

Motherwell, 10 August 2016 at 2 pm.

A Meeting of the ALEOs AND EXTERNAL BODIES MONITORING COMMITTEE

PRESENT

Councillor Wallace, Convener, Councillors Cefferty, Kelly and P. O'Rourke.

CHAIR

Councillor Wallace (Convener) presided.

IN ATTENDANCE

The Committee Services Manager; Strategic Adviser (External Organisations); Head of Education (Skills, Lifelong Learning and Youth Employment); Head of Resource Solutions; Head of Planning and Regeneration; Principal Solicitor; Education Officer; Finance Manager, and Property Services Manager.

DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000

1. Councillors Kelly and Cefferty intimated an interest in all matters contained on the agenda which included reference to CultureNL due to their membership of the Board of that organisation, however, intimated that the business under consideration was such that it did not preclude their consideration of the matters thereon.

PRESENTATION – TOWN CENTRE ACTIVITIES

2. The Committee received a presentation from Tonia McBurnie, Managing Director of Town Centre Activities, providing (1) an overview of Town Centre Activity Services; (2) details of performance and achievements, and (3) a narrative on a number of challenges ahead.

Tonia McBurnie answered questions from the Committee following which the Committee noted the presentation.

PERFORMANCE MONITORING AND ATTENDANCE SCHEDULE – 2016/17-2017/18

3. There was submitted a report, dated 29 July 2016, by the Strategic Adviser (External Organisations) providing a combined Performance Monitoring and Attendance Schedule and updating the Committee on progress in strengthening engagement mechanisms between the Committee and its Arms Length Bodies (1) reminding the Committee that at its May 2016 meeting, it had noted that performance monitoring in respect of significant Arms Length Bodies would now be reported to this Committee in accordance with the Council's Scheme of Administration and approved Corporate Guidance; (2) attaching, as Appendix 1 to the report, a combined Performance Monitoring and Attendance Schedule which fully reflected the reporting frequencies previously approved; (3) outlining a timetable in which representatives of specific Arms Length Bodies would attend meetings of the Committee to present information demonstrating how each organisation supported the Council's strategic priorities, and (4) highlighting, that at the meeting in May 2016, members had expressed an interest in a programme of site visits to enable them to observe service delivery operations first hand and informing the Committee that a programme of visits was currently being developed.

Decided:

- (1) that the Performance Monitoring and Attendance Schedule, attached as Appendix 1 to the report, be noted;
- (2) that the timescales for Arms Length Bodies to present to Committee with details of their services, operations and contribution to Council priorities, be noted, and
- (3) that the Strategic Adviser (External Organisations) be authorised to finalise the programme of site visits to ALEO premises through discussion with the Convener.

PERFORMANCE MONITORING REPORTS

(1) CULTURENL LIMITED – OUTCOMES ACHIEVED 2015/16 AND TARGETED OUTCOMES 2016/17

4. There was submitted a report, dated 29 July 2016, by the Head of Education (Skills, Lifelong Learning and Youth Employment) outlining CultureNL Limited (CNL) performance against its charitable purposes and Council priorities for financial year 2015/16 and advising of targets proposed in respect of the current financial year 2016/17 (1) reminding the Committee that CultureNL had been created by the Council in April 2013 to manage and develop a wide range of cultural, community and leisure facilities within the Council area and manages over 200 sites across North Lanarkshire; (2) outlining a number of key objectives by the Council in establishing CNL in 2013, including tax efficiencies, improving access to external funding, reaching new audiences, and sustaining the arts, libraries, museums and outdoor learning services; (3) explaining that CNL was registered as a Scottish charity in 2013 and advising of its five key charitable objectives; (4) providing performance information related to its priority outcomes, as detailed within the Community Planning Single Outcome Agreement 2013-2018 as approved by the Policy and Resources Committee on 4 June 2015; (5) advising that the Learning and Leisure Services Committee had approved the charity's key performance targets and contributions to the Council's outcomes in August 2015 and attaching, as Appendix 1 to the report, an illustration of overall performance against targets for financial year 2015/16; (6) providing a narrative on a number of key highlights, namely in relation to libraries, museums and heritage and play services; (7) detailing the financial performance for CNL, and (8) outlining CNL's governance arrangements.

Decided:

- (1) that the approved performance targets for CNL for 2015/16, be noted;
- (2) that the charitable objectives and the Council's strategic priorities in 2015/16, in relation to CNL, be noted;
- (3) that the financial performance for financial year 2015/16, for CNL, be noted, and
- (4) that the performance targets, outlined within the Appendix to the report for 2016/17, be approved.

(2) NL LEISURE LIMITED – OUTCOMES ACHIEVED 2015/16 AND TARGETED OUTCOMES 2016/17

5. There was submitted a report, dated 29 July 2016, by the Head of Resource Solutions outlining North Lanarkshire Leisure Limited (NLL) performance against its statutory indicators, charitable purposes and Council priorities for financial year 2015/16 and advising of targets proposed in respect of the current financial year 2016/17 (1) advising that the Council created NLL in September 2006 to maintain and manage sports and leisure facilities within the Council area on its behalf; (2) informing

that, in creating the wholly owned subsidiary the Council sought to secure tax efficiencies, improve access to external funding, improve residents' health and conditions of life and, by providing freedom for the company to operate more commercially, ultimately increase investment in the quality and quantity of services delivered to residents; (3) outlining three charitable objectives for NLL; (4) indicating that the Council's strategic outcomes and priorities are currently reflected within the Community Planning Single Outcome Agreement 2013-18 as approved by the Policy and Resources Committee on 4 June 2015, however, in response to direction within the Community Empowerment (Scotland) Act 2015, focus is expected to now be placed on revised strategic priorities of poverty, homelessness, looked after children and young people, and community resilience; (5) providing a narrative on statutory performance indicators; (6) detailing the financial performance for NLL; (7) outlining the governance arrangements for NLL, and (8) attaching, as appendices to the report, further performance and targeted information.

The Head of Resource Solutions answered a number of questions from the committee and committed to undertaking work to try and identify the reasons why residents from Harthill used leisure facilities outwith the Council area rather than those available in Shotts, and to report to a future meeting of the Committee.

Decided:

- (1) that the charitable objectives for NLL, statutory performance indicators and the Council's health and wellbeing outcomes in 2015/16 be noted;
- (2) that the approved Revenue Budget and Council capital contribution for financial year 2015/16 be noted;
- (3) that the 2016/17 performance targets, outlined within the Appendices to the report, be approved, and
- (4) that NLL's 2016/17 budget, as outlined in the Appendix to the report, be noted.

(3) FUSION ASSETS LIMITED - OUTCOMES ACHIEVED 2015/16 AND TARGETED OUTCOMES 2016/17

6. There was submitted a report, dated 28 July 2016, by the Head of Planning and Regeneration outlining Fusion Assets Limited's performance against its identified performance measures and Council priorities for financial year 2015/16 and advising of financial performance to date in 2016/17 and strategic delivery targets proposed in respect of 2016/17 (1) advising that the Council created Fusion Assets Limited in March 2006 as a special purpose vehicle, initially set up as a joint venture between the Council and Scottish Enterprise, with Scottish Enterprise withdrawing from the joint venture in 2008 following which Fusion Assets was restructured as a wholly owned subsidiary of the Council; (2) intimating that the main objective of the company is to capitalise upon urban regeneration and economic development opportunities within North Lanarkshire; (3) explaining that there is no ongoing or recurring funding provided by the Council, but minimal contributory capital funding has been previously provided in support of development projects; (4) providing information on funding obtained by Fusion Assets via a number of grants, including the Vacant and Derelict Land Fund and the Regeneration Capital Grant Fund; (5) advising that the Council's strategic outcomes and priorities are outlined within the Community Planning Single Outcome Agreement 2013-18 as approved by the Policy and Resources Committee on 4 June 2015, and providing a narrative on the operations of Fusion Assets in relation to these priorities; (6) detailing the financial performance of Fusion Assets for the financial year 2015-16; (7) providing information on the governance arrangements for Fusion Assets, and (8) attaching, as Appendices to the report, further information in relation to performance and targets and operating budgets.

Decided:

- (1) that the objectives for Fusion Assets and the Scottish Government's national performance outcomes in 2015-16 be noted;
- (2) that the approved Revenue Budget in Council Capital contribution (through the Vacant and Derelict Land Fund) for financial year 2015-16 be noted;
- (3) that the performance targets outlined in the Appendix to the report be approved, and
- (4) that Fusion Assets 2016-17 Budget, outlined in the Appendix to the report, be noted.

LOCAL GOVERNMENT BENCHMARKING FRAMEWORK CULTURE AND LEISURE SERVICES – COST PER VISIT TO MUSEUMS AND GALLERIES 2014/15

7. There was submitted a report, dated 7 July 2016, by the Head of Education (Skills, Lifelong Learning and Youth Employment) providing information on the cost per visit to North Lanarkshire Museums as outlined in the Local Government Benchmarking Framework (LGBF) (1) advising that the LGBF was established to develop, on a collaborative basis, a comparative benchmarking framework for Scottish Local Government supporting targets of improvement activities and resources to areas of greatest impact; (2) highlighting that where information on service costs is the key basis of an indicator then the Local Finance Returns have been utilised as the most robust source of comparable data on Council expenditure that is currently available; (3) reporting that the indicator relating to cost per visit to museums and galleries calculates the cost of these which are managed or supported by Councils and that the rationale behind this measure was a recognition that increasing usage by both personal visitors and through other enquiries were important indicators on the value of museum services; (4) informing that in 2013/14 the cost per visit to a CultureNL operated museum was £9.46, with the Scottish average being £3.72 and that in 2014/15 the cost per visit had reduced to £7.51 with the Scottish average at £3.53 and providing information relating to benchmarking data from a number of other local authorities; (5) providing a narrative on the data contained in the benchmarking information; (6) attaching, as an Appendix to the report, the SOLACE benchmarking measure detail, and (7) providing a number of conclusions that could be reached, based on a number of specific factors which could influence the cost for visits to North Lanarkshire Museums and Galleries.

Decided:

- (1) that the Head of Education (Skills, Lifelong Learning and Youth Employment) be authorised, in conjunction with CultureNL, to establish an improvement target in terms of visitor numbers for museum services designed to reduce the cost per visit, and
- (2) that otherwise, the report be noted.

MUSEUMS AND HERITAGE SERVICE COLLECTIONS DEVELOPMENT POLICY AND STRATEGIC PLAN

8. There was submitted a report, dated 1 August 2016, by the Head of Education (Skills, Lifelong Learning and Youth Employment) seeking approval for the Museums and Heritage Service Collections Development Policy 2016-2021 and Service Strategic Plan 2016-2019, as approved by CultureNL Limited Board, and attaching to the report a copy of the Museums and Heritage Service Collections Development Policy 2016-2021 and the Museums and Heritage Service Strategic Plan 2016-2019.

Decided:

- (1) that the Museums and Heritage Service Collections Development Policy and Strategic Plan, as prepared and recommended by Culture NL Limited in order to achieve accreditation for the collections, and attached as Appendices to the report, be recommended for approval, and
- (2) that this report be remitted to the Policy and Resources Committee seeking approval of the Museums and Heritage Service Collections Development Policy and the Service Strategic Plan.

NL LEISURE LIMITED – PROPOSED REVISION TO ARTICLES OF ASSOCIATION

9. There was submitted a report, dated 15 July 2016, by the Strategic Adviser (External Organisations), seeking approval of the revisions proposed to NL Leisure Limited (NLL) existing Articles of Association, (1) noting that NLL's existing Articles of Association have been operational since 2009, having been revised at that time to fully reflect North Lanarkshire Council as the sole member; (2) advising that, at its meeting of 28 June 2016, the NLL Board, now operating with an adequate number of Directors, approved a number of amendments to the existing Articles of Association, and that the Council now requires to consider these provisions to facilitate further discussion with the Office of the Scottish Charity Regulator (OSCR), and (3) attaching, as an Appendix to the report, details of the proposed amendments to the Articles of Association.

Decided:

- (1) that the amendments which NL Leisure Limited is recommending in respect of its Articles of Association, attached as Appendix 1 to the report, be approved;
- (2) that the Managing Director of NL Leisure Limited be authorised to liaise with the Office of the Scottish Charity Regulator, regarding any amendments, before implementing any changes to the current Articles, and
- (3) that following discussion with the Office of Scottish Charity Regulator, the proposed amendments be submitted to the Policy and Resources Committee for approval.

ROUTES TO WORK ARTICLES OF ASSOCIATION

10. There was submitted a report by the Head of Education (Skills, Lifelong Learning and Youth Employment) seeking approval for amendment to the Articles of Association of Routes to Work Limited in relation to its operating area (1) advising that Routes to Work (RTW) is responsible for the delivery of a range of free employability services to residents and was established in October 2002 by the Council and Scottish Enterprise Lanarkshire; (2) reporting that the Council retains significant control over the activities and functions of the Company through a number of mechanisms, including Articles of Association, that amendments cannot be made without the endorsement of the Council, that the Councils nominated Directors have specific voting rights on the Board, that the Company is funded to undertake functions on behalf of the Council, subject to service level agreements, and that the organisation is restricted to operating within North Lanarkshire; (3) providing contextual information regarding the Scottish Employability Framework; (4) advising that the purpose of the proposed change to the Articles of Association was to safeguard the Council's role in the delivery of future employability services within North Lanarkshire and to ensure compliance with the procurement legislation in relation to the transfer of EU funds, and (5) attaching, as an Appendix to the report, the proposed amendments to the Articles of Association.

Decided:

- (1) that the recommended amendments to the Articles of Association for Routes to Work, as detailed at Appendix 1 to the report, be approved, and
- (2) that the Policy and Resources Committee be recommended to approve acceptance of these amendments to the Articles of Association for Routes to Work.

REVIEW SCHEDULE – 2016/17 TO 2018/19

11. There was submitted a report, dated 28 July 2016, by the Strategic Adviser (External Organisations) detailing the Review Schedule which had been developed to assess whether existing Arms Length arrangements continue to deliver best value and satisfy the Council's key priorities (1) noting that at its meeting of 17 May 2016, the Committee had noted the Council's significant interest in external organisations and the need to ensure that such delivery arrangements were capable of addressing the Council's public accountability, service delivery and accounting requirements; (2) attaching, as an Appendix to the report, a proposed review schedule and reporting timescale for each Arms Length organisation taking into account a number of factors in considering which organisations posed the greatest risk to the Council, and (3) outlining the review process that will be followed to ensure consistency of approach and optimum output.

Decided:

- (1) that the review schedules, attached as an Appendix to the report, be noted;
- (2) that the interim progress updates on the individual reviews being undertaken in Phase 1 will be reported to the Committee at its next meeting on 17 November 2016;
- (3) that it be noted that the scheduled service review of the Council's Joint Venture Strategic Partnership Agreement with Amey Public Services LLP was currently underway, with outcomes due to be reported as outlined in the report, and
- (4) that the final outcomes and associated recommendations in respect of each review be reported to this Committee in the first instance for consideration, before being reported to the Policy and Resources Committee for decision making.

FINANCIAL COMMITMENTS TO COMMUNITY AND VOLUNTARY ORGANISATIONS AND EXTERNAL BODIES 2016/17: UPDATE REPORT

12. There was submitted a report, dated 18 July 2016, by the Strategic Adviser (ALEOs and External Bodies) providing an update on the development of a high level register of the Council's financial commitments, by way of Grant Funding, to community and voluntary organisations and external bodies in the financial year 2016/17 (1) noting that at its meeting on 17 May 2016, the Committee had considered a report identifying the external organisations where the Council has significant interest and which therefore requires to be monitored against the Council's expected aims and objectives; (2) advising that in order to provide the Committee with an oversight of public money spent through external bodies delivering services, which contribute to the Council's Corporate Plan and Strategic Priorities, a separate Register of Financial Commitments would be presented to a future meeting which would include details of associated companies or organisations whose financial and operating policies can be significantly influenced by the Council; (3) reporting the criteria that requires to be in place in order for the Council to award funding to voluntary and community organisations and external bodies, and (4) explaining that a Financial Commitments Register, which would capture details of Council funding awarded in 2016/17 to support delivery of objectives, was currently being prepared and would be submitted to a future meeting of the Committee and would provide members with a high

level overview of awards to individual organisations, the levels of funding awarded, and the broad purposes for which funding is granted.

Decided:

- (1) that progress to date in the development of the Financial Commitments Register, be noted, and
- (2) that the finalised Financial Commitments Register would be submitted to a future meeting of the Committee providing members with an oversight of all bodies receiving Council funding in respect of services or activities delivered in furtherance of the Council's Corporate Plan, Strategic Priorities, and service delivery of statutory responsibilities.