk Committee meeting on 6 January meeting. He reported that the document set out the findings of the NIAO audit of the 2012/13 accounts, which had been certified on 16 October 2013 with an unqualified opinion and had subsequently been laid at Westminster. He referred to the significant risks highlighted within grant management and indicated that two priority one and three priority three recommendations had arisen within these areas. Management responses were included in the report and had been scrutinised by the Committee.

The Committee Chair confirmed that detailed discussion had taken place and the Committee had been satisfied with the management responses.

In response to the Chair’s comment regarding a priority one recommendation that had not been accepted by management, the Director of Operations advised that action had since been taken to acquire relevant information to satisfy the audit query.

The Board accepted the 2012/13 Lottery Report to those Charged with Governance

8 BUSINESS REPORTING

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8.2 2013/14 Business Plan Q3 Update*
The Board considered the report circulated noting the progress against targets up to 31 December 2013. The third quarter update was noted.

8.3 Risk Register*
The Director of Finance and Corporate Services reported that the risk register had been scrutinised by the Audit and Risk Committee at its most recent meeting in January.

He indicated that the text had been amended to provide greater clarity between how risks were managed and action plans. Attention was drawn to the escalation of the musical instruments scheme to the high level schedule and also the inclusion of the reputational risk for marching bands in the low level schedule.

The mechanism used for assessing and registering risk was outlined and the Board was assured that the process was effective. The assessment of risk was also included in the internal audit annual workplan and no issues had arisen in the audit reviews.

The Chief Executive reported that the implications of issues arising from the NAIO report on capital projects would be assessed once the memorandum of reply had been published by DFP and the risk register would be adjusted accordingly. The memorandum of reply would be presented to the Audit and Risk Committee for consideration.
8.4 Standing Orders*

The Chair reported that Board members present at the November Board meeting had reviewed the standing orders, proposed minor amendments and recommended approval. As the November meeting had not been quorate the Board was invited to endorse this proposal. The Chair advised that a further paragraph relating to the use of the common seal would also be included in the document. The seal was not used often but legislation required that a formal process should be in place (The Arts Council (Northern Ireland) Order 1995, article 3(2), schedule 9(2) refers). Use of the seal would be reported to the Board and recorded.

The Director of Finance and Corporate Services highlighted that the wording to be included under the use of the common seal would be as outlined in the legislation.

The Board agreed to the addition of the paragraph on the Use of a Common Seal and approved the revised Standing Orders.

8.5 Artform and Specialist Reports*

The reports issued for the December Board meeting had been returned to the Board for discussion. The Board noted the reports with interest. In response to a question about One City One Book, the Chief Executive undertook to provide a report detailing the partners involved, and the mechanisms for selecting titles. The Director of Arts Development drew the Board’s attention to a recent acquisition, Man on Fire by sculptor Tim Shaw. The Chair thanked Paul Seawright for agreeing to Chair the Acquisitions Panel.

8.6 Quarterly Assurance Statement*

The Chief Executive reported that the revised template from DCAL had not been received and she had been advised to complete the older version in the interim.

9 CHAIR’S REPORT

Since the last meeting the Chair had spoken at a joint Arts Council and Derry City Council event in Derry announcing our joint support of £300k for a Legacy Programme for the City. He had met with the interim Permanent Secretary and he and the Chief Executive were also scheduled to meet with the DCAL Minister the following morning. Zero based budgeting and the musical instruments scheme would form part of the discussion.

The Chair referred to a discussion with Sir Peter Bazalgette, Chair of Arts Council England, regarding the ‘intrinsic’ impact of the arts and culture and the issues it raises in terms of how they are valued.

He emphasised the importance of taking the initiative and conveying the benefits of public expenditure on the Arts.

Reference was made to draft Belfast City Council Framework of Arts Outcomes to demonstrate the impact of its investment. The Board noted that the Director of Strategic Development was meeting Andrew Mowlah and Ben Brown of Arts Council England to discuss their work in this area.

Board members were also invited to take part in a discussion on formulating an Arts Council response to the CAL Committee’s Inquiry into Inclusion in the Arts of Working Class Communities. The executive assistant would contact members to identify availability.

The Chair reported that the recruitment process for the final Board member was underway. The first meeting of the panel had been held the previous week and interviews were scheduled for 11/12 March 2014.

10 CHIEF EXECUTIVE’S REPORT

The Chief Executive referred to the CAL Committee’s Inquiry and welcomed Board support in assisting with the preparation of a response. She indicated that views would be sought from the four main clients as well as other arts organisations and noted that she would also attend a meeting of the Arts Policy Forum at NICVA Offices on this matter. A working group including several Board members would be set up at the earliest convenience.
The Chief Executive indicated that she had limited additional information to convey regarding the Musical Instruments/Tuition programme. She reported that the DCAL Minister's meeting with the Minister of Education, John O'Dowd, had not yet taken place but was scheduled for the coming week. In addition she had been in contact with the Ulster Orchestra to discuss its ambitions in this area. Consideration had also been given to alternative plans for the funding which included the development of a community based tuition project. The urgency in making a decision on this by the end of January 2014 was stressed.

The Chief Executive reiterated that a meeting with the DCAL Minister was scheduled for the 23 January 2014 and the matter would be raised once again.

The Director of Finance and Corporate Services referred to the Discipline and Grievance Policies recently revised by an external consultant and requested a working group including the Vice Chair and one other Board member with experience in this area, to review and finalise the documents prior to presentation to the Board for approval.

Sharon O'Connor, Chief Executive of Derry/Londonderry City Council joined the meeting.

5 CLIENT PRESENTATION

The Chair welcomed Sharon O'Connor to the meeting. She thanked Council for the opportunity to present and noted with appreciation the support and assistance received from the executive over the past year in particular. She provided an overview of the successes of City of Culture, referred to the development of a legacy strategy, outlining the plans/programme of events for legacy projects and emphasised how the City of Culture had benefited the citizens and regeneration of the city. Reference was also made to the work being done on the review of visual art and development of a visual arts strategy for the city/region and the creation/support of venues.

The Chief Executive concluded by saying she was glad to be able to report a very positive story, that the success had been down to the incredible effort made by everyone involved and although there were massive expectations for the future and financial challenges ahead she was confident that the forthcoming year would be equally rewarding. She reiterated her gratitude to the Arts Council for its commitment to and support of the year and its ongoing commitment to partnership working with DCC.

In response to queries raised Sharon O'Connor commented on how the Derry experience had helped others preparing bids for the next City of Culture now confirmed as Hull and how RPA changes might affect arts/culture in the city. She assured the Board that the City Council would work with all funding bodies involved and would support plans for the future and the new events company announced by DCAL once established.

The Chair thanked Sharon O'Connor for the enthusiastic report and congratulated her on a fantastic year.

Sharon O'Connor left the meeting.

11 MATTERS TO NOTE
11.1 Delegated Decisions*
Awards made under delegated authority for Small Grants and Travel Awards were noted.

11.2 Equality Group Minute*
The minute of the Equality Monitoring Group meeting held on the 12 December 2013 was noted.

The Chair referred to the decision not to circulate the Article 55 report to the Board and advised that as the Board had key responsibilities relating to this it was important that the report be made available.

It was agreed that the current Article 55 report would be circulated to the Board.
12 COMMITTEE UPDATES

12.1 Audit & Risk Committee Update
The Committee Chair provided an update on key issues discussed at the 6 January 2014 meeting.

a) The minute of the meeting held on 14 October 2013 had been approved.

b) A review of committee effectiveness had been undertaken by the Board members of the Committee using a NAO template. The out workings of this would be relayed to the Board at its effectiveness session scheduled for March 2014. Attention was drawn to the Committee’s concern about the absence of a Board member with financial expertise. A proposal to consider the possibility of co-opting relevant expertise on to the Committee had been put on hold until the imminent DCAL selection process for a final Board member had been completed.

c) The Committee had also been reassured following detailed discussion of the management responses to the DCAL Internal Audit report recommendations. The Committee had requested further action in relation to one of the recommendations which senior management agreed to address and report back to the Committee.

12.2 Finance & Capital Committee Minute
The tabled, unconfirmed minute of the Finance and Capital Committee meeting held on 14 November 2013 was noted.

13 ANY OTHER BUSINESS

13.1 North South Working Group
In response to enquiries from Board members the Chief Executive confirmed that there had been difficulty identifying a suitable date for a meeting of the working group. She said she was hopeful that dates for a working group meeting in February and the joint plenary later in the year would be secured shortly.

13.2 Joint North/South Touring Scheme
The Board was advised that the joint touring scheme had been launched and the assessment process was well underway. The Directors of Arts Development and Operations had travelled to Dublin the previous week to attend the first moderation session, the outcome of which had been particularly pleasing. Recommendations from the moderation would be presented to the Board at its February meeting.

14 DATE OF NEXT MEETING
The Chair confirmed that the next meeting of the Board would be held on Wednesday 26 February 2014 and would commence at 1pm with a sandwich lunch. The focus of this meeting would be consideration of recommendations made under the annual funding and other programmes.

The Chair also drew attention to the Board meeting date proposed for the 24 July 2014 and asked members to reflect on how holiday commitments might affect this. The executive assistant would be in touch in due course to ascertain member’s availability on the 24th.

There being no further business the meeting ended at 815pm.

Signed: [Signature] Date: 26 February 2014
Bob Collins