

Agenda item:

[No.]


VOLUNTARY SECTOR COMMITTEE

On 30th June 2009

Report Title. Review of Core Grant Funding for Community Centres, Legal and Advice Organisations 2010-2013, with a view to working towards social cohesion

Report of **Sharon Kemp, Assistant Chief Executive – PPP&C**

Signed :



Contact Officer : Jean Croot Head of Safer, Stronger Communities

Susan Humphries, Corporate Voluntary Sector Team Manager

Wards(s) affected: All

Report for: **Non-Key Decision**

1. Purpose of the report

- 1.1. To set out the reasoning for an independent review of 18 Voluntary Organisations (15 Community Organisations and 3 Legal and Advice agencies) for continuation of core funding for financial year 2010-2013 and to set out the process being used to undertake the review.
- 1.2. To inform the meeting of the budget provision available in 2010/11 and the limitation on varying funding arrangements due to budgetary constraints.
- 1.3. To work towards a model that meets the council's priorities to meet the needs of local communities.

2. Introduction by Cabinet Member (if necessary)

- 2.1. It is important that we work with the voluntary sector to ensure that the people of Haringey are getting good quality and appropriate services to meet their needs. The independent review will assess the work of voluntary sector organisations receiving core funding to identify any changes that to be undertaken so that the sector can thrive and play a full part in improving the quality of lives residents in the coming years.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1 Encouraging lifetime well-being, at home, work, play and learning
- 3.2 Promoting independent living while supporting adults and child when in need
- 3.3 Delivering excellent, customer focused, cost effective services.

Council Strategies

- 3.4 Haringey Local Area Agreement/Haringey Community Strategy

4. Recommendations

- 4.1. That the 18 Voluntary Organisations (listed in Appendix 1 point 2) whose 3 years funding ends on the 31st March 2010 be reviewed by an independent assessor. The assessor will evaluate and assess the work that the organisations have achieved over the past 3 years and are proposing to achieve over the next three years.
- 4.2. That, subject to a satisfactory review and budgetary constraints (5.6) funding provision to the total funding available to the 15 community organisations is maintained for a further 3 years at the 2009-2010 level, but that legal and advice agencies funding continues to receive inflation on a yearly basis, in recognition of the continuing and increasing demand due to the recession on the legal and advice services in the Borough.
- 4.3. That the review of legal and advice agencies is mindful of the agreement of the Voluntary Sector Committee (VSC) held on the 27th April 2009 which agreed that the Council and Haringey's Legal Services Partnership explore with the Legal Services Commission the establishment of a CLAC or CLAN in Haringey. (5.8)
- 4.4. That the recommendations of the review are submitted to the VCS in November 2009 for discussion and decisions.

5. Reason for recommendation(s)

- 5.1. The Council is committed to creating a thriving environment for the third sector. The organisations currently receiving core grant funding from the Council have been identified as key local agencies with a long standing association in supporting the Council and our statutory and voluntary partners.
- 5.2. Therefore the continuation of core funding is a vital funding stream for these organisation's strategic and policy development work and to the support the sustainability of a thriving third sector.
- 5.3. However, to make sure that the Council's investment is spent wisely and for the purpose it was given, it is prudent that organisations are independently evaluated and assessed (see Appendix 1 for the process). The review will inform decisions

on whether to provide continuing financial support to these organisations for a further three-year period from 1st April 2010-31st March 2013 by independently assessing each organisation's ability to be best placed in continuing to help shape a better future for the people of Haringey.

- 5.4. In this current review 18 groups will be assessed
- Fifteen (15) community organisations
 - Three (3) Legal and Advice agencies (see Appendix 1 pt2)
- The level of core funding allocated to the 15 community organisations in 2009-10 totals £ 783,700 and Legal and Advice totalled £828,100. These figures represent contributions to these organisations core costs.

- 5.5. The organisations will be assessed to determine whether they have, over the last 3 years, achieved to the Council's satisfaction:

- outcomes as stated in their last 3 year business plan,
 - outcome as stated in their last funding application submitted in 2007
- and that these organisations remain:
- fit for purpose,
 - provide quality services that meet identified need,
 - provide satisfactory financial assessment/solvency score,
 - satisfactorily demonstrate that the work they do epitomises a thriving third sector,
 - provide value for money,
 - are working in partnership with the Council and other stakeholders to promote community cohesion
 - Contribute towards a significant number of the Council's LAA and Community Strategy priorities.

- 5.6 Year on year there is an annual efficiency saving requirement on the core grants budget. This has restricted the Council's ability to increase grant funding in line with inflation and to meet any demands for additional or new funding requests. To date, with the exception of the legal and advice agencies, required efficiency savings have been met in part by the non-awarding of inflation to funded groups. As there are no unallocated resources in the grants budget, unless there is a recommendation to reduce funding to an existing funded organisation, it is unlikely that any increase can be made to any organisation in this review through existing grant provision.

- 5.7 The Terms and Conditions of Revenue Grant Aid are included at Appendix 2, and it is within this context that the grant funding is being reviewed.

Legal and Advice Agencies/Legal Services Commission

- 5.8 As part of the Legal Services Commission (LSC) 5 year strategy the LSC wishes to move towards the provision of integrated social welfare law services provided at local level through either a local Community Legal Advice Centre (CLAC) or if a physical centre is not an option, Community Legal Advice Networks (CLAN) with a lead agency being accountable for meeting the contract requirements and

ensuring well managed services are delivered to meet the needs of the local community. Part of the LSC vision is to work in partnership with Local Authorities by pooling resources in order to put in place either a CLAC or CLAN and to this end have approached Haringey to see if this is a feasible option for Haringey's advice services. The Voluntary Sector Committee held on the 27th April 2009 agreed that, along with Haringey's Legal Services Partnership, the Council explore with the Legal Services Commission the establishment of a CLAC or CLAN in Haringey. The findings of the independent assessors review of legal and advice agencies, although not directly making recommendation regarding a CLAC/CLAN, will help inform Council Officers working with LSC of the 'fit for purpose' of our currently funded legal and advice providers.

6. Other options considered

6.1. No other options were considered

7. Summary

The core funding provided by the Council is extremely important particularly at this time of economic downturn where the community is relying more on support services provided by voluntary and community organisations (VCO) and the Council is reliant on VCO to help shape and deliver services. Therefore the Council need to review core funded services to make sure they are meeting the needs of the community, are fit for purpose and provides value for money.

Core funding constitutes a vital income stream for these organisations because it both contributes towards their core costs (which charitable trusts, service commissioners, etc are reluctant to fund), and provides leverage for external funding to support direct services and/or projects.

A report with the recommendations on the review will be presented to the Voluntary Sector Committee (VSC) in December 2009.

8. Chief Financial Officer Comments

8.1 The Chief Financial Officer notes that budgetary provision has been identified to fund the proposed independent review of the 18 voluntary organisations set out in Appendix 1 and confirms the current budget allocations also set out in Appendix 1.

9. Head of Legal Services Comments

9.1 The head of legal Services notes the content and recommendations of the report
9.2 Under the Council's Constitution (Part 3 (D) Section 2 (2)) the Cabinet Voluntary

Sector Committee's terms of reference include consideration of the officer recommendation for future funding and agreeing the award of grant aid.

9.3 The Head of Legal Services confirms that there are no reasons preventing Members from approving the recommendation in this report.

10. Head of Procurement Comments – Not Applicable

11. Equalities & Community Cohesion Comments

After the review has been completed, impact assessments will be carried out to identify the equalities and cohesion implications (if any) of the recommendations. Until then, the Equalities and Diversity Team has no specific comments to make.

12. Consultation

- 12.1. All of the 18 organisations will be notified of the review in writing in July 2009. These organisations will have ongoing contact with, and support from, their monitoring officers and be kept informed of progress.
- 12.2. The assessor will contact the organisations following the dissemination of the self-assessment and application forms to ensure understanding of the review process
- 12.3. Officers in other departments will be invited to provide comments/observations as appropriate
- 12.4. Organisations will be given an opportunity to comment on the assessor report.

13. Service Financial Comments

- 13.1 A provision to a maximum of £20k has been set aside in the CVST staffing costs 2009/10, with the estimated cost for the independent assessor not exceeding this amount.

14. Use of appendices /Tables and photographs

15. Local Government (Access to Information) Act 1985

APPENDIX 1

1. Background

The Council's mainstream grants programme of £2.6 million is administered through the Corporate Voluntary Sector Team (CVST). The CVST provides funding to 43 organisations through 3 year core grant aid funding agreements. The distribution of this funding is divided into the following streams:

- Legal & Advice
- Community Centres
- Client Specific & Infrastructure Organisations

The CVST's grant programme for each of the above funding streams is operated on a three year rolling basis. The current three-year funding agreements for Legal & Advice and Community Centre Organisations are due to end on the 31st March 2010. Therefore, all eighteen (18) organisations funded under these streams will need to be evaluated and assessed to enable an informed decision for the continuation of core funding from 2010 - 2013.

2. Organisations to be reviewed are:

Legal and Advice Agencies	Current Budget Allocation 09/10 - £828,100
1. Haringey Citizens Advice Bureaux	£689,700
2. Haringey Law Centre	£117,900
3. Angolan and Cabinda Community Organisation	20,500
Community Organisations	Current Budget Allocation -09/10 £783,700
4. Asian Centre	£55,000
5. African Caribbean Leadership Council	£55,800
6. Alhijra Somali Community association	£21,400
7. Ethiopian Community Centre in the UK	£10,000
8. Haringey Chinese Centre	£55,000
9. Haringey Somali Community and Cultural Association	£ 4,000
10. Haringey Irish Cultural and Community Centre	£137,000
11. Hornsey Vale Community Association	£ 20,500
12. Jan Trust (addition to this round)	£18,000
13. Jackson Lane Community Centre	£55,000
14. Cypriot Community Centre	£95,000
15. Kurdish Advice Centre	£28,500
16. Kurdish Community Centre	£32,000

17. Selby Trust	£163,000
18. Innovation and Community Education (formally Asian Action)	£33,500

In recognition of the continuing demand on the legal and advice services due to the recession, the three Legal and Advice agencies have receive inflation on a yearly basis.

The 15 Community organisations have received a standstill budget over the last 3 years.

3. THE REVIEW

The purpose of the review is to establish whether the organisations continue to be fit for purpose and financially viable for the continuation of core funding for another three-year period from 1 April 2010 to 31 March 2013.

For continued funding after March 2010, all 18 organisations must also meet the eligibility criteria for funding, as follows:

- Be based in the Borough of Haringey, with at least 75% (and preferably 90%)¹ of users living and/or working in the Borough of Haringey
- Be a registered charity, and preferably be a company limited by guarantee
- Comply with legal and regulatory requirements in line with the services undertaken (e.g. entertainment licenses, appropriate CRB checks on staff, etc)
- Have a functioning management committee and appropriate governance arrangements including sound financial processes and accountability

Organisations will be required to demonstrate:

- How evidence of need is collated
- How the activities/service(s) will benefit the Borough and its residents, through the Local Area Agreement and what specific outcomes will be achieved because of it.
- How the organisation has addressed equality, diversity, social inclusion, community cohesion and sustainability
- How the organisation has demonstrated a commitment to access additional funding streams, thereby reducing their dependency on a single source of funding for its work in the Borough.
- How the organisation has demonstrated a commitment to exploring all opportunities for joint working with other organisations to improve the impact of their work and to reduce costs

And assessment will be made on whether:

- The organisations still represent 'value for money' and are 'fit for purpose' in terms of the quality and impact of service delivery both as a funded organisation and in how their services meet the needs of the local community and contribute to the Local Area Agreement
- They still meet the strategic objectives of the Council
- There is identified added value gained over the 3 years

¹ This figure to exclude the users of projects specifically funded for work that spans across more than one borough.

Organisations will need to submit audited accounts for the year ended March 2009 for assessment by the Council's Corporate Finance department and a 3 year Business Plan cover at least the first year of the new funding cycle.

Consideration will also be given to previous monitoring reports undertaken by the Corporate Voluntary Sector Team (CVST) and comments from other departments.

Organisations will be given feedback post assessment.

4. Independent Assessment

In order to implement the new 2010-2013 core grant funding agreements for Legal and Advice Agencies and Community Centre Organisations, an evaluation and assessment of their services needs to be undertaken through a review process. In line with previous reviews it is proposed that this review should be carried out independently in line with best practice.

The independent assessor will be managed through the CVST and the cost contained within the staffing budget of the CVST.

5. Community Organisations Funding Criteria

These organisations are those that provide all communities in the Borough with a generic cross-cutting range of services across the life stages of their client groups.

Applicants are required to demonstrate that they are committed to offering a range of activities: i.e. community support, facilities and/or services that provide economic educational and social interaction, recreation, events, programmes and meeting spaces that benefit the local community.

Services should be offered on an inclusive basis, across all age groups, from children to youth, adults and older people. People with disabilities and black and minority ethnic groups should be catered for and included equally in service provision.

6. Legal and Advice Agencies Funding Criteria

In the last funding review it was agreed that funding should be awarded to Quality Assured Services by an external agency e.g. Citizen's Advice, Law Centre Federation. The review therefore recommended funding with 2 dedicated advice providers in the Borough:

- Haringey Citizen's Advice Bureau (HCAB) – the funding of 3 Bureaux
- Haringey Law Centre (HLC)

A further funding arrangement was put in place to the Angolan and Cabinda Community Organisations both based at the Selby Centre who work in partnership to deliver specialist immigration advice.

7 PROPOSED TIMETABLE

PHASE 1: APPOINTMENT OF REVIEW AND ASSESSMENT OFFICER June 2009

1. Appointment of Independent Assessor
2. Put in place Contract Agreement

PHASE 2: PROJECT SCOPE & METHODOLOGY JUNE 2009

1. Review previous review outcomes to set benchmarks & project outcomes
2. Develop Project Scope & Plan based on Project Brief
3. To establish and undertake evaluation criteria. For example:
 - Has the organisation achieved its SLA and related Business Plan objectives?
 - Does the organisation and its 2009 – 2013 Business Plan fit well within Haringey's Community Strategy?
 - Does the organisation promote community cohesion?
 - Performance over the last three years
 - Current financial status
 - Organisational performance indicators i.e. is organisation robust, fit for purpose and value for money – represent a thriving sector
4. CVST letters to organisations advising them of the forthcoming evaluation, informing them of the review timeline and who will be conducting the review
5. Self Assessment Form to be sent to organisations
6. Request of information from organisations to include latest Business Plan and Fundraising Strategy to cover 2009-2013

PHASE 3: ANALYSIS OF PROVIDER INFORMATION & PROVIDER INTERVIEWS JULY – AUGUST 2009

1. Receipt of information and Self Assessment from organisations
2. Follow up any outstanding Self Assessment and information from providers
3. Consult with other Council departments
4. Collate information for the evaluator which will include:
 - Service Level Agreement and Terms and Conditions of Grant Aid
 - Submitted annual proforma of assessment and accountability covering the three year grant period
 - Latest submitted audited accounts
 - Last business plan and new business plan to cover period up to 2013
 - Monitoring history
5. Analysis and review of provided information and submitted documents
5. Interviews with Community Organisations and Legal and Advice Agencies

**PHASE 4: RESULT OF ASSESSMENT AND EVALUATION
SEPTEMBER – OCTOBER 2009**

1. Present individual organisation assessment to them for comments
2. Present overall assessment of performance to Cabinet Member
3. Present overall assessment of performance of Community Organisations and Advice agencies to relevant Council officers for comments
4. Collate feedback from key stakeholders and providers
5. Provide information to inform recommendations to establish outcomes for new SLA's in particular extract key information from 2009 – 2013 Business Plans and self assessment forms to prepare new SLA's
6. Establish recommendations including the next steps for poor performing providers
7. Report findings and recommendation to CEMB & CAB (if required)

**PHASE 5: ANNOUNCEMENT OF FUNDING DECISION
NOVEMBER – DECEMBER 2009**

1. Final Report with recommendations for a further 3 years funding to Voluntary Sector Committee
2. Inform providers of funding decision and outcomes
3. Providers to agree revised outcomes/ opportunity for feedback
4. Give 3 months notice and grant conditions for any new funding agreement
5. Share decision of funding with stakeholders

APPENDIX 2
GENERAL TERMS AND CONDITIONS OF REVENUE GRANT AID TO
VOLUNTARY ORGANISATIONS

DATED: TO

PARTIES

1. THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HARINGEY of Civic Centre, High Road, Wood Green, London N22 ("the Council")

2. ("the organisation")

BACKGROUND

- A The Council is a London Borough Council constituted under the London Government Act 1963 and enters into this Agreement pursuant to its powers under the Local Government Contracts Act 1997.
- B The Council has agreed to provide grant funding to the Organisation on the basis of the terms set out in this Agreement.
- C The Organisation has accepted the grant funding on the basis of the terms set out in this Agreement.

AGREEMENT

1 INTERPRETATION

- 1.1 In this Agreement these terms shall have the following meanings ascribed to them:
- (a) "Agreement" means the Agreement between the Council and the Organisation comprising these conditions, the schedules and any appendices;
 - (b) "Agreement Documents" means the documents comprising the Agreement;
 - (c) "Application Form" means the form completed by the Organisation when applying for grant aid from the Council, a copy of which is attached at Schedule 2.
 - (d) "Authorised Officer" means the person, representing the Council for the purposes of the Agreement, whose details are set out in Schedule 1 or that person's agent.
 - (e) "Grant Aid" means the amount of grant aid to be paid to the Organisation, as set out in Schedule 1, or as reduced by the Council under condition 16.1;
 - (f) "Grant Period" means the period described in Schedule 1;
 - (g) "Reserves Policy" means the policy attached at Schedule 3;
 - (h) "Service Level Agreement" means the additional terms relating to the funding of the Services, as attached at Schedule 4;

(i) "Services" means the services that the Organisation has agreed to provide, as described in the Service Level Agreement.

1.2 The headings of these conditions shall not affect the interpretation thereof.

1.3 The masculine includes the feminine and vice versa.

1.4 The singular includes the plural and vice versa.

1.5 Reference to any enactment, order, regulation or other similar instrument, shall be construed as a reference to the enactment, order, regulation or instrument as amended by any subsequent enactment, order, regulation or instrument.

1.6 This Agreement is governed by, and is to be construed in accordance with, English law.

2 GRANT FUNDING

2.1 Subject to the Organisation's compliance with the terms and conditions of this Agreement, the Council agrees to pay the Grant Aid to the Organisation for the Grant Period.

2.2 Subject to the Organisation's compliance with the terms and conditions of this Agreement, the Council shall pay the Grant Aid to the Organisation at the times specified in Schedule 1.

2.3 The payment of Grant Aid is subject to the Council's Reserves Policy which is attached as Schedule 3 to this Contract.

2.4 The Organisation must provide its services within the area of the London Borough of Haringey and/or for the benefit of some or all of the residents of the London Borough of Haringey.

2.5 The Organisation must apply all grant money received from the Council only for the following purposes:

- (a) towards the promotion of the objects of the Organisation as stated in its Constitution or other governing document; and
- (b) in accordance with the objects and purposes specified on the Application Form and approved by the Council in writing; and
- (c) in accordance with any Service Level Agreement

3 THE ORGANISATION

3.1 The Organisation must be properly constituted and must, on request, provide the Council with a copy of its Constitution, Rules, Trust Deed or Memorandum and Articles of Association, or other governing documents.

- 3.2 The Organisation must comply with its governing documents in the conduct of its affairs and must notify the Council in writing immediately of any material changes thereto.
- 3.3 The Organisation must have a management committee or its equivalent ("Management Committee") which must include a Chair, Secretary, Treasurer or other equivalent responsible officers, and which must meet regularly and not less than three times per year.
- 3.4 The Organisation must inform the Council of the names and contact addresses of members of the Management Committee and of any changes to these details.
- 3.5 Voting members of the Management Committee shall not include the following persons:
- (a) officers of the Council who in the course of their employment have contact with or the possibility of exerting influence over grant aided voluntary organisations;
 - (b) elected Members of the Council;
 - (c) paid employees of the Organisation (but who may attend meetings for the purpose of providing reports and taking minutes).
- 3.6 The Management Committee or its equivalent must keep proper minutes of its meetings and which must be available for inspection by the Council.
- 3.7 The Organisation must hold an Annual General Meeting in accordance with the relevant conditions of its Constitution or other governing documents, reasonable notice of which must be given to the Council. The Meeting must be open to all members of the Organisation and may be attended by Council Officers.
- 3.8 The Organisation must have and comply with an equal opportunities policy in both employing staff (as per Section 11.0), and in offering services and activities to the community.
- 3.9 The Organisation must have and produce to the Council as and when required a copy of its reserves policy.

The Organisation's publicity material

- 3.10 In accordance with the provisions of the Local Government Act 1986 (as amended) the Organisation must not publicise, or cause or permit to be publicised, any material which, in whole or in part, appears designed to affect public support for a political party; nor otherwise engage in party political activities.
- 3.11 The Organisation must acknowledge that it is in receipt of grant aid from Haringey Council in all appropriate literature and publicity material including, but not limited to, advertisement of services and advertisements for posts within the Organisation which are funded or part funded by the Council.

4 CONTRACTUAL RELATIONSHIP

- 4.1 The Organisation is not an employee or an agent of the Council. Neither the Organisation nor its employees or agents shall in any circumstances hold themselves out as being the employee or agent of the Council and they are not authorised to enter into any Agreement on behalf of the Council or in any other way to bind the Council to the performance, variation, release or discharge of any obligation.
- 4.2 The Organisation is responsible for all acts and omissions of its employees and agents and the Council is not responsible, and cannot be held liable, for any act or omission of any person engaged by the Organisation in relation to the Service provided under this Contract.
- 4.3 The Organisation is responsible for the payment of all taxes, National Insurance contributions, and levies of any kind which he is obliged by law to pay. The Organisation is also responsible for the payment of all fees/wages, income taxes, National Insurance contributions, and levies of any kind, relating to or arising out of the engagement of any person employed or contracted by the Organisation in relation to the provision of Services under this Contract.

5 FINANCIAL PROVISIONS

- 5.1 The Organisation must establish, maintain and demonstrate adherence to proper, clear and accountable organisational and financial procedures and accounting systems in relation to grant aid received from the Council and in the general conduct of its affairs. Such procedures and systems shall include, but are not limited to, the matters referred to in these terms and conditions.
- 5.2 Where practicable, the Organisation shall use the same financial year as the Council (i.e. 1st April to 31st March).
- 5.3 The following basic records and files shall be maintained by all Organisations in a form appropriate to the size and nature of the Organisation:
- (a) Cash Book;
 - (b) A separate bank account in the name of the Organisation;
 - (c) Invoices and receipts to support all income and expenditure, including petty cash;
 - (d) An Inventory of all items of value held by the Organisation which have been purchased with the assistance of Council grant aid which shall include a brief description of the item, its cost, date of purchase, and, if sold, the date of sale and income realised.
- 5.4 The following shall apply to the Organisation's bank account:
- (a) Only designated persons shall draw on the Organisation's bank account;
 - (b) at least two signatories shall be required on all cheques, one of whom shall be a member of the Organisation's Management Committee (preferably the Treasurer) and the other one of whom may be another Member of the Management Committee or the

Organisation's "Finance Worker" or other worker nominated by the Management Committee.

- 5.5 The Organisation must keep all documents relating to its audited accounts for a minimum of three years from the date of completion of the audit.
- 5.6 The Council shall not be responsible for meeting any expenditure commitments not previously authorised by the Council in writing which the Organisation is unable to meet whether as a result of default of debtors or otherwise.

6 PROVISION OF INFORMATION TO THE COUNCIL

- 6.1 The Organisation must provide the following information to the Council at the times specified by the Council:
- (a) a completed Pro-Forma of Assessment and Accountability;
 - (b) at the end of each financial year, a complete final set of its annual accounts;
 - (c) a statement of estimated income and expenditure for the forthcoming financial year;
 - (d) if in existence for more than one year, the previous year's annual accounts;
 - (e) if the Organisation receives grants or income from any other source or has substantial income and produces accounts incorporating all grants received including those from the Council, it shall produce both a complete final set of accounts and a separate statement showing how the grant from the Council has been spent.
- 6.2 In addition to the items in paragraph 6.1, if the Grant Aid is more than £3,000 per annum, it must also provide the following:
- (a) an independently audited set of accounts relating to each year in which Grant Aid was provided, within six months of the end of the Organisation's financial year. The auditors' certificate shall be in an acceptable standard format. The auditor shall not be involved in the preparation of the books of account of the Organisation and must hold a recognised professional qualification; and
 - (b) An Annual Report on its work and activities which shall include a written statement as to the use to which the Council grant aid has been put.

7 ACCESS TO PREMISES

- 7.1 The Organisation shall grant the Authorised Officer access to premises from which it provides services and from which the Organisation is administered. Such visits by the Authorised Officer will normally be by reasonable prior arrangement but may on occasions be unannounced.
- 7.2 The Council will give the Organisation reasonable notice to inspect:
- (a) written records relating to services provided by the Organisation (excluding those containing privileged and/or confidential information which may in certain cases include the identity of users of the Organisation's services);
 - (b) any premises which the Organisation uses for the conduct of its activities; and/or
 - (c) any works undertaken or items of equipment purchased with the aid of Council grants.

- 7.3 The Organisation must provide the Authorised Officer with such information, documentation and proof as may reasonably be required from time to time in relation to:
- (a) the use made of present and past Council grants;
 - (b) appropriate statistics of the services provided by the Organisation to residents of the London Borough of Haringey including the users and/or beneficiaries of those services;
 - (c) policies and procedures of the Organisation; and
 - (d) compliance with the monitoring procedures referred to in section 9.
- 7.4 If requested by the Authorised Officer the Organisation shall provide the Officer the opportunity to talk confidentially to service users.

8 STATUTORY REQUIREMENTS AND INSURANCE

- 8.1 The Organisation shall observe all relevant statutory and legislative requirements in relation to its activities, including those relating to licensing of its activities, employment of staff, payment of salaries and wages, Premises and Health and Safety Legislation.
- 8.2 The Organisation shall take out and maintain adequate insurance to cover such liabilities as may arise or as may be specified by the Council from time to time, and in any case must include the following:
- (a) Public liability in the sum of £2,000,0000;
 - (b) Professional negligence in relation to activities undertaken by the Organisation in the sum of £1,000,000;
 - (c) Premises (where appropriate) and contents;
 - (d) Employer's liability in the sum of £10,000,000.
- 8.3 A copy of the Organisation's insurance policies shall be provided to the Council upon request.
- 8.4 The Organisation will indemnify the Council against all actions, claims, demands, proceedings, damages, costs, charges and expenses in respect of, or arising out of, the provision of Grant Aid in relation to the injury to, or death of, any person, or loss of, or damage to any property including property belonging to the Council. This does not apply to the extent that such injury, death, loss or damage arises out of the act, default or negligence of the Council, its employees or agents.
- 8.5 The Council accepts no liability whatsoever to the Organisation for any costs, claims, damages or losses incurred as a result of breach by the Organisation of any relevant statutory requirement in relation to its activities.

9 MONITORING

- 9.1 The Council must monitor and evaluate the performance of the Organisation to ensure that it is complying with these terms and conditions and, where relevant, any Service

Level Agreement. Monitoring shall be carried out in accordance with procedures provided to the Organisation, by the Authorised Officer. Additional monitoring arrangements may be applicable where a Service Level Agreement is agreed between the Council and the Organisation.

9.2 The Organisation must co-operate with the Authorised Officer involved in monitoring activities and shall supply to any such Officer(s) such information and/or documentation as may be requested in accordance with the monitoring procedure.

9.3 The Authorised Officer shall monitor The Organisation at least twice yearly.

10 SERVICE LEVEL AGREEMENT

10.1 The Organisation must, if so required, agree with the Council a Service Level Agreement which details the services the Organisation must provide, the standard to which such services must be provided, the monitoring procedure applicable and any other appropriate matters.

10.2 Where a Service Level Agreement is in place, the Organisation shall then operate in accordance with both it and these terms and conditions, and shall use the Grant Aid solely and exclusively for the purposes specified in the Service Level Agreement.

11 EMPLOYMENT PRACTICES AND CONDITIONS

11.1 All paid employees of the Organisation must have job descriptions and written particulars of employment in accordance with the Employment Protection (Consolidation) Act 1978, (as amended).

11.2 The Organisation shall be responsible for the negotiation and agreement of staffing levels, salaries and wages and other conditions of service for employees. Where an organisation employs five or more staff, stakeholder pensions must be made available to staff.

11.3 The Council will not meet the cost of any changes to conditions of service of the Organisation's employees resulting in financial commitments beyond those applying at the time of the grant application, unless such changes have been agreed by the Organisation's Management Committee and approved by the Council in writing prior to taking effect.

11.4 The Organisation must ensure that all employees are aware of their right to belong to and be represented by a Trade Union.

11.5 The Organisation must maintain a record of the details of job descriptions, grading, relevant qualifications and ethnic origin of all employees of the Organisation paid in whole or in part from Council grant aid monies.

- 11.6 The Organisation must supply to the Council details of new employees and any changes to posts funded by the Council.
- 11.7 The Organisation must operate an Equal Opportunities Policy which complies with the recommendations set out in the Code of Practice for the Elimination of Racial Discrimination and the Promotion of Equal Opportunity in Employment issued by the Commission for Racial Equality pursuant to section 47(1) and (7) of the Race Relations Act 1976 as amended by the Race Relations (Amendment) Act 2000.
- 11.8 The Organisation must operate fair and equal opportunity employment practices in relation to the recruitment, terms and conditions, pay, training, promotion and career opportunities of employees. The Organisation must not unlawfully discriminate within the meaning and scope of the provisions of the Race Relations Acts 1976, the Race Relations (Amendment) Act 2000, the Sex Discrimination Act 1975, the Equal Pay Act 1970, the Disability Discrimination Act 1995, or any statutory modification or re-enactment thereof relating to discrimination in employment. The Organisation must take all reasonable steps to secure the observance of these provisions by all employees or agents of the Organisation.
- 11.9 The Organisation must publicly advertise and fill all posts following a competitive interview procedure in accordance with the Organisation's Equal Opportunities Policy.
- 11.10 The Organisation's commitment to an Equal Opportunities Policy must be stated in any literature or publicity issued in relation to the advertisement of vacant posts within the Organisation.

12 DATA PROTECTION

- 12.1 The Organisation must comply with each of the provisions of the Data Protection Act 1998 as if it were a Data Controller including without limitation to the data protection principles set out in Schedule 1 to the Act and shall ensure that its agents and employees are trained in and comply with the data protection principles set down in the above Act.

13 FREEDOM OF INFORMATION

- 13.1 The Organisation recognises that the Council is subject to legal duties which may require the release of information under FOIA or any other applicable legislation or codes governing access to information and that the Council may be under an obligation to provide information on request.. Such information may include matters relating to, arising out of or under this Contract in any way.
- 13.2 Notwithstanding anything in this Contract to the contrary, in the event that the Council receives a request for information under the FOIA or any other applicable legislation governing access to information, the Council shall be entitled to disclose all information and documentation (in whatever form) as is necessary to respond to that

request in accordance with the FOIA or other applicable legislation governing access to information, save that in relation to any such information that the Council believes is Exempt information, the Council shall use reasonable endeavours to consult the Organisation as soon as reasonably practicable after receipt of such a request and shall not:

- (a) confirm or deny that the information in question is held by the Council; or
- (b) disclose the information requested,

to the extent that in the Council's opinion (having taken into account the views of the Organisation) that exemption is or may be applicable in accordance with the relevant section of the FOIA in the circumstances to all or any of the information requested.

- 13.3 Where the Council consults with the Organisation in accordance with Condition 13.2 above, the Organisation shall make its written representations so as to whether it believes the information falls within an exemption under the FOIA to the Council within 14 days of receiving the Council's request for consultation.
- 13.4 The Organisation shall indemnify the Council for any costs that the Council incurs, including but not limited to external legal costs, in seeking to maintain the withholding of information arising out of or under the Contract in any way that the Organisation wishes it to withhold, including but not limited to responding to information notices or lodging appeals against a decision of the Information Commissioner in relation to disclosure.
- 13.5 In any event the Council shall not be liable for any loss, damage, harm or other detriment however caused arising from the disclosure of any Exempt Information or other information relating to this Contract under FOIA or other applicable legislation governing access to information.
- 13.6 The Organisation will at all times assist the Council to enable it to comply fully with its obligations under FOIA or other applicable legislation governing access to information. In particular it acknowledges that the Council is entitled to any and all information relating to the provision of Grant Aid. In the event that the Council receives a request for information under the FOIA or any other applicable legislation governing access to information, and requires the Organisation's assistance in obtaining all or any such information, the Organisation will respond to any such request for assistance as its own cost and promptly and in any event within 10 days of receiving the Council's request (or other reasonable time period specified by the Council when making the request).
- 13.7 Other than as set out above the Council shall have no obligation to consult the Organisation where any request for information, whether under the FOIA or otherwise, touches or concerns the Contract.

14 NOTIFICATION OF CHANGES

- 14.1 The Organisation must immediately notify the Council in writing of any change in its circumstances which materially affects its financial position and/or its grant entitlement and/or its operations and activities.
- 14.2 The Council reserves the right to withhold payment of an approved grant and/or to demand repayment (either in whole or in part) of any grant awarded where such a material change has occurred.

15 DEFAULT PROCEDURE

- 15.1 The occurrence of one or more of the following events shall be considered a default under the Agreement:
- (a) The Organisation breaches one or more of these terms and conditions of grant aid;
 - (b) The Organisation breaches any Service Level Agreement;
 - (c) The Organisation ceases to operate or function or to provide the Services in respect of which the grant was approved;
 - (d) The Organisation has not provided satisfactory proof to the Council that relevant expenditure has been or will be incurred;
 - (e) The Organisation has not obtained any planning, licensing or other relevant statutory consent or permission required in relation to any of the Organisation's activities;
 - (f) The Organisation has not complied with any relevant statutory requirement or notice;
 - (g) There are reasonable grounds for suspecting that the Organisation or any one of its officers, employees or agents whilst acting in their capacity as officers, employees or agents of the Organisation have engaged in criminal activity (including but not limited to fly-posting within the London Borough of Haringey) or have sought or permitted others to do so on behalf of the Organisation;
 - (h) There are reasonable grounds for suspecting that the Organisation or any one of its officers whilst acting in their capacity as officers, employees or agents of the Organisation have allowed or permitted or not taken all reasonable steps to ensure that any organisation with which it contracts (including but not limited to the rental of premises) does not engage in criminal activity (including but not limited to fly-posting within the London Borough of Haringey);
 - (i) There are reasonable grounds for suspecting that the Organisation has failed to take all reasonable steps to ensure that any material which has been fly-posted within the London Borough of Haringey on the Organisation's behalf or which features the Organisation's name or address or identifying details are removed at the earliest opportunity;
 - (j) In the Council's opinion the Organisation is not suitably managed, staffed, accommodated and/or equipped to provide the services and/or undertake the activities for which the grant was approved;
 - (k) In any year the Organisation fails to spend more than 10% of the gross grant aid within the agreed period or in accordance with the agreed budget;
 - (l) In the Council's opinion the Organisation has not adhered to the Council's Reserves Policy (as set out at Schedule 3) of this Contract;

- (m) Any rent, service charge, or other debt lawfully due to the Council remains unpaid for more than three months following a written demand for payment.
- 15.2 If any of the events in condition 15.1 occurs, the Council may issue to the Organisation a notice ("Default Notice") which shall include a statement of the default and, where the default is capable of remedy, the steps required to be taken to remedy the breach and the time within which those steps must be taken.
- 15.3 Subject to condition 15.4, if the Organisation remedies the breach to the satisfaction of the Authorised Officer within the time frame specified in the Default Notice, no further action shall be taken. If the Organisation does not remedy the breach to the satisfaction of the Authorised Officer within the specified time frame, then the provisions of condition 15.4 shall apply.
- 15.4 Where the breach has not been remedied within the specified time frame, or is not capable of remedy, or if the Default Notice is the third or more issued within the Grant Period, the Authorised Officer may decide to withdraw the Grant Aid with effect from a date not sooner than two calendar months from the date of the decision. The Authorised Officer shall notify the Organisation in writing of this decision ("Officer's Decision"). The Organisation shall have a right of appeal from the Officer's Decision in the circumstances set out in condition 16.
- 15.5 The Council shall not be liable for any outstanding liabilities of the Organisation in the event of a grant being terminated.

16 APPEALS PROCEDURE

- 16.1 The Organisation may lodge a written appeal against an Officer's Decision under condition 15.4 within 10 working days of the date of the Officer's Decision. Any written appeal shall be addressed to the Authorised Officer, who shall arrange for the appeal to be presented to the next meeting of the relevant Council Committee for consideration. The Organisation shall be entitled to be represented at the relevant Council Committee meeting at which the matter is considered. If the Council Committee cannot meet prior to the date at which the Officer's Decision is to take effect, that date shall be extended until the date one week after that meeting is to take place.
- 16.2 The relevant Council Committee shall consider the appeal and shall make a decision in relation to the grant aid. The decision of the relevant Council Committee shall be final. The Organisation shall be advised in writing of the Council Committee's decision.
- 16.3 If the relevant Council Committee decides not to terminate grant aid it may attach additional conditions or requirements to the continuance of grant aid. Any such additional conditions or requirements shall be strictly complied with and any breach shall result in further action under section 15 above.

- 16.4 If the relevant Council Committee endorses the Officer's Decision, the Grant Aid shall be terminated effective from the date specified in the Officer's Decision (or such later date determined in accordance with condition 16.1).

17 REDUCTION OF GRANT AID

- 17.1 Where the allocation of resources within the Council requires efficiency savings to be made, the Council may pass these on as a reduction in Grant Aid.
- 17.2 Prior to making a decision to reducing the Grant Aid paid to the Organisation in line with efficiency savings, the Council will consult the Organisation and provide an opportunity for the Organisation to make representations.
- 17.3 If the Council decides to reduce the Grant Aid as a result of efficiency savings, the Council shall notify the Organisation in writing and the required reduction shall be made as at the next payment date, provided that at least two months' notice of the reduction has been given.

18 RECOVERY OF SUMS DUE

- 18.1 Wherever under this Agreement any sum of money is recoverable from or payable by the Organisation to the Council, that sum may be deducted from any sum then due, or which at a later time may become due to the Organisation under this Agreement or any other Agreement which the Organisation has with the Council.

19 DISSOLUTION

- 19.1 In the event that it becomes necessary to dissolve an Organisation this shall be done in accordance with its Constitution or other relevant Rules and Notice of the Meeting for Dissolving the Organisation shall be given to the Council.
- 19.2 The Council's obligation to pay Grant Aid shall cease as at the date of dissolution.
- 19.3 Should a resolution to dissolve the Organisation be adopted the Management Committee shall notify the Council of the amount of any unspent Grant Aid held by the Organisation and shall provide the Council with a final set of audited accounts to the date of dissolution.
- 19.4 Any unspent or otherwise uncommitted Grant Aid shall be refunded to the Council and any of the Organisation's assets purchased with Grant Aid shall be returned to the Council unless the Council agrees otherwise in writing.

20 CORRUPTION

- 20.1 The Council shall be entitled to terminate this Agreement or any other Agreement if the Organisation shall have offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do

or having done or having forborne to do any action in relation to the obtaining or execution of this or any other Agreement with the Council, or for showing or forbearing to show favour or disfavour to any person in relation to this or any other Agreement with the Council, or if the like acts shall have been done by any person employed by the Organisation or acting on their behalf (whether with or without the knowledge of the Organisation), or in relation to this or any other Agreement with the Council the Organisation or any other person employed by it or acting on its behalf shall have committed any offence under the Prevention of Corruption Acts 1889 to 1916 or, shall have given any fee or reward the receipt of which is an offence under subsection (2) of Section 117 of the Local Government Act 1972 or any re-enactment thereof.

21 THE COUNCIL'S RESPONSIBILITIES

21.1 Subject to the Organisation's compliance with all of the Conditions herein, the Council shall:

- (a) Act reasonably in all matters relating to the Organisation;
- (b) Ensure prompt payment of grant monies;
- (c) Maintain clear communication with the Organisation;
- (d) Give reasonable notice to the Organisation of any matter which affects or may affect the provision of grant aid;
- (e) Provide appropriate advice and support to the Organisation;
- (f) Provide written notice of any breach of the provisions herein and, where appropriate, provide the Organisation with a reasonable opportunity to remedy the breach;
- (g) Ensure the Organisation is given an opportunity to be represented at any public Council Committee meetings at which decisions affecting the Organisation's particular entitlement to grant aid may or shall be taken;
- (h) Make available to the Organisation any reports, documentation or any other publicly available material or information which may or shall affect the provision of such grant aid and ensure that the Organisation is given reasonable opportunity to make written representations thereon;
- (l) Respect the organisational and operational independence of the Organisation.

22 SPECIAL CONDITIONS

22.1 The Council reserves the right to make additional specific conditions which shall apply to the payment of Grant Aid to the Organisation and/or to determine that certain specific conditions of the terms and conditions shall not apply to the Organisation. Any such special conditions shall be notified to the Organisation in advance and incorporated into these Conditions by written agreement.

23 WAIVER

23.1 No failure on the part of the Council to exercise nor any delay in exercising any right or remedy hereunder shall operate as a waiver thereof and shall not prevent the Council exercising at any subsequent time any such right or remedy in accordance with its terms.

24 AMENDMENT

- 24.1 The Council reserves the right to amend these conditions at any time to comply with central government legislation and undertakes to notify the Organisation forthwith of any such amendments made which shall then be binding upon the Organisation.
- 24.2 The Authorised Officer shall seek the prior written agreement of the Organisation to any other proposed amendments.
- 24.3 In the absence of such written agreement the matter shall be referred to the relevant Council Committee whose decision shall be final and the terms and conditions shall be deemed amended and binding in accordance with that decision.

25. CHILD PROTECTION POLICY

- 25.1 Child Protection Policy, (whilst taking into account the Child Protection policy of the Council). If Child Protection issues arise they will be dealt with according to Organisation and London-wide Child Protection Procedures (a copy of London Child Protection Procedures will be made available upon request)
- 25.2 All child protection matters which arise in relation to this Contract shall be brought to the attention of the Authorised Officer and in their absence to the Council's Duty Child Protection Advisor The Service Provider shall ensure that the children, young people, families and vulnerable adults that they work with, understand that whilst in general, their confidentiality shall be upheld, any potential child protection concerns shall be reported to the Authorised Officer or the Duty Child Protection Advisor in the first instance.

26 SAFEGUARDING AND CHILD PROTECTION

- 26.1 All staff to have appropriate level of safeguarding and child protection training and be made aware of their personal responsibilities within
- 26.2 Information sharing and assessment protocols agreed and implemented across all services
- 26.3 Up to date policy, procedures and protocols
- 26.4 All record keeping to be clear and up to date
- 26.5 All staff to be clear on the need to put the needs of children first and to ensure that they have an understanding and commitment to working to safeguard children within a robust partnership framework
- 26.6 Implement shared protocols for information sharing and assessment
- 26.7 To inform the Council of any concerns on implementing policy and practice requirements with regards to ensuring all children remain safe

27. RECRUITMENT AND SELECTION:

- 27.1 The Service Provider must have a well defined recruitment policy, which is approved by the Council. This shall include: advertisement of vacancies in the press, short listing of applicants, interview and selection procedure, appointment of staff, induction period, probationary period, training and development and grievance and complaints procedures.
- 27.1 All staff must be appropriately vetted prior to taking up a post in the service. The Service Provider shall ensure that the recruitment and selection procedures include the following matters:
- 27.1.1 The Providers must obtain:
- Verification of ID (passport, birth certificate)
 - CRB Checks
 - work permit (if appropriate)
 - Drivers licence (if appropriate)
 - Certificates of training
 - Confirmation of claimed qualifications
 - Declaration of physical and mental fitness
 - Sex offenders register
 - General Social Care Register (when operational)
 - POCA – Protection of Children Act List
- 27.2 The rehabilitation of Offenders Act 1974 does not apply and therefore all staff working in the service are required to declare any previous convictions. If a member of staff declares or are found to have previous convictions, their employment/continued employment must be agreed with the Council.
- 27.3 The Service Provider shall ensure that all employees are checked through the Criminal Records Bureau, prior to taking up post. Enhanced CRBs are required for staff working directly with vulnerable children and young people and/or vulnerable adults. Written confirmation of the outcome of the CRB check shall be provided by the Service Provider to the Authorised Officer.
- 27.4 The provider will obtain CRB checks for all new staff and not rely on previous employers to have obtained one. Staff(s) should not have direct contact with young people until satisfactory CRB check has been obtained.
- 27.5 In the event that there are issues arising from the CRB check as specified above the Authorised Officer shall be informed.
- 27.6 Providers shall operate an Equal Opportunity Policy with regard to all aspects of staff employment, i.e. recruitment, training, policies, procedures.
- 27.7 The service provider will make available to the Council, upon request, the employment history of all staff employed and others who may have significant contact with service users. The service provider will take steps to validate information contained in the

employment history to ensure that, (as far as is reasonable), inappropriate people are not employed.

- 27.8 All successful applicants must be given:
- Written code of conduct
 - Safe working practices
 - Policies and procedures including complaints procedures
 - Induction and Training

28 STAFF

- 28.1 Staff shall be competent and experienced to deliver the specified service
- 28.2 Employees must be trained to be aware of the risks to and needs of children and young people and/ or vulnerable adults with whom they have contact.
- 28.3 The Service Provider shall maintain up to date records on employees, such as supervision, training, appraisal, formal complaints and monitoring of incidents/accidents. These records shall be made available to the Authorised Officer.
- 28.4 The Service Provider shall provide effective cover arrangements to ensure the continuity of service.
- 28.5 All staff must be given a structured induction period of training, documented procedures and must receive regular supervisions and ongoing management support.
- 28.6 The Provider must ensure that all staff are operating working practices which comply with all relevant legislation, which are designed to regulate their conduct.

29 TRAINING

- 29.1 The Service Provider shall have a training programme, which ensures that all Staff are properly trained to carry out the Service.
- 29.2 All staff must be given opportunities for training in order to assist them in their professional development and acquisition of relevant skills. Such training will be planned and ongoing. At no time should staff exceed their level of professional ability by performing tasks or parts of the service for which they are not qualified or trained.
- 29.3 Training requirements must include Health and Safety, the Data Protection Act and Child protection and safeguarding
-

IN WITNESS of which the parties have executed this Agreement [under hand/as a Deed] the day and year first before written

2 SIGNATURES for and on behalf of THE MAYOR]
AND BURGESSES OF THE LONDON]
BOROUGH OF HARINGEY by]

Name

Position

Date signed

Name

Position

Date signed

2 SIGNATURES for and on behalf of

Name

Position in Organisation

Date signed

Name

Position in Organisation

Date signed

SCHEDULE 1

Grant Aid: £ per annum (pro-rata)

Grant Period: [] years [date] to [date]

Payment details: Annually/quarterly in advance on [specify dates] in each year during the Grant Period

Authorised Officer:

Name: JEAN CROOT
Job title: Head of Safer and Stronger Communities
Address: LB Haringey Corporate Voluntary Sector Team
Phone: 020 8489 6934
Fax: 020 8489 2622
Email: jean.croot@haringey.gov.uk

SCHEDULE 2
Organisation's Application Form

PLEASE ATTACH A COPY OF YOUR APPLICATION TO THIS DOCUMENT.
HOWEVER IF YOU WISH US TO SEND YOU A COPY OF THE APPLICATION PLEASE DO
LET US KNOW

SCHEDULE 3 COUNCIL'S RESERVE POLICY

LONDON BOROUGH OF HARINGEY RESERVES POLICY FOR ORGANISATIONS APPLYING FOR OR IN RECEIPT OF GRANT FUNDING

While the Council encourages the financial independence of the community and voluntary sector it has a duty to ensure that the allocation of public funds through grant aid is appropriate and targeted at those organisations that will most benefit from these funds. It is important that the funding made available to the sector enables the recipients to develop voluntary sector activities and services in order to deliver long term objectives. Both the capacity and stability of community and voluntary organisations depend on good financial practices and how organisations manage their reserves is a key aspect to this financial practice.

The purpose of this policy is to clarify the Council's corporate approach to reserves held by organisations seeking grant aid support, its expectations of funded organisations and the practices it wishes to promote within funded organisations.

Haringey Council recognises that all funded voluntary and community organisations need to develop a level of reserves as a contingency against unforeseen circumstances, such as redundancy costs, staff sickness, maternity cover, IT renewal, building maintenance, or any cash-flow difficulties.

Unrestricted, designated and restricted reserves

Unrestricted funds: For the purpose of this policy the Council will in the main be considering the unrestricted funds held by an organisation

Designated Funds: The Council reserves the right to consider designated funds as part of the organisation's overall reserves available.² The allocation of designated funds by an organisation will be considered on their merit and the justification for holding these funds considered carefully as part of the Council's decision making process

Restricted funds: Within the organisation's SORPS accounts full explanations of these funds need to be given.

- Haringey Council expects that an organisation's reserves are appropriate to its annual turnover, the size of its workforce, its business and the scale of its operations. In line with the advice of voluntary sector strategic bodies and the general guidance of the Charities Commission, the Council encourages funded organisations to maintain or work towards reserves that are based on a realistic assessment of their reserves needs.

² Designated funds are effectively only provisions for a proposed future purpose and could potentially be transferred back into free reserves should the organisation choose to do so.

- In the context of a limited voluntary sector grants budget and to ensure that grant aid is targeted at supporting the sustainability and development of the sector for the future, the Council is unlikely to fund, through grant aid, those organisations whose reserves exceed 25% (i.e. 3 months running costs).
- Should an organisation's reserves exceed these levels the organisation will need to provide valid reasons to the Council, through an active and annually reviewed Reserves Policy, as to why grant aid should be awarded or continue to be paid. The Council will consider these reasons and weigh them up against the justification and benefits to the wider community and voluntary sector as a whole in providing a grant.
- Where a currently funded organisation has very low levels of reserves, the Council expects it to produce a plan, showing how this situation will be addressed. If the organisation's financial viability is in question, the council will also assess the ability of the organisation to manage its grant and to deliver its work programme.
- In line with the Council's Reserves Policy the reserves held by an organisation will be considered as part of the organisation's annual review of their Audited Accounts by the Council's Finance Directorate.

Reserves Policy for Voluntary Organisations

The Charities Commission recommends that voluntary organisations have a written Reserves Policy, setting out the purposes for which reserves will be used and the reasons why reserves of a certain level are appropriate for the organisation and its business. In line with the Charity Commission the organisation's Reserves Policy must cover:

- The reason why the charity needs reserves;
- What level (or range) of reserves the trustees believe the charity needs;
- What steps the charity is going to take to establish or maintain reserves at the agreed level;
- Arrangements for monitoring and reviewing the policy.

SCHEDULE 4

SERVICE LEVEL AGREEMENT

The Organisation has accepted the contribution of core grant funding from the Council to provide the Services as defined below, and on the basis of the General Terms and Conditions of Grant Aid as supplemented by the following provisions.

1 Services

- a. The organisation will use the grant as a contribution towards core salaries and running costs for the furtherance of:
 - The aims, objectives, activities and services of the organisation as outlined in the application and business plan for core funding 2009-2012
 - Working strategically in partnership with the Council and with other key stakeholders, community and voluntary organisations in achieving the organisations defined outputs and outcomes as outlined in your Business Plan.

2 Organisation's Obligations

- 2.1 The Organisation shall ensure that the standards of service required by the Agreement are being delivered and that the Service is provided in accordance with the Agreement continually throughout the Grant Period.
- 2.2 The Organisation shall upon the request of the Authorised Officer demonstrate that the standards of service required by the Agreement are being delivered continually throughout the Grant Period.
- 2.3 The Organisation shall comply with any instruction of the Council to rectify any deficiency in quality of the Service within the time stipulated by the Council in such instructions. This will be done at no cost to the Council.
- 2.4 The Organisation shall immediately report to the Authorised Officer any significant event, incident, accident or absence, which affects or is likely to effect the delivery of the Service.

3 Duty of Care

- 3.1 The Organisation shall exercise reasonable skill, care, and diligence, and provide the Services in an efficient and professional manner and in accordance with any applicable statutory requirements.

4 **Additional Insurance Requirements - Professional Negligence**

4.1 In addition to the insurance requirements set out in the General Terms & Conditions, the Organisation shall maintain an insurance policy against the risk of professional negligence on the part of the Organisation and persons engaged by it to the sum of [insert amount of cover - minimum £1,000,000.00]. The Organisation shall supply to the Council upon request a certificate from its insurers or brokers confirming its insurance policy.

5 **Quality Assurance**

5.1 The Organisation shall ensure that they do not engage in behaviour or activities that are contrary to the Council's interests or which brings the Organisation or the Council into disrepute;

6 **Policies and Procedures**

6.1 The Organisation shall have written policies, procedures, guidelines and/or clear statements which are known to all their personnel which should be acceptable to the Council including but not limited to the following:

- Equal opportunity policy;
- Confidentiality;
- Risk Management;
- Complaints Procedure;
- Service Monitoring/Organisation's Quality Assurance Programme.

7 **Additional Monitoring Arrangements**

7.1 In addition to the arrangements set out in the General Terms and Conditions, monitoring arrangements between the Council and the Organisation will involve:

(a) **Meetings**

- (i) The Organisation shall meet with the Authorised Officer (or his/her representative) to a minimum of twice yearly to discuss the Services being provided.
- (ii) Annual reviews of the Agreement conducted by the Authorised Officer, which will include quality monitoring. Discussions may include the statutory reports and complaints and compliance with practice standards.

7.2 Following the implementation of the Organisation's complaints resolution procedure, complaints that remain unresolved will be reported to the Council.

7.3 Any positive feedback will also be shared.

8 Standard To Which Service To Be Provided

8.1 The services and activities supplied will be in accordance with the following documents and information:

- **Business Plan and your application for funding (Schedule 2)**

These documents and indicators will provide guidance to the assessment and review processes described in this document and the General Terms and Conditions.

9 Performance Indicators

- To achieve the objectives as set out in the Business Plan and your application for funding (Schedule 2)