

ABERDEEN CITY COUNCIL

COMMITTEE	Education, Culture and Sport
DATE	30th January 2014
DIRECTOR	Gayle Gorman
TITLE OF REPORT	Culture and Sport Sub Committee
REPORT NUMBER:	ECS/14/005

1. PURPOSE OF REPORT

This report provides Elected Members with a proposed revised remit for the Culture and Sport Sub Committee which was established by Education, Culture and Sport on 20 September 2012.

2. RECOMMENDATION

It is recommended that the members of the Education, Culture and Sport Committee:

- a) Note and approve the revised remit of the Culture and Sport Sub Committee and;
- b) Instruct officers to incorporate within the remit the relevant arrangements for the scrutiny of Arms Length Organisations (ALEOs) further to a Council decision at the meeting on the 5 March 2014 on the proposals on the paper Governance of Arms Length Organisations on the agenda as item 5.4.

3. FINANCIAL IMPLICATIONS

If the recommendation is approved, the Culture and Sport Sub Committee will provide a scrutiny role, as part of the positive framework for governance with our ALEOs.

The Sub Committee is currently remitted to approve grant awards of up to £5,000 per cycle to culture and sport organisations, and to hear and approve reports and presentations from Council funded organisations. Budgets are held within the portfolio of the Head of Communities, Culture and Sport.

4. OTHER IMPLICATIONS

As a Sub Committee of the parent Education, Culture and Sport Committee, the group will require the support of Committee Services.

The Director of Corporate Governance has proposed a new framework for the governance of Arm's Length Organisations which is before the committee as item 5.4. It is proposed that an ALEO Governance Hub will be established to support the detailed scrutiny of the risk and performance management of each significant ALEO. This will enable the Council to fulfil its duties in relation to its accountability for public money where service delivery has been transferred to a body that is outside the Council.

As outlined in the paper at item 5.4 it is proposed that the Governance Hub will provide the assurance to the individual Service Committees that the data and information they are considering has been scrutinised, checked and challenged so that they can focus on the high level strategic connection between each ALEO's business plan and outcomes and the Council's strategic objectives, as well as the overall performance aspects of the business. Representatives of the ALEOs will be expected to attend these meetings in order to discuss these matters and answer questions from Members. It is proposed that the Governance Hub will report to the Education Culture and Sport subcommittee.

5. BACKGROUND/MAIN ISSUES

5.1 Background

In June 2011 Audit Scotland produced a report, 'Arms Length Organisation's (ALEO's): 'Are you getting it right?' The report recommended that Councils should:

'Set out the direction and the roles and responsibilities of partner agencies and how performance will be assessed, and to ensure that partnership arrangements, and their governance and accountability arrangements are fit for purpose and support effective decision making'

And

'Do more to monitor performance, including regular financial reporting and service outcomes;

Audit Scotland further recommended as good scrutiny practice:

- The Council has an external governance and scrutiny committee that is responsible for scrutinising the performance of the Council's ALEO's
- The Committee's scrutiny activity includes performance, risks, financial management, partnership working, contractual compliance and compliance with equalities obligations
- It also receives reports on themes common across the ALEO's including service interdependencies, complaints handling and customer care, audit reporting and absence management

- The Committee's ongoing work programme will examine the 'value added' from ALEO's and will review proposals for maintaining service performance and quality in the current financial conditions'

The Culture and Sport Sub Committee was established by the Education, Culture and Sport Committee on 20 September 2012 to address this requirement to improve scrutiny in culture and sport funded organisations.

5.2 Culture and Sport Commissioned Services

In the period since the initial Culture and Leisure Monitoring Board was established, significantly more Council investment is managed under the auspices of Arms Length Organisations and through contractual arrangements with third parties. The bid for UK City of Culture 2017 has increased awareness of the benefits of bidding for cultural titles, and with that, a commitment to developing the cultural infrastructure of the city. The 2012 Olympics and the 2014 Commonwealth Games provides a momentum for sport which means there is an increasing role for a sub committee with decision making powers to take a strategic overview of these areas of work.

5.3 Culture and Sport Sub Committee – original orders of reference

The original Sub Committee orders of reference are as below:

1. The Sub Committee will

- (a) Monitor all aspects of Aberdeen City Council's external investment in culture and sport
- (b) Require an annual programme of performance information relating to arms length and external organisations who receive Council support, which will scrutinise a range of factors including performance against the Council's strategic objectives: compliance with legislation, audit requirements and policy, including Following The Public Pound, organisational performance including financial management, governance, business planning and service delivery, and ensuring investment secures best value
- (c) Request arms length and external organisations to provide reports or attend sub committee meetings to discuss performance and provide additional information
- (d) Approve and implement policy for the Council's management and administration of its external investment in culture and sport. This includes, where appropriate, commissioning research to support the decision making process

2. The Sub Committee will approve individual culture, sport and youth activity grants to the value of £5,000

3. The Sub Committee may consider any item relating to Culture and/or Sport

5.4 Subsequent Council decision

On 21 August 2013 Council approved a report 'Roles and Responsibilities – is Aberdeen City Council getting it right?' which agreed a number of changes in the Committee reporting structure, reducing the role of the Culture and Sport Sub committee to:

1. The Sub Committee will approve individual culture, sport and youth activity grants to the value of £5,000
2. The Sub Committee may consider any item relating to culture and/or sport except where expressly delegated to another Committee or Sub Committee

The requirement to report on Sport Aberdeen and Aberdeen Sports Village is now with the Audit and Risk Committee, with Aberdeen Performing Arts, Aberdeen International Youth Festival, Garthdee Alpine Sports, Peacock Visual Arts, Station House Media Unit, the Belmont Cinema, Aberdeen Football Club and other funded organisations reporting, where required, to the parent Committee.

In October 2013, as part of the FTTP audit of the central register, Auditors requested detailed information on the allocation of 2013/14 funds to Castlegate Arts. The allocation was agreed by the Culture and Sport Sub Committee in January 2013 as part of the PBB budget option ECS C_10 Review of Culture and Sport Commissioned Services. The Council budget setting process in February 2013 did not provide auditors with the level of detail required to satisfy that the decision making had been transparent.

5.5 Future role of the Culture and Sport Sub Committee

It is recommended that the Culture and Sport Sub Committee remit be revised as follows:

The Sub Committee will:

1. Approve individual culture and sport awards to the value of £10,000
2. Consider any and all other items relating to culture and/ or sport, except where expressly delegated to another Committee or Sub Committee, including, but not limited to, the following:
 - (a) Fulfil the requirements for the service committee within the Governance Framework for ALEOs to be determined by council
 - (b) Consider reports on culture and sport policy and strategy matters, including research and consultancy work, the

- development of sports and cultural priorities and action plans
- (c) Receive and consider reports and presentations on previously approved major revenue and capital initiatives such as the proposed enhanced culture programme, Sistema, Commonwealth Games Legacy planning, and other projects
 - (d) Receive and consider organisational performance and How Good is Our Culture and Sport (HGIOC & S) implementation reports, ensuring that funds are used to meet the strategic and operational objectives of the City Council
3. Refer, when requested, all or any of the above to the parent Committee, Education, Culture and Sport where appropriate

The revised remit for the Sub Committee will remain in place for a period of one year from approval, after which a future report will be brought before the parent Committee recommending future reporting arrangements.

6. IMPACT

This report relates to 'Aberdeen - the Smarter City'

- We will improve access to and increase participation in arts and culture by providing opportunities for citizens and visitors to experience a broad range of high quality arts and cultural activities
- We aspire to be recognised as a City of Culture, a place of excellence for culture and arts by promoting Aberdeen as a cultural centre hosting high quality and diverse cultural events for the whole community and beyond
- We will promote and improve opportunities for physical activity and sport to enable Aberdeen's citizens to lead more active, healthier lives

This report is consistent with the City's Cultural strategy, 'Vibrant Aberdeen' as the proposal seeks to improve the City's cultural profile, and through working with partners, increase investment in cultural activity

The report relates closely to the objectives of 'Fit for the Future', the sport and physical activity strategy for Aberdeen City (2009 - 2015). These objectives include:

- Promote and increase opportunities for participation in sport and physical activity for everyone in Aberdeen
- Provide a comprehensive and high quality range of sports facilities in Aberdeen
- Maximise social, educational, health and economic benefits of sport and physical activity in Aberdeen City Council

The report relates to the draft EC & S Priorities and Detailed action Plan for 2013/14 to 2015/16

ECS Strategic objectives:

- Accelerate progress to improve learning outcomes for specific underperforming groups
- Improve Health and Wellbeing outcomes
- Improve and increase positive destinations for 14-25 year olds
- Extend quality cultural opportunities

This report will be of interest to the public as evidence of the effective governance of culture and sport commissioned services.

7. MANAGEMENT OF RISK

The proposed revisions to the Culture and Sport Sub Committee provides a robust framework within which the effectiveness and efficiency of Council funded culture and sport organisations can be assessed to a level of detail required to ensure best value.

8. BACKGROUND PAPERS

Culture and Sport Sub Committee, Education, Culture and Sport
20 September 2012

Service Committees/Council, Designing a positive framework of governance with Arm's Length External Organisations
Various dates

9. REPORT AUTHOR DETAILS

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