



**City of Richmond**

**Report to Committee**

**To:** Parks, Recreation & Cultural Services Committee  
**Date:** October 9, 2007

**From:** Vern Jacques  
 Manager, Projects and Programs  
**File:**

**Re:** **Richmond Gateway Theatre Society – Response to Consultant’s Recommendations**

**Staff Recommendation**

To be received for information.

Cathryn Volkering Carlile  
 General Manager - Parks, Recreation & Cultural Services  
 (4068)

Attach. 1

FOR ORIGINATING DEPARTMENT USE ONLY			
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>		<b>CONCURRENCE OF GENERAL MANAGER</b>
Finance.....	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>	
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

## Staff Report

### Origin

At the Parks, Recreation & Cultural Services (PRCS) Committee on July 24th, 2007, the Richmond Gateway Theatre Society (RGTS) presented their Response to Consultant's Recommendations (Attachment 1) as per the request from Council at the October 23, 2006 meeting. Upon receipt of the report the following referral was made:

*That the report (dated July 24, 2007, from the Richmond Gateway Theatre Society, to the PRCS Committee of the City of Richmond, regarding the Response to Consultant Recommendations) be received for information, and be referred to staff for review and comment to the Park's Recreation and Cultural Services Committee.*

This reports responds to the referral.

### Background

A delegation of persons associated with Gateway Theatre, including Ms. Anne Appenheimer a former program instructor, made a presentation to PRCS Committee as the regular meeting of May 24<sup>th</sup>, 2006. The presentation outlined some concerns about the theatre's operation and about the Youth Academy in particular. The following referral was made to staff in response to the presentation and submission:

*That the submission from Ms. Anne Appenheimer regarding the Gateway Theatre be referred to staff to investigate and work with the Gateway Theatre Board regarding the concerns raised by Ms. Appenheimer, and that staff report to the Committee by October 1st, 2006, with a possible plan of action that the City or the Gateway Theatre Board may wish to undertake.*

Staff retained an independent consultant to review Gateway Theatre's relationship with the City and to review its Finance, Human Resources, Governance and Programming activities and provide recommendations in these areas. The consultant's report was provided to Council and the RGTS in October 2006. Council resolutions in response to the report were as follows:

- 1. That the consultant's report on the Gateway Theatre Review be forwarded to the Richmond Gateway Theatre Society Board of Directors for consideration and implementation;*
- 2. The City identifies its expectations of the Richmond Gateway Theatre Society and forward them to the Society; and*
- 3. That the Committee request the Richmond Gateway Theatre Board to report on their progress regarding these recommendations in 12 months.*

## Analysis

RGTS received the consultant's report, reviewed the recommendations with City staff and, in the opinion of staff, have responded to the recommendations positively.

1. On nine of the recommendations (specifically 1,2,8,9,12,13,14,15 and 16) RGTS is in agreement with the recommendations as they were presented. These recommendations are primarily in the areas of clarity in the relationship with the City and in the governance of the organization.
  - RGTS is moving forward to address operational and governance issues as identified. They have revised their governance structure including board responsibilities and have revised the Terms of Reference for committees and key staff positions.
2. Recommendations 3 through 7 deal with finance, budget development, financial controls and performance measures.
  - City staff are currently revisiting the financial terms in the re-negotiating of the RGTS Operating Agreement, and associated performance measures. This should require revised budgeting and financial reporting which will capture the intent of the recommendations.
3. Recommendation 10, to do with human resources advice, 17, to do with community aspects of the theatre and 18, regarding support to other arts organizations.
  - These recommendations have been acknowledged by RGTS as requiring clarification and are being addressed in the Operating Agreement process.
4. Recommendation 11, suggesting a criminal record check policy
  - A criminal record check policy is already in place.
5. Recommendation 19, to initiate a membership drive.
  - Has been done in the past and will continue to be a focus.
6. Recommendation 20, suggests a policy restricting eligibility for membership of RGTS employees in the Society.
  - RGTS disagrees with this restriction as not being appropriate in the relatively small performing arts community. To address the intent of this point, RGTS indicates that their by-laws can be re-written to not allow employees to serve on the Board of Directors.
  - City Staff would suggest that the restriction be expanded beyond the Board of Directors to include membership on committees or involvement in any Society decision making that would in any way influence their employment status or remuneration. These conditions are also within the scope of the Operating Agreement.

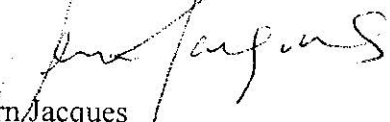
7. Recommendation 21 calls for the establishment of a Parent Advisory Committee for the Academy.
  - City staff agree with the RGTS position that there can and should be different options for parent involvement and input into theatre activities. This can be achieved through a variety of means other than an Advisory Committee. Nevertheless, City staff believe that a clear and transparent process for dealing with complaints or concerns raised by members, including parents of academy participants, should be established by RGTS.
8. Recommendation 22, to include Gateway staff in (City) training on public process.
  - This could happen if the City offers such training, space is available and Gateway pays the cost of training their personnel/volunteers.
9. Recommendation 23 is to adopt a public engagement process.
  - RGTS believes that they currently engage the public and report to the Board to a sufficient degree. The appropriate level of Community engagement for publicly funded bodies is regularly the subject of vigorous debates.
  - City staff will consider including a performance measure in the Operating Agreement to have RGTS describe their activity in this area on an annual basis.

**Financial Impact**

None

**Conclusion**

It is City staff's assessment that Richmond Gateway Theatre Society (RGTS) has received the recommendations as intended and have reviewed each recommendation carefully. They have implemented a great deal of change in a short period of time and are positively re-negotiating the terms of their Operating Agreement with the City.



Vern Jacques  
Manager, Projects and Programs  
(3326)

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SCHEDULE 1 TO THE MINUTES OF THE  
PARKS, RECREATION AND CULTURAL  
SERVICES COMMITTEE, HELD ON  
TUESDAY, JULY 24, 2007

From: Richmond Gateway Theatre Society

To: PRCS Committee of the City of Richmond

Re: Response to Consultant Recommendations

Date: July 24<sup>th</sup>, 2007

# Pages: 53 (including cover)

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- 1) **Recommendation**      *Identify all possible roles within the City plans and prioritize.*

**ACTION.** The Gateway Board agrees such action will greatly benefit our relationship with the City and so will implement an annual review of the Master Plan and Arts Strategy for the purpose of ensuring the Theatre contributions to the community are well integrated and enhancements to City plans.

- 2) **Recommendation**      *Seek clarity from the City regarding their expectations annually.*

**ACTION.** The Gateway Board agrees this will benefit both the City and the Theatre. The 22 year old, month-to-month operating agreement with the City is overdue for modernization. We expect the combination of the City's Master Plan process, and, the Theatre's strategic planning will lead to clarity and a sound basis for annual review by both.

- 3) **Recommendation**      *The Richmond Gateway Theatre Society (RGTS) should work with the City to establish annual performance measures prior to development of the budget. The following year, the RGTS should report out on these performance measures as part of the annual report.*

**ACTION.** The Theatre and the City annually discuss and ultimately establish an administration budget, and the Board agrees that budget should have explicit standards and the audited financial statements will be included in the annual report to Council.

- 4) **Recommendation**      *Create and report on a function budget that captures all costs/revenues (inclusive of City funds).*

**ACTION.** The Gateway Board is ensuring that the budget is developed in a manner consistent with generally accepted principles and is transparent to the satisfaction of the Board and the City.

- 5) **Recommendation**      *Identify cost / visit (by function)*

**ACTION.** See Recommendation and Response #4

- 6) Recommendation**      *Involve more staff in budget development and establish targets for each group.*

**ACTION.** The Gateway management team has a long history of involving full-time employees in budget development. This practice has been formalized by inclusion in the Gateway Governance Directions (the "GGD" – a manual recently prepared to ensure all relevant policies and procedures for governance of RGTS, are set out in one place, to be reviewed annually by the Board).

- 7) Recommendation**      *Focus on revenue opportunities – build plan*

**ACTION.** Previous and current practice is to identify and develop all possible revenue streams. Board and staff from all areas of the operation have been and continue to be involved in increasing revenues and finding new sources - examples include the "Clink" event this fall and a major push on Richmond based corporations.

- 8) Recommendation**      *Establish roles for the finance committee and board regarding financial related policies such as budget approvals, purchasing and spending authorities.*

**ACTION.** Agreed and done: Terms of Reference for the Finance and Audit Committee and signing Authority delegations are set out in the Gateway Governance Directions.

- 9) Recommendation**      *Clarify the relationship between the Gateway and the Executive Director with regard to intellectual property.*

**ACTION.** Agreed and done: The Artistic and Executive Director's contribution, stature and qualifications are enhanced by the fact he is an accomplished playwright whose work is showcased at the Gateway. The Artistic and Executive Director recommends the works that are produced at the theatre because of his unique knowledge and responsibilities and approval rests with the Board of Directors. Any potential perception of a conflict of interest is handled through the Conflict of Interest Policy set out in the GGD. It should also be noted that the Artistic and Executive Director has waived royalties and directors' fees for his participation at the Gateway Theatre and in turn, the Gateway declines any future participation rights in favour of the Artistic and Executive Director.

- 10) Recommendation**      *Create a Human Resource consultant role to assist the organization with the development of policies and practices in areas such as: job expectations, evaluation, recruitment, training, supervision, etc.*

**ACTION.** Currently the General Manager and the Artistic and Executive Director deal with human resource issues. Although staff training programs have been enhanced, given limited financial resources, the theatre is exploring formalizing access to the City of Richmond HR department for assistance of the kind described in the recommendation.

**11) Recommendation**     *Develop a policy that requires all staff and volunteers to go through a criminal check prior to being hired at the Gateway.*

**ACTION.** Academy instructors have for many years been required to present a criminal record check. Additionally, all staff works in tandem whenever minors are present. This complies with insurance requirements. The Board accepts that new full time employees should also be subject to a criminal record check. Volunteers are not entrusted with money, nor are permitted to be alone with minors. The Board does not consider a criminal record check for all new volunteers to be practical.

**12) Recommendation**     *Adopt a set of principles for governance.*

**ACTION.** Agreed and done: the Gateway Governance Directions.

**13) Recommendation**     *Consider a process to improve the reporting and decision-making functions for the board meetings.*

**ACTION.** Agreed and done: Since the consultants report, agendas and all relevant information are distributed to all Board members before monthly meetings. Additionally, minutes are now taken at all regular monthly meetings of committees. These and other improvements are set forth in the Gateway Governance Directions.

**14) Recommendation**     *Take necessary steps to become a policy governance board.*

**ACTION.** Agreed and done: much consideration has been given to this recommendation and the result is visible at meetings, and, best shown by the adoption of the Gateway Governance Directions.

**15) Recommendation**     *Complete a board/staff workshop to clarify roles and responsibilities with new Board in early 2007*

**ACTION.** Agreed and done: there is an established practice of annual workshops and clarification of roles and responsibilities will receive a greater emphasis. It should also be noted there is an established practice of orientation of new Board directors which deals, in part, with roles and responsibilities.



- 16) Recommendation** *Eliminate Human Resource and Long Range Planning Committee and refresh the mandate of the other committees to include recording, reporting and decision making functions supported by designated staff.*

**ACTION.** Agreed and done: The Human Resources and Long Range Planning Committees have been eliminated. The Executive Committee has assumed the responsibilities of the Human Resources Committee and terms of reference for the Board Committees are contained in the Gateway Governance Directions.

- 17) Recommendation** *Provide more resources and emphasis on the community aspects of the Theatre and operations programs.*

**ACTION.** The consultant wrote "We believe that RGTS has established itself on the profession [sic] theatre side, and can now focus more on supporting community related actions." The Board was unable to find the consultants basis for that belief. Fully two thirds of Gateway time is devoted to community aspects including facility rental, sponsorship, volunteers, eyeGO, youth academy, SceneFirst, Sea of Stories, mentorships and satellite companies. Professional theatre productions represent the remaining one-third. The Gateway Board is keen to expand the Gateway in all areas, but the Theatre is operating to the utmost of its present capacity and would require a new building to expand programs. We envision a single facility of approximately twice the size of the current Gateway Facility to achieve the vision of Performing Arts at the Centre of Richmond.

- 18) Recommendation** *Provide support to other arts organizations in Richmond.*

**ACTION.** See recommendation and response to #17.

- 19) Recommendation** *Initiate a membership drive to build the size of the society.*

**ACTION.** There have been substantial efforts made annually to achieve this end. With more than 100 arts organizations in Richmond, competition for society membership is fierce. Given that landscape, Gateway will continue to drive and measure success through all avenues, including patron attendance, rentals, sponsorships, donors and facility use.

- 20) Recommendation**     *Approve a policy restricting society membership to those persons not receiving remuneration from the Gateway.*

**ACTION.** The unique requirements of arts organizations have caused the Board, upon reflection, to respectfully disagree with this recommendation. All arts organizations known to this Board, and our own experience tell us it is preferable to encourage such memberships, while revising the by-laws such that theatre employees will not be permitted to serve on the Board of Directors.

- 21) Recommendation**     *Establish a Parent Advisory Committee for the Academy with a clearly defined set of roles.*

**ACTION.** The Board shares the consultant's hopes for parents assisting "in such areas as fund raising, corporate sponsorships, advertising, promotions, and communication with [other] parents". However, the Board respectfully disagrees such would be best achieved by the simple formulation of "establishing a Parent Advisory Committee" with a role to be defined later. The Board considers the Academy to be an integral part of the Gateway Theatre, not a separate entity. As such, it should be governed and managed within, and benefit from, the overall structure of the Theatre -- including receiving and responding to stakeholder and general community input and receiving assistance through volunteer support. As examples of the effectiveness of this approach, the Academy has implemented a number of initiatives including a parent/teacher night, a welcome night, an open house and parent surveys. At the first class, parents are also invited to discuss all matters concerning the academy with the instructors, the General Manager or the Artistic and Executive Director.

- 22) Recommendation**     *Include the Gateway staff in any training programs related to public process.*

**ACTION.** This and any other relevant training done by the City that would be of benefit to the employees of Gateway Theatre will be incorporated into the training and development plans of employees.

**23) Recommendation**     *Adopt a public engagement process at the Gateway board.*

**ACTION.** The intent of the recommendation is supported completely, and, the Board considers that it does engage the public in the manner appropriate to the governance model of the Gateway Theatre, and, it considers that the employees are engaging the public and reporting to the Board thereon.

And if the Board may be permitted once more to enunciate its vision to take the success in art and community contribution of the Gateway Theatre to a new level – one well suited to the City's vision of the new City Centre – may we say that the best form of "public engagement" would be for all of us to move swiftly to mobilize the whole community in the establishment of a Performing Arts Centre at the Centre of Richmond.

We would like to thank the City Council for considering these matters, we express our appreciation to Councillor Evelina Halsey-Brandt's faithful discharge of her duties as liaison, and we look forward to seeing you all at the Gateway.

The Board of Directors