

## **FAQs - Contracting and Public Service Delivery**

**Q. The local authority is asking our organisation to deliver services which they should be providing? Can our organisation provide the services on their behalf?**

A. Even if a local authority has a legal duty to provide the service, there is no legal restriction on charities or other voluntary organisations delivering public services under a funding agreement with the local authority.

**Q. Can our organisation(s) set up a new charity to deliver public services?**

A. New charities can be set up to deliver public services. The new organisation must be set up for exclusively charitable purposes for public benefit. The public service delivery can be the sole work of the charity or a part of a wide range of activities. You can also work with other organisations to set up a new charity, otherwise known as a consortium (see New Independent Body). Further advice on identifying partners' roles and responsibilities is available on the [BASSAC](#) website.

**Q. What is required of our trustees to deliver public services and what should we keep in mind?**

A. Nothing additional to the trustee's current responsibility to comply with charity law and the requirements of your organisations governing document. Your organisation must only undertake activities that are within its objects and powers; must be independent of government and other funders; act only in the interests of the charity and its beneficiaries; make decisions in line with their duty of care to act prudently. Always seek legal advice.

**Q. Our organisation is being asked to get involved in design and delivery of services. Should we get involved?**

A. Being included in the design and delivery of services is a chance for your organisation to draw upon its expertise and experience of beneficiaries' views and needs, including current barriers to service delivery. However, it might be within your organisations interest to confirm with your commissioning authority if your free consultancy will be fairly rewarded. For example, asking for financial support to aid your participation in the commissioning process.

**Q. Our organisation is thinking about taking on public service delivery. What are the risks involved?**

A. There are risks in any aspect of running an organisation and public service delivery has its fair share. Some of those risks are detailed in *Collaborative Working Models*. However, there are various legal forms that your organisation can adopt that will help you overcome those risks, e.g. Incorporation. To be incorporated means you will take the form of a Company Limited by Guarantee or a Company Limited by Shares.

**Q. We are not a charity, but we want to deliver public services. What should we do?**

You don't have to be a registered charity to deliver public services, but it might make you more attractive to the funder if you choose to register. Charity registration should be the right step for your organisation at the right time. You should not register as a charity until you've undertaken some work to support your governance and charity registration is identified as a logical step in your business plan.

Got more questions? Check out the *Collaboration* area of the SCVO website, or contact [Martin Drayton](#), Project Officer on 0121 525 1127.