

**REPORT TO: NEIGHBOURHOOD RESOURCES AND DEVELOPMENT COMMITTEE
- 15 APRIL 2002**

**REPORT ON: AMENDMENTS TO MODEL CONSTITUTION – CHARLESTON &
ARDLER LOCAL MANAGEMENT GROUPS**

REPORT BY: DIRECTOR, NEIGHBOURHOOD RESOURCES AND DEVELOPMENT

REPORT NO: 280-2002

1.0 PURPOSE OF REPORT

1.1 To seek approval for specific amendments to the standard model constitution for local neighbourhood centre management groups as approved by the Neighbourhood Resources and Development Committee on 9 June 1997 (Report No 413-1997).

2.0 RECOMMENDATION

It is recommended that the Committee:

2.1 approve changes to the model constitution as outlined in paragraphs 7.1.1 to 7.1.6 for Ardler and Charleston Management Groups.

2.2 commission a further report on the review of the existing Service Level Agreement content to strengthen Council obligations over governance guidelines.

3.0 FINANCIAL IMPLICATIONS

3.1 There are no additional budget implications for the Council in implementing the above arrangements. Approval will ease difficulties experienced by individual management groups in accessing sources of external finance.

4.0 LOCAL AGENDA 21 IMPLICATIONS

4.1 None.

5.0 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 The enhancing of the role of local management groups contributes towards the Council's aim "to build an informed, involved and active citizenship".

6.0 BACKGROUND

6.1 Report No 413-1997 approved the content of a model constitution for local neighbourhood centres which has facilitated the granting of charitable status to 8 complexes.

6.2 Over the past 4 years the local management groups have enjoyed success in accessing a variety of smaller sums of external finance usually in the form of grants under £10,000. These applications in some instances have experienced difficulties over eligibility for external funding relating particularly to specifics of the model constitution.

7.0 PROPOSED ACTION

7.1 The specific clauses which have resulted in objections from potential sponsors are outlined below together with suggested changes.

- 7.1.1 Para 1.1 includes the term library in some instances within the Management Group title. This is perceived as a statutory provision and ineligible for recognition as a true charity despite current charitable status.

It is proposed that the term "library" be able to be removed from management group titles. This will not alter building signage which is designed to maximise participant information.

- 7.1.2 Para 4.1.3 sets as a condition the age of 18 years for voting authority. It is proposed that this be reduced to 16 years of age.

- 7.1.3 Para 5.4 prevents office bearers holding the same position in excess of 2 consecutive terms of office. It is proposed that the timescale be raised to 3 years to aid continuity.

- 7.1.4 Para 8.6 sets out the requirement to have at least 1 Council worker co-sign centre cheques.

It is proposed that this requirement be removed and substituted by a requirement for 2 appointed management group office bearers to discharge this function.

- 7.1.5 Para 9 requires the permission of the Director of Neighbourhood Resources and Development for the constitution to be amended.

It is proposed that this clause be removed and such approval rest with the Title Examiner of the Inland Revenue as per existing charity legal requirements.

The Service Level Agreement will be amended to strengthen safeguards for the Council to prevent inappropriate alterations to the primary objectives of the organisation.

- 7.1.6 Para 10.1 requires the Council approval to dissolve the Management Group.

It is proposed that this condition be removed and transferred to the Service Level Agreement.

8.0 SAFEGUARDS

- 8.1 The proposed changes outlined in paragraphs 7.1.1 to 7.1.6 may result in a degree of increased risk to the Council and will lessen the level of safeguard which the Department is able to exercise over the direction and effect of local decision making with regard to constitution amendments.

- 8.2 There is no evidence to suggest, however, that local people have abused constitution safeguards and on balance the Department is willing to promote the development of local partnerships on trust especially if this can result in an influx of resources to benefit local communities.

- 8.3 The Council, however, still retains specific duties under the "Following the Public Pound" guidelines and appropriate further safeguards will be developed within the existing Service Level Agreement documentation to allow the Council to seek a veto on inappropriate or unacceptable alterations to the constitution and dissolution arrangements.

- 8.4 If the Council is unable to endorse these changes the major external sources of funding will be blocked to local management groups as presently constituted. It is proposed that initially these changes refer only to Ardler and Charleston Centres which are piloting external finance applications.

9.0 CONSULTATION

- 9.1 The Chief Executive and Directors of Finance and Support Services have been consulted over the content of this Report.
- 9.2 The interim Federation of Local Management Groups, Ardler and Charleston Management Groups are in favour of the recommendations proposed in this Report.

10.0 BACKGROUND PAPERS

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

Report No 413-1007 – Review of Centres – Local Management Groups.

Director, Neighbourhood Resources and Development

Date

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