

Minutes National Council



Date	Wednesday 25 January 2023	
Time	12.30pm-4.30pm	
Location	The Foundry, Arts Council England Birmingham Office and Microsoft Teams	
Present:	Sir Nicholas Serota CH (Chair)	Chair of Arts Council England
	Roni Brown	South East Area Council Chair
	YolanDa Brown OBE	National Council Member
	Bill Bush	National Council Member
	David Bryan CBE	London Area Council Chair
	Sukhy Johal MBE	Midlands Area Council Chair
	Elisabeth Murdoch CBE	National Council Member
	Andrew Miller MBE	National Council Member
	Jamie Njoku-Goodwin	National Council Member
	Abigail Pogson	National Council Member
	Paul Roberts OBE	National Council Member
	Deborah Shaw	National Council Member
	Baroness Fleet CBE (Veronica Wadley)	National Council Member
Apologies:	Helen Birchenough	South West Area Council Chair
	Mags Patten	Executive Director, Communication and Public Policy
	Kate Willard OBE	North Area Council Chair
Also Present:	Darren Henley CBE	Chief Executive
	Elizabeth Bushell	Executive Director and Chief Financial Officer
	Laura Dyer MBE	Deputy Chief Executive, Places and Libraries
	Simon Mellor OBE	Deputy Chief Executive, Arts and Museums
	Francis Runacres MBE	Executive Director, Enterprise and Innovation
	Richard Russell	Executive Director and Chief Operating Officer
	Ruth Alaile	Director, Governance and Planning
	David Bryant	Senior Governance Officer
	Eliza Burrows	Officer, Governance (minutes)
	Beverley Dawson	Senior Manager, Capital Funding (Item 8)
	Hannah Fouracre	Director, Music Education (Item 10)
	Edward Harley	Chair of Acceptance in Lieu Panel (Items 6-7)
	Jack Loughlin	Senior Manager, Collaborative Funding (Item 10)
	Claire Mera-Nelson	Director, Music and London (Item 12)

Sarah Posey
Maria Turley

Director, Cultural Property (Items 6-7)
Senior Manager, Children and Young People
(Artsmark) (Item 10)

1. WELCOME AND APOLOGIES

Action

- 1.1 The Chair welcomed members of National Council and the Executive Board to the meeting.
- 1.2 Apologies were received from Mags Patten, Helen Birchenough and Kate Willard.
- 1.3 The Chair and Council welcomed David Bryan the new chair of the London Area Council.
- 1.4 The Chair congratulated YolanDa Brown and Simon Mellor on their OBEs following the New Year's Honours 2023 list.

2. DECLARATIONS OF INTEREST

- 2.1 National Council members were asked to declare any interests in matters or connections with any organisations due to be discussed.
- 2.2 YolanDa Brown declared an interest in Youth Music which was mentioned as part of the discussion of Item 3.
- 2.3 David Bryan declared in interest in Creative Lives in relation to Know Your Neighbourhood Strand 1 which was mentioned in item 5.
- 2.4 No further interests were declared.

3. MINUTES OF MEETING HELD ON 16 NOVEMBER 2022

There was a discussion of the minute on the Youth Music item.

(YolanDa Brown declared a conflict as the Chair of Youth Music's board and left the room for this discussion)

- 3.1 The minutes of the National Council meeting held on 16 November 2022 were AGREED, subject to an amendment to minute 8 to clarify the fact that £4.5 million over the three year period should be allocated to projects that extend Youth Music's remit beyond music.

(YolanDa Brown re-entered the room)

4. MATTERS ARISING FROM THE PREVIOUS MEETING

- 4.1 National Council were asked to note the Action Point Plan outlining progress on outstanding actions.

5. CHAIR AND CHIEF EXECUTIVE'S UPDATE

- 5.1 The Chair and Darren Henley introduced this item.
- 5.2 National Council were provided with an update on the Know Your Neighbourhood funding programmes, the approach to this year's National Council's Annual Review of its Effectiveness, the Inclusion Review and Levelling Up Fund.
- 5.3 National Council AGREED to note the update.

6. ACCEPTANCE IN LIEU UPDATE

(Edward Harley and Sarah Posey joined the meeting)

- 6.1 The Chair welcomed Edward Harley, Chair of the Acceptance in Lieu (AIL) Panel and Sarah Posey to the meeting. It was noted that Edward's term as Chair was due to end in March 2023.
- 6.2 Edward Harley began by providing a brief overview of the AIL panel and Cultural Gifts Scheme (CGS). AIL allows those who owe Inheritance Tax to pay the tax by transferring important cultural, scientific or historic objects and archives to the nation. Material that is accepted under the scheme is allocated to public museums, archives or libraries by the appropriate minister and is available to all. The AIL panel advises ministers on all the items offered under the scheme.
- 6.3 During Edward's term, the AIL panel have reviewed 400 cases worth approximately £480 million. The items reviewed by the panel have been distributed across the UK, with Priority Places such as Barnsley, the Isle of Wight and Walsall receiving some of the work. Members noted how the AIL team actively encourage museums to

bid on pieces at panel, making new acquisition the heart of museum collections.

- 6.4 The CGS scheme enables UK taxpayers to donate important works of art and other cultural objects for the benefit of the public or the nation, whilst receiving a tax reduction based on a set percentage of the value of the gift being made.
- 6.5 Over the course of Edward's term, the CGS team have viewed approximately 100 cases. The scheme received a varied range of items from many different donors.
- 6.6 There was a brief discussion about the future of the schemes, and the opportunity for Arts Council England and the panels to work closer together. National Council felt that the achievements of the committee were considerable, and the work remained vital to our aims as an organisation.
- 6.7 Edward thanked Emmie Kell, Sir Nicholas Serota, Sarah Posey and Anastasia Tennant for their support throughout his term as Chair.
- 6.8 The Chair, the Executive Team and National Council placed on record their thanks to Edward Harley for his time, dedication and commitment as Chair of the Acceptance in Lieu Panel. Noting how under his tenure how both the Cultural Gift and Acceptance in Lieu schemes had developed and grown.
- 6.9 National Council AGREED to note the update.

7. ACCEPTANCE IN LIEU PANEL RECRUITMENT UPDATE

- 7.1 The Chair introduced this item which asked National Council to renew the terms of two existing members, and to appoint Helen Birchenough as Chair from April 2023.
- 7.2 Sarah Posey provided an update on plans to increase the diversity the panel and embed more inclusive practices. She explained that the team are commissioning a board development programme, which the Chair will champion and lead, and will be working with an external consultant. The aim is to ensure the Panel has an inclusive atmosphere in which people from a range of backgrounds can contribute fully.

7.3 National Council AGREED to:

- a) Note the progress update
- b) Renew the terms of Michael Clarke and Jeremy Warren for two years (22 May 2023 - 21 May 2025)
- b) Appoint Helen Birchenough as Chair for a fixed term of two years (25 January 2023 – 25 January 2025)

(Edward Harley and Sarah Posey left the meeting)

8. CAPITAL GRANT AWARDS

(Beverley Dawson joined the meeting)

- 8.1 Beverley Dawson introduced this item which asked National Council to approve the award of an uplift to four existing capital project grant recipients. The Arts Council Scheme of Delegated Financial Authority notes that for grant increases to support additional activities, the cumulative value of the grant (to include the proposed increase) needs to be considered when determining which committee the matter should go to for decision. As all four decisions outlined in this paper will take the total amount awarded to each project over £1 million, these additional grants would need to be approved by National Council.
- 8.2 National Council noted that there was an underspend in the Capital Grant-in -Aid Budget due to a couple of withdrawals and some fall-ins. As the budget needs to be spent by the end of the financial year, it was agreed that existing capital projects which met the following criteria could apply:
- a capital grant has already been approved and not yet been fully paid out.
 - the grant must be capitalised and cannot cover expenditure already addressed by other funding.
 - construction works must have commenced (i.e., it is more cost effective to complete the project rather than withdraw).
 - the full extent of the costs to complete the project have been identified.
 - the original scope of works has not increased and all options to reduce the costs and source additional funding have been explored.
 - any contribution from us will lever additional funding from other sources.

- the amount requested is proportionate to – and does not exceed – the level of our original capital grant.
- the organisation must be able to submit a proposal for consideration by the end of November 2022 to enable us to commit a grant prior to 31 March 2023.

- 8.3 There was a short discussion about the level of demand for capital investment from the sector, exacerbated by the cost pressures on building projects and the options for addressing the demand given that the Arts Council's limited funding. It was agreed that National Council would discuss this further at a future meeting.
- 8.4 National Council discussed the proposed capital awards. They sought assurance that the projects could be completed without additional funding from the Arts Council.
- 8.5 National Council AGREED to approve the following capital grants from the Capital Departmental Expenditure Limits 2022-23 budget:
- a) Islington Mill, Salford £99,929
 - b) Manchester City Council £620,000
 - c) Brighton and Hove City Council £500,000
 - d) Bristol Music Trust £620,000

(Beverley Dawson left the meeting)

9. PERFORMANCE AND AUDIT COMMITTEE UPDATE

- 9.1 Paul Roberts introduced this item which updated National Council on the key discussions and actions from the 15th December 2022.
- 9.2 Performance and Audit Committee meeting. National Council AGREED to note the update.

10. MUSIC HUB INVESTMENT 2023+

(Hannah Fouracre, Jack Loughlin and Maria Turley joined the meeting)

- 10.1 Hannah Fouracre presented this item which updated National Council on the emerging findings from a consultation on the approach to determining music hub geographic areas in the 2023

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Music Hub Investment Programme being managed by the Arts Council on behalf of the Department of Education.

- 10.2 Members noted the headline findings and that two main options had emerged:
- Option one – to prescribe geographies on a sub-regional structure with some single local authority Hubs
 - Option two – Geographies are not prescribed, and mechanisms are built into applicant guidance and balancing criteria to support multi-local authority hubs.
- 10.3 Members of National Council felt that the key determining factor ought to be the best outcome for children and young people and that a focus on driving up quality should be at the heart of the decision. They pointed out that the transition would be easier in option one rather than option two, as it would be known in advance what the new spatial areas would be.
- 10.4 The Chair and members thanked Hannah Fouracre and the team for their work.
- 10.5 National Council AGREED to note the update.

(Hannah Fouracre, Jack Loughlin and Maria Turley left the meeting)

11. AREA COUNCIL APPOINTMENTS

- 11.1 David Bryant introduced this item which asked National Council to agree the extension of the term of Kate Adams in the South East Area Council.
- 11.2 National Council AGREED to:
- a) The extension to the term of South East Area Council member Kate Adams from 30th November 2022 – 14th September 2023.

12. 2023-2026 INVESTMENT PROGRAMME

(Claire Mera-Nelson joined the meeting)

- 12.1 Simon Mellor provided members with an update on the Investment Programme, which included complaints, deadlines for conditional offers and the Transition, Transform and Transfer programmes.
- 12.2 National Council were asked to note the electronic decision they took on Monday 16 January 2023 to award English National Opera a grant of £11,460,000 for 2023/24.
- 12.3 Members were updated on the English National Opera funding agreement for 2023/2024.
- 12.4 There was a discussion about proposals to commission an independent piece of analysis, designed to focus on consideration of opera and music theatre in relation to Let's Create.
- 12.5 National Council discussed the recent criticism of the Arts Council in the media and considered how it should respond to it.
- 12.6 National Council AGREED to note the update.

(Claire Mera-Nelson left the meeting)

13. ANY OTHER BUSINESS

- 13.1 No additional business.

Meeting Closed: 16:25

Next Meeting: 15 March 2023