

Aberdeen Performing Arts - Appendix D

	Assurance Request	ALEO Assurance Hub Review	Risk Rating
Governance	<p>Governance Documentation - Please provide copies of Constitution, Standing Orders and Procurement Regs, Delegated Powers and evidence that these have been reviewed as part of your Board structures (eg through minutes)</p> <p>Specifically, do delegated powers make provision for emergency structures and decision making to be initiated if your Board is unable to meet (eg pandemic-related)? If not, do you plan to make such provision?</p> <p>Do you have anything to report by exception in relation to codes of conduct for Board members?</p>	<p>The Hub noted that the Financial Regulations (including delegated powers and procurement regulations) had last been updated in February 2020 and this had been considered at meetings of the Finance, Audit and Property Sub Committee on behalf of the Board, with a review undertaken every two years.</p> <p>The Hub noted that the delegated powers made provision for emergency structures and decision making to be initiated if the Board was unable to meet. With regard to the Memorandum and Articles of Association, the Hub noted evidence of these being reviewed in July 2019, with Stronachs involved in the review to ensure compliance with current legislation and to ensure consistency throughout, and the documentation had been sent to OSCR.</p>	Very Low
	<p>Staff Welfare and Performance Appraisal during COVID-19 - Please provide assurance around staff welfare arrangements during COVID - eg working from home procedures and guidance, including health, safety and wellbeing, updates to procedures to reflect flexible working arrangements, communications to staff on wellbeing matters. Please also provide confirmation that your performance appraisal system has continued to operate during the pandemic and how this has been applied to furloughed staff.</p>	<p>The Hub noted strong evidence regarding staff welfare and the efforts that had been made in terms of staff, whether working from home or furloughed. With regard to performance appraisal, the Hub was advised that the full formal appraisal system had not been operational for the past year as 96% of staff had been furloughed since March 2020, therefore there was no work to appraise.</p> <p>The Hub noted that although the formal appraisal system had not been operational, APA had ensured continuity of support and development of the workforce during this time. The Hub are assured that this activity will resume once the organisation is fully re-opened.</p>	Very Low
	<p>Data Protection - Please provide written assurance that the following are in place (there is no need to send documentation, just confirmation that these are in place:</p> <ul style="list-style-type: none"> <li>• Policy and procedures which cover Data Protection (including breach handling and data protection rights requests) – in place (y/n) and date when last reviewed</li> <li>• Appropriate Privacy Notices – in place (y/n) and date when last reviewed</li> <li>• Appropriate Training for staff which covers DP – y/n and date(s) when last delivered</li> </ul>	<p>The Hub noted that the relevant data protection policies, procedures and notices were in place and home working staff were refreshed on data protection and information security requirements in March 2020. Prior to that, GDPR training took place in the summer of 2019.</p>	Very Low
Risk	<p>Please provide a copy of your risk register and evidence that it has been reviewed and updated? If EU Exit risks have been closed off, please provide evidence of this. Please also include reference to recruitment of EU nationals (process) and any risks remaining.</p>	<p>The Hub noted that the General Risk Register grouped risks by the following categories: Financial, Operational, Management &amp; Governance. The actions being undertaken to mitigate the risk were listed against each risk and each risk has a date specified as to when it is next due for review. The change column indicates where the level is risk has either increased, decreased or remained unchanged since the previous review according to the scores allocated using a risk matrix.</p> <p>As would be expected, the highest scoring risks on this register relate to the APA's current operating environment i.e. financial risk around external factors outwith APA's control, such as those associated with EU Exit and COVID.</p> <p>The Covid Risk Register follows the same format as the General Risk Register with risks grouped by the following categories: Leadership &amp; Governance, Financial, People, Creative Programme, Marketing &amp; Communications, Property, Information &amp; Communications Technology.</p> <p>The Hub noted that APA has been unable to close the risk related to EU Exit due to the current operating environment and concurrency with COVID. This does not affect the level of assurance gained as this demonstrates the risk is still being monitored and considered.</p>	Very Low
	<p>Please provide copies of internal and external audit plans and evidence of your organisation's process for monitoring and completing internal and external audit recommendations.</p>	<p>The Hub noted that the external audit service provided to APA was recently reviewed via a tendering exercise and has resulted in the appointment of new auditors. The Hub was advised that regular meetings have been arranged with the new auditors to ensure a smooth transition. Progress in this area will be requested for the next Hub cycle and if further assurance is taken, the rating will become very low. The Hub also noted that the audit management report was provided to the Board on 31/03/20 and that this report contained no auditor recommendations.</p> <p>The Hub was advised that internal audit activities have been suspended due to the current operating environment but were assured that this activity will resume with the business re-opens. Scheduling of this audit work will also help to lower the risk rating further.</p>	Low
	<p>Please confirm that your organisation makes provision for the testing of business continuity plans and confirm the process for doing this. Please confirm any lessons learned from the activation of business continuity plans over the last 12 months. Please provide evidence that business continuity plans have been updated in the last 12 months i.e. to reflect lessons learned, changes in working/operational processes.</p>	<p>The Hub has been advised that APA's current operating environment has resulted in Business Continuity Plans being updated 3 times during the last 12 months, with a specific plan in relation to COVID being created and reviewed during the pandemic.</p> <p>The Hub was also advised that the COVID Business Continuity Plan has been subjected to a "live" test which has provided APA with the confidence to confirm that the plans are robust and support the business to respond to a variety of situations.</p>	Very Low

	<p>Please advise of any arrangements in place to support the Council with meeting its obligations as a Category 1 responder under the Civil Contingencies Act and in pursuit of the PREVENT strategy (preventing people becoming terrorists or supporting terrorism). This would include risk assessments to put in place contingency plans for emergencies, business continuity planning, emergency plans etc. Please advise if your organisation has received any training in this area, and if not, whether you would welcome a collaborative session with Council officers and all ALEOs.</p>	<p>The Hub has been advised that APA has appropriate measures in place to manage the risks around PREVENT, including BCPs, training for staff and liaison with Police Scotland. APA has welcomed the opportunity to participate in training with the Council and other ALEOs in respect of Civil Contingencies, specifically how they can support the Council to meet its statutory obligations under the Act.</p>	<p>Low</p>
<p>Finance</p>	<p>Please provide copies of any papers provided to your Board on your quarterly financial position along with any financial resilience papers that were prepared to support decisions made to manage your organisation's financial position.</p>	<p>The Hub reviewed the documents submitted by APA in relation to the financial aspects of their operations. The entertainment sector which APA operates within has been significantly affected by the Covid lockdowns and is still subject to a high degree of uncertainty around when restrictions will be lifted and when shows will be able to restart and what restrictions may still be in place. There is still no road map to reopening for performing arts venues in Scotland. APA have produced a budget and cashflow statements which recognise the uncertainty around re-opening and have wisely attempted to look at possible scenarios while awaiting clarity. These are based on a hybrid of activity – on stage from September/October and online until then. The current draft budget is a deficit of £571k which will be offset from within current funds. APA has produced financial forecasts for 2021/22 based upon 4 differing re-opening dates including phased recovery of audience levels from an initial 50% uptake in September 2021 rising to 80% in March 2022. The budget for 2021/22 continues to take into account staging of digital events. APS have had to cancel or reschedule 595 performances across all their venues equating to more than £4,000,000 in ticket sales. A total of 31 weeks of programming have been lost from 2021 to date, and 2 from 2022, however many shows have been rescheduled to 2022 and 2023 which are looking to be very busy years. The organisation has taken advantage of the additional funding opportunities offered to organisations during the Covid outbreak. In addition to confirmation of core funding from the Council and Creative Scotland, APA has secured £2,605,000 in external funding since March 2020 which is made up of the £1,400,000 stabilisation funding, Heritage Emergency Funding, Pivotal Arts Venues Relief Funding, Third Sector Relief Funding, Pivotal Enterprise Relief Funding, Event Scotland and Strategic Framework Business Funding (£9k a week until June 2021). It includes £140,000 in public donations received. It excludes the £150,000 loan and the £1,500,000 drawn down from the job retention scheme. In addition, APA have secured a 48-month repayment loan of £150k from Firstport to support the organisation as it recovers from the effects of the Covid shutdown. Expenditure has been reviewed and we note that these are in line with both historical costs plus reflect the potential costs associated with differing re-opening dates and income levels. In addition to cash flow forecasting linked to differing reopening scenarios during the financial year, provision has been made for staff to receive the National Living Wage with a small staffing contingency. The Hub noted the Council approved (10 March 2021) to guarantee up to £356k additional funding during 2021/22 if needed. The risk rating remains high purely due to sector and uncertainty over opening. Financial stewardship arrangements are considered by the Hub to be strong, with access to financial support grants and loans having all been pursued and secured and this has gone a considerable way towards supporting APA during the uncertain course of the pandemic. APA plan to update their financial forecasts once they have more clarity on future opening scenarios which may reduce the risk rating to medium.</p>	<p>Medium</p>