

Arts Council of Northern Ireland

# Board Operating Framework

March 2026



## Board Operating Framework (BOF)

<b>Policy Owner</b>	Director of Finance & Corporate Services
<b>Version</b>	3.0
<b>Issue Date</b>	March 2026

This policy is a controlled document and is held centrally by the Director of Finance & Corporate Services

### Document History

<b>Version</b>	<b>Date Created / Reviewed</b>	<b>Reason for change</b>	<b>Status</b>
1.0	May 2022 23 June 2022	Policy created	Draft version Approved by Board
2.0	September 2024 11 October 2024	Updated to reflect the Partnership Agreement between DfC & ACNI	Reviewed by SMT Approved by Board
3.0	February 2026 27 March 2026	Updated to reflect updated DoF guidance and internal audit recommendations	Reviewed by SMT Approved by Board

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## Board Operating Framework (BOF)

### 1.0 Introduction

1.1 *Corporate Governance in Central Government Departments: Code of Good Practice NI 2025* ('the Code') was issued under cover of DAO (DoF) 02/25. Although written for Departments, the code concentrates throughout on key principles which have wider application for other parts of the public sector. Arms' Length Bodies (ALBs) are encouraged to consider and adopt the practices set out in the Code wherever it is relevant and practical to do so and on the basis of 'comply or explain' i.e. if an ALB proposes to depart significantly from the guidance set out in the Code then it should explain and describe what alternative governance measures have been put in place which have similar effect to the principles of the Code. Governance Statements should include an explanation for any departures from the Code. Arts Council departs from the specifics of the Code in relation to Principle 3 Board Composition and Principle 6 Arms' Length Bodies.

- Board composition is less relevant to the Arts Council as the Board appointments are made by the Minister. However, where there is not an adequate balance of skills and experience the Arts Council has provision to co-opt board members.
- The Arms' Length Bodies principle refers to the governance arrangements the Department should have with the ALB Board and is therefore the responsibility of the Department.

1.2 The Code includes a model Board Operating Framework (BOF) to be used to document a Board's understanding of its role and responsibilities, including a formal schedule of matters reserved to the Board for discussion/decision i.e. not delegated to committees and/or officials.

1.3 The BOF should be read in conjunction with the Arts Council (Northern Ireland) Order 1995 (as amended), as well as the Partnership Agreement between Department for Communities and Arts Council of Northern Ireland, and Standing Orders for the Conduct of Meetings of the Board and its Committees.

1.4 The BOF will be reviewed biennially or more frequently if the Board decides that it is appropriate to do so in light of emerging policy, guidance or strategic or operational considerations, including where there is a change of circumstances or a change of key personnel, and will be amended accordingly.

## **2.0 The Functions, Duties and Powers of the Arts Council**

**2.1** The Arts Council (Northern Ireland) Order 1995 (The Order) gives the Arts Council the following:

### **Functions:**

- a) to develop and improve the knowledge, appreciation and practice of the arts;
- b) to increase public access to, and participation in, the arts;
- c) to advise the Department and other government departments, district councils and other bodies on matters relating to the arts; and
- d) such other functions as are conferred on the Council by any statutory provision other than the Arts Council (NI) Order 1995.

### **Duties:**

- a) to consult regularly with district councils on the exercise by the Arts Council of its functions (excluding national lottery functions);
- b) to make provision for regular consultation with members of district councils on the development of the arts.

### **Powers:**

- a) to encourage and assist:
- b) the provision of arts facilities and events; and
- c) the co-ordination and efficient use of resources for the arts;
- d) to provide financial assistance to persons or bodies;
- e) to receive donations and make charges for its services;
- f) to organise or assist in the organisation of, conferences, seminars and courses of training;
- g) to assist the provision of administrative services and training for or by anybody providing facilities for, or in connection with, the arts;
- h) to provide and manage arts facilities;
- i) to print, publish and disseminate information relating to the arts;
- j) to visit other parts of the United Kingdom and other countries
- k) to co-operate with other bodies established within the United Kingdom or outside the United Kingdom;
- l) to carry out, or assist or co-operate with other persons in carrying out, research into and studies concerning matters relating to the art.

**2.2** Within the Partnership Agreement it is the role of the Arts Council, having obtained Ministerial approval where necessary and taking account of the Government's general policies, including those for the educational and cultural development of Northern Ireland:

- to determine its artistic policy and strategy;
- to decide the allocation of the funds available to it in line with its artistic judgment as to priorities between different art forms and the funding of artists, organisations and venues;
- to explain its decisions to the public.

**2.3** The objectives, key targets and performance measures of ACNI, which incorporate Ministerial priorities, are agreed with the Department through the corporate and annual business planning process. Corporate and annual business planning is based on financial planning figures contained in the Comprehensive Spending Review.

### **3.0 The Board of the Arts Council**

**3.1** The Board of the Arts Council of Northern Ireland will have up to fifteen members by public appointment (Standing Orders page 5 refers). The Board of the Arts Council consists of a Chairperson, Vice Chair and other members appointed by the Department in accordance with the Code of Practice issued by the Commissioner for Public Appointments and Schedule 1, Paragraph 3 of the Order.

**3.2** The Board has corporate responsibility for ensuring that the Arts Council fulfils the aims and objectives set by the Department and approved by the Minister, and for promoting the efficient, economic and effective use of staff and other resources by the Arts Council. To this end, and in pursuit of its wider corporate responsibilities, the Board shall:

- establish the overall strategic direction of the Arts Council within the policy and resources framework determined by the Department and the Minister;
- constructively challenge the Arts Council's executive team in its planning, target setting and delivery of performance;
- ensure that the Department is kept informed of any changes which are likely to impact on the strategic direction of the Arts Council or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by DoF and the Department;
- ensure that the Board receives and reviews regular financial information concerning the management of the Arts Council; is informed in a timely manner about any concerns about the activities of the Arts Council; and provides positive assurance to the Department that appropriate action has been taken on such concerns;
- demonstrate high standards of corporate governance at all times, including using an independent audit committee to help the Board to address the key financial and other risks facing the Arts Council; and
- appoint, with the Department's approval, a Chief Executive to ACNI and, in consultation with the Department, set performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies.

**3.3** Individual Board members are required, at all times, to act in accordance with their wider corporate responsibilities and in the public interest, in keeping with the Nolan Principles of Public Life and the Code of Conduct for Board Members of the Arts Council (Appendix 1).

**3.4** All Board Members are required to undertake corporate governance training. The Chairperson and Chief Executive will also ensure that Board Members, as part of their induction, are briefed on their roles and responsibilities as Board Members and on the work of the Arts Council.

**3.5** The Board meets at least 6 times per year. Meetings are held in the Arts Council headquarters, unless determined otherwise by the Board in line with Standing Orders. Minutes are produced for each Board meeting and are published on the Arts Council website when they have been approved by the Board.

- 3.6** The agenda for each Board meeting, which is published in advance of meetings, is agreed in advance by the Chairperson and includes, as a minimum, the following items:
- Apologies
  - Review and approval of the minutes of the previous Board meeting
  - Matters arising from the previous meeting
  - Declaration of Interests
  - Chairperson’s Business
  - Chief Executive’s Business
  - Updates from Committee Chairs on meetings and business held in the period since the last Board meeting, recording recommendations for Board consideration and approval in relation to other relevant matters e.g. Annual Accounts, Management Letters, progress and status of projects
  - Other substantive business items
  - Any other business
  - Date of next meeting
- 3.7** Copies of the agenda for Board meetings, together with all relevant papers, are circulated to the Department with the Board notice of the meeting. The Department may send a representative to Board meetings.
- 3.8** On a quarterly basis, the Board considers a Management Report, providing information on:
- progress in relation to Key Performance Indicators
  - the corporate risk register.
- An up-to-date financial position is presented to each meeting of the Board.
- 3.9** The Board reviews and approves the Chief Executive’s Bi-Annual Assurance Statement.
- 3.10** The Senior Management Team (i.e. the Chief Executive, Director of Operations, Director of Arts Development, Director of Finance and Corporate Services and Director of Strategic Development and Partnerships) attend meetings of the Board in an advisory capacity but are not members of the Board.

#### **4.0 The Chairperson of the Board**

**4.1** The Chairperson and Vice Chair of the Board is appointed by the Minister in line with the Code of Practice issued by the Commissioner for Public Appointments. In the absence of the Chairperson, the Vice Chairperson chairs Board meetings.

**4.2** The Chairperson is responsible to the Minister for ensuring that Arts Council policies and actions support the wider strategic policies of the Minister and that the organisation's affairs are conducted with probity. Communication between the Board and the Minister will normally be through the Chairperson who will ensure that the other Board Members are kept informed of such communications.

**4.3** The Chairperson shares with other Board members the corporate responsibilities set out in paragraph 3.2 above and has a particular leadership responsibility on the following matters:

- formulating the Board's strategy;
- ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the Department and all relevant information provided by the Arts Council's Executive;
- promoting the efficient and effective use of staff and other resources;
- encouraging high standards of regularity and propriety;
- representing the views of the Board to the general public;
- ensuring that the Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Board members; and
- report formally to the Minister and Permanent Secretary at pre-arranged Partnership Review Meetings.

**4.4** The Chairperson is also responsible for:

- ensuring that all Board members, when taking up office, are fully briefed on the terms of their appointment and on their duties, roles and responsibilities;
- ensuring that all Board members receive appropriate induction training, including on the financial and reporting requirements of public sector bodies;
- ensuring that a Code of Practice for Board Members is in place, based on the Corporate Governance in Central Government Departments: Code of Good Practice (NI) 2025;
- advising the Department on the needs of the Board when vacancies arise for Board members, with a view to ensuring a proper balance of expertise;
- co-opting a person on a temporary basis to a Committee, who is not a member of the Board of Arts Council, if such action becomes necessary to address any specialist or professional need;
- assessing the performance of individual Board members in accordance with Departmental practice and guidance;
- ensuring that the Board undertakes a review of its effectiveness on an annual basis, with independent input at least every three years, and that the results are acted upon;
- developing an effective working relationship with the Chief Executive and other senior staff, overseeing the way in which they implement Board decisions, agreeing annual performance targets for the Chief Executive and advising the Board through its Remuneration and Staffing Committee on the Chief Executive's annual performance, in consultation with the Department as necessary.

## **5.0 Decisions and Reporting**

**5.1** This section identifies those matters that the Board has determined shall be:

- reserved for a decision by the Board
- delegated to the Chairperson
  - delegated to a Committee of the Board
- delegated to the Chief Executive. Where appropriate and within the constraints of his/her role as Accounting Officer, the Chief Executive may delegate responsibilities to other members of staff.

**5.2** In delegating matters to a Committee of the Board or the Chief Executive, the Board will satisfy itself that adequate reporting and accountability arrangements are in place to allow it to continue to oversee the exercise of those delegated powers.

**5.3** Notwithstanding that the Board may delegate functions to any of its Committees or to the Chief Executive, it shall have the power at any time, in full session, to determine any matter within its statutory powers, that appears to it to be conducive or incidental to the discharge of its functions, including any matter otherwise delegated to a Committee or to the Chief Executive.

**5.4** In carrying out its functions the Board, its Committees and the Chief Executive and officers to whom responsibility has been delegated will comply with statutory and legislative regulations for the use of public funds.

### **5.5 Matters Reserved to the Board**

Matters Reserved to the Board are contained in the Schedule of Matters Reserved to the Board and Scheme of Delegation (Appendix 2). These matters are subject to approvals by the Department, where applicable and as identified in the Arts Council (NI) Order 1995 (as amended) and / or the Partnership Agreement.

### **5.6 Delegation to Board Committees**

In order to assist with the effective discharge of its responsibilities, the Board has established the following Committees and agreed a terms of reference for each Committee specifying the duties and responsibilities to be discharged and the procedure to be followed by the Committee.

#### **5.6.1 Audit and Risk Committee**

The terms of reference for the Audit and Risk Committee is included as Appendix 3.

#### **5.6.2 Finance and Capital Committee**

The terms of reference for the Finance and Capital Committee is included as Appendix 4.

#### **5.6.3 Grants Committee**

The terms of reference for the Grants Committee is included as Appendix 5.

#### **5.6.4 Remuneration and Staffing Committee**

The terms of reference for the Remuneration and Staffing Committee is included as Appendix 6.

### 5.6.5 Acquisitions Panel

The terms of reference for the Acquisitions Panel is included as Appendix 7.

### 5.7 **The Chief Executive's role as Accounting Officer**

The Chief Executive of the Arts Council is designated as the Arts Council's Accounting Officer by the Departmental Accounting Officer of the Department.

5.8 The Accounting Officer of the Arts Council is personally responsible for safeguarding the public funds for which he/she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the Arts Council.

5.9 As Accounting Officer, the Chief Executive shall exercise the following responsibilities in particular:

#### ***on planning and monitoring -***

- establish, in agreement with the Department, the Arts Council's Strategy and Annual plans in support of the Department's wider strategic aims and current PfG objectives and targets;
- inform the Department of the Arts Council's progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives;
- ensure that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if overspends or underspends are likely and that corrective action is taken; and that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion;

#### ***on advising the Board -***

- advise the Board on the discharge of its responsibilities as set out in this document, the Order and in any other relevant instructions and guidance that may be issued from time to time by DFP or the Department;
- advise the Board on the Arts Council's performance against its aims and objectives;
- ensure that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed appropriately;
- take action as set out in Chapter Three of MPMNI if the Board, or its Chairman, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity, or does not represent prudent or economical administration, efficiency or effectiveness;
- ensure that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
- ensure that an effective system of programme and project management and contract management is maintained;
- ensure compliance with the Northern Ireland Public Procurement Policy;
- ensure that all public funds made available to the Arts Council, including any income or other receipts, are used for the purpose intended by the Assembly, and that such monies, together with the Arts Council's assets, equipment and staff, are used economically, efficiently and effectively;

- ensure that adequate and appropriate internal management and financial controls are maintained by the Arts Council, including effective measures against fraud, bribery and theft;
- maintain a comprehensive system of internal delegated authorities that are notified to all staff, together with a system for regularly reviewing compliance with these delegations; and
- ensure that effective personnel management policies are maintained;

***on accounting for the Arts Council's activities -***

- sign the accounts and be responsible for ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Minister, the Department, or DoF;
- sign a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- sign a Governance Statement for inclusion in the annual report and accounts;
- ensure that effective procedures for handling complaints about the Arts Council are established and made widely known within the Arts Council;
- act in accordance with the terms of this document and with the instructions and relevant guidance in MPMNI and other instructions and guidance issued from time to time by the Department and DoF - in particular, Chapter 3 of MPMNI and the Treasury document, Regularity and Propriety and Value for Money (a copy of which the Chief Executive shall receive on appointment). Section IX of the Financial Memorandum refers to other key guidance;
- give evidence, normally with the Accounting Officer of the Department, if summoned before the Public Accounts Committee on the use and stewardship of public funds by the Arts Council;
- ensure that an Equality Scheme is in place, reviewed and equality impact assessed as required by the Equality Commission and OFMDFM;
- ensure that Lifetime Opportunities is taken into account; and
- ensure compliance with all legislative requirements.

**5.10 The Chief Executive's role as Consolidation Officer**

**5.10.1** For the purposes of Whole of Government Accounts, the Chief Executive of the Arts Council is normally appointed by DoF as the Arts Council's Consolidation Officer.

**5.10.2** As the Arts Council's Consolidation Officer, the Chief Executive shall be personally responsible for preparing the consolidation information, which sets out the financial results and position of the Arts Council; for arranging for its audit; and for sending the information and the audit report to the Principal Consolidation Officer nominated by DoF.

**5.10.3** As Consolidation Officer, the Chief Executive shall comply with the requirements of the Arts Council Consolidation Officer Memorandum as issued by DoF and shall, in particular:

- ensure that the Arts Council has in place and maintains sets of accounting records that will provide the necessary information for the consolidation process;
- prepare the consolidation information (including the relevant accounting and

disclosure requirements and all relevant consolidation adjustments) in accordance with the consolidation instructions and directions issued by DoF “Dear Consolidation Office” (DCO) and” Dear Consolidation Manager” (DCM) letters on the form, manner and timetable for the delivery of such information.

#### **5.11 Delegation of Duties**

The Chief Executive may delegate the day-to-day administration of his/her Accounting Officer and Consolidation Officer responsibilities to other employees in the Arts Council. However, he/she shall not assign absolutely to any other person any of the responsibilities set out in this document.

#### **5.12 The Chief Executive’s role as Principal Officer for Ombudsman cases**

The Chief Executive of the Arts Council is the Principal Officer for handling cases involving the Northern Ireland Commissioner for Complaints. As Principal Officer, he/she shall inform the Permanent Secretary of the Department of any complaints about the Arts Council accepted by the Ombudsman for investigation, and about the Arts Council’s proposed response to any subsequent recommendations from the Ombudsman.

### **6.0 Effectiveness of, and support to, the Board**

**6.1** The Chairperson of the Board and the Chief Executive will ensure that new Board Members receive a full formal and tailored induction on joining the Board. This induction will cover such issues as:

- the principles of corporate governance
- the accountability process
- the roles of the Board and individual Board Members, including expectations of corporate behaviour and the Code of Practice for Board Members
- the functions, duties and responsibilities of ACNI

**6.2** All new Board Members will be expected to attend recognised training on corporate governance.

**6.3** On-going understanding of the work of ACNI will be promoted through regular presentations by relevant staff at Board and Committee meetings.

**6.4** Board papers will be fit for purpose, relevant, and concise and include appropriate analysis to enable the Board to understand the background and issues to promote effective debate and, where appropriate, decision.

**6.5** Secretariat support for the Board and all Committees is provided as follows:

#### **Contact details**

Diane Dillon, Assistant to the Board and Director of Finance & Corporate Services

Chief Executive’s Office

Email: [ddillon@artscouncil-ni.org](mailto:ddillon@artscouncil-ni.org)

Mobile: 07500 559 260

**6.6** In line with good practice on corporate governance the Board and its Committees will undertake a regular review of their effectiveness and the efficiency with which they discharge the functions assigned to them and, if considered appropriate, will develop an action plan to progress identified issues. Independent input to the effectiveness process will be sought at least every three years.

## **APPENDICES**

<b>Appendix 1</b>	Code of Conduct for Board Members of the Arts Council
<b>Appendix 2</b>	Schedule of Matters Reserved to the Board and Scheme of Delegation
<b>Appendix 3</b>	Audit and Risk Committee Terms of Reference
<b>Appendix 4</b>	Finance and Capital Committee Terms of Reference
<b>Appendix 5</b>	Grants Committee Terms of Reference
<b>Appendix 6</b>	Remuneration and Staffing Committee Terms of Reference
<b>Appendix 7</b>	Acquisitions Panel Terms of Reference