

## **EAST AYRSHIRE COUNCIL**

### **DEVELOPMENT SERVICES COMMITTEE: 21 NOVEMBER 2000**

#### **WEST OF SCOTLAND ARCHAEOLOGY SERVICE: FUNDING ISSUES**

##### **Report by Director of Development Services**

### **1. PURPOSE OF REPORT**

- 1.1** To advise Committee on the progress of discussions, regarding funding of West of Scotland Archaeology Service and the Council's future involvement following examination of the possible options.

### **2. BACKGROUND**

- 2.1** This Committee received a report at its March 2000 meeting, which detailed the conclusions of the draft Business Review of the West of Scotland Archaeology Service. The review was prompted by East Renfrewshire Council giving its notice of withdrawal following its assessment of the inequitable funding arrangements in place. It was noted by Committee, in March, that the costed options set out in that Review would have required this Council to substantially increase contribution to West of Scotland Archaeology Service indeed a 69% increase. Accordingly, to protect its position, and to provide best value, Development Services Committee agreed to issue a formal Notice of Withdrawal from West of Scotland Archaeology Service. This was issued in March 2000. Since then, further discussions at officer level, have been held with other Councils, and West of Scotland Archaeology Service, to examine alternative funding options, that either minimised or remove the need for any increase in funding contributions.

### **3. REVISED FUNDING PROPOSALS**

- 3.1** Revised funding structures have been developed that recognise the inequitable arrangements currently in place and the desire to cap funding contributions. The proposal recognises that funding contributions should reflect usage and thus 3 categories; high, medium and low are suggested. Contributions for medium users (such as East Ayrshire) would be capped in the financial year 2001/02 at existing levels (ie £11,000) with a small 2% increase anticipated in 2002/03 (raising the contribution to £11,220) and again of 2% in 2003/04 (raising the contribution to £11,444).
- 3.2** This proposal would result in all the West of Scotland Archaeology Service budget reserves being expended by the end of the financial year 2003/04 and if it was to continue the increase in the financial year 2004/05 would be more

substantial. This option, however, was identified as a way forward in the short to medium term, but given the longer term financial forecast it was recognised that a structural review would be required within a year from the Manager of West of Scotland Archaeology Service. This would ensure that a financial action plan could be agreed well in advance between all authorities, to enable costs to be brought into line with likely funding contributions. The proposal therefore provides for a continuation of a full service for at least three years with minimal cost implications. It also allows for a service level agreement to be agreed to ensure that a consistent level of service is provided to all Authorities. The option would require the Committee to cancel its notice of withdrawal, but it is suggested that any review should consider localised delivery.

#### **4. LEGAL IMPLICATIONS**

- 4.1** This proposal will require an amendment to the Minute of Agreement and a detailed Service Level Agreement to ensure that service priorities identified by the Councils are delivered and a consistent level of service provided.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1** East Ayrshire's contribution will be maintained at £11,000 for financial year 2001/02, a 2% increase in 2002/03, bringing the contribution to £11,220 and a further 2% to £11,444 in the financial year 2003/04. Thereafter there may be a substantial increase but this cannot be estimated at present.

#### **6. RECOMMENDATIONS**

- 6.1** It is recommended that the Committee

- (i) agree to rescind the Notice of Withdrawal;**
- (ii) agree to continue funding West of Scotland Archaeology Service as detailed in paras 3.1 and 3.2.**
- (iii) authorise the Solicitor to the Council in consultation with the Director of Development Services to agree changes in the Minute of Agreement required to reflect the new financial arrangements; and**
- (iv) that the Council's position be reviewed following completion of the Service Manager's structural review, in one year's time.**

**Stephen Chorley**  
**Director of Development Services**

06 November 2000  
(AG/MMM)

## **LIST OF BACKGROUND PAPERS**

- 1. Report to Development Services Committee, 15 March 2000, West of Scotland Archaeology Service: Business Review.**

Anyone wishing to inspect the above papers please contact Ailsa Graham on 01563 576755.

***Implementation Officer: Alan Neish c/o Sandra Andersson***

WOSASFundingIssues6

**AGENDA**