

**REPORT TO: NEIGHBOURHOOD RESOURCES AND DEVELOPMENT COMMITTEE -
10 NOVEMBER 2003**

REPORT ON: SERVICE LEVEL AGREEMENTS WITH VOLUNTARY ORGANISATIONS

REPORT BY: HEAD OF COMMUNITIES

REPORT NO: 621-2003

1.0 PURPOSE OF REPORT

- 1.1 To seek consent for grant awards and Service Level Agreement arrangements for the period 1 April 2003 to 31 March 2006.

2.0 RECOMMENDATIONS

It is recommended that the Committee:

- 2.1 notes that changes have been made to the standard Service Level Agreement and supporting data (copies of which are available for inspection in the Members' Lounge) and remits the Depute Chief Executive (Support Services) and the Head of Communities to keep these agreements under review and amend as appropriate.
- 2.2 agrees arrangements for 3 year Service Level Agreements with the organisations listed in the Appendix subject to ongoing monitoring and evaluation as to efficiency, economy and effectiveness.
- 2.3 approves the principles outlined in Para 7.4 as guidance to progress the independence of the organisations listed in the Appendix.

3.0 FINANCIAL IMPLICATIONS

- 3.1 There are no additional budget implications for the Council in implementing the above arrangements. The Communities Department has made revenue provision to implement these proposals within the existing grant aid portfolio.

4.0 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 Agenda 21 emphasises the importance of decisions being taken at a local level. The Department's support for the development of local management of organisations is consistent with this policy objective.

5.0 EQUALITY OPPORTUNITIES IMPLICATIONS

- 5.1 The enhancing of the role of local organisations contributes towards the Council's aim "to build on informed, involved and active citizenship". The Service Level Agreement commits the organisations involved to promote equalities and social inclusion.

6.0 BACKGROUND

- 6.1 Report No 280-2002 approved by the Neighbourhood Resources & Development Committee on 15 April 2002 recommended under para 2.2 the development of a further report on the review of existing Service Level Agreements content to strengthen the Council's obligations on organisations with reference to competence over governance. Report No 582-2003 approved by the Neighbourhood Resources & Development Committee on 8 September 2003 has dealt with the organisations classified and within the scope of the Partnership Agreements. This Report deals with the remaining voluntary organisations more suited to Service Level Agreements.

6.2 The above Report has necessitated the requirement for the Council to clearly articulate its expectations and responsibilities with regard to the voluntary organisations funded. This is set out under a Service Level Agreement and a checklist for monitoring.

6.3 For the purposes of clarity, this report is concerned only with the Council's contribution to organisations which it funds under grant aid/personnel secondment.

7.0 CURRENT POSITION

7.1 The organisations listed in the Appendix are funded by a variety of sources in addition to third party payments revenue grant aid on a 3 year cycle.

7.2 Both organisations funded are registered as charities with Whitfield Activity Complex recognised as a Company Limited by Guarantee.

7.3 The existing arrangements have been inherited by the Council. Both organisations benefit from seconded personnel and third party revenue grant.

7.4 The above position is becoming difficult to manage with regard to the apportioning of legal responsibilities eg health and safety, employer's liability etc. It is the view of officers that this position should be made more transparent to allow both parties to clarify which responsibilities they are required to legally undertake.

8.0 FUTURE POSITION

8.1 The existing Service Level Agreement format has been amended slightly to incorporate the principles outlined in Para 7.4 and a set of guidance notes prepared to aid organisations clarify the meaning of terms referred to in the Service Level Agreement.

8.2 The Appendix reflects the existing status of each organisation falling within these arrangements. It is proposed that the Department discuss, where relevant, with each Management Group/Board of Directors, the steps required to establish the organisation's legal status as an independent organisation, legally constituted and recognised and holding adequate insurance liability cover to discharge its property, personnel and operational objectives.

8.3 The transfer or redeployment of personnel currently seconded will be renegotiated. It is the Department's objective, if approved, to try to establish the above within the life of the current 3 year funding cycle. No new proposed Council personnel secondment arrangements will be entered into should existing personnel leave.

8.4 Organisations receiving more than £45,000 will require to demonstrate compliance with the authority's Code of Guidance on Following The Public Pound.

8.5 Organisations receiving less than £45,000 in financial resource support per annum from all Council sources will be monitored by a less rigorous data checklist and through evaluation of the specific agreed targets outlined in their development plan and annual report/accounts.

9.0 CONCLUSION

9.1 The Council values the efforts of voluntary sector partners in delivering key work priorities collaboratively.

9.2 This co-operation should be underpinned with clarity over each partners responsibilities and expectations and this Report seeks authority to progress these aims positively and with mutual consent.

9.3 The Department's belief in voluntary organisations exercising community control over decision making and organisational responsibilities is advanced by these proposals. Should any dissent arise over the implementation of these proposals the views of the Committee will be sought.

10.0 CONSULTATION

10.1 The Chief Executive, Depute Chief Executives (Finance) and (Support Services) have been consulted in the development of this report.

11.0 BACKGROUND PAPERS

11.1 The following background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 were relied on to a material extent in preparing the above Report.

Report No 30-2000, Content of Service Level Agreements

Report No 582-2003, Local Partnership Agreements

Proforma Service Level Agreement

Proforma Service Level Agreement – Explanatory Notes

Proforma Service Level Agreement – Data Check List

Stewart Murdoch
Head of Communities

3 November 2003

ADB/AHPH (Service Level Agreements)
November 2003

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ORGANISATIONS IN RECEIPT OF COUNCIL FUNDING FROM THE COMMUNITIES DEPARTMENT					
Organisation	Legal Status	Level of Grant 2003-2004	Source of Grant	Purpose of Grant	Personnel
Grey Lodge Settlement Association	Charity Ref SCO18005	21,540	Third Party Payments Communities	Assistance towards operational costs of building, salaries and running costs.	1 FTE Centre Manager
Whitfield Activity Complex Ltd	Company Limited by Guarantee SC 134603 Charity Ref SCO4173	161,860	Third Party Payments Communities	Assistance towards operational costs of building, salaries and running costs.	1 FTE Centre Manager