

# **Memorandum of Understanding (MoU)**

## **for CLC under DAY-NULM**

This MoU is entered on this ----- th day ----- (month) ----- (year) between -----  
(Name of the organisation/agency) having its registered office at -----  
represented by ----- (name & designation of the official)

And

----- (Name of the ULB) with its office at ----- represented by -----  
----- (Name & designation of the official)

### **1. BACKGROUND & INTENT:**

The purpose of this MoU is to engage an organisation/agency to maintain, supervise and manage the City Livelihood Centre (CLC) set up under DAY-NULM at ----- (full address) that shall act as a bridge between the sellers of goods / services produced by the urban poor and their potential buyers.

CLC as one of the key sub-components of DAY-NULM has the following objectives.

- i. To find a viable market for different marketable goods and services produced by the urban poor;
- ii. To provide business information and business support services to the urban poor as and when needed by them;
- iii. To act as information dissemination centre in respect of skill training, bank credit, social security benefits etc available to the urban poor under different government & other programmes;
- iv. To provide space & other facilities necessary to the institutes/organisations willing to conduct skill training programmes / seminars / meetings /sensitization programmes at the ULB;
- v. To extend all types of assistance to the urban poor required to access bank loans such as preparation of project proposals, registration of business units, obtention of trade license, other accounting and legal support wherever necessary ;
- vi. To liaise with local banks & work in tandem with them for achieving the objective of financial inclusion;
- vii. To assist banks in recovery of loans wherever warranted

## 2. NATURE OF CLC:

CLC shall be set up as a permanent service providing centre providing a gamut of fee based services to all residents of the area or in the neighbourhood by engaging the local urban poor with an aim to generate sustainable livelihoods. For financial sustainability of the CLC, the organisation / Agency managing the centre shall focus on delivery of services for which there are local needs and for which the local urban poor either possess necessary skill sets or likely to acquire skill in the near future. It shall be the sole prerogative of ----- Municipal Corporation / Municipality to take final decision on the spectrum of services that shall be rendered by CLC.

## 3. SCOPE OF WORK:

----- (Name of the organisation /Agency) shall be responsible for operation and maintenance of the CLC located at -----.

## 4. OBLIGATIONS OF THE PARTIES:

A. ----- (**Municipal Corporation / Municipality**) shall provide necessary infrastructure for setting up the CLC and hand over the same to ----- (name of organisation /Agency) in a condition befitting for its use as CLC. ----- (Organisation /Agency) shall hold usufructuary rights to the building and shall have authority to utilise it for carrying out approved set of functions of the CLC.

B. ----- (Name of the organisation/Agency) shall be responsible for delivery of a myriad of services, an indicative list of which is stated under.

- i. Enrolment for UID / Aadhar Card etc.
- ii. Provide information on different social welfare schemes targeted at the urban poor and strive to bring as many poor people as possible under different Government schemes;
- iii. Disseminate information on type of available employment opportunities in different sectors and provide information on training courses scheduled to be held at the Municipal Corporation / Municipality under NULM & other Government programmes;
- iv. Arrange marketing of goods and services produced by the urban poor who have registered themselves with the CLC;
- v. Facilitate finding of suitable jobs for the urban poor matching with their skills through linkages with industries and their associations in the area;

- vi. Facilitate registration & licensing and providing accounting and other legal support to the local urban poor for establishing and operating micro enterprises set up by them;
- vii. Obtain work orders for Annual Maintenance Contracts from municipality / housing associations /other organisations for services viz. plumbing, electricity, carpentry, solid waste management, maintenance of street lights, gardens etc.
- viii. Service electricity bills, property bills etc. to the households on commission basis;
- ix. Liaise with local banks for opening Saving Bank Accounts (BSBA) of the poor
- x. Assist in recovery of bank loans whenever required;
- xi. Tie up with malls or retail outlets for placing basic housekeeping staff or data-entry operators in such units / companies etc. CLCs may charge placement fee from industries / companies, industry associations, etc. for placing the urban poor as per their requirement;

**C. ENGAGEMENT OF SERVICE PROVIDERS:**

For building adequate credibility in the CLC, ----- (Name of organisation / Agency) shall make an endeavour to engage services of the prospective service providers after diligently verifying their competence , experience and local reputation for which assistance of the local councillor may be obtained.

On registration of the service providers, ----- (Name of organisation / Agency) shall arrange to issue proper photo identity cards to each of them clearly mentioning therein the “name of the service” he/she shall deliver.

A list of registered service providers shall be displayed by CLC in the notice board and shall be updated from time to time.

**D. MANPOWER:**

It shall be the responsibility of ----- (Name of organisation /Agency) to look after daily management, upkeep, cleanliness and discipline at the CLC for which it shall engage the following personnel.

- (i) One full time Manager
- (ii) One multi-task helper

**E. REGISTRATION:**

It shall be the responsibility of ----- (organisation /Agency) to ensure that its registration is always in force.

## **F. MAINTENANCE OF BOOKS & RECORDS:**

The following books/registers shall be maintained by ----- (Name of the organisation /Agency etc.) for the concerned CLC.

- i. Asset Inventory Book
- ii. Accounts Register / Cash Book to monitor day to day expenditure & receipts
- iii. Detailed profile of service providers
- iv. Service calls received register
- v. Personnel Register with Salary Payment Details
- vi. Management Committee Meeting Register
- vii. House Keeping & Maintenance Register
- vii. Complaint and Suggestion Register

## **G. COMMENCEMENT OF WORK:**

The organisation/agency shall prepare and submit a detailed work plan to the City Mission Management Unit of the Corporation / Municipality prior to commencement of work. -----  
----- (Organisation /Agency) shall finally commence work only after work plan is approved by ----- Municipal Corporation / Municipality fully complying with the conditions laid down therein, if any.

## **4. COMPENSATION:**

For Operation & Maintenance of the CLC an amount of Rs. ----- per annum shall be provided to ----- (organisation /Agency). The expenditure shall be incurred by ----  
----- (Organisation /Agency) under the following permissible heads.

Annual Maintenance cost	Includes expenditure for electricity and other misc. expenses
Annual Servicing Cost	Includes cost of upkeep, maintenance, replenishment of office stationery, petty repairs etc.
Staff Salary	Includes one full-time manager & one multi-task helper

### **A. Terms of Payment shall be as under:**

- i. Payment shall be made on quarterly basis;
- ii. ULB/CMMU shall release first instalment of fund soon after CLC commences operations. Subsequent payments shall be released on submission of satisfactory performance report by the CLC Management Committee (CMC) in respect of work in progress and on submission of statement of expenditure by the organisation/Agency duly certified by CMC.

## **5. LEVY OF SERVICE CHARGES:**

For financial sustainability of the unit, the CLC shall levy service charges from all persons willing to avail its services. The service providers willing to sell their services through CLC shall be required to register themselves with the CLC by paying a registration fee of Rs. ----- p.a. or any such rates as decided by the CMMU Executive Committee from time to time. In a similar manner, producers willing to sell their products through CLC shall need to register themselves by paying a registration fee of Rs.----- p.a. or any such rates as decided by the CMMU Executive Committee from time to time. The buyers of the services shall like wise be required to pay service charges to CLC against the service/s availed by them @ ----- per call or any such rates as decided by the CMMU Executive Committee from time to time.

**6. INCOME SHARING:** As for first Five year all expenditure for running of CLC will be borne by programme fund . The income of CLC by providing services to be deposited to bank A/C of CLC. ULB may decide share a portion of the income with the agency for running the CLC .

## **6. MONITORING AND EVALUATION:**

The Executive Committee (EC) at the Municipal Corporation / Municipalities formed under NULM will review and supervise overall functioning of the CLC in participation with community representatives, civil society organizations, line departments and elected representatives etc.

CLC Management Committee (CMC), constituted at each Municipal Corporation / Municipality shall be responsible for supervising day-to-day functioning of the CLC. CMC will comprise of CIC (NULM) / Councillor looking after NULM, Manager (Social Infrastructure) / Manager (SMID) of CMMU, one Community Organiser, full time manager looking after the CLC and few nominated service providers and current / prospective users of services.

CMC shall frame a Code of Conduct both for its staff and for providers/user of services which shall, subject to its approval by Executive Committee (EC) be binding to all.

## **7. INSPECTION OF BOOKS AND RECORDS:**

All books, registers and records pertaining to CLC shall be made available by ----- (organisation /Agency) to Executive Committee of CMMU / CLC Management Committee or any other officials for inspection as and when required.

**8. VALIDITY PERIOD:**

This MoU shall remain valid and binding to both parties initially for a period of two years from ----- to -----, 2016. The validity period can be further extended on mutually agreed period by the concerned parties subject to satisfactory performance.

**9. FORCE MAJEURE:**

The parties shall ensure due compliance with the terms of this Agreement. However, no party shall be liable for any loss or damage whatsoever arising out of failure to carry out terms of the Agreement to the extent that such a failure is due to force majeure events such as war, rebellion, mutiny, civil commotion, riot, strike, lock out, forces of nature, accident, act of god, act of govt. and any other reason beyond the control of concerned party.

**10. LIABILITIES:**

----- (Name of the organisation/agency) and the -----Municipality are entering this Agreement in good faith and intentions. Neither party will be responsible for any liabilities arising out of death, injury or any legal action in respect of residents or any other person associated with operation/ execution of this Agreement.

**11. RELATIONSHIP:**

This agreement does not constitute either party an agent, legal representative or the partner/ joint venture of other party for any purpose whatsoever and save as expressly provided herein or otherwise agreed in writing, neither party is in any way authorised to make any contract, understanding, warrantee or representation on behalf of the other and each party undertakes not to do so.

**12. SETTLEMENT OF DISPUTES:**

If any dispute (s) or difference (s) arises out of or in relation to this MOU, it shall in the first instance be settled amicably between the parties at the operating level. In case any dispute is not settled amicably, it shall be referred to The Mission Director, WBSULM. The dispute remaining unsettled it will be referred for conciliation under provisions of Arbitration & Conciliation Act, 1996.

In witness whereof the undersigned being duly authorised thereto, have on behalf of the parties hereto signed this agreement at the place and on the day below written.

For------(Name of the organisation /agency )	For ..... Municipality
Signature :	Signature :
Name :	Name :
Title :	Title :
Place :	Place :
Date :	Date :
Witness :	Witness :

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