

ITEM 4

19 Aug 2010 Version v2: Draft Dispute Resolution Process: (Following concerns raised as part of ongoing service delivery and monitoring, annual or final year reviews.)

This draft process will be further developed as part of the Standard Procedures Subgroup work area arising from the 16 March 2010 Cabinet Report on the Grant Review. This will involve consultation/input from Grant Officers across the Council and Voluntary and Community Sector during 2010-2011.

GO/Grant Team = Grant Officer and/or Team responsible for monitoring/managing the Grant eg Voluntary and Community Sector Team.

“Risk to the Council” = breach of Grant Aid terms, bringing the Council into disrepute, risk of not achieving Council priorities

	Details	Decision/Outcome
Concern Identified	<p>GO/Grant Team identifies concerns about the performance and/or sustainability of a service are identified. For Example:</p> <ul style="list-style-type: none"> • failure to provide monitoring information, complaints not being dealt with correctly, • service is not being delivered as agreed or concerns about the capacity/sustainability of the service • safeguarding concerns / financial irregularities • other elements of the Grant Agreement are not being followed 	<p>Note: Fundamental Breach of Grant Aid Terms may lead to immediate termination. (See Appendix 1: Extract from Standard Grant Agreement)</p>
Stage 1 Informal contact	<p>GO/Grant Team contacts the Provider to raise the concern and:</p> <ul style="list-style-type: none"> • Get further information (it may also be appropriate to carry out an in-depth review/audit of the service to achieve this) • Agree actions, responsibilities and timescales to address concerns, evidence required to demonstrate that the concern/s have been addressed and the role of other stakeholders • Consider whether the formal dispute process set out in the Grant Agreement should be followed <p>For serious/complex concerns it is anticipated that a meeting or series of meetings will be required to identify the issues and agree an Action Plan to address the concerns. Further meetings may be arranged to confirm progress and agree additional actions. The Action plan will consider additional support/expertise that may be required, training and other action to develop capacity of group. Timescales for the Action Plan will be appropriate to the concerns raised, the risk to service users or the Council and the capacity of the Provider to carry out the actions agreed.</p> <p>Grant Aid agreement identifies 21 days as the max. time for resolution of a concern through an informal approach (routine liaison or review). GO may consider extending this timescale if</p>	<p>If agreed action carried out and evidence is provided no further action required. Outcome logged on the Provider's file</p> <p>If:</p> <ul style="list-style-type: none"> • agreed action is not carried out • evidence is not provided • no agreement is reached • concern is serious.... <p>Go to Stage 2.</p>

	<p>appropriate - dependent upon the seriousness of the concern, the risk to service users or the Council and capacity to deliver the agreed Actions.</p> <p>GO will keep a record of the concern, action taken and progress on the Provider's file.</p>	
Stage 2 Formal	<p>GO/Grant Team issues a written notice of disagreement, containing details of the concerns and actions required to address this disagreement.</p> <p>Grant Aid agreement identifies 21 days as the max time for resolution of a disagreement following a written notice. GO may extend this if appropriate dependent upon the seriousness of the concern, the risk to service users or the Council.</p> <p>GO/Grant Team will consider at what stage it is appropriate to inform Lead Cabinet Member, Strategic Director and Compact Forum Chair. Compact Forum will be updated at next available meeting.</p> <p>If Termination is being considered the agreement of the Lead Cabinet Member and/or Strategic Director will be required, and agreement on how the decision will be reported to Cabinet. The GO will also develop an exit strategy for the service which will consider whether an alternative provider is required and/or whether there are alternative services available. The exit strategy will consider whether an Equality Impact Assessment is required.</p>	<p>If Provider does not resolve concern, or does not take significant steps to resolve the concern within 21 days, either party may terminate the agreement by giving 3 months written notice.</p> <p>The notice period may be extended by the Council, dependent upon the circumstances of the dispute.</p>
Stage 3 Decommissioning	<p>GO/Grant Team and Provider will agree an Action Plan for decommissioning the Service which will consider:</p> <ul style="list-style-type: none"> • Information to service users and other stakeholders • Whether funding should be returned to the Council, whether the Provider intends to continue to provide the service. 	

Appendix 1: Extract from Standard Grant Agreement:

“Fundamental Breach

- 12.1 If the Organisation breaches any of its obligations in this agreement, the Councils and the Trusts have the right to serve a notice to remedy the breach on the terms and within the time stated in the notice.
- 12.2 The Councils and the Trusts will treat the following circumstances as a fundamental breach causing this agreement to cease immediately:
- (1) the Organisation fails to comply with a notice to remedy a breach or commits a material breach which is incapable of remedy
 - (2) the Organisation ceases to provide the Service

- (3) the Organisation becomes insolvent, is subject to a winding-up resolution, has an administrator, receiver or liquidator appointed or is dissolved.
- (4) there is a breach relating to the prevention of corruption as specified in Section 13 of this agreement.”