

Report to Chesham and Chiltern Villages Local Area Forum

Title: Allocation process for the Local Priorities
Devolved Budget

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Electoral divisions affected: Chess Valley, Chesham East and Chesham North West, Chiltern
Ridges

Summary

1. This paper describes amendments to the allocation process for the Local Priorities devolved budget. The purpose of these changes is to ensure that, in a time of significant reductions in the County Council budget, this resource will be used most effectively to support the delivery of the County Council's strategic plan whilst also addressing key local priorities.
2. These amendments will take effect in 2014-15; and should also be applied in the allocation of any outstanding Local Priorities budget in the current year.
3. At present, it is anticipated that the same Local Priorities Devolved Budget will be available as in 2013-14. However this will be subject to the setting of Council's budget in February 2014.

Recommendation

4. The Chesham and Chiltern Villages Local Area Forum is recommended to note the amendments for the allocation of devolved budget as described in the report.



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Background

5. The Local Area Forum provides the opportunity for local Parish, District and County Councillors, along with residents' organisations and other appropriate local organisations, to help prioritise County Council expenditure and activity in their area. Each forum has a Local Priorities budget available to help it address local priorities and achieve improvements for its local area.
6. The County Council has seen its central Government Grant cut by some 41% over the past four years and is anticipating a further cut of 24% as a result of recent Government announcements. At this time of heavy reductions in Council budgets, it is even more important that, in order to continue to justify locally determined expenditure, all proposed projects satisfy important criteria to ensure that it is a good use of County Council budget.

New framework for the allocation and use of Local Priorities Budget

• Eligibility criteria

7. Proposals for support from the Local Priorities budget must meet the following criteria:
 - directly and unambiguously support one or more of the County Council's Strategic Priorities
 - be a robust solution to a clearly evidenced local need, either one of the Forum's agreed priorities or in another way address a well-evidenced community need
 - should not fund activity or schemes which are the primary responsibility of another body unless it can be demonstrated that the purpose is not within that organisation's funding capability and that the County Council's contribution is an essential part of the funding package to achieve the benefit for the local community

• Submission and evaluation process

8. To help LAFs interpret the priorities at the local level, the Council will publish a guidance document which clearly articulates this in December 2013.
9. Forums are encouraged to allocate their budget in good time to ensure that the budget can be effectively utilised during the financial year to which it relates. Many Forums adopt a commissioning approach and are proactive in developing schemes to meet priorities. However where a Forum will consider submissions, the Locality Manager will consult with the Chairman and agree a timetable for submissions to allow for evaluation and allocation.
10. Proposals for Local Priorities funding can be submitted by any organisation. To ensure that sufficient information is provided for the evaluation, proposals must be submitted on the proposal form. The proposal form is available online and also directly from the Locality Manager.
11. The Locality Manager will evaluate potential proposals, whether commissioned or unsolicited. In evaluating proposals, the Locality Manager will assess:
 - the fit with the County Council's strategic plan and local priorities
 - whether the proposal is to fund an activity or scheme which is the primary

- responsibility of another body
 - the effectiveness of the proposed solution
 - value for money including whether there is other funding available or if 'quick wins' can be identified to enable specific proposals/issues to be resolved quickly through other means.
12. The Locality Manager will make recommendations to the County Councillors on the Forum who will in turn agree the list of proposals for consideration by the Forum.
 13. To allow for opportunities that require a swift decision, funding may be agreed in between LAF meetings in consultation with the Chairman and other County Councillors on the Forum and the Service Director.
 14. In October, in consultation with the LAF Chairman and other County Councillors, the Service Director will take a view on the likelihood of unallocated and unspent monies being used that year. Advised by the County Councillors, the Service Director will allocate such budget to activities that will benefit the area or elsewhere during the remainder of 2013-14.
- **Other considerations**
15. The allocation must be in line with Buckinghamshire County Council's financial orders and procurement framework. Early consideration of funding priorities and possible schemes will enable the Locality Manager to ensure compliance with the Council's procurement framework.
 16. LAFs are encouraged to involve the community in their work. Participatory budgeting or similar 'Local Referenda' are encouraged to allow local residents to prioritise spend which meets the Local Priorities budget criteria and promote the role of the LAF.
 17. Funding must be spent on activity within the financial year for which it is allocated. For this reason LAFs are urged to allocate their budgets as far in advance as possible as this will enable schemes to commence early in the relevant financial year once the budget is confirmed by Buckinghamshire County Council. Early allocation is especially important for engineering schemes or schemes for which additional funding needs to be raised to ensure that such schemes can be completed during the financial year to which the budget relates.
 18. Allocations can be made on schemes which span two financial years (or more), but funding can only be assured for the current year. This should be borne in mind if making such an allocation i.e. what value can be achieved in the 1st year should funding not be available for the remainder of the scheme in subsequent years.
 19. As a general rule, the budget should not be used for retrospective funding i.e. on activity which has already taken place.
 20. Funding relating to the maintenance, development or operation of an asset and/or service transferring from Buckinghamshire County Council to a community group will be decided as part of the Council's transfer decision. LAF devolved budget can contribute to this transfer funding package but will not be available separately for the same or similar purposes. This arrangement will remain in place for three years following the transfer

date.

- **Funding terms and conditions**

21. Standard terms and conditions apply to schemes receiving LAF financial support:
 - a) The LAF's financial contribution may only be used for the purposes agreed by the LAF and detailed in the submissions held by Buckinghamshire County Council. Any variations must be agreed by the Service Director and any significant changes will require reconsideration by the LAF.
 - b) Payment will be made upon invoice with proof of expenditure e.g. relevant paid invoices/receipts at completion of the scheme. (Advance or staged payments can be made by separate agreement with the County Council should this be necessary).
 - c) Buckingham County Council's Local Area Forum must be given full recognition in all publicity. Funding may be withdrawn if this requirement is not followed.
 - d) The funding can only be used during the financial year to which it relates. The recipient must alert the Locality Manager at the earliest possible opportunity if it is likely that the scheme expenditure is slipping from its original timetable.
 - e) The recipient must provide monitoring information requested by Buckinghamshire County Council and may also be required to attend a LAF meeting to speak on the outcomes of the project.
22. The requirement in 21 d) above to alert the Locality Manager if the expenditure timetable is slipping is to enable Locality Manager to manage the devolved budget effectively. For example, if scheme slippage is notified early enough the funding can be reallocated for other purposes and, if the LAF wishes, an appropriate allocation made in the subsequent financial year for the original scheme. A failure to notify the Locality Manager of delays may result in the funding being lost to the scheme and the LAF.
23. In addition to the standard terms and conditions, the Locality Manager or Forum may recommend additional conditions for specific schemes.

Formal responsibility for decisions, management of the budget and dispute resolution

24. As in previous years, in terms of formal decision-making, the LAFs will be advising the relevant Service Director on how to spend the devolved budget. The Service Director will implement that advice unless there is a good reason not to do so. In such an instance, a full explanation will be provided to the LAF including possible options which may allow a modified scheme to proceed.
25. The Service Director has delegated responsibility for the management of the devolved budget to the Locality Services Manager and, day to day management, to Locality Managers. Issues relating to the devolved budget or individual schemes should be raised with the relevant Locality Manager who may refer upwards if appropriate.
26. Any disputes will be moderated by the local County Councillors, escalated to the Cabinet Member for Community Engagement for final arbitration if necessary.
27. Any recommendation from a Local Area Forum for expenditure does not become effective until it has been evaluated as eligible for funding; and has been endorsed by the County Council's Cabinet Member for Community Engagement. For this reason, it is important that the LAF respects the allocation and evaluation framework and subsequent

recommendations to avoid the possibility of its decisions being overturned.

Transportation schemes

28. Transportation schemes are usually delivered by Transportation for Buckinghamshire (TfB). If parishes and town councils wish, they can appoint an external contractor for delivery of transportation schemes. However, TfB approval for any scheme on the public highway is required. Parish and town councils should also be aware that only contractors with the required accreditation approvals needed to work on the public highway will be permitted to undertake the works.

Local Priorities Devolved Budget funding reserve

29. There will be exceptional circumstances which cannot be accommodated within the devolved budget management framework described in this report. For this reason a funding reserve has been established for Local Priorities approved schemes which meet certain criteria. The reserve will under no circumstances be used to allow LAFs to carry forward budget accruing from miscellaneous under spends or a simple failure of the LAF to allocate its budget in good time and in line with the devolved budget management.