

**Tha Board O Ulster-Scotch  
98th Board Meeting  
21 May 2010**

**Ulster-Scots Agency Board Room  
Belfast**

<b>Present;</b>	Mr John Hunter
	Mrs Angela Graham
	Mrs Jacqui Reed
	Mr William Humphrey
	Mr William Leathem
	Dr Ian Adamson
	Mr Tony Crooks
<b>In attendance:</b>	Mr Jim Millar
	Miss Hazel Campbell
	Mr Michael McCullough
<b>Recording Secretary:</b>	Mrs Catherine Martin

**1. Welcome from the Chairperson**

- 1.1 The Chairman welcomed members of the Board to the meeting and thanked them for their attendance at the meeting of the Language Body. Dr Adamson, Mr Leathem and Mr Humphrey indicated they may leave the meeting later in the afternoon. Mr Hunter welcomed Catherine Martin on secondment from DCAL to review policies and procedures.
- 1.2 Mr Hunter indicated that points related to the Business Plan and Budget had been covered during the earlier meeting. Mr Hunter advised members that Minister McCausland had invited him to continue as Interim Chairman until December 2010 which he has accepted. Mr Crooks, appointed to the 30<sup>th</sup> June 2010 also agreed to extend his membership of the Board to December 2011. The Board welcomed the extensions.
- 1.3 Mr Hunter reported on a visit to the Agency's Donegal office and the Monreagh Heritage and Education Centre and asked his thanks to be passed on to everyone involved in arranging the visit. Mr Hunter suggested the Board consider holding a meeting in Donegal.
- 1.4 Mr Hunter advised that the Review of the Organisational Structure would not be considered at the NSMC as the Minister has decided to await the outcome of the review into groups receiving Core Funding from the Agency. Mr Hunter recognised the difficult

operating environment and the uncertainty this creates for staff and noted that two members of staff are absent due to work related stress. Mr Humphrey asked how attendance was managed and was advised that managers have made contact with staff during their absence. Mr Leathem proposed that a card from the Board should be issued and this was agreed. Mr Millar reported on the volume of work and arrangements in place to prioritise activity to enable the management of staff workloads and confirmed that this would be monitored and kept under review.

1.5 **Action:** *Interim Chief Executive, Mr Millar, Mr McCullough.*

1.6 Dr Adamson left the meeting at 12.20pm.

## **2. Apologies**

2.1 No apologies.

## **3. Minutes of Last Meeting**

3.1 The minutes of the last Board meeting were tabled. Mr Leathem spoke to item 11.2 and reported as a Councillor for Lisburn City Council (LCC) he had expected reports to LCC on the Highland Games which LCC is funding in partnership with the Agency. On investigation officials reported complaints with the Agency's procedures and, while recognising the efforts of Jane Wallace in attempting to resolve issues, was advised that officials will recommend no further work with the Agency to LCC. Mr Leathem stated he was concerned about reputational damage to the Agency. Mr Millar reported that Ms Wallace was continuing to work with LCC to identify eligible costs and stated that he would investigate, meet with LCC officials if necessary and write to Mr Leathem with an update.

3.2 **Action:** *Mr Millar.*

3.3 **Proposed and Agreed:** *that the minute be accepted.*

## **4. Matters Arising**

4.1 Miss Campbell requested an update on Item 6.3, Mr Crooks reported that he had written to DCRA in advance of the NSMC meeting and gave his review that work was progressing satisfactorily in the Agency.

4.2 Other matters were addressed in the Interim CEO's report

4.3 Mr Humphrey asked the Board to consider further correspondence from Mr Burns of Newry & Down District Council. Mr Burns has written to a number of Board members

on two occasions expressing dissatisfaction with the appointment of an unqualified peripatetic dance tutor. Miss Campbell confirmed that she had responded to the initial letter on the Board's behalf. Mr Humphrey suggested that the Chair and interim CEO meet with Mr Burns to resolve the matter. Mr Hunter agreed in principle to meet should it be required and subject to an agreed Board position. Miss Campbell informed the Board that the criteria for appointment required accreditation or 6 years experience. The candidate fulfilled the latter requirement. Mr Millar confirmed that the rationale for including qualification and/ or experience as essential criterion was to widen the pool of potential candidates. Mr Millar also noted that for some courses there is no formal accreditation and stated that the successful candidate was capable of delivering a wide range of dance styles. Mr Hunter stated the Agency had made the appointment in good faith and after due process.

4.4 **Action:** *Interim Chair and CEO.*

## **5. Correspondence Interim Chair and Minister**

5.1 Mr Hunter reported that the Minister responded on 28<sup>th</sup> April 2010 to the Chair's letter of 31<sup>st</sup> March 2010. The response begins to explore issues around the strategic direction for the sector and invites participation in the debate. Mr Hunter stated that uncertainty around the role of the proposed academy and the proposed Ulster-Scots centres, together with the forthcoming strategy for languages will impact on the strategic direction for the Agency. Given the requirement for NI Executive approval of the Language Strategy and public consultations, it was likely to be some time before the way forward was clarified. This would impact on effective business planning and development of policies.

## **6. Verbal Report from the Audit Committee Chair**

6.1 Mr Crooks, Chair of the Agency Audit & Risk Committee gave the Board members an update: The Terms of reference would be amended to reflect that the Sub-committee was a non-executive committee. In respect of procurement procedures and grants processing the Agency's Internal Auditors had identified no priority 1 issues and had provided satisfactory assurance. Mr Crooks stated that, where possible, issues identified in the 2009 Internal Audit were being progressed – 2 items are outside of the Agency's control. Overall, the Agency had received a satisfactory assurance to end 2009. The work to develop policies and procedures and embed risk management and controls into the organisations culture is continuing. The Sub-committee requested a copy of the review of core funded projects.

6.2 **Action:** *Interim Chief Executive*

6.3 The Sub-committee agreed an Audit Plan for 2010 which will be reviewed at each meeting. Mr Crooks confirmed that investigation into a suspected irregularity was continuing. Mr Crooks stated that there had been full attendance at the meeting and the governance training has been very beneficial.

- 6.4 Mr Hunter asked if issues identified during “On Board” training relating to the register if conflict of interests and financial controls had been progressed. Mr Crooks confirmed he had reviewed the 2001 Code of Conduct for the Agency’s Board and stated that the newer 2003 version will require review. The Board agreed that Mr Crooks and Miss Campbell should work together on this.
- 6.5 **Action:** *Interim CEO and Mr Crooks.*
- 6.6 The Board agreed to take item 9 on the Agenda to facilitate Mr Leathem’s early departure.

## **9. Grant Scoping Paper**

- 9.1 Mrs Reed and Mrs Graham noted that their Board papers were incomplete. Mr Hunter explained the origins of the paper related to the volume of applications received under the music and dance tuition programme. Applications had increased three-fold which has created administrative difficulties and resulted in the Agency missing internal processing targets. Mr Millar stated that applications requested £1.3m against a budget of £0.77m and the Agency’s approach of making awards to all eligible groups, as resulted in a large number of small awards leaving many organisers with a shortfall in funding.
- 9.2 Mr Millar stated that in developing options the Agency was concerned with ensuring accountability, minimising bureaucracy (both for the Agency and for applicants) and engendering quality. Each option has advantages and disadvantages which Mr Millar briefly described. Mr Leathem thanked the staff for the options presented. In respect of the first option Mr Leathem suggested that administering the scheme through tutors would not ease the administrative burden and may in fact require additional monitoring. Mr Leathem did not support the second option suggesting that regional centres would encourage competition between bands for talent. Mr Leathem objected to proposals for a competitive scheme expressing concerns about elitism and suggesting that a competitive scheme might favour larger, established bands at the expense of those operating at community level.
- 9.3 Mr Leathem stated that the rationale to move to a tranche based funding model was to ease the administrative burdens. He acknowledged the work of the development team and suggested that the 330+ applications was the peak and indicated that he expected applications to reduce in 2011. Mr Leathem suggested that the scheme did not need to be promoted further and proposed better management of internal process. Mr Humphrey stated that the 20,000+ band members in NI represented one of the Agency’s largest constituents and it was important that any new scheme achieves a balance between the Agency’s needs and that of the community. He suggested that new proposals should be developed following consultation with RSPBA, Confederation of Bands and other interested parties.

- 9.4 Mr Millar described some practical measures that may reduce the administrative burden on the Agency including moving from 4 to 2 payments. Mrs Graham voiced concerns about the sectors capacity to manage the application process and monitoring requirements.
- 9.5 Mr Crooks stated that there are both strategic and operational concerns and that if the Strategy is set the operational arrangements should flow from that. Mr Crooks did not agree that a competitive scheme necessarily engendered elitism and stated that criteria could be developed to ensure evidenced need was addressed through the scheme. Mr Crooks suggested some consideration of ring-fencing some resource to support new applicants to ensure the scheme is not dominated by larger bands. Mr Crooks suggested monitoring could be encouraged by restricting applications to groups that complied with the Agency's monitoring requirements. He also suggested a "light touch" to monitoring commensurate with the level of award. He suggested establishing regional centres for delivery may be feasible for dance and may deliver efficiencies. Mrs Reed also indicated that special arrangements are required for Dance as it under-represented and needs encouragement in some communities.
- 9.6 Mr Hunter stated he was attracted to option 3 as it offered opportunity to enhance the quality and sustainability of music and dance tuition. A rigorous approach may stimulate the sector and support the development of capacity. Mr Leathem reiterated that additional requirements would restrict applications due to the low capacity of the sector. Mr Hunter asked if some amendment to the criteria together with a simplification of administrative procedures would result in a smaller number of larger grants. The proposal for a minimum award presented no issues for the Board. Mr Millar confirmed that over 90% of awards in 2010 were over £1,000 with the average grant in the region of £1,400 - £1,500. Mrs Martin stated that the criteria could be designed in such a way to ensure that the Agency's investment delivered against a range of objectives such as value for money, stimulated new activity, rewarded access-progression through the tuition programmes and quality of provision. The Board requested that a Discussion Paper is prepared for the Board's consideration prior to circulation to the sector.
- 9.7 **Action:** Mr Millar, Mrs Martin
- 9.8 Mr Leathem and Mr Humphrey left the meeting at 2.55pm

## **7. Interim Chief Executive Officer's Report**

- 7.1 This report was tabled.
- 7.2 Miss Campbell gave a brief overview of the issues in her report.
- 7.3 Corporate Plan - Miss Campbell stated that DCAL have requested an update on the preparation of the Corporate Plan; Miss Campbell suggested that the agenda of the Board's August meeting is kept to a minimum to allow time for discussion on the Agency's strategic objectives for the next 3 years. Mr Hunter acknowledged the

difficulties attached to planning without confirmation of the Department's plans, in advance of decisions on the role of the academy, and the emerging Language Strategy will impact on the Agency's role going forward. The absence of decisions about budgets also presented a particular challenge. Miss Campbell agreed to prepare an outline for the Board's consideration at the June meeting with discussions planned for August.

- 7.4 **ACTION:** Miss Campbell to prepare outline paper.
- 7.5 Review of Core Funded Bodies - Miss Campbell informed the Board that FGS McClure Walter have commenced the review. Mr Hunter and Miss Campbell have met with the Consultant and work is proceeding. Difficulties in obtaining information from the Ulster-Scots Language Society (USLS), due to staff resignation and absence, were noted. This could impact on the completion date for the assignment.
- 7.6 **ACTION:** *Interim Chief Executive.*
- 7.7 2007 Accounts - Miss Campbell informed the Board that the 2007 Accounts are nearing completion. There are a significant number of issues arising which have been reflected in the Statement on Internal Control. Miss Campbell stated the Agency awaits a decision about the status of the accounts and indicated that a clearer picture should emerge by the June meeting.

## **8. Finance Report**

- 8.1 Mr McCullough recommended that the Board note the finance report tabled. Budgets were prepared at 90% profile as clarification is required on the 2010 budget. Miss Campbell confirmed that the Agency was pressing for a decision. Mr McCullough stated that the FAS budget was below the annual spend profile due to a back-log in processing grant claims which would be addressed; Mr McCullough stated that grant activity would peak during the next quarter. Mrs Reed queried expenditure on cleaning, stationery and float. Mr McCullough addressed this and confirmed that overall office running costs were on target.

## **10. Publications Strategy Scoping Paper**

- 10.1 Mr McCullough stated that the Agency produce a range of materials including the Ulster Scot, Oot an Aboot and a series of information pamphlets for different target audiences. A 2007 survey provided positive feed-back on the content, frequency and distribution of Agency publications. Mr McCullough said that expenditure on the newspaper was currently irregular as it was an untendered service. Due to financial pressures and the ambiguity about linguistic issues he suggested that planned publications will be delivered but no new work will be commissioned. Mr McCullough confirmed that authors could still avail of Agency support through contracts or the partnership scheme.
- 10.2 Mr Hunter requested a more strategic perspective which considered: why are we publishing, how does it fulfil the Agency's remit? who is the Agency communicating with

(segmentation of market)? the various mechanisms through which the Agency might communicate? and what are the intended outputs and outcomes? This process would then allow parameters to be set and operational requirements determined in the context of products, distribution, quality/ content, linguistic issues and affordability. Process issues relating to procurement etc. could be addressed following this. Mr Hunter requested an updated paper for the Boards consideration in June.

10.3 **Action:** *Mr McCullough.*

## **11. Grant Awards**

11.1 Mr Millar explained that the proposed award to the Ullans Speakers Association was for 7 months, the award would realign the Ullans Speakers group with other core funded groups. The recommended award for 7 months reflected additional rental costs that the group was incurring. The Board approved grant of £38,524.

11.2 Mr Millar explained that the proposed award to the Royal Scottish Pipe Band Association NI was to contribute to a targeted marketing programme to promote a series of summer events across NI. The recommended award was against eligible costs which have been identified. The Board approved grant of £20,000.

## **12. Ulster-Scots Folk Orchestra (USFO) – Report from Auditor**

12.1 The Board considered the draft forensic audit report prepared by Goldbalt McGuigan and the email response from Willie Drennan.

12.2 The Board were entirely satisfied that Goldblatt McGuigan carried out an independent and objective assessment of the outstanding claims, consistent with internal audit standards for public sector funding. The Board accepted the content of the report and its conclusions.

12.3 The Board also noted that on receipt of a Notice from the Northern Ireland Court Service, in the case between Kerry Jordan and the Ulster-Scots Folk Orchestra, the Agency is required to pay any monies owed to the USFO, over to the Enforcement of Judgements Office.

12.4 Board agreed that a line should now be drawn under this matter. Miss Campbell would convey the Board's decision to Mr Drennan.

12.5 **ACTION:** *Miss Campbell*

## **13. Marketing & Promotion Plans**

13.1 The report was noted. Mr Hunter ask that the Board give some consideration of how the Boards 100<sup>th</sup> meeting might be marked. **Action: Board**

**14. Progress Report on 2010 Business Plan Targets**

14.1 The Board noted the progress report tabled. This was slippage on the education strategy due to pressure of other work and the absence of a clear policy framework.

**15. AOB**

15.1 Board members were advised that expenses claims would be processed monthly. Members were reminded to provide copies of car insurance.

15.2 Miss Campbell stated that a case of suspected fraud has been identified and is being investigated. The case relates to possible mis-declaration and submission of false receipts. This will be referred to the Audit committee.

15.3 ***Action: Hazel Campbell***

**16. Dates for future Meetings**

16.1 The next Board meeting will take place in the morning of 22 June 2010 at 11.30 am following a meeting of the Audit & Risk Committee which will commence at 10.30am.

Signed:.....

Date:.....