

**MINUTES OF THE ANNUAL VISITATION BY THE BOARD OF GOVERNORS HELD IN THE BOARDROOM, ARMAGH OBSERVATORY AT 11.00 am ON 23 APRIL 2018**

Present: His Grace, the Most Reverend R. Clarke (Chair), The Very Reverend Dean G. Dunstan, Canon R.J.N. Porteus, Canon N. J. Hughes and Professor A. Hibbert, Dr K Poppenhaeger, Mr W.G.H. Berry.

Apologies: The Venerable Archdeacon T. Scott, Canon D. Hilliard, Professor R. Oudmaijer, Canon J. Moore, Canon W.M. Adair

In attendance: Professor M. Burton (Director), Mrs C. Corvan (Head of Corporate Services), Mr L. Knox (Head of Finance and Income Generation), Mr J. Briggs (Chair of Management Committee), Mr B. Hannam (Chair of Audit and Risk Assurance Committee), Mrs D. Neill (Operations Manager)

**1. APOLOGIES**

Apologies were recorded as noted above.

The Chair welcomed everyone to the meeting, in particular those attending for the first time; Dr Katja Poppenhaeger (as the Queen's University nominee to the Board), Mrs Carol Corvan, Mr Leonard Knox, Mr John Briggs and Mr Brett Hannam.

**2. DECLARATION OF INTERESTS**

The Chair reminded members and officers of the need to declare any actual, potential or perceived conflict of interest associated with any item on the Agenda, either now or at the relevant stage during meeting. No conflicts of interest were declared.

**3. MINUTES OF THE ANNUAL VISITATION OF 9 MARCH 2017**

The minutes of the Annual Visitation of the Board of Governors of 9 March 2017 were reviewed, approved as a true and accurate record of the meeting and signed by the Chair.

**4. MATTERS ARISING FROM THE MINUTES**

The Chair referred the Board of Governors to the paper detailing progress on identified matters arising from previous meetings. The Board of Governors noted that the first matter arising, marked as ongoing, was now completed following the appointment of Dr K Poppenhaeger from Queen's University. In relation to the matter 6.8.1, the Chair thanked Mr John Briggs for taking on the role of Chair of the Management Committee. An update on the Matters Arising can be found in the Table attached at Annex 1.

**5. CHAIRMAN'S BUSINESS**

The Chair highlighted the 50<sup>th</sup> Anniversary of the Planetarium and the events associated with this and requested Governors to reply to any invitations as soon as possible.



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## 6. MATTERS FOR REPORT AND APPROVAL

### 6.1. Minutes of the meetings of the Management Committee (for report)

Mr Briggs thanked the Chair for his welcome and advised the Board of Governors that he had taken up appointment in January 2018, chairing his first Management Committee meeting in March 2018. He explained that the Management Committee had considered a wide range of matters in the last year focusing particularly on the financial constraints and resulting staffing pressures. They had received updates from the Audit and Risk Assurance Committee (ARAC) and the Staffing Policy and Remuneration Committee (SPRC). The Management Committee was also provided with regular governance reports such as the Risk Register, Key Performance Indicators (KPIs), the Bi-Annual Assurance Statement and the revised Terms of Reference.

6.1.2 Mr Briggs informed the Board of Governors that along with Professor Burton and Mrs Corvan, he had met with the Department prior to this meeting and he looked forward to seeing more stability for the organisation. He noted that capital was still high on the Department's priority list along with the possibility of a three year development plan. Mr Briggs assured the Board of Governors that there was a strong leadership team in Professor Burton and Mrs Corvan which provided tremendous reassurance to the Department that the organisation was being run efficiently and effectively.

6.1.3 Professor Hibbert reported that a Management Committee member, Mrs Primrose Wilson, was approaching a 10 year term and would have to be replaced. However, this was a ministerial appointment and with no minister in place, there may be vacancies on the Committee. Mrs Corvan reported that this had been discussed with the Department and it was likely that an option of leaving this post vacant for a period of time may be suggested to the Board. Mr Briggs added that the organisation had started to address current and upcoming vacancies. He advised that there were also 3 vacant co-opted positions and would like to progress this at the next Management Committee meeting.

6.1.4 The Chair commented on the high calibre and experience of the Management Committee members. It was noted that the process for co-options were made by the Management Committee with the approval of the Board of Governors and approved by the Department. There were no further comments from the Board of Governors and the Chair thanked Mr Briggs for the update.

6.1.5 The Board noted that the minutes were for report and information only.

### 6.2. Minutes of the meetings of the Audit and Risk Assurance Committee (for report)

Mr Hannam explained to the Board that he would cover 4 areas: the conclusion of the NIAO, External Audit, Internal Audit and Risk Management.

6.2.1 Mr Hannam reported that the Comptroller and Auditor General (C&AG) of the NIAO concluded his investigation into the conduct of Dr Mason in respect of the placing of contracts without authority, the use of credit cards and the use of Planetarium property. The report found evidence that Dr Mason had acted beyond his authority and in breach of Armagh Observatory and Planetarium (AOP) rules. As Dr Mason had retired, the C&AG could not compel him to cooperate with his investigation and the C&AG found that lack of response inappropriate. The findings were published by the C&AG in a composite report that covered other government accounts that had been qualified. This generated a certain amount of publicity that was focused on Dr Mason's actions.



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6.2.2 External Audit: Mr Hannam explained that the investigation into Dr Mason's actions significantly delayed the audit of the AOP accounts and it was only now that the auditors were catching up. The 2016/17 accounts had been submitted to the auditors and once those had been considered those for 2017/18 would follow. Just as the accounts for 2015/16 were qualified because of the irregular contracts entered into by Dr Mason, so would those for 2016/17 as the expenditure related to his unauthorised contracts continued during this period.

6.2.3 Internal Audit: Mr Hannam advised the Board of Governors that at the start of the 2017/18 year there had been 74 outstanding internal audit recommendations and following the review of financial controls another 9 had been added. However, since then significant work had been done and the figure fell to 19. Ten of those related to IT and, as this area was the subject of a separate improvement project, the auditors would not review these until the project was complete. One of the key areas for improvement highlighted by the case of Dr Mason was the need for a comprehensive and up-to-date asset register. Much work had been done to complete this, but there was still work to be done in cleansing it of aged data. There was now, however, better assurance that the organisation's property was properly accounted for. ARAC's view was, therefore that good work had been done to address the weaknesses identified in the previous year; that AOP was within striking distance of establishing sound systems of control but that there still remained work to be done.

6.2.4 Risk Management: Mr Hannam stated that AOP had put considerable effort into the identification, assessment and management of risk and the Committee was content that the required controls were in place. This was appropriate and necessary given the high level of risk attaching to AOP's finances. This issue would be covered more fully under other agenda items, but the lack of money was the root cause of many other risks – such as staffing and IT. Until AOP had both a budget appropriate to its needs and long-term security of funding this situation would likely continue.

6.2.5 The Chair thanked Mr Hannam and the Audit and Risk Committee.

### 6.3. Annual Report and Accounts 2016/17 (for approval)

Mr Knox informed the Board of Governors, that while he had been working in the organisation for some time, he had only taken up post as Head of Finance and Income Generation in the last two weeks. He explained that the organisation was currently in the middle of an audit process but the intention was that these accounts would be signed off in June. Mr Knox advised that he was not expecting there to be any significant content changes, however, the presentation may change slightly. Professor Hibbert pointed out that note 9 of the accounts did not show the correct year total for 2017. Mr Knox thanked Professor Hibbert for highlighting this typographical error and referred him to the associated row in note 8 where the correct amount was shown.

6.3.1 The Chair drew the Board of Governors' attention to page 9 of the report and commented on how impressive the achievements and performance were, which reflected the enthusiasm of the organisation. The Chair thanked the organisation for its work.

6.3.2 Dean Dunstan proposed approval of the Annual Report and Accounts 2016/17 subject to minor alterations. Professor Hibbert seconded this motion and **the Annual Report and Accounts 2016/17 was approved.**

### 6.4. Management Report for 2017/18

Professor Burton informed the Board of Governors that the organisation remained in a state of flux; with many good things taking place but also many challenges. Despite the challenges, there had been significant achievements across the organisation. Essentially, a stable budget was required.



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- 6.4.1 Professor Burton summarised key points from his report to the Board of Governors of the principal activities undertaken by the organisation during 2017/18.
- 6.4.2 The Chair thanked Professor Burton for his work and acknowledged the difficulties caused by budget constraints. In relation to the research work being undertaken, the Chair referred in particular to the historic links between Birr and Armagh. It was agreed this could be explored further in due course. **The Board of Governors approved this course of action.**
- 6.4.3 Professor Burton drew the Board's attention to the key issues for 2018/19. Baseline funding had not yet been secured, but following the meeting held with the Deputy Permanent Secretary earlier that morning, the organisation was hopeful this would be addressed.
- 6.4.4 The Chair thanked Professor Burton for his report.
- 6.4.5 The **Key Performance Indicators (KPIs)** for 2017/18 were circulated. Professor Burton explained that whilst the majority of these were achieved, there were some areas where targets were not fully met and two targets which were not met. Of the two targets not met, the reason for one of these was the resignation of 2 staff members which meant the organisation was unable to send staff out to hold events in areas of deprivation. The other target not met was the processing of payments within 10 days. This had been caused at the start of the year, but had since been addressed and the current percentage of payments made within 10 days was currently at 94%. The Board of Governors noted the end of year KPIs' performance.
- 6.4.6 **Finance Budget Report to February 2018**  
Mrs Corvan explained that this paper showed the end of year position for March 2018 (which included actual expenditure up to February and forecast figures for March). Mrs Corvan advised that the organisation had finished the year on target and assured the Board that the organisation had worked within its budgets, reviewing these on a monthly basis. Mrs Corvan commended Mr Knox for the excellent standard of financial management information now being produced. The Chair thanked Mr Knox for his work and the Board of Governors noted the report.
- 6.4.7 **Risk Register March 2018**  
Professor Burton advised that whilst during the last financial year the organisation had reduced to one red risk, these had increased for the 2018/19 year. Mr Hannam explained that many of the risks go back to their origins in a lack of money. So the risk profile at the end of 2017/18 had improved due to in year funding, but starting new financial year risks had increased due to the impact of not having a full budget. The Board of Governors noted the Risk Register.
- 6.5 **Corporate Plan (for approval)**  
Canon Hughes proposed the approval of the Corporate Plan and this was seconded by Canon Porteus. **The Board of Governors approved the Corporate Plan.**
- 6.5.1 **Draft 2018/19 Business Plan (for approval)**  
Professor Burton informed the Board that the Business Plan had been developed from the Corporate Plan and that this would be forwarded to the Department for their comments. Mrs Corvan explained that a lot of the Business Plan activities would be dependent on in year funding. Dean Dunstan proposed the approval of the Business Plan and this was seconded by Professor Hibbert. **The Board of Governors approved the Draft Business Plan subject to minor changes and finalised plan approval by Management Committee.**





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## 6.6 Revised Governance Arrangements – Terms of Reference Proposal (for approval)

The Chair thanked Mrs Corvan for bringing this work to completion. Dr Poppenhaeger proposed approval of the Terms of Reference and this was seconded by Dean Dunstan. **The Board of Governors approved the Terms of Reference.**

*Greg Berry left the meeting at 12.59.*

## 7. ANY OTHER BUSINESS

7.1 Mrs Corvan informed the Board of Governors that the optimum time for their annual visitation was between the March Management Committee (to finalise the year's work) and before the June Management Committee Meeting. **Thursday 9<sup>th</sup> May 2019 was proposed as the next annual visitation date.**

## 7.2 Annual Review of Information (for approval)

The Archbishop commented that he considered that the information provided was exemplary. **The Board confirmed it was content with the quality of data presented.**

7.3 Mr Briggs asked the Chair how to proceed if there was approval required to fill vacancies. The Chair asked the Board if they were content to approve electronically and the Board confirmed this was an acceptable process.

7.2 The Chair brought the meeting to a close, expressing thanks on behalf of the Board of Governors to Mr Briggs and Mr Hannam, along with the Management Team for their work under the stress of budgetary pressures. The Chair commented that Armagh Observatory and Planetarium was a very exciting place and it was good to see all the work being done.

The meeting ended at 13.05 pm

Signed as a true record of the Meeting

*+ Richard Armitage:*  
.....  
(Chairman)

Dated: *22/05/19.*



Matters Arising from the Minutes of Previous Meetings

Reference	Matter	Owner	Progress
<b>Annual Visitation 9 March 2017</b>			
Paragraph 1	The Chair to write to Queen's University Belfast in relation to the appointment of a new Governor following the resignation of Professor Smartt. Professor Hibbert to approach informally in the first instance	Chair Professor Hibbert	<b>Approved as completed on 23<sup>rd</sup> April 2018</b> – Dr Katja Poppenhaeger appointed 19 <sup>th</sup> April 2018  <b>Ongoing (17 April 2018)</b> – Professor Burton has spoken to Robert Bowman, Head of Physics at Queen's University. There is ongoing discussion in Queen's regarding a possible nominee.
Paragraph 6.3	Thank you letters to be issued to the Organisational Change Project Board	Chair	<b>Completed</b> – Letters issued from Chair 22 March 2017
Paragraph 6.4	Draft Annual Report and accounts for 2015/16 to be amended	Professor Burton	<b>Completed</b> – the Annual Report and Accounts for 2014/15 and 2015/16 have now been published and are on the AOP website
Paragraph 6.7	The Chair to issue a letter to Fergus Devitt, Department for Communities	Chair	<b>Completed</b> – Letter issued 9 March 2017.
Paragraph 6.8	A small sub group to meet to expedite final approval of the Terms of Reference	Sub Committee	<b>Completed</b> – The Terms of Reference were agreed by the Management Committee in December 2017 and are being submitted to the Board of Governors April 2018 for approval.
Paragraph 6.8.1	Job description of Chair of Management Committee to be redrafted	Professor Hibbert	<b>Completed</b> – Chair recruited and appointed January 2018.



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<b>Annual Visitation 15 March 2016</b>			
Paragraph 6.4.2	Professor Hibbert confirmed that the Project Board, along with the Chief Executive would consider the second tier of management in AOP during 2016/17.	Project Board/ Chief Executive	<b>Propose to Close</b> – The new Head of Corporate Services commenced on 3 April 2017. The Head of Finance & Income was appointed on 9 <sup>th</sup> April 2018. The Head of Research will join the organisation in August 2018. The Head of Education & Community Outreach position is still outstanding. Core funding for the Senior Management Team is still an issue under discussion with the Department.
Paragraph 9.2	TORs - The Project Board would collate all the responses and incorporate them into a further draft for consideration.	Project Board	<b>Completed</b> – The Terms of Reference were presented to the Management Committee in January 2017 and the Board of Governors in March 2017. The final Terms of Reference were agreed by the Management Committee in December 2017 and are being submitted to the Board of Governors April 2018 for approval.
<b>Annual Visitation 19 March 2015</b>			
Paragraph 7.3	The Observatory's Health & Safety Policy to be updated to include the Planetarium.	Operations Manager	<b>Ongoing</b> - The Health & Safety Committee now meets as a single body and issues are addressed across AOP, not separately to Observatory and Planetarium. However, a single policy still has to be progressed.

