

Report

Report to:	Clyde Valley Learning and Development Joint Committee
Date of Meeting:	10 December 2018
Report by:	Chair of Clyde Valley Learning and Development Project Implementation Steering Group

Subject:	Update on Membership and Funding for the Clyde Valley Learning and Development Project for 2019/2020
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ update the Joint Committee on proposals to restructure the membership of and funding for the Clyde Valley Learning and Development Project

2. Recommendation(s)

2.1. The Joint Committee is asked to approve the following recommendation(s):-

- (1) that the Project continue to operate based on the financial contributions and membership structure proposed in this paper;
- (2) that further efforts be made to finalise contributions and membership from those councils who have still to confirm their preferred membership;
- (3) that the revised governance arrangements should be put in place on finalising the uptake of membership categories;
- (4) that the sum of £59,000 should be allocated to the lead authority from membership contributions towards the operating costs of the Project;
- (5) that residual funds arising from membership contributions should be allocated to project work by the Implementation Steering Group or Social Care Group as priorities demand;
- (6) that any unspent funding in year will be carried forward for use in future years; and
- (7) that the funding model including balances carried forward, the charging structure and the ongoing level of membership should be reviewed annually.

3. Background

3.1. In December 2017 a discussion paper was presented to the Clyde Valley Project Implementation Steering Group to consider the future of the Project and to investigate a viable funding model, including options, to allow the Project to continue to operate. The options considered in the paper were presented to the Joint Committee on 4 December 2017. The Joint Committee requested that the Steering Group evaluate the options within the paper and make recommendations to present to the Committee at the next meeting.

3.2. In the interim period and to maintain continuity for the project, the Committee agreed that the historical contribution towards the running costs of the project should be maintained. The overall contribution generated from this model is £32,000 per annum.

- 3.3. At its meeting on 11 June 2018, the Joint Committee approved a proposal to restructure the membership of the Group, by creating three categories of membership which would be open to all current members of the Group (Full and Associate Members).
- 3.4. Each of these categories of membership, detailed in paragraph 3.9, is contingent on a financial contribution being paid by each member based on a sliding scale linked to the number of employees they have and the category of membership selected.
- 3.5. In addition, the Joint Committee agreed to elevate the status of the Social Care Group from sub-group to that of the Steering Group, to reflect the importance of the Social Care agenda to the Clyde Valley Group's work.
- 3.6. In order to reflect these changes, it was necessary to redefine the Clyde Valley Learning and Development Project Minute of Agreement and to seek approval to have the revised terms formally adopted. The revised Minute of Agreement is the subject of a separate paper being presented to this meeting of the Joint Committee.
- 3.7. Since the contributions from members commenced in 2011/2012, only Full Member Councils have made a financial contribution to the running costs of the Project, providing funding of £32,000 per annum.
- 3.8. Going forward, it was agreed that a minimum of five Full Member Councils would be required to maintain the viability of the Project and a minimum level of funding of £59,000 per annum.
- 3.9. The proposed tariff for the different categories of membership was as follows:-

Membership category		Full	Participating	Procurement
Banding (Employee Numbers)				
Band 1	(0 - 4,999)	£5,000	£3,000	£1,250
Band 2	(5,000 - 9,999)	£7,000	£4,000	£1,500
Band 3	(10,000+)	£10,000	£6,000	£2,500

4. Current Position

- 4.1. The paper approved in June 2018 was distributed to all the existing membership (Full and Associate Members). Members were asked to consider the content of the papers and the implication for their respective organisations in reaping the benefits of maintaining involvement in the Project.
- 4.2. At the time of writing, not all councils have made a final decision on membership and some require a further stage of internal approval in order to proceed. However, to date no council has indicated that they are intending to withdraw their membership.
- 4.3. Based on confirmed intentions of councils the total projected income from confirmed membership to date would be £74,000, (detailed in Appendix 1, Table 1). Additional contribution income of £9,000 is currently being discussed with councils who have indicated their preference for membership but not yet confirmed which membership they will take up (detailed in Appendix 1 Table 2).
- 4.4. Ongoing discussions are planned and taking place with all other current Associate Member Councils (detailed in Appendix 1 Table 3). The intention is that an agreed outcome on contribution and continued membership will be reached with all councils by 31 December 2018.

5. Project Governance

- 5.1. On the basis of the responses received, the new membership structure will constitute six Full Members. These councils will represent the interests of the Clyde Valley Group and develop the strategic direction of the Project subject to the terms of the revised Minute of Agreement.
- 5.2. The revised Joint Committee will continue to have representation of Elected Members from each of the Full Member Councils.
- 5.3. Similarly, the Project Implementation Steering Group will have the same councils represented.

6. Utilisation of Funds

- 6.1. The sum of £59,000 was projected to be a realistic estimate of a fair contribution to the lead council's operating costs for the project. This was the estimated minimum figure approved by the Joint Committee in the paper of 11 June 2018.
- 6.2. Based on the current projections, the Project will have a minimum of £15,000 additional funds at its disposal for the period 2019/2020.
- 6.3. It is proposed that these additional funds should be used for specific project work identified by the Project Implementation Steering or the Social Care Group, based on immediate priorities for the project.
- 6.4. In addition, it is proposed that any unspent element of the funding each year is transferred to the Balance Sheet for use in future years. This balance will be reviewed annually as part of the review of membership and contributions.

7. Conclusions

- 7.1. There is a strong appetite amongst the current membership of the wider Clyde Valley Group to continue to operate the Clyde Valley Learning and Development Project and more widely realise the benefits of participation.
- 7.2. Members from all existing membership categories recognise the value of retaining membership even when a financial contribution is required.
- 7.3. Commitments received so far have exceeded the minimum level of Full membership previously agreed to be a viable number (five).
- 7.4. Although not yet finalised, the financial projections from existing commitments indicate that the minimum level of contribution previously agreed (£59,000) in the Joint Committee paper of 11 June 2018 has already been exceeded.
- 7.5. This will allow a modest fund to be managed for specific project work where an external cost may be incurred.

8. Employee Implications

- 8.1. The continued support of the in-kind contributions of officers drawn from the Clyde Valley Member Councils remains crucial to the ongoing success of delivering the Project's objectives.
- 8.2. Of equal importance is to ensure that officers attending and participating in each of the Groups' activities are empowered to make management and strategic decisions on behalf of their respective organisations, and that appropriate officers are nominated from each council to fulfil this requirement.

9. Financial Implications

- 9.1. The new model being proposed represents a fairer distribution of costs to the wider group. Based on commitments from the new membership categories, the Project's annual contribution will increase from the current level of £32,000 to a minimum of £74,000 for financial year 2019/2020.
- 9.2. On conclusion of existing and planned discussions, this figure may increase as discussions and approvals are concluded with the remaining current Associate Councils.
- 9.3. In adopting this funding model it is conceivable that the annual contribution to the Project will fluctuate year by year. It is therefore essential that the Joint Committee agrees an acceptable minimum level of funding before proceeding each year. This will therefore be the subject of an annual report to the Joint Committee, prior to the start of each financial year.

10. Other Implications

- 10.1. The risk to the Project is that if the minimum number of Full Members or the minimum level of funding cannot be achieved, it would not be viable to continue with the Project.
- 10.2. There are no implications for sustainability in terms of the information contained in this report.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and therefore no impact assessment is required.
- 11.2. Consultation has been undertaken with all existing members of the Project.

Gill Bhatti

Chair, Clyde Valley Learning and Development Project Implementation Steering Group

12 November 2018

Previous References

- ◆ 11 June 2018 - Update on the Future and Funding for the Clyde Valley Learning and Development Project for 2018/2019
- ◆ 4 December 2017 - The Future and Funding for the Clyde Valley Learning and Development Project for 2018/2019

List of Background Papers

- ◆ Clyde Valley EGF Training Bid
- ◆ NBSS Clyde Valley Consortium Submission November 2006
- ◆ NBSS Clyde Valley Consortium – Secondary Paper December 2006

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Membership Contributions 2019/2020

Table 1: Confirmed Contributions

Council	Current Membership Status	New Membership Status	Contribution
East Renfrewshire	Full	Full	£5,000
Glasgow City	Full	Full	£10,000
Inverclyde	Full	Full	£5,000
North Lanarkshire	Full	Full	£10,000
Renfrewshire	Full	Full	£7,000
South Lanarkshire	Full	Full	£10,000
East Dunbartonshire	Full	Participating	£3,000
West Dunbartonshire	Full	Participating	£4,000
Angus	Associate	Participating	£4,000
Clackmannanshire	Associate	Participating	£3,000
Dundee	Associate	Participating	£4,000
Orkney	Associate	Participating	£3,000
Scottish Borders	Associate	Participating	£3,000
Dumfries and Galloway	Associate	Procurement	£1,500
Falkirk	Associate	Procurement	£1,500
Total			£74,000

Table 2: Indicative Contributions (to be confirmed)

Council	Current Membership Status	New Membership Status	Contribution
Argyle and Bute	Associate	Participating	£3,000
City of Edinburgh	Associate	Participating	£6,000
Total			£9,000

Table 3: Contributions still to be agreed

Council	Current Membership Status	New Membership Status	Contribution
Aberdeen City	Associate	Not yet confirmed	
East Ayrshire	Associate	Not yet confirmed	
Perth and Kinross	Associate	Not yet confirmed	
Highland	Associate	Not yet confirmed	
West Lothian	Associate	Not yet confirmed	
North Ayrshire	Associate	Not yet confirmed	
Shetland	Associate	Not yet confirmed	
East Lothian	Associate	Not yet confirmed	