

Report To: Environment and Regeneration Committee **Date:** 14th January 2016

Report By: Corporate Director, Environment Regeneration and Resources **Report No:** RC/16/01/07/sj/sl

Contact Officer: Stuart W. Jamieson **Contact No:** 01475 715579

Subject: Governance of External Organisations – Inverclyde Community Development Trust

1.0 PURPOSE

1.1 As part of the governance of external organisations annual reports require to be presented to Committee which highlight regular monitoring arrangements and appropriate governance.

2.0 SUMMARY

2.1 Inverclyde Community Development Trust (The Trust) is a third sector organisation which provides commissioned works to the Council in both the HSCP and Employability sectors. These works vary from commissioned to fully tendered services.

2.2 The Trust operates from several locations in Port Glasgow and Greenock and provides services across the local authority area.

2.3 The Trust has a Board of Directors (including three Elected Members) and operational responsibility falls to the Chief Executive and a team of staff.

2.4 Regular Board meetings take place which are attended by, in addition to Elected Members, senior officers of the Council. Regular monitoring meetings take place covering the works undertaken by the Trust on behalf of the HSCP and the Regeneration and Planning Service.

3.0 RECOMMENDATION

3.1 That Committee note that appropriate governance arrangements exist for Inverclyde Community Development Trust (The Trust).

Stuart W. Jamieson
Head of Regeneration and Planning

4.0 BACKGROUND

- 4.1 Inverclyde Community Development Trust (The Trust) is a third sector organisation which provides commissioned works to the Council in both the HSCP and Employability sectors. These works vary from commissioned to fully tendered services.
- 4.2 The Trust has a Board of Directors (including three Elected Members) and operational responsibility falls to the Chief Executive and a team of staff.
- 4.3 Regular Board meetings take place which are attended by, in addition to Elected Members, senior officers of the Council. Regular monitoring meetings take place covering the works undertaken by the Trust on behalf of the HSCP and the Regeneration and Planning Service. Audited accounts are produced on an annual basis.
- 4.4 The Trust relies heavily on funding from the Local Authority and the HSCP with 86.5% of their income coming from these two sources. Although they were able to increase funding from the big lottery, heritage lottery and creative Scotland last year, this helped soften the cut in funding from the Council and HSCP.
- 4.5 Since 2011, turnover has reduced by 37.3%, net profit by 80.14% and the number of employees has reduced by 36.63%.
- 4.6 It is evident that The Trust is attempting to diversify its funding sources through initiatives such as Newark Products and gaining contracts outwith Inverclyde.
- 4.7 The audited accounts have been reviewed and found to be satisfactory. Colleagues in Finance have carried out a Dunn and Bradstreet report and The Trust demonstrates a good rating and low risk of failure.
- 4.8 The Trust is due to implement a new management structure in 2017.

5.0 IMPLICATIONS

5.1 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

5.2 Legal

None.

5.3 Human Resources

None.

5.4 Equalities

None.

5.5 Repopulation

None.

6.0 CONSULTATIONS

6.1 Chief Financial Officer: comments are incorporated within the report.

6.2 Head of Legal and Property Services: no requirement to comment.

6.3 Head of Organisational Development, HR and Communications: no requirement to comment.

7.0 LIST OF BACKGROUND PAPERS

7.1 N/A