

BOISHAKHI MELA

INDEPENDENT PANEL REVIEW

THURSDAY 26TH NOVEMBER 2015

ROOM 704, MULBERRY PLACE

PANEL RECOMMENDATIONS

Present

Ms Jude Woodward (JW)	Chair and Lecturer on Creative Industries
Ms Fiona O'Connor (FO)	Event Manager, Vision-Redbridge Culture & Leisure
Mr Ajay Chhabra (AC)	Artistic Director of Nutkhut and Founder of London Mela
Ms Debora Alle de Gazon	Creative Director, London Notting Hill Carnival
Shiraj Haque (SHa)	Boishakhi Mela Community Trust
Ms Shazia Hussain (SH)	Service Head, Culture, Learning and Leisure
Mr Steve Murray (SM)	Head of Arts, Parks and Events
Mr Jonathon Fox (JF)	Contracts Team Leader, Legal
Mr Minesh Jani (MJ)	Service Head, Risk Management
Ms Sandra Edmeade-Waters	(SE) Environmental Health
Ms Natalie Thompson (NT)	Environmental Health
Katharine Fry (KF)	Note Taker

The meeting began with introductions from the Panel and the Tower Hamlets officers attending the review.

Shazia Hussain (SH) outlined the main purpose of the panel, background and key issues regarding the Boishakhi Mela event.

Jonathon Fox (JF) gave a brief description of the contract.

Stephen Murray (SM) presented the Event Management and overview report.

Sandra Edmeade Waters and Natalie Thompson answered questions around the findings of Environmental Health.

Minesh Jani (MJ) presented the audit findings.

Shiraj Haque (SHa) presented his business plan.

A number of issues emerged from the reports and discussion:

1. Delivery of the event.

All the council officers reporting on the planning and delivery of the Mela, while noting that some recurring problems remain, stated that the delivery of the event has generally improved from year to year. This has enhanced the event itself and reduced issues of crowd safety and poor management that have been problems in the past.

- The role of the BMT in convening the multi-agency planning meetings and ensuring professional event management at the overall level has improved and is being done.
- The production of an event management plan and risk assessment now occurs more professionally, although still much later in the process than would be desirable for the best management of the event.
- There has been a reduction in the problems associated with unauthorised selling of food and other health and safety related issues with stalls, although these problems have not been eliminated.
- The stewarding and crowd management at the event have improved, but problems remain of some inadequately trained volunteers in roles they were not able to fulfil.

However, overall the view of the LBTH officers reporting was that these areas all showed improvement. None of the officers reporting suggested that the outstanding issues were of a degree to justify that BMT were not fit to run the event. It was a 'workable partnership'.

Conclusion: The single most important improvement these officers would like to see going forward is a more timely production of the event plans, and the detailed elements of and responsibilities within the event management being tied down earlier in the process.

2. Finances and procedures

It was noted that as LBTH did not provide funding for the May 2015 Mela, no audit was commissioned for the current year. Therefore in looking at the role and functioning of the Trust as a legal body and its financial management we could only examine the reports for 2012, 13 and 2014.

On the basis of these audits, and the reports from LBTH audit and legal officers, it was clear that there were still outstanding issues in the Trust's financial procedures and reporting and some processes were not yet at the standard required by the auditors. The reports showed that most major issues had been or were in process of being addressed. But nonetheless the Trust had not met the requirements of Tower Hamlets audit department that '100% of priority 1 and 95% of priority 2 recommendations to be implemented within 6 months'.

- The financial reporting to Tower Hamlets has always been late. But apart from relatively small discrepancies the reported income and expenditure has been supported by invoices and reconciled with bank records e.g. in 2014 against a total expenditure of £261,843, two invoices totalling £1786.60 had been erroneously included as were correctly allocated to the previous year.

- There were still shortfalls in the procedures for the procurement of some services, where it was not clear there was an adequate process for getting several quotations and ensuring best value.
- Declarations of interest by Board members and complete transparency about any potential conflicts of interests in relations to preferred suppliers to the Mela are not fully realised. The BMT Board do accept the need for this and have made some improvements over time.
- The previous audit reports concluded that there were a number of outstanding issues that the BMT needed to address but those outstanding were lower grade issues.
- Reports from LBTH officers suggested that the functioning of the Board itself was improving, and was more fit for purpose than it had been. But it still excessively relies on the role of the chair. Who else regularly participates in the Board and takes any real responsibility remains unclear. The BMT have two paid officers who play a major role in delivering the Mela and maintaining its records but this is still an absence of skills and commitment of time from within the Board to fully meet all the requirements for its own good governance and delivery of the event.

Despite there being ongoing issues in the financial management and reporting of the Mela Trust there has been improvement. The panel concluded that neither the audit reports nor the reports from relevant officers suggested that these outstanding issues would lead to a case for not renewing the contract with the BMT.

Conclusion: There is work to be done to improve the functioning of the Board in all aspects, from planning and delivering the event to financial management and reporting. Strengthening the skills within the Board across all these aspects is a high priority.

3. Issues raised by the Boishakhi Mela Trust

The report from the BMT highlighted a number of issues that had been problems for it in delivering the Mela in 2015 and to improving both the professionalism of their event planning and management and their financial management.

- The decision by the Commissioners and by LBTH not to provide funding for the event in 2015 had been a serious blow. As this had not been finally known until very close to the event this had made forward planning and timely production of event plans etc particularly challenging
- It was reported to the panel that the event had only gone ahead at all because members of the board had personally made up the difference between sponsorship and concession income on the one hand and costs on the other. However, we were unable to verify this as no full financial report for May 2015 had been provided, as Tower Hamlets had not requested this in light of the fact it was not a funder of the event in this year.
- The Board also highlighted what they felt to be as a mismatch between what they hoped for in their relations with LBTH – a partnership to deliver the event in the interests of the community and the borough – and the reality. In the course of delivering the event and in securing financial support from the

borough, they experienced the relationship with LBTH as ‘them and us’, and tending to focus in on what they had failed to do rather than what they had achieved.

- The BMT also pointed out that even in the years when LBTH had provided funding this was always agreed extremely late and paid over to BMT very late. This created difficulties in paying contractors, who as they were paid late, did not confirm their services until very late, meaning that final event plans were similarly late. LBTH agreed that this had been a problem.
- Finally the BMT were very clear to the panel that while they would like the contract to deliver the Mela renewed, if there was no significant financial support from LBTH over the next few years – tapering as had been previously suggested but not stopping altogether straightaway – then it was unclear whether the Mela would be financially viable going ahead.

The panel was inclined to agree with this view, as no other source of core funding for an event of this type can be easily identified. While the Arts Council might provide some level of grant towards specific arts development programmes associated with the event, it has no funding programmes that would core fund an event of this type nor pay for the type of programming that is at its heart (established and/or traditional performers).

Nor, on the evidence of other similar events in London and around the country, can such an event be funded from sponsorship and donations alone, unless a very substantial ‘headline’ sponsor could be identified, which again is unlikely for an event of this type.

Conclusions: LBTH needs to form a clear view of its assessment of the value of the Mela for community cohesion, profile and cultural competitiveness of the Borough and function towards it accordingly. If the Borough concludes that it values the Mela and actively wishes it to continue, then

- Either it needs to help stabilise the functioning of the BMT through regular in kind and financial support (unless alternative sources of funding can be identified) working in partnership to deliver the Mela (with the BMT taking final responsibility for budget, management and programming).
- Or it would need to consider returning the delivery of the Mela ‘in house’.
- In response to the Chair’s questions as to whether there were alternatives in the field for who might organise the Mela apart from BMT or LBTH none were suggested or considered very likely.

Issues raised by members of the panel

Members of the panel closely questioned both the LBTH officers and the chair of the BMT about various aspects of the materials presented and issues raised in the verbal reports. These discussions highlighted a number of further questions that should be considered regarding the BMT and delivery of the Mela.

- *Failure of BMT to meet deadlines for future funding application.* Questioned about what had happened regarding grant or other financial support from Tower Hamlets in 2015, it seemed clear that although the BMT could be taken to have known it was proposed it should apply for a three-year grant and the deadlines for this, it was not actually formally informed of this by Tower Hamlets Council.

It could be taken to have known solely because at least one of the people involved in organising the Mela was reported to have been in the audience of the meeting when the commissioners made this proposal. However a genuine spirit of partnership between Tower Hamlets and the BMT would have suggested a more proactive response, aimed at ensuring the BMT understood this, knew the deadlines and was actively encouraged to take the necessary steps to meet them.

According to the report from the BMT it was only informed of the deadlines a few days before and there was no time to prepare a 3-year funding proposal in the time available. The result was that the BMT missed the deadlines to apply for the grant.

- *Issues raised in the audit reports.* Questioned about the Board's steps to meet the requirements set out in the various audit reports, there was clear willingness to comply but a number of the audit requirements had not been met. But as in many other aspects of the issues raised by this contract – timeliness of the production of event plans, forward planning in booking stalls, confirming acts etc – the constraints on the board are not lack of will but lack of resource, both financial and human.

This lack of resource has also meant that there is little year-on-year attention to the development of the Board itself or of its aims for the Mela. It has no regular, ongoing, core funding to pay for year-round resource to forward plan, maintain accounts/cashbook etc, develop new partnerships or build capacities in the Board.

The funding it receives is all directly related to the delivery of the Mela, whether from Tower Hamlets or other sources. Even in this prime function it is highly reliant on voluntary commitment to raise these funds and organise the event. This Catch-22 has no easy solution.

It led at least one member of the panel to suggest that Tower Hamlets should consider funding a part-time year-round post to develop the BMT and the Mela, and that this should be a precondition of renewing the contract. While this proposal was not considered realistic or agreed by the panel as a whole, the panel did share the concerns that led to it.

- *Allocation of funds to budget lines.* Members of the panel looked carefully at the income and expenditure accounts provided for 2012, 2013 and 2014, and the forward projections on costs and income for 2016-18.

On the previous expenditure, it was felt that there were areas where costs could be cut: for example, the expenditure on hospitality for staff, volunteers and 'VIPs' at the event seemed excessive; or, while it is understood that bringing internationally known performers from Bangladesh and India is part of the appeal of the event and draws the audience, it was felt the programming costs could be reduced.

In looking ahead the budgets presented by the BMT presented "the best case scenario" in terms of projected funding raised and how it would be spent; but no "worst case scenario" was presented so it was difficult to judge how the event could be scaled down if projected funding did not materialise.

More realistic budgeting and identifying areas to cut back on costs would help the forward planning for the Mela. However, this would not substitute for a contribution from LBTH or elsewhere to the core costs of the Mela,

without which no better budgeting can make the event viable and its delivery robust and professional.

- *Political speeches at the event.* It was a concern of LBTH officers that politicians had been invited to speak at the 2015 event despite this taking place during the "purdah" period in the run-up to an election and a legal letter had been sent to the BMT informing them no politicians should be allowed to speak.

The politician in question was the local MP, who was not herself standing for election.

It was clear in the discussion that the BMT had been upset by a false accusation that had been made to the Commissioners (by the Conservative and Labour Group leaders) at the commissioner's public meeting that it had only ever invited those who supported the previous Mayor of Tower Hamlets onto the stage of the Mela. In fact it had regularly invited and had in attendance representatives from across the parties including local MPs. Inviting the local MP again in 2015 might have been partly a misjudged move by BMT to demonstrate this. The officers present confirmed that it was true that the Mela had not been politically partial in its invitations in the past, but the issue in 2015 had been that no politician at all should speak due to the "purdah". Given that the MP herself was undoubtedly aware of the "purdah" rules, it could be held that she had some responsibility and should have turned down the invitation to speak.

The panel suggested if LBTH did not want any politicians to speak at the Mela in future this should be written into the contract or the terms of use of the park. Or give clear guidance as to what the basis for inviting local politicians should be. (The Mayor and MP for their borough wide remit or the lead councillor for culture for example)

- *The present contract.* The nature of the present contract was discussed and whether it was really fit for purpose. The contract does not appear to be entirely appropriate for this type of partnership. It looks like a contract for services, but there is no financing involved.

The contract does not reflect the reality of the relationship that exists between LBTH and BMT nor the relationship that either aspires should exist. The reality is:

- BMT organises the Mela each year, raises the funds and takes the legal responsibility for the safety of the event.
- LBTH gives permission for use of the Park, and gives support in kind to help the event happen (traffic management, Health and Safety training) but in some other respects treats BMT like any other 3rd Party event organiser using the Council's facilities.
- Separately from the contract, though indicated within it, LBTH has given BMT funding support (except in 2015) to help finance the event.

Apart from permission for the use of logos and name of the event (and it would appear that BMT dispute whose intellectual property this is in the final analysis) there is no evident reason why BMT needs such a contract with the Council in order to organise the event or vice versa. A simpler agreement indicating the roles and responsibilities of each in relation to the event would seem sufficient and more appropriate. A separate funding agreement, if funds

were agreed, could be monitored anyway through the terms of that agreement, rather than being confused with the agreement to organise the event.

- *Funding.* The funding arrangements with the Council in the past and in the future were considered.

Alongside the concerns expressed above – that without LBTH financial support the event will not continue – the form of future funding was discussed. For example, rather than a block grant to the event, the Council might like to consider funding against definite budget lines: e.g. event management, stewarding, staging and infrastructure, artistes.

There might be some advantages to this in ease of monitoring the use of the Council's funds. On the other hand, there could be disadvantages in creating bottlenecks for the organisers with funding not being able to be transferred between budget lines in response to unexpected fluctuations in costs on different items.

4. Conclusions and recommendations

- a. Based on the reports and information provided the Panel considers the Boishakhi Mela to be an important event for the Borough and want to see it continue to take place and improve in quality of delivery and content.
- b. The Panel agrees that the BMT is capable of delivering the Mela, and that its capacities in organising the event and in meeting the audit requirements of the Council have improved year on year.
- c. There is no suggestion that the BMT had underperformed in such a way or to such a degree that it should not be commissioned to deliver the Mela for the next three years.
- d. The Panel concluded that the only alternative to the BMT producing the Mela next year would be for LBTH to return to organising the event itself.
- e. However, although the BMT is capable of delivering the Mela, the evidence suggests that it is questionable whether the Mela can continue – at least at its present scale – unless there is appropriate funding available from LBTH.

***Recommendation 1:* That the contract with BMT to produce the Mela should be renewed for a further three years.**

***Recommendation 2:* If LBTH considers the Mela to be important to the Borough, it should urgently consider whether it is willing to provide the BMT with core funding (in addition to the existing in kind support), as without this funding support it is unlikely to survive at least in its present form. Should BMT be unable to raise funds and therefore surrender the contract after just 1 more year of organising it without council subsidy, then the council will need to procure the Mela externally or bring it in-house.**

***Recommendation 3:* That LBTH should consider whether the present contract is 'fit for purpose' and whether a simpler agreement between the Council and the BMT might be drawn up that better reflects their respective roles and the partnership relationship between them on the event.**

Recommendation 4: That on behalf of the panel, LBTH urges BMT to address the key concerns that have been expressed by the Council and the auditors on the event management and their own governance. In particular, to plan the event in a more timely way and finalise the event plans further in advance of the date itself; to set milestones for the event planning over a year rather than the last few months; to professionalise the stewarding and volunteers through adequate training; to ensure that it complies with the audit proposals over procurement of services for the Mela; to keep and present accounts in a timely and transparent way, including indicating support in kind from third parties.

Recommendation 5: That the Council considers other ways in which it might support the development of the BMT and the Mela itself. This could range from the suggestion that the Council provides additional resources to develop the Trust, identify training opportunities or help with funding applications.

Recommendation 6: Given the challenges of the future of the event, the Council might like to consider reconvening this review panel next year to facilitate a discussion between the BMT and LBTH on the progress over the year and help consider next steps.

Jude Woodward, chair, Independent Mela Review panel
29th November 2015