

Report

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Report to:	Clyde Valley Learning and Development Joint Committee
Date of Meeting:	11 June 2018
Report by:	Chair of Clyde Valley Learning and Development Project Implementation Steering Group

Subject:	Update on the Future and Funding for the Clyde Valley Learning and Development Project for 2018/2019
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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 new categories of membership with associated responsibilities and benefits be adopted for the Clyde Valley Learning and Development Project;
- (2) that the revised funding model be trialled with immediate effect in conjunction with the revised structure;
- (3) that South Lanarkshire Council, as lead authority, accepts £59,000 as the minimum level of funding for the Project to proceed in future years;
- (4) that the Clyde Valley Learning and Development Project Minute of Agreement be updated to reflect these changes and the additional data protection requirements associated with the General Data Protection Regulation (GDPR);
- (5) that a minimum number of five Full Member Councils be required in order to maintain the Project's viability; and
- (6) that the revised structure and funding model for the Project be reviewed on an annual cycle.

3. Background

3.1. At its meeting on 4 December 2017, a paper was presented to the Clyde Valley Learning and Development Project Implementation Steering Group to consider the future of the Project and to investigate a viable funding model to continue to operate. The options considered in the report 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 Joint Committee at its next meeting.

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

- 3.3. The Joint Committee also requested that the option to generate contributions from the Associate Member Councils should be explored and reported on at the next meeting.

4. Consultation Outcomes

- 4.1. Each Member Council was asked to consider seven options outlined in a consultation paper and to state their preferred option. On the basis of this feedback, the following principles were agreed:-

- ◆ that the Clyde Valley Learning and Development Project should continue, subject to agreeing a viable funding model
- ◆ it was unfair and unrealistic to maintain the current model whereby the running costs were underwritten by South Lanarkshire Council as lead authority
- ◆ it was not practical or realistic to share lead responsibility for managing the Project amongst the member councils by rotation
- ◆ the ongoing benefits realised by the Project should be protected, maintained and increased
- ◆ the Clyde Valley Learning and Development Group (CVLDG) should pursue the option to seek a financial contribution from the Project's Associate Members

- 4.2. In addition to the above, the following specific options were agreed:-

- ◆ that funding contributions should be doubled. This could be achieved by a mixture of an increase in corporate funding and by additional contributions from Social Care. This was supported by six of the eight Member Councils (East Dunbartonshire, East Renfrewshire, Glasgow City, North Lanarkshire, Renfrewshire, and South Lanarkshire)
- ◆ Inverclyde Council initially supported maintaining existing levels of funding (£3,000) and indicated its intention to leave the Group within a maximum of two years, however, this position is now in discussion internally and the final decision will be taken by Inverclyde Council's Corporate Management Team
- ◆ West Dunbartonshire Council indicated its intention to withdraw from the Group; however, West Dunbartonshire Social Care wished to retain membership and would fund a contribution of £3,000

- 4.3. There was, therefore, no unanimous consensus amongst Member Councils as to the recommended funding model.

5. Additional Considerations

- 5.1. The ideal outcome for the Steering Group was to reach a unanimous agreement which was considered fair to all parties. As further discussion took place, questions were asked about the nature and origin of the Clyde Valley Group, what constitutes membership and what members might expect from their retained interest. The following points emerged:-

- ◆ the eight current Clyde Valley Member Councils came together under the Efficient Government Agenda (later the efficiency and Reform Fund)
- ◆ grant funding was provided to start the Project and a Minute of Agreement (MoA) was drawn up to ensure proper governance arrangements (for the Joint Committee) were in place to safeguard the use of the funds and to define Members' responsibilities
- ◆ the MoA is the origin of the Associate Membership category
- ◆ now that the only source of funding comes from the existing Membership, the terms of the existing Minute of Agreement require to be updated to reflect this

- ◆ that, in particular, the Data Protection provisions should be updated to reflect the requirements of the General Data Protection Regulation (GDPR)
- ◆ this gives the potential to review, amend or radically restructure the Group's membership
- ◆ the potential for income from Associate Membership has been explored in principle, with some Associate Members expressing an interest

6. Proposals for Consideration

6.1. Based on these considerations, the Project Implementation Steering Group agreed to consider the viability of restructuring both the membership and funding of the Project. The principles of this are:-

- ◆ the opportunity to become a full member of the Group should be made available to all current Members, Associates and beyond (local authorities)
- ◆ opting to be a full member will require an annual financial contribution based on an agreed tariff
- ◆ full membership involves taking a strategic management and governance role of the Project together with access to all Clyde Valley initiatives, projects and delivery models
- ◆ a second tier membership category will be available for councils who will not have responsibility for management or governance. It is provisionally suggested that councils opting to join this category of membership will be known as Participating Members
- ◆ Participating Members will have access to all Clyde Valley procurement initiatives, strategic programmes (e.g. Promoting Positive Behaviour (PPB)), participation in Clyde Valley Sub-Groups and access to all Clyde Valley delivery models (e.g. the Clyde Valley/Royal Environmental Health Institute Scotland (REHIS) Award)
- ◆ the third tier of membership will be available for councils who wish to participate in Clyde Valley Procurement initiatives only. It is provisionally suggested that Councils opting to join this category of membership will be known as Procurement Members
- ◆ each category of membership is renewable on an annual basis, however, the agreed fee must be paid in advance of every year that any of the project models are accessed (including procurement)
- ◆ the tariff for all categories will vary depending on the size of the council (number of employees)
- ◆ in recognition of distinct strategic direction of the Social Care Sub Group, the status of this Sub Group should be raised to have a parallel management and governance role similar to the Project Implementation Steering Group
- ◆ for all Groups, strategic decisions on programmes, workplan and direction of travel will be reserved for Full Members only

6.2. A suggested tariff for consideration is as follows:-

Membership category		Full	Participating	Procurement
Banding				
Band 1	(0 - 4,999)	£5,000.00	£3,000.00	£1,250.00
Band 2	(5,000 - 9,999)	£7,000.00	£4,000.00	£1,500.00
Band 3	(10,000+)	£10,000.00	£6,000.00	£2,500.00

6.3. This tariff, if adopted, would require to be phased in during the current year of operation and chargeable in advance in future years. The tariff charging rates will be subject to review annually.

6.4. It is further recommended that a minimum number of five Full Members would be required in order to retain the Project's viability and to retain effective governance.

7. Additional Considerations

7.1. As has been stated in previous papers, the Clyde Valley model of delivery relies heavily on the contributions of time and effort from officers from the Member Councils to develop and share the various outputs from the programme. Inevitably, this does not result in an equal sharing of input, as some councils are more able to contribute more than others towards the general benefit of all. Similarly, not all councils choose to make use of all the outputs created by the Project, either by strategic need or simply by choice (e.g. procurement contracts).

7.2. In order to develop an environment of fairer co-operation and participation, it is proposed that the existing Clyde Valley Learning and Development Project Minute of Agreement (MoA) is rewritten to reflect more accurately the revised structure of the membership and the funding model. The new MoA will detail the implications, responsibilities and contributions that will be expected from members. This will include contributions in-kind to the development and implementation process when creating new models of learning and development.

7.3. Subject to guaranteeing the agreed minimum annual contribution to the running costs of the project, South Lanarkshire Council will continue to act as lead authority for the Project and, in addition to its continued direct financial support, will continue to provide the necessary resources to manage the administration of the Project.

7.4. These include the following:-

- ◆ Joint Committee administration
- ◆ finance and accounting
- ◆ preparation of annual accounts and budgets
- ◆ preparation for external audit
- ◆ legal, indemnity and risk advice
- ◆ procurement
- ◆ project management
- ◆ Social Care development
- ◆ billing and recharging (CMI, Learning Assistant, financial contributions)
- ◆ Steering and Working Groups

8. Project Governance

8.1. Depending on the uptake in membership of the Group, the profile of the Full Member Councils may change (eg new councils may opt to become full members, and existing full members may choose a different category of membership). This will have implications for the process of decision making, planning and programme governance.

8.2. As a result, consideration needs to be given to the membership of the Joint Committee and the Project Implementation Steering Group as well as the relationship between the Steering Group and the Social Care Sub Group. For example, there will be resource implications for cascade training of PPB for Social Care staff if other councils become Participating Members and this will be the subject of a future paper.

9. Conclusions

- 9.1. Whilst the initial options paper discussed in December 2017 achieved a degree of support from the existing Member Councils, there was not a consensus from all eight councils.
- 9.2. There was, however, unanimous agreement that if associate membership was still to be on offer to other councils, there should be some form of financial contribution from them in order to access the Clyde Valley projects and its benefits.
- 9.3. With these two factors in mind, it is the recommendation of the Clyde Valley Learning and Development Project Implementation Steering Group that:-
 - ◆ the above proposal to reshape the Project's membership structure should be trialled as a pilot project
 - ◆ the pilot should include adopting the funding model proposed, and that this should be presented to all current Member and Associate Members
 - ◆ the funding model should be subject to the constraints of a minimum number of five Full Members and that the tariff should be reviewed on an annual basis
 - ◆ the Joint Committee Minute of Agreement should be re-written to reflect the revised membership structure, categories of membership and charter of membership responsibilities
 - ◆ the Social Care Sub Group should have its status raised to an equal level of governance to that of the Project Implementation Steering Group in order to reflect its own strategic direction and management of resources
 - ◆ it is recommended that each council signs up to a charter of responsibilities for each category of membership, in support of these proposals

10. Employee Implications

- 10.1. 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.
- 10.2. 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.

11. Financial Implications

- 11.1. The new model being proposed represents a fairer distribution of costs to the wider group and in most cases will be financially attractive in terms of value for money. Based on the current Clyde Valley membership (the eight current member councils), retaining their Full Membership status, the new proposal would increase the contribution from the current £32,000 to £59,000.
- 11.2. Thereafter, additional income will be dependent on any of the current Associate Members (or potential new Members) agreeing to take up one of the membership categories and pay a financial contribution in order to access the benefits.
- 11.3. 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 lead authority agrees an acceptable minimum level of funding (currently proposed to be £59,000) before proceeding.

12. Other Implications

- 12.1. If funding is not secured to the agreed minimum level or the minimum number of Full Member Councils is not achieved, this proposal will be reviewed and an alternative proposal developed.
- 12.2. There are no implications for sustainability in terms of the information contained in this report.

13. Equality Impact Assessment and Consultation Arrangements

- 13.1. 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.
- 13.2. Consultation has been undertaken with members of the Project Implementation Steering Group, who represent the eight Clyde Valley Member Councils, all of whom contribute to funding. In addition, consultation has also taken place with South Lanarkshire Council's Legal Services.

Gill Bhatti

Chair

Clyde Valley Learning and Development Project Implementation Steering Group

21 May 2018

Previous References

- ◆ 4 December 2017 – Item 5 - 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
- ◆ Consultation Paper – February 2018

Contact for Further Information

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

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