

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE OCTOBER 26, 2015
FROM:	KATE GRAHAM DIRECTOR, COMMUNITY AND ECONOMIC INNOVATION
SUBJECT:	CONSIDERATION OF A REQUEST TO THE LONDON ARTS COUNCIL TO AMEND ITS MEMBERSHIP TO INCLUDE A COUNCIL MEMBER

RECOMMENDATION

That, on the recommendation of the Director, Community and Economic Innovation, the following report concerning Council's consideration to request that the London Arts Council (LAC) amend its Board membership to include a City of London Council member **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

- Governance Task Force Recommendations Appointment of Council Members to Agencies, Boards and Commissions, Committee of the Whole, December 7, 2010
- Approval of the London Arts Council Agreement, Strategic Planning and Policy Committee, May 11, 2015

BACKGROUND

Municipal Council at its meeting held on July 28, 2015 resolved:

"That the matter of requesting the London Arts Council to consider amending its membership to include a Council Member BE REFERRED to the Civic Administration for a report back on the current relationship between The Corporation of the City of London and the London Arts Council, in order to provide Council Members with additional information to take into consideration when determining whether or not to request the above-noted change in membership."

The following background information is being provided to Municipal Council by the Community and Economic Innovation Division in this report to address this request. The intent of reviewing this background information is to assist Council with the consideration of a consistent approach for the appointment of elected officials to boards of organizations.

Appointment of Elected Officials to Boards, Commissions and Agencies (ABC's)

The Governance Task Force of Municipal Council in 2010 included the following guiding principles for appointments of elected officials to its agencies, boards and commissions:

- (a) Reducing or eliminating Councillor membership on agencies, boards and commissions where appropriate;
- (b) Consideration of selecting the local ward Councillor for representation on organizations within a particular ward; and,
- (c) Engaging more expertise from non-elected officials, where appropriate.

It was thought that the reduction in the number of Council members appointed to ABCs would reduce the overall workload of Council members, permitting more focus by members of Council on their Council, Standing Committees, and other responsibilities.

Currently Municipal Councillors have been appointed to the following organizations, most of which are boards and commissions of the City and which are funded by the municipality:

External Organizations	No. of Councillors	City of London Investment (2015 Revised Operating Budget \$) (as of August 2015)
Old East Village BIA	1	106,102
Kettle Creek Conservation Authority	1	412,422
Upper Thames River Conservation Authority	1	2,885,492
London and Middlesex Housing Corporation	1	8,569,008
London Police Services Board	1	93,163,997
London Transit Commission	2	27,413,000
Middlesex-London Health Unit Board of Health	2	6,095,059
Museum London Board	1	1,613,860
London Convention Centre Board	2	580,243
London Public Library Board	2	19,128,376
Tourism London Board	2	1,890,991

It should be noted that some external organizations have invited a member of City Council to sit on their governing body. For example, the Mayor is a member of Western University Board of Governors and the London Economic Development Corporation Board of Directors.

CANADIAN ARTS COUNCILS AND INCLUSION OF ELECTED OFFICIALS ON THEIR BOARDS

Arts councils respond to the needs of each individual community, so they vary in structure and purpose quite substantially. To understand each arts council enough to compare them to one another would require a more in-depth review of each of their objects and their historical evolution, as they are quite different in each community for a variety of reasons.

A sample of Canadian arts councils and whether or not they have a Councillor on their board is attached as Appendix A. Five out of fifteen arts councils surveyed have a municipal Councillor on their board, noting that three of these arts councils are considered municipal boards. The presence of a Councillor seems to be related to whether or not the arts council is responsible for granting.

It appears from this sample that the Ontario Trillium Foundation (Trillium) is an important funder of arts councils. Trillium evaluates many criteria when making funding decisions, three of which are particularly pertinent to this discussion. First, Trillium does not fund “municipalities or their agencies”. The ability of an arts council to identify as being an independent not-for-profit organization, regardless of whether it receives municipal funding, is therefore an important for funding eligibility. The presence of a City Councillor on the board, which is typical for organizations who are agencies of the municipality, may create a challenge. Second, it is more difficult to receive Trillium funding where activities are deemed to be political. The presence of an elected official may be a consideration in this regard. Third, one of the primary eligibility criteria for Trillium funding is avoiding conflicts of interest. Trillium’s online self-assessment tool asks whether board members are “in a relationship where interests may be compromised”, so the presence of individuals on the board who also make funding decisions for the organization itself could pose a challenge. Although Trillium is only one of many funders for arts councils, it demonstrates that there are important funding considerations when making governance decisions.

THE CITY OF LONDON ADVISORY COMMITTEE FOR THE ARTS

In the 1990s, the City of London had an Advisory Committee for the Arts, consisting of interested members of the arts community. The Advisory Committee reported to the City’s Board of Control and a member of Council served on this Advisory Committee in a non-voting capacity. In the early 2000’s Council made the decision to disband its Advisory Committee for the Arts and to utilize the London Arts Council not-for-profit organization to provide arts services for the City. Council also decided to no longer have Councillors participate on the City’s advisory committees.

THE LONDON ARTS COUNCIL

The London Arts Council (LAC) has existed as a not-for-profit charitable arts organization for twenty years. Its mandate is to nurture the awareness of, involvement in, and commitment to excellence at all levels of arts in London. The LAC is not a member-based organization, but rather serves a City-wide cultural mandate. The LAC receives annual funding from the City of London (currently set at \$157,500 annually based on the terms of a four-year Purchase of Service Agreement), and raises additional funding from other sources.

LAC is a governance board (not an operational board) with the following current composition:

- Betty Anne Younker, President
- Allison Fisher, 2nd Vice President
- Annora Gilliam, Treasurer
- Ann Jenkins
- Evelyn Vingilis
- Joel Burton

The London Arts Council has an Executive Director and five staff members, some of whom are shared with the London Heritage Council: an Events Coordinator, an Education Coordinator, a Development Coordinator, a Communications Coordinator, and an Administration Specialist.

The LAC focus is programs and services that provide strategic planning and operational assistance to arts organizations, as well as providing information, education and training, consultation and collaboration, representation, and networking opportunities for the arts community, Londoners, and visitors to our city.

The LAC works independently and with the City of London to support and provide for a number of programs, initiatives, and resources such as: Public Art, CAIP Category 2, Viz Biz, The Poet Laureate, the Mayor's New Year's Honours List Arts Award, Citizen Culture, London Artists in Residence, and Culture Days.

It is important to note that while the LAC is responsible for administering the Community Arts Investment Program (CAIP) Category 2 granting process on behalf of the Culture Office, granting decisions are not made by the LAC Board. A professional peer jury, comprised of arts sector representatives from each arts discipline, reviews grant applications and the LAC Board does not overturn decisions of this community jury.

Purchase of Service Agreement

The legal accountability requirements for the LAC are clearly outlined in its service agreement with the City. The City's Culture Office purchases the following cultural services from the LAC through a multi-year service agreement

- *\$16,000 towards assisting the City in acquisition or de-accessioning of Public Art;*
- *\$25,000 towards an annual arts and culture showcase weekend, London Culture Days;*
- *\$30,000 towards administration of the job creation London Artists in Residence Program (LAIR);*
- *\$86,500 towards all other service to be provided by LAC under this Agreement which includes: implementing, promoting through the culture website www.londonculture.ca, and evaluating the objectives and actions of our shared strategic document called London's Cultural Prosperity Plan. It also includes administrative funding for operating the CAIP Category 2 granting program which distributes \$450,000 in City funding to the arts community; and the ongoing consultation and/or services of the LAC related to: arts policy and guidelines and arts education and engagement.*

This agreement requires the LAC to file financial statements and an auditor's report for the immediately preceding year with the City, no later than June 30th of each year, fairly representing the financial position of the LAC and the results of its operations for the period under review in accordance with generally accepted accounting principles. The LAC will continue to provide an annual report to the City's Culture Office due December 30th, which provides background information about the implementation of London's Cultural Prosperity Plan. Administration maintains a close working relationship with the LAC towards implementation of the City's 2015-2019 Strategic Plan, London's Cultural Prosperity Plan, and generally to support culture in London.

CONSIDERATION FOR INCLUDING AN ELECTED OFFICIAL ON THE LAC BOARD OF DIRECTORS

There are many benefits to organizations from having a Council member sit on their board of directors, and this is common practice for the City's agencies, boards and commissions. However, it is unusual to have a Council member participate on the board of a not-for-profit community organization contracted by the City, unless invited by that Board.

Should City Council wish to request that the LAC invite a member of Council to join their Board, this request would be given consideration by the LAC Board. As an independent organization, it would be the LAC Board's decision.

ACKNOWLEDGEMENTS

This report has been prepared with the assistance of Kristen Pawelec, Specialist, Community Reporting and Planning, Ben Fraser, Research Assistant of the Community and Economic Innovation Division.

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