

## **DUNDEE CITY COUNCIL**

**REPORT TO: SOCIAL WORK COMMITTEE – 17 March 2003**

**REPORT ON: PAYMENT FOR SERVICES PROVIDED BY  
TAYSIDE COUNCIL ON ALCOHOL**

**REPORT BY: DIRECTOR OF SOCIAL WORK**

**REPORT NO: 239-2003**

### **1.0 PURPOSE OF THE REPORT**

This report recommends a revised level of payment for 2002/03 for services provided by Tayside Council on Alcohol.

### **2.0 RECOMMENDATIONS**

It is recommended that the Social Work Committee:-

- 2.1 agree a revised payment of £17,528 in 2002/03 for the services provided by Tayside Council on Alcohol.

### **3.0 FINANCIAL IMPLICATIONS**

The cost of implementing this report will be met from existing resources within the Social Work Department budget.

### **4.0 LOCAL AGENDA 21 IMPLICATIONS**

The proposals within this report are within Agenda 21 objectives.

### **5.0 EQUAL OPPORTUNITIES IMPLICATIONS**

The proposals meet the councils' Equal Opportunities Policy.

### **6.0 BACKGROUND**

- 6.1 Report no 462-2002, "Payments for Service Provided by Voluntary Bodies 2002/03" made recommendations on funding levels for voluntary organisations which provide services on behalf of the Social Work Department. This report recommended that a payment of £15,625 should be made to Tayside Council on Alcohol (TCA). However, it was also noted that a rolling programme of reviews was underway, and that further recommendations on funding may be forthcoming. One of these reviews was on the activities and funding structure of Tayside Council on Alcohol (TCA).

- 6.2 In addition, in April 2002, Committee agreed to a one-off contribution of £5,340 towards TCA's deficit in 2001/02, on the understanding that a best value review of services provided would subsequently be undertaken.
- 6.3 This review has now been completed. It was carried out by officers from Dundee City Council, Angus Council, Perth & Kinross Council and Tayside NHS Board, and with the full co-operation of TCA officers.
- 6.4 The review has identified that TCA provides a wide range of services to local authorities, private sector organisations, health service bodies and of course individual service users. The organisation also has a prominent role in influencing alcohol policy, both locally and nationally, and in providing informed comment to the media.
- 6.5 TCA has been successful in attracting development funding from a number of sources, including the Community Fund, Lloyds/TSB and the Changing Children's Services Fund. This has resulted in a complex funding position. To ensure that the local authority was not subsidising projects which should have been fully funded from external sources, a detailed examination of the costing and funding arrangements was conducted. This was intended to clearly identify the true costs of the counselling service, as this is the service which local authorities and health have been funding up to now.
- 6.6 Simultaneously a detailed examination of activity across the different services and across the three local authority areas was carried out. This identified that there was scope for charging commercial organisations and some public sector bodies a rate which more properly reflected the actual cost of providing services. A revised charging policy has now been implemented, thus generating income for TCA. This process also identified the volume of work carried out on behalf of criminal justice services, and the Tayside CJS Partnership has now agreed to pay for this activity.
- 6.7 As a result of the financial review, it is recommended that a revised method of funding the counselling service is adopted. This involves separating out the fixed costs, which are essential to allow TCA to maintain capacity to provide services at all, and the variable costs, which depend on the amount of counselling carried out. Tayside NHS Board has agreed to meet 50% of the overall costs. The remaining fixed costs will be split between Dundee, Angus and Perth on a population basis, while the remaining variable costs will be split according to the number of service users from each local authority area
- 6.8 The effect of this for Dundee is to increase our contribution by £1,903 to £17,528. However, our proportion of the overall funding requirement will reduce, and this ensures that Dundee does not pay more simply because the organisation is physically based in Dundee.
- 6.9 It is expected that a common service specification can be developed between the three local authorities, and this is currently being progressed. Further research into the most cost-effective means of delivery of counselling services will also continue.

## **7.0 CONSULTATION**

The Chief Executive, Director of Support Services and Director of Finance have been consulted on the preparation of this report

## **8.0 BACKGROUND PAPERS**

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

## **9.0 SIGNATURE**

Alan G Baird  
Director of Social Work

Date: 7 March 2003