

To: ALEOs and EXTERNAL BODIES MONITORING COMMITTEE	Subject: FINANCIAL COMMITMENTS TO COMMUNITY AND VOLUNTARY ORGANISATIONS AND EXTERNAL BODIES 2016/17: UPDATE REPORT	
From: STRATEGIC ADVISER (ALEOs and EXTERNAL BODIES)		
Date: 18 July 2016	Ref: KH/JL	

1. Purpose of the Report

- 1.1 The purpose of this report is to provide the ALEOs and External Bodies' Monitoring Committee with an update of the development of a high level register of the Council's financial commitments, by way of grant funding, to community and voluntary organisations and external bodies in financial year 2016/17.

2. Background

- 2.1 At its meeting on 17 May 2016 Committee considered a report identifying the external organisations where the Council has significant interest and which therefore need to be monitored against the Council's expected aims, objectives, financial provision and governance arrangements in accordance with the approved Terms of Reference, public accountability and 'Following the Public Pound' principles.
- 2.2 Members noted that as the Council is not considered to exert control or influence over voluntary and community organisations funded through Service Level Agreements or Council grants, these bodies are outwith the remit of this committee. However in order to provide members with oversight of public money spent through external bodies delivering services which contribute to the Council's Corporate Plan and strategic priorities, a separate Register of Financial Commitments would be presented to a future meeting.
- 2.3 This Register will also include details of associate companies or organisations whose financial and operating policies can be significantly influenced by the Council, often through representation on a Board of Directors or consortium - such as SEEMIS and Scotland Excel - which due to materiality considerations, are not considered to require significant Committee attention.

3. Progress Update

- 3.1 The Council awards funding to voluntary and community organisations and external bodies where it can be clearly demonstrated that:
- The organisation is delivering services on behalf of the Council;
 - The organisation undertakes a statutory role;
 - There is a requirement for the Service, however, the Council does not provide it directly; or,
 - The organisation supports and contributes to delivery of the Council's Corporate Plan, Single Outcome Agreement and / or strategic priorities.
- 3.2 Funding is awarded by Service Committees where it can be demonstrated that an individual organisation's activities support the specific remit of the relevant Service and meet the objectives above. Funding programmes include the examples listed below, although members should note that this list is provided for illustrative purposes at this stage and is not exhaustive.
- i) The Grant Awards Programme and Community Grants Scheme, administered by Education, Skills and Youth Employment and considered by the Education Committee. Grants are awarded to support community and voluntary sector activity in furtherance of the Council's Corporate Plan, including supporting service delivery to improve inequalities;

- ii) Administration grants and support towards running costs, awarded by the Corporate Services Committee to community councils in accordance with the Local Government (Scotland) Act 1973.
- iii) Housing Services' grants to individual tenants' associations, including the umbrella body North Lanarkshire Federation of Tenants and Residents Associations, to support and facilitate tenant participation and engagement.
- iv) Early Years Change funding awards, considered by the Policy and Resources Committee and assessed in terms of the individual project or initiative's impact and contribution towards meeting the national stretch aims within the Early Years Collaborative.

3.3 Funding applications, and any subsequent awards, are subject to assessment and monitoring to ensure that suitably robust governance and financial management arrangements are in place, performance against objectives or targets remains satisfactory and the organisation continues to support delivery of the Council's priorities. The level of monitoring is proportionate to the level of funding awarded, the scale of activity and likely level of risk to the Council and service users.

3.4 The Council may enter into a formal Service Agreement or Funding Agreement with a voluntary organisation or external provider where there are specific services or responsibilities that we require the organisation to undertake on behalf of the Council. An individual Service Agreement is a legal document setting out what is expected from the arrangement, the money and resources provided, the accounting and audit requirements and the expected returns. It specifies the level and conditions attached to funding, governance, service delivery and performance monitoring and reporting arrangements in place between the Council and the organisation.

4. Financial Commitments Register 2016/17

4.1 A Financial Commitments Register capturing details of Council funding awarded in 2016/17 to support delivery of the objectives listed in paragraph 3.1 above is currently being prepared and will be submitted to a future meeting of this Committee. Members are requested to note the extent of this exercise given the range of funding streams administered by the Council, the number of organisations in receipt of funding and varying levels and purposes for which funding may be granted.

4.2 The Financial Commitments Register will provide members with a high level overview of awards to individual organisations, the levels of funding awarded and the broad purposes for which funding is granted. The Register will also indicate for members' information and future reference, the relevant Service Committee responsible for considering specific funding streams and the associated Service responsible for administering the funding application, any award and associated monitoring and reporting processes.

5. Recommendations

5.1 The ALEOs and External Bodies Monitoring Committee is requested to:

- i) Note progress to date in the development of the Financial Commitments Register; and,
- ii) Note that the finalised Financial Commitments Register will be submitted to a future meeting of this Committee to provide members with oversight of all bodies receiving Council funding in respect of services or activities delivered in furtherance of the Council's Corporate Plan, strategic priorities and service delivery or statutory responsibilities.



Strategic Adviser (External Organisations)