

## **SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)**

**MONDAY, 23RD APRIL, 2012**

**PRESENT:** Councillor M Rafique in the Chair

Councillors J Akhtar, D Cohen, C Fox,  
G Hyde, V Morgan, P Wadsworth,  
P Grahame, J Chapman and K Groves

### **84 Appeals Against Refusal of Inspection of Documents**

There were no appeals against refusal of inspection of documents.

### **85 Exempt Information - Possible Exclusion of the Press and Public**

There were no resolutions to exclude the public.

### **86 Late Items**

There were no late items.

### **87 Declarations of Interest**

Councillor Groves declared a personal interest in Agenda item 7, Call In - Three Year Grants to Cultural Organisations. Due to her position as a Trustee of Middleton Equestrian Centre. Minute No. 90 refers.

Councillor J Procter, signatory to the Call In, declared a personal interest in Agenda item 7, Call In - Three Year Grants to Cultural Organisations. Due to his position as a Director of the Leeds Grand Theatre Board and Opera House Board of Management and as a Director of Northern Ballet. Minute No. 90 refers.

Councillor Ogilvie, as the Executive Board Member for Leisure, declared a personal interest in Agenda item 7, Call In - Three Year Grants to Cultural Organisations. Due to his position as a Director of the Leeds Grand Theatre Board and Opera House Board of Management and a Board Member of Yorkshire Dance. Minute No. 90 refers.

### **88 Apologies for Absence and Notification of Substitutes**

Apologies for absence were submitted on behalf of Councillors Atkinson, Lyons, Bentley and Mathews.

Councillors Graham, Groves and Chapman were in attendance as substitutes.

## **89 Call In of Decision - Briefing Paper**

The report of the Head of Scrutiny and Member Development informed Members of the Call In arrangements in accordance with the Council's Constitution and the options of action available to the Board. It was reported that the following options were available to the Board:

- Release the decision for implementation; and
- Recommend that the decision be reconsidered.

## **90 Call In - Three Year Grants to Cultural Organisations**

The report of the Head of Scrutiny and Member Development presented the background papers to a decision which had been Called In in accordance with the Council's Constitution. The decision was a Delegated Decision Notice of the Three Year Grants to Voluntary Organisations.

The Chair welcomed the following to the meeting:

- Councillor J Procter – Signatory to the Call In;
- Councillor D Collins – Signatory to the Call In;
- Councillor A Ogilvie – Executive Board Member for Leisure;
- Catherine Blanshard – Chief Officer (Libraries, Arts and Heritage);
- Mathew Simms – Arts and Venues Manager.

Councillor Procter outlined the reasons for the Call In of the decision. These included the following:

- The background to grants and the process for allocation agreed last municipal year which attempted to ensure greater transparency about all monies received by external organisations from Leeds City Council;
- The process which has been followed, which did not specify the difference between the arts grants and the recreational grants process;
- Concern around the loss of West Yorkshire Grant and the move the Leeds Inspired Grant, and the effect on funding for cultural organisations;
- Failure of the delegated decision to have regard for the Member Management Committee decision on 1<sup>st</sup> July 2011 Appointments to Outside Bodies in receipt of Grants (Minute No.13) that asked 'where a significant financial contribution is given to an organisation then the matter of representation on that organisation's management board be considered if it is felt to be appropriate in that particular circumstance'. It was expressed that more elected Member representation was needed on the Boards of organisations spending large amounts of public money.

In response to the concerns raised , officers present raised the following issues:

- That the report and decision in question was not attempting to be an assessment of all funding it was the allocation of the three year grants. It was proposed that at the end of the year a report could be given on performance against funding received.
- The report encompassed two grant schemes the recreation grant scheme which is a long standing scheme that has been allocated on a 3 year basis for a number of years. This scheme is currently on its second of three year cycle and so is reported as an allocation only. The second grant in the report is the new Arts@Leeds scheme which this year introduced a robust new process following discussions at Scrutiny. This implemented a three year grant scheme for the first time and lines up with the Arts Council funding cycle. Overtime it is planned to line up both grant schemes to the same cycle.
- It was discussed and acknowledged that every organisation receiving grants over £100,000 had an elected member on their board either in a formal or personal capacity it would be good to record this to avoid confusion later
- The close working relationship which now exists between the Council and organisations in receipt of grant funding which had previously not been the case, further that all organisations will have the support of an officer;
- The financial difficulties faced by external organisations in the current economic climate and the importance of Leeds City Council funding to their cash flow..

Councillor Ogilvie, Executive Member for Leisure addressed the Board. He expressed that despite the difficult economic conditions the Council had managed to maintain the funding of many organisations. He also informed the Board that Leeds Inspired was not part of the decision being Called In. He also agreed that Elected Members should be represented on organisations in receipt of Council funding. Further reference was also made to the usefulness that an end of year report would bring in assessing grants.

In response to Member comments and questions, the following issues were discussed:

- The concerns about funding and member representation to improve transparency of organisations and contribute towards value for money and how this would be achieved;
- Whether organisations had been directly approached about having Member representation and the difficulties and length of time needed to amend written constitutions of larger organisations to enable this to happen. It was noted that there had been a positive impact and significant benefit of the Executive Member for Leisure and the officers working with chairs and CEO's of companies about their whole board and its make up. Also discussed at this point was the advantage of approaching organisations about board representation before Council funding had been allocated;
- The importance of listening to views of the Citizens Panel when allocating grants.

Councillor Procter was invited to summarise the reasons for calling in the decision and re-iterated his earlier comments with an emphasis on the need for greater transparency when public money is being spent which could be achieved with greater Member involvement in the organisations in receipt of grant funding. Councillor Procter also highlighted a lack of information regarding organisations in receipt of funding.

In summary Members agreed that further work needed to be undertaken with regards to elected Member representation on grant funded bodies and that alongside the assurance given by Councillor Ogilvie to pursue this matter, the appropriate Scrutiny Board makes its own investigations.

Members were asked to consider the options available to them.

## **91 Outcome of Call In**

Following a vote by Members present, it was

### **RESOLVED –**

- (a) to release the decision for implementation;
- (b) to request that the appropriate Scrutiny Board considers Member representation on grant funded bodies and considers the year end report.

## **92 Date and time of next meeting**

The date and time of the next meeting will be confirmed after the Annual meeting of the Council on May 21<sup>st</sup> 2012.