

ABERDEEN CITY COUNCIL

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| COMMITTEE | Council |
| DATE | 11 October 2023 |
| EXEMPT | No |
| CONFIDENTIAL | No |
| REPORT TITLE | Annual Performance Reports - 2022/2023 for all Tier 1 ALEOs: Aberdeen Performing Arts; Aberdeen Sports Village; Bon Accord Care; Sport Aberdeen |
| REPORT NUMBER | COM/23/305 |
| DIRECTOR | Gale Beattie |
| CHIEF OFFICER | Craig Innes |
| REPORT AUTHOR | Craig Innes |
| TERMS OF REFERENCE | 24.13 |

1. PURPOSE OF REPORT

- 1.1 This report presents the annual performance reporting of the Council's four Tier one Arms Length External Organisations (ALEOs) covering financial year 2022/2023: Aberdeen Performing Arts (APA); Aberdeen Sports Village (ASV); Bon Accord Care; Sport Aberdeen (SA).

2. RECOMMENDATIONS

- 2.1 That the Committee notes the Annual Performance Reports for each of the Tier one ALEOs.

3. CURRENT SITUATION

- 3.1 The undernoted paragraphs, 4 to 7, provide a brief summary overview of each of the four ALEOs. Individual Annual Performance Reports for each organisation are appended to this report.

4. Aberdeen Performing Arts

- 4.1 APA is a company limited by guarantee with charitable status established as an Arm's Length External Organisation ("ALEO") of the Council in 2004. APA operates the Music Hall, His Majesty's Theatre and The Lemon Tree, as well as managing the Box Office for 20+ venues in the region.
- 4.2 APA is an active member of 'Culture Aberdeen', the city's cultural network and a leading partner in the development of the ten-year cultural strategy and action plan for the city which was endorsed by the Council in 2018. APA also deliver 3 festivals; True North music festival, crime writing festival Granite Noir and Light the Blue, a youth arts festival celebrating the talent and creativity of young people across the region. APA have also established a series of annual 'Culture Weekends'; Rise Up!, a weekend festival celebrating Black and People of Colour creatives in Aberdeen and Scotland, DELVE a blend of music, spoken

word and workshops and Climate Week North East, an arts & climate community celebration.

- 4.3 The revised performance template provides an overview of Key Performance Indicators (KPIs) and what has been achieved against these targets for the financial year 2022/2023. The report provides evidence of APA's delivery against their business plan objectives but also contributions to the City's cultural strategy, the Regional Economic Strategy and the LOIP.

5. Aberdeen Sports Village

- 5.1 Aberdeen Sports Village Limited is a company limited by guarantee with charitable status. Established in 2009, ASV is a joint venture with Aberdeen City Council and the University of Aberdeen.
- 5.2 Although a joint venture, ASV is considered a Tier 1, Arm's Length External Organisation ("ALEO") of the Council.
- 5.3 ASV was the first joint venture of its kind in the United Kingdom and remains an example of best practice in the Sport and Physical Activity sector. Aberdeen Sports Village is Scotland's premier sports, fitness and lifestyle venue managing both performance level activities and all-inclusive programmes. It hosts international sports event and offers multiple sports facilities, including an IAAF accredited 400m athletics track and UKA indoor athletics facility, an Olympic standard aquatics centre, a state of the art gym, exercise and lifestyle classes.
- 5.4 An annual review report on ASV's business plan is appended to this report. It includes a qualitative summary of outcomes, outputs and activities undertaken by ASV, how these align against the priorities of the Local Outcome Improvement Plan and progress made to-date. The annual report also details how ASV's activities have delivered against ACC strategies and action plan priorities and provides details of user numbers, other income received and any challenges faced.
- 5.5 The revised performance template provides an overview of Key Performance Indicators (KPIs) and what has been achieved against these targets for the financial year 2022/2023. It should be noted that ASV aligns to the Further Education academic year for financial reporting which is between 1st August through to 31st July each year.
- 5.6 Within the appended report, Section 2 – Users, Participants and Investments provides an overview of ASV user numbers within 6 regeneration areas of the city.

6. Bon Accord Care

- 6.1 Bon Accord Support Services (BASS) and Bon Accord Care (BAC) are Arm's Length External Organisations (ALEOs) owned by Aberdeen City Council (ACC). For operational purposes Bon Accord Care is used as a collective term to refer to both companies.

- 6.2 The Integrated Joint Board directed the Council to put in place arrangements for BAC to provide a range of services which are currently being delivered by them for a period of 6 years from 1 August 2018 until 31 July 2024.
- 6.3 Bon Accord Care is led by a board of non-executive and executive directors. The directors are accountable to the shareholder (Aberdeen City Council) for the operations of the company and are responsible for setting the strategic direction and taking the policy decisions that meet the company objectives.
- 6.4 A summary of the annual performance report which is appended to this report shows performance metrics in relation to efficiency and quality of service delivery. The Bon Accord Annual Performance Report 2022/23 also appended provides a comprehensive breakdown of core business, efficiency and quality, innovation and early intervention.

7. Sport Aberdeen

- 7.1 The current arrangement for the management and development of the city's indoor and outdoor sports facilities and for the provision of sport, physical activity and wellbeing services targeted at those most in need are delivered by the Council's Arm's Length External Organisation (ALEO), Sport Aberdeen. It commenced trading in 2010 under a Funding and Service Provision Agreement.
- 7.2 An annual review report on Sport Aberdeen's business plan is appended to this report. It includes a qualitative summary of outcomes, outputs and activities undertaken by Sport Aberdeen, how these align against the priorities of the Local Outcome Improvement Plan and progress made to-date. The annual report also details how Sport Aberdeen's activities have delivered against ACC strategies and action plan priorities and provides details of user numbers, other income received and any challenges faced.
- 7.3 The revised performance template provides an overview of Key Performance Indicators (KPIs) and what has been achieved against these targets for the financial year 2022/2023. A summary of reasons where particular targets have not been met is captured within the template and these will be proactively managed through the Council's contract management of Sport Aberdeen. Areas where data is not recorded will be addressed with Sport Aberdeen to ensure it is included in future annual reports.

8. FINANCIAL IMPLICATIONS

- 8.1 There are no direct financial implications arising from this report for APA. For 2022/2023 the Council provided core funding of £936k including Granite Noir to APA.
- 8.2 APA is a regular funded organisation of Creative Scotland for 2018-21, bringing in £1m over the 3 years of the funding agreement. They continue to be in receipt of £333,333 per annum through the scheme until March 2025. The scheme is being replaced by a new 'Multi-Year Funding' application

process which will provide annual support from April 2025 until March 2028. The scheme is currently open to application at this time.

- 8.3 APA has a turnover of over £10m per year, and as one of Scotland's biggest performing arts companies, manages some of the city's most iconic buildings.
- 8.4 There are no direct financial implications arising from this report for ASV. The Council currently provides £832,083 of annual revenue funding to ASV toward the operation of the Sports Centre and Aquatics Centre.
- 8.5 As per the terms of the Joint Venture Agreement, the University of Aberdeen provides the same level of revenue funding to ASV toward the operation of the Sports Centre and Aquatics Centre.
- 8.6 It should be noted that ASV's financial year is different to the Council. It runs from 1st August to the 31st July and is referred to as the "contract" year
- 8.7 There are no financial implications arising directly from the recommendations of this report for Bon Accord Care. Core funding to Bon Accord Care for 2022/2023, paid under direction from the Integration Joint Board, was £35,635,000.
- 8.8 Other services may be directly commissioned from Bon Accord Care, both under Direction from the Integration Joint Board or other Council Services and would be met from within the appropriate existing budgets. Such purchases would remain outside the Service Level Agreement (SLA) that governs use of the Core funding.
- 8.9 There are no financial implications arising directly from the recommendations of this report for Sport Aberdeen. The Council's budget for Core funding for Sport Aberdeen for 2022/23 was £4,515,000.
- 8.10 Separately, the ALEO Assurance Hub continues to seek assurance from all of the ALEOs on their financial stewardship, governance, and risk arrangements. This includes oversight that medium term financial plans are in place and aligned to business planning. This is reported on twice a year to the Audit, Risk and Scrutiny Committee along with the Hub's risk ratings, which reflect the level of risk presented to the Council by each ALEO.

9. LEGAL IMPLICATIONS

- 9.1 There are no direct legal implications arising from the recommendations of this report.

10. ENVIRONMENTAL IMPLICATIONS

- 10.1 There are no direct environmental implications arising from the recommendations of this report.

11. RISK

11.1 The risks reflect the 22/23 reporting period covered and there is ongoing monitoring of the current position through the ALEO Assurance Hub.

| Category | Risks | Primary Controls/Control Actions to achieve Target Risk Level | | *Target Risk Level (L, M or H) *taking into account controls/control actions | *Does Target Risk Level Match Appetite Set? |
|-----------------------|--|--|--|---|---|
| Strategic Risk | | | | | |
| Compliance | | | | | |
| Operational | ALEO staff not being supported. | The annual report and ALEO hub monitoring process ensures and demonstrates good practice. | | L | Yes |
| | ALEO's providing poor services to customers. | The annual report demonstrates to the Committee the ALEO's commitment to customer service. | | L | Yes |
| Financial | None | | | | |
| Reputational | None | | | | |
| Environment / Climate | None | | | | |

12. OUTCOMES

| <u>COUNCIL DELIVERY PLAN 2022-2023</u> | |
|--|---|
| | Impact of Report |
| Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u> | The ALEO's align to the transformation programme and each forms part of the next steps for delivery of the outcomes and commitments. |
| <u>Aberdeen City Local Outcome Improvement Plan</u> | |
| Prosperous Economy Stretch Outcomes | The annual reports evidence the contributions by each ALEO towards the LOIP theme of prosperous economy. SLA's are outcomes-focused and contain robust contract management measures to ensure |

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| | that they link directly to the LOIP outcomes for a prosperous economy. |
| Prosperous People Stretch Outcomes | The annual reports evidence contributions by each ALEO towards the LOIP theme of prosperous people. |
| Prosperous Place Stretch Outcomes | The annual reports evidence contributions by each ALEO towards the LOIP theme of a prosperous place. As above with the refresh of the SLAs |

13. IMPACT ASSESSMENTS

| Assessment | Outcome |
|-----------------------------------|-------------------------------------|
| Impact Assessment | Full impact assessment not required |
| Data Protection Impact Assessment | Not required |

14. BACKGROUND PAPERS

None.

15. APPENDICES

- **Appendix 1** – Aberdeen Performing Arts Annual Performance Report 2022/23
- **Appendix 2** – Aberdeen Sports Village Annual Performance Report 2022/23
- **Appendix 3** – Bon Accord Care Annual Performance Report 2022/23
- **Appendix 4** – Sport Aberdeen Annual Performance Report 2022/23

16. REPORT AUTHOR CONTACT DETAILS

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