



## COUNCIL POLICY

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**Policy Title: Autonomous Bodies Policy and Framework**

**Policy Number: CSPA035**

**Report Number: AC2000-14**

**Approved by: Council**

**Effective Date: 2000, May 15**

**Business Unit: Calgary Recreation**

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### **BACKGROUND**

This Policy and framework cover all not for profit relationships that enter into an agreement with The City for services that Council has deemed worthy of public support. It is intended to be the starting point for setting new strategic direction for:

- Establishing the principles and administrative framework for managing The City's relationships with Autonomous Bodies;
- Fostering an environment of empowerment while improving accountability and supporting continuous improvement.
- Providing a strategic perspective rather than competing with the organizations in delivering the same services; and
- Enabling all parties to deal with business issues in a timely and appropriate manner, classify and streamline the governance process in accordance with The City's need to manage its risks, and establish a reasonable balance between autonomy and The City's accountability needs.

The Policy and framework is an adjunct to existing legislation, Council Bylaws and/or resolutions and to Incorporation documents.

### **PURPOSE**

To provide the principles and a framework for managing The City's relationships with Autonomous Bodies.

### **GUIDING PRINCIPLES**

- The City of Calgary recognizes the value of its relationships with the not-for profit sector, and the services and programs they provide to the citizens of Calgary.
- The City of Calgary recognizes the need to give the not for profit sector support and flexibility to be creative. This means having the right balance between autonomy and accountability, and a process which ensures timely responses to changing needs.

Council has the authority to determine what services and programs are worthy of public support. Support may include any combination of the following:

1. Provision of land;
2. Provision of facilities;
3. Provision of funding;
4. Provision of City Support (e.g. property tax) and Administration.

## **DEFINITIONS**

### **AUTONOMOUS BODY**

This broad definition covers the variety of City relationships with the not-for-profit sector: An Autonomous Body relationship is: "An arrangement between The City and a not-for-profit organization to work co-operatively towards:

- Shared or compatible objectives, and/or;
- Shared authority and responsibility, and/or;
- Joint investment of resources, shared risk taking and mutual benefit."

#### **Note:**

This definition does not apply to Administrative, Advisory, Legislative Committees or Boards of Council.

## **GOVERNANCE**

Under the Autonomous Bodies Policy, City governance is about the process of how The City and the Autonomous Bodies work together. It covers roles, responsibilities and expectations, communication processes, planning and evaluation issues, and conditions for negotiating agreements.

## **POLICY**

### **1. Criteria for Establishing Relationships**

An Autonomous Body relationship shall be established only where it is the best delivery approach and the relationship will produce the benefits intended. Agreements shall be negotiated on the basis where The City identifies the service expectations, its support and accountability requirements, with the organization agreeing to deliver the services, to meet The City's accountability requirements, and to take responsibility for the bottom line.

### **2. The City's Involvement**

The City's involvement will be at the strategic decision making level. The level of involvement will be based on criteria established under categories as defined in Section G below. The focus will be on the specific activities covered in the agreement. Depending on the type of relationships (Section G) The City may do the following:

- Set mandate and mission
- Set annual program objectives and accountability requirements;
- Appoint the majority of the board members;
- Provide City board representation when needed;
- Participate in the appointment of the general manager;
- Review annual business plans and approve annual budgets;

- Approve annual expansion plans or major changes to mandate or mission; and/or
- Review outcomes, and evaluate performance on all activities.

### **3. Accountability Objectives**

Accountability objectives shall focus on The City's role as a public trustee.

The requirements should ensure:

- a) Service/product outcomes produce the intended benefits:
  - Services provided comply with the Public Use Policy, where appropriate, and/or as stated in the agreement;
  - Outcomes are measured against pre-established goals;
  - Services benefit the identified and agreed upon targeted customer group(s); and
  - Services make a significant contribution to quality of life in Calgary.
- b) City funds are used for intended purposes as approved by Council.
- c) Where The City provides land and facilities:
  - There is not substantial deterioration in the organization's financial position;
  - Buildings and land are operated and maintained as per the agreement with The City;
  - Major expansions are undertaken only with City approval;
  - Land use bylaw and municipal reserve requirements are complied with; and
  - Subtenants are accepted only with The City's approval.
- d) The City has the right, with reasonable notice, to inspect and audit the activities covered under the program.

### **ADMINISTRATIVE FRAMEWORK**

Under this framework, there are three major governance categories, City Related Entities, Collaborative Arrangements (with 5 sub-categories) and Provincially Related Entities. These categories support the Autonomous Bodies Policy and outline the extent of The City's strategic involvement and its accountability requirements. These requirements have been determined by The City's legal framework over the relationship, its level of business risk, and its need to manage that risk.

### **GOVERNANCE CATEGORIES**

The City's relationships with not-for-profit organizations are classified into three major categories:

#### **1.0 City Related Entities**

City-Related Entities are organizations, which are owned or setup by City Legislation, bylaw, Council resolution or related acts.

#### **2.0 Collaborative Entities**

Collaborative Entities are organizations deemed to be at arms-length to The City. They have been set up independently from The City, are incorporated as not -for-profit organizations, and are governed by their own Boards of Directors. The City's relationship is established around service delivery through a financial investment of land, facilities and/or annual operating and capital funding. There are five sub-categories of collaborative arrangements:

## **Joint Ventures**

Joint Ventures are arrangements between The City and other legal entities, where all parties agree to jointly participate and manage a project, with each party having a defined management role.

## **City Alliances**

City Alliances are arrangements between The City and organizations that are based on mutual interest. Under this sub-category, The City is primarily a facilitator. It provides some key resources participates in the setting of service expectations and is informed on their outcomes. The other party is responsible for the service delivery. It has full management and control of the operational aspects of the arrangement and is responsible for the financial viability of the organization or program.

## **Preventive Social Services Organizations**

A Preventive Social Services Organization is one, which receives City/Provincial funding and has to comply with the conditions of The City and Family and Community Support Services (FCSS), funding agreement.

## **Agencies**

An Agency is an organization that delivers services on behalf of The City on a fee for service basis. Under this arrangement, The City sets the terms of the delivery but the Agency is responsible for the delivery and financial result.

## **Community Organizations**

Community Organizations have a lease or license of occupation with The City and meet the criteria approved by Council for Community Association or Social/ Recreational organizations. This category does not include community organizations operating out of major City -owned facilities. These organizations are instead included in The City Alliance category (e.g., Regional Recreational Centres).

## **Provincially Related Entities**

Provincial Legislated Entities are organizations established under Provincial Acts, where the Act sets out the governance structure.

## **PROCEDURE**

The Policy and framework will be implemented according to the statements herein and according to the Civic Partnerships Guide to Policy and Administration.

## **AMENDMENTS**

Policy reviewed and formatted in the Council Policy Template 2011, October

Effective 2016 February 01, Recreation became Calgary Recreation