

**BRITISH FILM INSTITUTE
BOARD OF GOVERNORS**

**M I N U T E S
24 MARCH 2011**

Minutes of the meeting held from 1030 to 1340 on 24 March 2011 at theBFI, 21Stephen Street,London W1T 1LN.

Present:

Greg Dyke (Chair)
Shami Chakrabarti CBE (for matters recorded under Minutes 1-11)
Peter Foy
Sir Christopher Frayling
Ashley Highfield
Caroline Michel
Tessa Ross CBE (for matters recorded under Minutes 1-11)
David Thompson
Peter Watson
Cy Young

In attendance:

Amanda Neville, Director
Richard Brousson, Legal Counsel
Trevor Mawby, Director of Finance & Resources
Paul Crake, Board Secretary

In attendance for part of the meeting:

Pete Buckingham, UKFC Head of Distribution & Exhibition (for matters reported in Minute 12)
Neil Watson, independent consultant (for matters reported in Minute 10)

1 APOLOGIES FOR ABSENCE

Eric Fellner CBE
Matthew Freud
Sir Howard Newby

2 DECLARATIONS OF INTEREST

These interests were declared: Tessa Ross as an employee of the Channel 4 Television Corporation in the matters discussed under Minutes 7-8; Amanda Neville and Peter Watson as company directors of British Film Institute (Big Screen) Limited in the matters discussed under Minute 11; PaulCrake, Board Secretary, as Secretary of the BFI Trust, in

the matters discussed under Minute 5. It was agreed that the nature of their various interests was such that they would not be required to leave the room while these items were considered.

3 MINUTES OF THE MEETING OF 22 FEBRUARY 2011

The minutes of the meeting of 22 February 2011 were approved as an accurate record.

4 MATTERS ARISING

4.1 It was reported that Heather Stewart had been appointed Creative Director of Public Programmes, and the Board offered its congratulations to her.

4.2 It was noted that this was the last Board meeting for Eric Fellner, Caroline Michel and Peter Watson, who had all agreed to stay on for an extended term of office to help the BFI through a period of major uncertainty and change. On behalf of the Board, the Chair thanked them all for their leadership and their wise counsel through one of the most tumultuous periods of the BFI's history.

5 BFI TRUST

After careful consideration of all their obligations as trustees, in particular their duty to protect charitable assets and to ensure they were available to be applied to the charitable objects for the public benefit; and after a full discussion of what was in the best interests of the British Film Institute; it was agreed that the Board Secretary was authorised on behalf of the Board of Governors to dispose of these BFI properties by way of a transfer to BFI Trust (a charity registered in England number 1140833):

- a) the BFI's shareholding in British Film Institute (Big Screen) Limited;
- b) the BFI's freehold ownership of properties at 21 Stephen Street London, BFI Conservation Centre at Berkhamsted, and National Archive stores at Gaydon;
- c) the BFI's leasehold ownership of BFI Southbank, London;

but to retain ownership of any properties or any part of them where, in his judgement, that would be in the BFI's best interests in regard to any financial or other relevant risks which may emerge (in particular ensuring that the BFI's tax position was protected) or in order to comply with any funding or other legal or contractual requirements; these properties to be leased back on fair and reasonable terms.

6 APPOINTMENT OF AUDITORS

Noting (a) that it was a condition of becoming a non-departmental public body and (b) that the Charity Commission had granted a dispensation to permit the appointment, and on the recommendation of the Audit, Risk

& Governance Committee, it was agreed to appoint the National Audit Office as auditors to the BFI from 1 April 2011.

7 DELEGATED AUTHORITIES

On the recommendation of the Audit, Risk & Governance Committee it was agreed that:

- a) the updated Financial Procedures, and the delegated authorities as follows (all excluding VAT), were adopted:

Lottery Funding:	<i>Agreed limit</i>
Minuted approval by a simple majority of the Board of Governors.	Over £2,000,000
Minuted approval by the Lottery Finance Committee as set out in the document "Lottery Funding Schemes, Policies and Procedures".	Up to £2,000,000
All other Funding:	
Minuted approval by a simple majority of the Board of Governors (while there is no change to the limit, the requirement for UKFC approval of capital expenditure is removed)	Over £500,000
Chief Executive and the Director of Finance & Resources (in the absence of either, any other Director can be a co-signatory)	Up to £500,000
Any two Directors	Up to £250,000
Chief Executive	Up to £200,000
Director of Finance & Resources, Deputy Chief Executive	Up to £150,000
Other Executive Directors	Up to £80,000
Heads of Department	Up to £40,000
Budget Holders	Up to £20,000

- b) approval of Lottery funding awards within those limits was delegated to the Executive team working through the Lottery Finance Committee.

8 DELEGATES TO THE LOTTERY

It was agreed that these bodies were appointed as Delegates to the Lottery Film Fund from 1 April 2011 to the amounts shown:

- a) the English Regional Screen Agencies (and, to replace them, Creative England) (£1,924,239 in total);

- b) Skillset (£3,654,000);
- c) First Light Movies (£1,100,000);

it was further agreed that a solicited Lottery scheme would be created for film in London for 2011-12, for £146,116.

9 APPOINTMENT OF NEW GOVERNORS

On the recommendation of the Nominations & Appointments Committee, it was agreed to appoint each of these people to a three-year term as a Governor of the BFI with effect from 1 April 2011:

Josh Berger;

Matthew Justice;

Beeban Kidron;

Rt Hon James Purnell;

Libby Savill.

10 PROVISIONAL ALLOCATION OF RESPONSIBILITIES BETWEEN THE BFI AND DCMS

10.1 A report from Amanda Nevill, setting out the proposed leadership of different areas of the film landscape, was noted. The proposed division of responsibilities was agreed in principle.

10.2 The Board reiterated its view that it would not seek leadership in all areas and, indeed, would positively resist the idea that the BFI should be either the mouthpiece of the film industry or a gatekeeper between the industry and Government – there had to be space for a thriving set of trade and professional bodies to emerge – and nor would the BFI be a replacement for all the work undertaken by the UKFC since much of the funding had been withdrawn.

11 BUSINESS PLAN 2011-12

11.1 The draft Business Plan was approved. The key strategic priorities were approved in principle, although in the final wording much greater emphasis should be given both to the game-changing nature of digital technologies and to action to tackle perceptions that the BFI was London-centric.

11.2 The Board noted the proposal for operating leases for some items of capital equipment and approved these subject to the final consent of Peter Foy (as Chair of the Audit, Risk & Governance Committee); the Financial Plan for 2011-12 was otherwise agreed.

11.3 A paper would be presented to a future Board meeting outlining the opportunities for branding and re-branding, including the new union catalogue and search as well as Lottery-funded and partner activities.

12 SPECIALISED AUDIENCE DEVELOPMENT LOTTERY FUND

12.1 Following agreement in principle at the Board meeting of 22 February 2011, a presentation was noted from Pete Buckingham, currently the UKFC's Head of Distribution & Exhibition.

12.2 It was agreed to establish a £2million Lottery Fund ("SEADS") for 2011-12 to support organisations that predominantly deliver audience development activities for specialised and British film, on the terms set out in the report. A further proposal for additional funds may be made during the financial year as circumstances become clearer.

The meeting closed at 1340.

Paul Crake
Board Secretary