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| <b>CABINET</b>   | <b>Appendix</b> |
| <b>Meeting date: 3<sup>rd</sup> March 2011</b>   |                 |
| <b>From: Deputy Leader/ Cabinet Member for<br/>Communities and<br/>Corporate Director Resources/<br/>Chief Executive</b> |                 |

## **LOCAL COMMITTEE BUDGET ALLOCATIONS CRITERIA FOR DEVOLVED RESPONSIBILITIES**

### **1.0 EXECUTIVE SUMMARY**

**1.1** *This report sets out budget allocations for Local Committees for 2011/12.*

**1.2** *Local Committees act as sub-Committees of Cabinet and Council and as such act within the policies agreed by the Cabinet and Council. The budget areas for Local Committees have changed since 2010/11, the constitution has been reviewed and no changes are deemed necessary to reflect this.*

### **2.0 STRATEGIC PLANNING AND EQUALITY IMPLICATIONS**

**2.1** *This report makes proposals for Local Committee budget allocations and sets out guidance for the use of those allocations from the Executive, in line with the Council Plan 2011 to 2014, and the 2011/12 Budget, both of which were agreed by Council on 17 February 2011.*

### **3.0 RECOMMENDATION**

**3.1** *Cabinet is asked to agree the budget allocations for Local Committees for 2011/12;*

**3.2** *Cabinet is asked to agree the guidance in respect of the use of these allocations and the limitations on virement of local committee budgets as outlined in Appendix B.*

- 3.3** *Cabinet is asked to agreed that the Government Pothole Grant is allocated as set out in option 2 and 3 and spent in line with the methodology set out in paragraph 4.9.*

*Stewart Young, Deputy Leader and Oliver Pearson, Cabinet Member for Communities.*

## **Part B – Advice of Chief Executive and Corporate Director - Resources**

### **4.0 BACKGROUND**

4.1 The process by which Local Committee budget allocations are determined, is that County Council agree the overall total budget as part of the budget setting process, and individual allocations are agreed by Cabinet. At the meetings of the Leadership and Local Committee Chairs Group of 8th December 2010 and 7<sup>th</sup> January 2011, initial discussions took place on the budget proposals as they relate to Local Committees, setting out the changes and how they would impact on the overall budget.

4.2 In these discussions proposals were made aimed at providing greater flexibility to Local Committees on the use of their budgets, and remove restrictions or the ring fencing associated with specific budget lines. Whilst a number of the savings proposals put forward sought to reduce the overall budget amount across a number of budget lines, it was intended that Local Committees would have greater discretion on the use of their budgets to meet local priorities. The proposals in this report represent Cabinet's proposals.

### **Revenue Budgets**

4.3 Council agreed on 17<sup>th</sup> February that Local Committee revenue budgets should include specific budgets for the following areas:

| <b>AREA</b>                           | <b>USE</b>  |
|---------------------------------------|---|
| Highways Revenue                      | To be used on highways projects   |
| Neighbourhood Teams                   | Budget for staffing, managed by the Assistant Director – Policy and Performance. Cannot be vired, but can be supplemented by other budgets. |
| Local Member Schemes                  | Fully flexible. Local members to bring proposals for spending to Local Committee for decision.  |
| General Provision                     | Fully flexible  |
| 0-19 Services                         | To be used in 0-19 projects and services<br>Supporting guidance to be issued.   |
| Schools crossing patrols              | To be used on crossing patrols or road safety   |
| Sandgate Hydrotherapy Pool            | To be used to support the pool  |
| Money Advice / Debt Management Advice | To be used on those areas / contracts only.   |

Guidance on the use of these budgets is set out in Appendix A and summarised in the following paragraphs. The methodology used to allocate budgets is as set out in Appendix B.

- 4.4 The **Highways Revenue** budget areas have been merged, giving Local Committees discretion as to local priorities for spending revenue resources in line with Better Highways principles. The overriding priority is the Council's priority of maintaining a safe and reliable highway network. This budget may only be spent on highways and street lighting.
- 4.5 When the indicative local committee highways revenue allocations were reported to the Leadership and Local Committee Chairs meetings an approximation had been made of the impact of incorporating the detrunked roads. The allocation to local Committees was based upon allocating the overall total excluding street lighting based upon percentages of the overall total in 2010/11. Unfortunately this methodology was not a good approximation of the agreed formula.
- 4.6 Similarly the current formula also includes an allocation for highways response teams and highway stewards. This approach has been superseded by the better highways approach, where each local committee agrees the number of teams from within its overall budget.
- 4.7 The formula has therefore been run excluding these elements. This results in variations from the figures reported in December and January.
- 4.8 The government has also recently announced that each highway authority will receive a share of £100m to address potholes from the recent bad weather. The Cumbria allocation is estimated to be in the order of £2.7m based on the DfT methodology for allocating this money. DfT will confirm the total amount of DfT funding available and write to local highway authorities informing them of their allocation after the 16<sup>th</sup> March; final budget adjustments will then be made. Two options are being recommended to Cabinet to distribute this money. The first is that as local committees have already started planning that there is a floor set so that no local committee has a lower allocation than that reported to the leadership and local committee chairs meetings. The second is that the remaining balance is allocated to local committees based upon weighted road length/population.
- 4.9 This resource is fairly limited and the DfT have set out specific criteria in terms of how this additional funding can be spent. Officers are currently carrying out a comprehensive assessment of the impact of the winter weather in order to identify the location and severity of damage to the highway network. This information will be used to assist in targeting where this one off investment can have the greatest impact within each area. In line with the Better Highways approach Cumbria Highways has been working towards dealing with the underlying causes of the defects on the highways in order to avoid repeat repairs and achieving a permanent fixes. Criteria were developed in line with this Better Highways approach last year to assist in targeting resources to addressing the underlying cause and achieving a permanent fix. It is therefore proposed that these criteria

be used to assist local committees to target these additional resources in order to achieve the greatest impact.

- 4.10 The **Neighbourhood Teams** budget reflects the staffing at current levels for the teams. Overall, the teams will be subject to a restructure to deliver part year savings in 2011/12, and full year savings in 2012/13. The Assistant Director – Policy and Performance, will determine support levels in discussion with Local Committee Chairmen. These budgets may not be vired by the Local Committees, but can be supplemented by other budgets.
- 4.11 The 2011/12 budget includes a **Local Member Schemes** budget. It is proposed that County Councillors can – through the Area Support Teams - propose one or more local schemes for each division. These schemes are intended to help resolve local issues already identified through local community engagement and in line with the priorities within the Council Plan, and specific local priorities within the Area Plan for the Local Committee Area. These proposals should be submitted to the Local Committee for approval. This budget is for one year only, but it has been agreed that the resources may be spent over a period of two years.
- 4.12 The **General Provision** can be used for any budget area including Neighbourhood Forum grants, and subsidising rents to Voluntary Organisations. This budget may be vired to support other areas.
- 4.13 The **0-19 budget** represents a new budget to be used only on the area of 0-19 support, including grants to youth organisations.
- 4.14 The remaining budgets are unchanged in their use.
- 4.15 Some of these changes may require updates to the constitution and these will be considered by the Constitution Review Group and recommendations made to Council on 21<sup>st</sup> April.
- 4.16 Appendix C shows the overall allocations for each Local Committee. There has been a reduction in budget of £6.145m from 2011/12. However, the majority of this relates to budgetary adjustments required due to the internalisation of services previously provided by Capita as opposed to changes in service provision.
- 4.17 Each Local Committee will need to determine the spending within these budget allocations, for example, the General Provision, includes Neighbourhood Forum grants, and subsidising rents to Voluntary Organisations, which will need to be agreed by each Local Committee.
- 4.18 For all the revenue budget areas it is recommended that Local Committees determine priorities and schemes as early in the financial year as possible, to enable the successful delivery of services within the financial year.

## **Capital Programme**

- 4.19 The Highways Capital budgets have been merged into one budget and it is for individual Local Committees to determine priorities in order to maintain the highway and deliver the Integrated Transport Plan. The total budget is £16.914m and includes structural maintenance in respect of highways, street lighting replacement, and schemes that would formerly have been classified within annual package of measures. The Capital allocations are set out at Appendix D.
- 4.20 There will be no budget for Local Capital Schemes. It is intended, subject to Council approval that any underspend for this year's (2010/11) programme will be carried forward. This would need to be spent within the existing guidance.

## **Constitution**

- 4.21 The budget areas for Local Committees have changed since 2010/11. The constitution has been reviewed and no changes are necessary to reflect this.

## **5.0 OPTIONS**

- 5.1 Cabinet can approve the Local Committee allocations.
- 5.2 Cabinet can agree that a floor is set to limit the change in Local Committee allocation compared to the January report to the Leadership and Local Committee Chairs using the pothole money.
- 5.3 Cabinet can agree to allocate the balance of the pothole money to local committees based upon weighted road length and population.

## **6.0 RESOURCE AND VALUE FOR MONEY IMPLICATIONS**

- 6.1 Local Committees represent an important part of the County's decision making structure, and have significant resources delegated to them from the Cabinet. It is important that the Committees operate within a clear framework for accountability and performance and deliver value for money on behalf of the County.
- 6.2 The budgets that Local Committees manage are delegated to deliver specific executive functions, and outcomes set out in the Council Plan, and as such have been delegated for a specific purpose. For some of these budgets there is clearly a high level of discretion as to how the outcomes are delivered, whilst for others, Local Committees are either operating within County policies such as the Local Transport Plan, or they monitor pre-determined contractual arrangements such as in the case of money advice.
- 6.3 In summary the budget areas where Local Committees do have discretion relate to the General budget and Local Member Schemes.

- 6.4 For School Crossing Patrols, Cabinet on 28 November 2006 resolved that any future underspends on this budget be used to address road safety issues.
- 6.5 In the remaining revenue budget areas Local Committees do not have discretion, and therefore these budgets should be not vired to other areas.

### **Value for Money**

- 6.6 There is a statutory duty on the Council to pursue value for money; this applies equally where services are provided through Local Committees. In making decisions Local Committee Members need to consider that they are achieving the outcomes that they are responsible for in the most economic and efficient way. In future this can be accommodated within programmes of activities linked through area plans. This will ensure that programmes of activities for the year are determined close to the start of the year, and that these are managed by the service or contractor during the year, with regular reports back to each Local Committee so that it can ensure that the outcomes are being delivered. As set out elsewhere in this report, the Local Committee is also responsible for reporting back on how it has contributed to delivering the outcomes required.

## **7.0 LEGAL IMPLICATIONS**

- 7.1 In discharging existing and additional functions, it is recommended that all decisions made are:
- In accordance with any relevant strategy or plan agreed by the Council;
  - In accordance with any policy, strategy, plan or criteria agreed by the Executive;
  - within approved budget;
  - where appropriate taken after consideration of advice by the Monitoring Officer or s151 Officer;
  - in the case of a key decision it is included in the Council Forward Plan at the earliest possible stage;
  - carried out with the agreement of any other affected Local Committee;.
- 7.2 A Local Committee or two or more local committees jointly may refer a matter in relation to an executive function to the Executive for decision.
- 7.3 Under the scheme of delegation the Cabinet may require a matter in relation to an executive function due to be considered by a Local Committee to be determined by itself, in which case the delegation of that matter to the Local Committee shall cease to apply.
- 7.4 The Cabinet delegates to Local Committees, where a specific budget has been identified for a Local Committee, the executive functions relevant to the expenditure of that budget.

7.5 The Council's area plans must be agreed with Cabinet. The progress of these area plans must be presented to Cabinet at least annually.

## 8.0 CONCLUSION

8.1 This approach is designed to ensure that communities and local councillors have greater impact on the shaping of council services and that these services performance can be locally monitored and managed.

**Diane Wood, Corporate Director Resources**  
**Jill Stannard, Chief Executive**

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## APPENDICES

Appendix A – Guidance to Local Committees

Appendix B – Local Committee Allocation Basis

Appendix C – Local Committee Revenue Budget Allocations 2011/12

Appendix D – Local Committee Capital Programme Allocations 2011/12

Electoral Division(s): All divisions

Executive Decision

|     |                          |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
|-----|--------------------------|

Key Decision

|     |                          |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
|-----|--------------------------|

If a Key Decision, is the proposal published in the current Forward Plan?

|     |                          |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
|-----|--------------------------|

Is the decision exempt from call-in on grounds of urgency?

|                          |    |                          |
|--------------------------|----|--------------------------|
| <input type="checkbox"/> | No | <input type="checkbox"/> |
|--------------------------|----|--------------------------|

If exempt from call-in, has the agreement of the Chair of the relevant Overview and Scrutiny Committee been sought or obtained?

|                          |                          |      |
|--------------------------|--------------------------|------|
| <input type="checkbox"/> | <input type="checkbox"/> | N/A* |
|--------------------------|--------------------------|------|

Has this matter been considered by Overview and Scrutiny?

|                          |    |                          |
|--------------------------|----|--------------------------|
| <input type="checkbox"/> | No | <input type="checkbox"/> |
|--------------------------|----|--------------------------|

If so, give details below.

Has an environmental or sustainability impact assessment been undertaken?

|                          |    |                          |
|--------------------------|----|--------------------------|
| <input type="checkbox"/> | No | <input type="checkbox"/> |
|--------------------------|----|--------------------------|

Has an equality impact assessment been undertaken?

|                          |    |                          |
|--------------------------|----|--------------------------|
| <input type="checkbox"/> | No | <input type="checkbox"/> |
|--------------------------|----|--------------------------|

***N.B. If an executive decision is made, then a decision cannot be implemented until the expiry of the eighth working day after the date of the meeting – unless the decision is urgent and exempt from call-in and the Head of Member Services and Scrutiny has obtained the necessary approvals.***

## PREVIOUS RELEVANT COUNCIL OR EXECUTIVE DECISIONS

Council Budget Report 17 February 2011

## **CONSIDERATION BY OVERVIEW AND SCRUTINY**

None

## **BACKGROUND PAPERS**

Reports to Leadership and Local Committee Chairs Group 8<sup>th</sup> December 2010 and 7<sup>th</sup> January 2011.

## **RESPONSIBLE CABINET MEMBER**

*Councillor Stewart Young, Deputy Leader*

*Councillor Oliver Pearson, Cabinet Member for Communities*

## **REPORT AUTHOR**

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## **APPENDIX A**

### **CABINET GUIDANCE TO LOCAL COMMITTEES 2011/12**

#### **Highways Revenue**

This budget exists to deliver Better Highways through general highway maintenance including routine cyclical maintenance, street lighting and hard surfacing, grass cutting, street lighting, gully cleaning, drainage work and verge maintenance. Local Committees may set their own programme of maintenance provided it provides a safe and reliable highway network including lighting infrastructure. It is recommended that a programme of work is set at the start of the financial year.

Virement: This budget **may not** be vired to other Local Committee Areas, but can be supplemented by other budgets.

#### **Neighbourhood Teams**

This budget reflects the staffing of Neighbourhood Teams. The Assistant Director – Policy and Performance, will determine support levels in discussion with Local Committee Chairmen.

Virement: This budget **may not** be vired to other Local Committee budget areas, but can be supplemented by other budgets.

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#### **Local Member Schemes**

The Local Member Schemes budget provides each Division with £12,000 to fund local projects that offer benefits to communities in that Division. County Councillors can – through the Area Support Teams - propose one or more local schemes for each division. These schemes are intended to help resolve local issues already identified through local community engagement and in line with the priorities within the Council Plan, and specific local priorities within the Area Plan for the Local Committee Area. These proposals should be submitted to the Local Committee for approval. This budget is for one year only, ie 2011/12 is the only year of funding, but it has been agreed that the resources may be spent over a period of two years.

Virement: This budget **may be** vired to other Local Committee budget areas, or can be supplemented by other budgets.

#### **General Budget**

This can be used for any budget area including Neighbourhood Forum grants, and subsidising rents to Voluntary Organisations.

Virement: This budget **may be** vired to other Local Committee budget areas, or can be supplemented by other budgets.

## **0-19 Budget**

The Local Committee 0-19 budget is available for local committees to allocate within their areas in order to support positive activities, both targeted and mainstream, designed to improve outcomes for children and young people and reduce inequalities.

In allocating funds from this budget, councillors should satisfy themselves that projects address **at least one** of the following criteria:

- Providing access to play, recreational, leisure or outdoor activities.
- Providing access to care or educational activities.
- Providing access to safe and enjoyable places for children and young people to go.
- Providing access to holiday, weekend or out of school activities.
- Enabling children and young people's involvement and participation e.g. forum, youth council, engagement, empowerment, decision-making.
- Supporting children and young people to take part in volunteering or community action.

In addition, applicants for funding from this grant should evidence a commitment to Health, Safety and Risk Management; Equality and Diversity; Safeguarding; Financial Management; and sound Governance.

### **Ineligibility**

Funding from this budget may not be used to support loan repayments, finance redundancies or debts, or for retrospective applications.

Virement: This budget **may not** be vired to other Local Committee budget areas, but can be supplemented by other budgets.

### **School Crossing Patrols**

For School Crossing Patrols or used to address road safety issues. The budgets for school crossing patrols will be reduced by removing the funding for posts that have remained vacant for three years or more.

Virement: This budget **may not** be vired to other Local Committee budget areas except road safety. Can be supplemented by other budgets.

### **Sandgate Hydrotherapy Pool**

Restricted to funding activities to support this facility

Virement: This budget **may not** be vired to other Local Committee budget areas, but can be supplemented by other budgets

**Money Advice and Debt Management Advice**

To provide for the contract payments and services provided.

Virement: These budgets **may not** be vired to other Local Committee budget areas

## APPENDIX B

### LOCAL COMMITTEES - ALLOCATION BASIS

| AREA                                  | ALLOCATION  |
|---------------------------------------|---|
| Highways Revenue                      | Based upon current formula excluding highway response teams and highway stewards.<br>In addition 'pothole money' allocated to provide a 'floor' and the remainder allocated based upon weighted road length and population. |
| Neighbourhood Teams                   | Population mid year estimates   |
| Local Member Schemes                  | Number of Divisions   |
| General Provision                     | Population mid year estimates   |
| 0-19 Services                         | 0-19 mid year population estimates.   |
| Schools crossing patrols              | Per Cabinet 28/11/06 adjusted for patrols vacant for three years or more  |
| Sandgate Hydrotherapy Pool            | Cost based allocation   |
| Money Advice / Debt Management Advice | Per 2009/10 analysis  |