

FestivalUK*2022

MINUTES - BOARD MEETING OF FESTIVAL 2022 LTD (the "Company" and "Festival")

Tuesday 6 July 2021

Venue: Festival Offices (6 Brindley Place) and Microsoft Teams

Directors & Observers present:	In Attendance:
<p>Dame Vikki Heywood DBE, Chair (VH) Amali de Alwis MBE (AA) Faraz Tasnim (FT) Liam Hannaway (LH) Rob Smith MBE (RS) Dr Bridget McConnell (BM) Priya Lakhani OBE (PL) Professor Mary Stuart CBE (MS) Roger Lewis (RL) Roger Mosey (RM)</p> <p>Emma Squire (Observer) (ES) (DCMS) Gerwyn Evans (GE) (Observer- Welsh Government) Richard Walsh (RW) (Observer – Scottish Government)</p>	<p>Martin Green, Chief Creative Officer (MG) Phil Batty, Executive Director (PB) Caroline McCrory, Chief Legal Officer & Company Secretary (CM) Ian Reid (OC Group Chief Executive & Accounting Officer) Lucy Bailey, Senior Legal Counsel (LB) David Grady, OC Group Chief Financial Officer (DG) Tace Jones, Executive Assistant (Secretariat) (TJ)</p> <p>Apologies Dr. Hayaatun Sillem CBE (HS) (Independent) Dr. Maggie Aderin-Pocock (MAP) (Independent) Louise Hyland (LH) (Observer – Northern Ireland Executive)</p>

NO	ITEM	ACTION OWNER
	GOVERNANCE	
1a	<p><u>Welcome</u></p> <p>VH welcomed everyone to the meeting, confirmed membership, observers and attendees. Apologies were noted from HS and MAP.</p> <p>GE, FT, PL and MS joined the meeting online via Microsoft Teams.</p>	
1b	<p><u>Declarations of Interest</u></p> <p>The Board noted there were no direct conflicts of interest with the business of this meeting.</p> <p><u>Approval of the Minutes & Matters Arising</u></p> <p>VH and RL noted minor amendments to be made to the minutes of the meeting held on 4 June 2021. The Festival team took an action to make those amendments, and subject to these being made, the Board approved the minutes of the meeting held on 4 June 2021.</p>	
	CORPORATE & BUSINESS INTEGRATION	
2a	<p><u>Audit and Risk Committee ("ARAC") Report to Board</u></p> <p>FT provided an update on the ARAC Report and noted the Board's thanks to the National Audit Office for their work to complete the external audit report.</p>	
2b	<p><u>Annual Report & Financial Statements (the "Accounts")</u></p> <p>VH introduced the Festival Company's first annual accounts, noting the review undertaken by ARAC. DG and SH presented a summary of, and provide an update on, the Accounts.</p> <p>It was confirmed that IR will be signing the representation in the Accounts, but that the Directors will be notified of this representation prior to signature.</p> <p>VH requested the Board's approval of the Accounts for the 11-month period ending 31 March 2021.</p>	

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<p>2c</p>	<p>VH outlined that following this approval, the Accounts will be signed, filed at Companies House, and subsequently uploaded to the Festival website.</p> <p>VH confirmed that the Accounts will be consolidated into the Birmingham Organising Committee for the 2022 Commonwealth Games Limited's (the "OC") group accounts (the "Group Accounts"). The Group Accounts will be laid in Parliament on 14 July 2021.</p> <p>The Board confirmed approval of the Festival accounts.</p> <p>DG tabled that the Festival Company wishes to consider an 18-month reporting cycle to allow Festival to align with the OC. DG confirmed that DCMS were supportive of the proposal. It was noted that Board meeting timings should align with this reporting cycle.</p> <p><u>Finance Report</u></p> <p>SH presented the Finance Report, which was noted by the Board.</p>	
FESTIVAL COMMISSIONING & DELIVERY		
<p>3a</p>	<p><u>Status Update on Ongoing Developments</u></p> <p>MG and PB provided general progress updates on the Festival commissions.</p> <p>MG provided a more detailed updated on the Tour De Moon commission.</p> <p>PB updated on the ongoing commercial dialogue with the Festival commissions, summarising the status of ongoing contract negotiations. PB confirmed the Festival team will be running workshops with the commissions' representatives to support the final stages of negotiating the agreements.</p> <p>PB summarised the written correspondence between the Festival Company and the commissions' representatives and that this had led to positive ongoing dialogue.</p> <p>PB suggested providing the Board with a status update on each commission's contracting progress for the next Board meeting in August.</p> <p>PL asked for further details on the frequency of commissioning payments being made. PB confirmed that payments were being made in line with milestones and deliverables with the next payment to be made under R&D Variation Agreement at the end of July. PB confirmed this is conditional upon a full reconciliation of spending to date being received and audit sampling conducted.</p> <p>PL raised the need to assess critical gateway moments ("go, no go" decision points) for commissions. MG stated that Festival was monitoring this carefully and would explore contingency plans as required, taking due consideration for timescales.</p> <p>MG also noted that there are elements of the wider public programme of the Festival (e.g. Learning & Participation, or the Creative Conversation) that could form part of any mitigating action to gaps arising as a result of operation issues.</p> <p>PB noted the Remediation Process and other contract management measures contained within the Full Commissioning Agreement.</p> <p>PL raised the importance of safeguarding public funds during this early pre-production stage. VH recorded that the Festival Executive team should continue to monitor and report on this and requested further information on this process be included in the next ARAC Operational Update.</p> <p>MG confirmed the Festival launch date in October 2021.</p> <p>RL highlighted that he had been in close discussion with the Welsh commission and wished to thank the Festival team for the support they have provided.</p>	

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FULL BUSINESS CASE (FBC) UPDATE		
4a	<p><u>Update from DCMS and Festival Team</u></p> <p>ES and PB provided an update on the FBC and confirmed that the document was being co-authored by DCMS and Festival.</p> <p>ES outlined the positive progress that had been achieved in respect of the FBC development.</p> <p>PB confirmed the DCMS Commercial Director undertook a deep dive to provide independent assurance of the Festival Company.</p> <p>It was confirmed that the next steps will be to take the FBC to the DCMS Finance Committee and to share the FBC with the three representatives of the Devolved Administration for their information.</p> <p>AA queried participation figures set out in the FBC, and ES and PB responded by clarifying that the economic case is at the core of the FBC and that based on the scenarios contained in the FBC, Festival could still derive the required level of benefit and therefore a more conservative approach has been adopted for the purposes of the FBC.</p> <p>MG confirmed that audiences will be a focus of the August Board meeting.</p> <p>A Treasury Approval Point (TAP) will be sought in September 2021.</p> <p>ES confirmed that an IPA Gateway 3 review would take place prior to this.</p>	
FORWARD PLAN		
5a	<p><u>AOB</u></p> <p>No further business was discussed.</p> <p>The meeting closed.</p>	
Date of Next Meeting: 18 August 2021		