

To: City Executive Board

Date: 31st. March 2010

Item No:

Report of: Communities and Partnership Scrutiny Committee

Title of Report: Scrutiny Consideration of the Business Plan for the Old Fire Station Development

Summary and Recommendations

Purpose of report: To advise the City Executive Board of the outcome of the Scrutiny Committee's consideration of the options for the Business Plan to run the Old Fire Station venture

Key decision? No

Executive lead member: Councillor Price

Report approved by:
Scrutiny Committee Chair: Cllr. Campbell

Finance:

Legal: James Pownall

Policy Framework:

. Corporate Plan Priorities:-

- More housing, better housing for all
- Stronger and more inclusive communities
- Improve the local environment, economy and quality of life

. Homelessness Strategy 2008/2011

. Arts Strategic Plan

. Regeneration Framework

Recommendation(s): The City Executive Board is asked to consider the Scrutiny Committee's observations and to say if it:

- Agrees – and if so what is the timescale for implementation
- Disagrees – and the reasons for this

The recommendations are detailed alongside conclusions but are also listed below

Recommendations

Recommendation 1

The committee unanimously support the choice of an arts company with charitable status to operate the facility

Recommendation 2

For the scrutiny committee or a panel of that committee to see and understand in a timely way:

- **The key considerations for the lease and management agreement**
- **How these link directly to the management of risk and support some of the “what if” scenarios**
- **The documents as they develop through negotiations**

Recommendation 3

For City Executive Board to ask the Executive Director for City Regeneration to consider how the scrutiny committee or a representative of that committee can be involved in:

- **The development of roles and specifications for Trustees**
- **The appointments to the Board**

Introduction

- 1.1 The Committee considered and supported the outline proposals for the Crisis Skylight/Old Fire Station project but recognised that the realisation of the vision of this project would be in its operation. To this end they asked to scrutinise the Business Plan options.
- 1.2 The Committee recognise this as a real opportunity to deliver something innovative and engaging and hoped to see operational plans that were able to deliver on the vision and make a real difference for both the arts and homeless communities in Oxford. The committee had a broad ranging discussion supported by City Council officers and members of the Business Planning and Revenue sub-group of the Crisis Skylight/Old Fire Station project. Discussions considered:

- Delivery of the vision (for homeless and arts groups)
- Partnership working
- Fundraising
- Pricing policies
- Why a company at all?
- “What if” scenarios
- The management of risk
- Governance

2. Conclusions and Recommendations

2.1 The committee wish to outline their conclusions and recommendation in 3 areas.

2.2 Choice of operational models

Conclusions

A well argued case was presented in both the papers and in discussion with officers and members of the Business Plan and Revenue sub-group. It was clear that “option B” – an arts company with charitable status presented the best opportunity for the venture to grow and achieve the potential within the original vision for the project.

The partnership and shared vision implicit within the arts company provided for this project to be more than publically owned but also community engaged.

The idea and concept of “one brand” for delivery provided for real integration and improved outcomes

Recommendation 1

The committee unanimously support the choice of an arts company with charitable status to operate the facility

2.3 Management of Risk

Conclusions

It is clear that the success of the project is hoped for and certainly planned for through careful and detailed planning. The committee did, however, consider it reasonable to consider “what if scenarios”.

There are 2 significant levers available to the Council in protecting both its asset and reputation in terms of service delivery:

- The lease – providing control of the property
- The management agreement- providing control of operations

These are key risk management mechanisms.

Recommendation 2

For the scrutiny committee or a panel of that committee to see and understand in a timely way:

- **The key considerations for the lease and management agreement**
- **How these link directly to the management of risk and support some of the “what if” scenarios**
- **The documents as they develop through negotiations**

2.4 The Board of Trustees

Conclusions

The Board of Trustees is an important body in providing for guidance and oversight as this venture develops through this critical inception stage through to operation and delivery. The individuals involved need to actively demonstrate that they share the vision and values of the project.

The Committee heard that both the Crisis and Creative Directors were to be appointed at about the same time and these, working with the Trustees, are keys to success.

Recommendation 3

For City Executive Board to ask the Executive Director for City Regeneration to consider how the scrutiny committee or a representative of that committee can be involved in:

- **The development of roles and specifications for Trustees**
- **The appointments to the Board**

3. Board Member Comments

I am happy with this

4. Executive Director Comments

None received

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Background papers: None