	**Chipping Barnet Area Committee** **2 July 2015**
Title	**Review of Area Committee operations and delegated budgets**
Report of	Director of Strategy Commissioning Director, Environment
Wards	Brunswick Park, Coppetts, East Barnet, High Barnet, Oakley, Totteridge, Underhill
Status	Public
Enclosures	Appendix A: Community Leadership Committee report: Review of Area Committees – operations and delegated budgets Appendix B: List of outstanding environmental issues Appendix C: Summary of meeting cycles and proposed budget allocation process Appendix D: Draft guidance for Area Committees on environmental improvements
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Summary

In early 2015, officers carried out an operational review of the Council's three Area Committees and linked Residents' Forums, in consultation with the Chairs and Vice-Chairs of the Area Committees and Residents' Forums and the Chair, Vice-Chair and Opposition Spokesman of the Community Leadership Committee. The review also considered

improvements to the 2014/15 process for allocating the budgets delegated to the Area Committees. The findings of that review were presented to the Community Leadership Committee on 24 June 2014, along with recommendations for how the operation of the Area Committees and Forums could be improved, including the allocation of their budgets.

This report:

- summarises the Community Leadership Committee paper (which is attached at Appendix A)
- sets out the detail of how the proposals in that report would affect Area Committees in allocating their 2015/16 budgets, including how the 'backlog' of issues identified a by the Committees in 2014/15, and not resolved, can be taken forward
- sets out proposals for the process of allocating the budgets from 2016/17 onwards
- presents guidance commissioned by the Environment Committee to assist the Area Committees in deploying their budgets to best effect.

The paper also sets out proposals to supplement the existing £100,000 Area Committee annual budgets with income from the Community Infrastructure Levy (CIL), to support the Committees in delivering improvements to their local area. Because this is a resource issue, these proposals will be presented to Policy & Resources Committee for decision on July 9 2015.

The paper asks the Chipping Barnet Area Committee to note the findings of the review and the recommendations agreed by the Community Leadership Committee, and to move forward to allocate its 2015/16 budget in line with the proposals set out here.

Recommendations

1. **That the Committee notes the review's findings and the recommendations to improve Area Committee and Residents' Forum operations.**
2. **That the Committee notes the proposed relationship with the Council's Theme Committees – particularly the Environment Committee – and the implications for the Area Committees, including the need to coordinate with the deadlines for external funding cycles.**
3. **That the Committee notes and supports the proposals to delegate additional resources to Area Committees to meet need and resolve issues in their local areas, including a proportion of income from the Community Infrastructure Levy (CIL) (if agreed by Policy & Resources Committee on 9 July 2015).**
4. **That the Committee approves the list attached at Appendix B as an accurate record of the outstanding historic issues raised as of 12 June 2015, and notes the estimated total cost of the works.**
5. **That the Committee reviews and comments on the draft guidance produced in response to the instruction from Environment Committee and attached at Appendix D.**

6. That the Area Committee refers the backlog issues listed at Appendix B, for which outstanding costs are more than £25,000 and which are neither closed nor fully funded (i.e. excluding RE4, RE47, and parts of RE25 identified in paragraph 1.29, whose costs are estimated at £25,000 or less), to Environment Committee to be considered for funding at their meeting on 15 July.
7. That the Chipping Barnet Area Committee refers issues RE44, RE47, and the remaining parts of RE25 identified in paragraph 1.29 onto their work programme for consideration at their October meeting – as these have estimated costs of £25,000 or less – when additional resources from CIL may be available to fund them (subject to agreement by Policy & Resources Committee on 9 July to allocate a proportion of CIL to Area Committees).
8. That the Committee follows the approach set out in this report (in paragraphs 1.18-1.28) when considering other issues on its agenda, as well as any issues which are referred on to the Committee from the July 2 Residents' Forum.
9. That the Area Committee approves the transfer of £17,000 of its current budget for 2015/16 to the Corporate Grants programme budget, to be allocated through, and using, the existing and established Corporate Grants application process.

1. WHY THIS REPORT IS NEEDED

Background – review of Area Committees

1.1 In the first part of 2015, officers carried out an overarching review of the Council's three Area Committees and Residents' Forums. This was to respond to Members' and residents' concerns about some aspects of the way in which the Committees and Forums were operating. It also incorporated a review of the first year's pilot process for allocating the £100,000 a year budgets delegated to each Area Committee, which had been requested by the Community Leadership Committee when it agreed the framework for allocating the budgets on 11 September 2014. A report setting out the background, findings, and full recommendations from the review was considered by the Community Leadership Committee on 24 June 2015 and is attached at Appendix A of this report.

1.2 The review noted that a number of issues which were raised at the Area Committees and Forums in 2014/15 have not yet been actioned. This has been due to some confusion over the powers – and resources – Area Committees have available to them to resolve issues. One aim of the review was to explore ways in which these powers could be clarified and appropriate referral routes to other Committees put in place to make sure the same situation does not happen again. The review has set out proposals for how this 'backlog' of issues could be resolved.

1.3 Proposals have also been put forward to allocate additional resources to resolve issues in the constituency areas, whether by delegating further funding to the Area Committees themselves (drawn from Community Infrastructure Levy – CIL – income) or by making funds available through the Environment Committee budget. These funding streams are by their nature focused on infrastructure and environmental issues. They are subject to two further decisions by the relevant Theme Committees later in July.

1.4 Some additional issues have also come forward as agenda items for the 2 July Area Committee meetings, and the Committees may wish to consider some of the points which have been raised about appropriate referral routes and additional resources into account when making decisions about these items.

1.5 The remainder of this report:

- summarises the Community Leadership Committee paper attached at Appendix A
- sets out the detail of how the proposals in that report would affect Area Committees in allocating their 2015/16 budgets
- sets out proposals for the process of allocating the budgets from 2016/17 onwards.

Reviewing Area Committee and Residents' Forum operations

1.6 The review found that residents and Members were concerned that:

- residents were not receiving satisfactory answers to questions asked at Residents' Forums
- issues raised at the Forums were not being resolved in a timely manner; and
- progress on them was not being effectively tracked.

1.7 Full details of the proposals to resolve these issues are set out at paragraphs 1.12-1.14 of Appendix A. In summary, these are:

- Changing the administration of Residents' Forums to make them run more effectively
- Making sure senior officers are in attendance at the Forums and Committees, including attendees from the relevant Delivery Units
- Ensuring issues raised are recorded, as well as the actions taken to resolve them, and reporting progress against these.

To support these proposals, this report recommends that the Committee notes the review's findings and the recommendations to improve Area Committee and Residents' Forum operations.

Reviewing the relationship between the Area Committees and the Theme Committees

1.8 The review found that there has been some confusion about the extent of Area Committees' decision-making powers and the relative roles and responsibilities of Area Committees and Theme Committees, and seeks to clarify these, including making sure that there are clear routes through which Area Committees can refer issues onwards if they cannot themselves resolve them, and that referrals are coordinated with the timing of any relevant external funding cycles – for example, the Transport for London Local Implementation Plan (LIP) programme. These issues are set out at paragraphs 1.15-1.22 of Appendix A.

1.9 The review makes a number of recommendations to resolve these issues, focusing on the links between the Area Committees and the Council's Theme Committees. Full details of the proposals are set out at paragraphs 1.23-1.25 of Appendix A. They seek to ensure that:

- Area Committees are able to contribute information on local need and local priorities to Theme Committees
- Area Committees have the power to resolve issues themselves where these are purely local and fall within the right range to be solved through the resources available to Area Committees
- where Area Committees and/or Residents' Forums cannot resolve an issue, clear referral routes have been set up to refer it on to the relevant Theme Committee with an expectation that items will move between their work programmes
- timeframes for relevant external funding cycles (such as the LIP programme) are clear and that opportunities to refer issues into such programmes are identified within the Area Committee meeting cycle.

1.10 The meeting cycles for the Area Committees and Theme Committees, as well as the timetable for the LIP programme, are shown at Appendix E.

To support these proposals, this report recommends that the Committee notes the proposed relationship with the Council's Theme Committees – particularly the Environment Committee – and the implications for the Area Committees, including the need to coordinate with the deadlines for external funding cycles.

Additional resources for the Area Committees

1.11 Proposals are being put forward to make further funding available to the Area Committees to resolve local issues, in addition to the £100,000 per year already available to Area Committees until 2018/19. Subject to agreement from Policy & Resources Committee on July 9, it is proposed that a proportion of CIL income is delegated to the Area Committees. If Policy & Resources approve these proposals, Area Committees will be allocated 15% of the CIL receipts for their local area, to be capped at £150,000 per year and ring-

fenced for spend on infrastructure schemes. CIL regulations restrict CIL funding to be spent on infrastructure – although the legislation takes a broad view of what infrastructure means, does not restrict it to capital spending and therefore allows CIL income to be used, for example, to fund health services. Details of these proposals are set out in full in paragraphs 1.41-1.44 and 5.2.4-5.2.11 of Appendix A.

1.12 In 2015/16 officers have also proposed that we amalgamate the CIL allocations for 2013/14 and 2014/15. This would support a more even distribution across Committees, with Chipping Barnet and Hendon both reaching their capped total and Finchley & Golders Green receiving over £100,000. This combined allocation is set out in the table below:

Proposed CIL allocations by Area Committee

	15% of 2013/14 Income (actual)	*15% 2014/15 Income (projected)*	*15% net total*	*Capped Expenditure Budget*
Chipping Barnet	**£97,352.97**	**£125,000**	**£222,352.97**	**£150,000**
Finchley & Golders Green	£31,905.04	£80,000	£111,905.04	£111,905.04
Hendon	£2,877.93	£200,000	£202,877.93	£150,000
Total:	£132,135.94	£405,000	£537,135.94	£411,905.04

1.13 There is also the potential for some resource to come forward through the Environment Committee's budget to resolve some of the outstanding 'backlog' issues, particularly those likely to be beyond the scope of the Area Committees' resources. The proposals to make funds available through the Environment Committee budget will be presented to Environment Committee on 15 July 2015.

This report recommends that the Committee notes and supports the proposals to delegate additional resources to Area Committees to meet need and resolve issues in their local areas.

Collating the 'backlog' list of outstanding issues

1.14 Work has been carried out to bring together the entire 'backlog' list of issues raised but not resolved for each constituency, identify the status of each issue – whether it has been resolved, resourced or has not yet had action taken against it – and give an estimate of any outstanding costs which would be needed to take each issue forward, as of 12 June 2015. This list is attached at Appendix B. Outstanding costs per project range from £5,000-£100,000 with the total value of the backlog across the three Area Committees being approximately £775,000.

1.15 The list shows that the total backlog for Chipping Barnet is made up of 17 issues. The status updates show that two of these are now closed and seven are fully funded. Eight remain, with a total estimated outstanding cost of £405,000 to resolve them.[1] One other issue – the London Cycling Campaign's proposed road schemes for Chipping Barnet (RE25) is the subject of a separate paper on the agenda for the July 2 Area Committee meeting and will be dealt with below.

This paper recommends that the Committee approves the list attached at Appendix B as an accurate record of the outstanding historic issues raised as of 12 June 2015, and notes the estimated total cost of the works.

Reviewing the first year's budget allocations process

1.16 The review also considered the success of the open grants process used to allocate the first year's Area Committee budgets in 2014/15. A summary of the applications and awards received is set out in the table below:

Applications and awards by Area Committees in 2014/15

	Applications received	*Projects funded*	*Funding allocated*	*Funds remaining*
Chipping Barnet	**20**	**11**	**£48,796**	**£51,204**
Finchley & Golders Green	17	13	£85,372	£14,628
Hendon	13	11	£73,897	£26,103
Total:	48*	35	£208,065	£91,935

*One application was made to all three Committees and one was made jointly to Finchley & Golders Green and Hendon – these have been counted once for each Committee applied to in the totals for individual Committees.

1.17 The review findings are set out at paragraphs 1.27-1.32 of Appendix A. Key points were:

- takeup for the grants process was high – eight times the average number of applications to the Corporate Grants programme over the same period
- the size of grants was much higher than anticipated – an average of £6,500 – suggesting that the process did not attract bids from new and emerging groups or for small-scale community activities, as had been the intention for the budgets

[1] This differs from the backlog figure of £312,000 given in the Community Leadership Committee paper for Chipping Barnet. This was an estimated figure based on known issues at that stage. The list has since been reviewed by the Commissioning Director: Environment and officers from Re to improve the accuracy of the estimate.

- to some extent, it duplicated the existing Corporate Grants programme, and may have contributed to reduced demand for, and an underspend in, the latter
- the process required a great deal of time and resources to administer - in total, more than 200 hours of officer time across a number of teams
- the process did not give Members an opportunity to resolve issues coming forward through other routes, or to consider how they might want to prioritise the funding and ensure they got the most value from it for their local area.

Proposing a revised process for allocating Area Committee budgets

1.18 Because of these issues, it has been recommended to the Community Leadership Committee that the open public grants process is not repeated in 2015/16 and that Area Committees instead move to a system which gives Members an opportunity to plan and direct how they spend their funds, in response to local issues which come forward from residents through a variety of routes. This is set out in full at paragraphs 1.34-1.53 of Appendix A.

1.19 Under these proposals, Area Committees would use their resources to address local issues and respond to local needs which are not deemed Borough-wide priorities and are not suitable for resourcing through Theme Committees – because of their scale, their local focus, or the lack of resource at Borough level to deal with them. Potential projects might come forward through:

- issues raised at Residents' Forums
- issues identified through Ward Tours
- Members' Items brought to the Area Committee
- projects which have been identified by the Environment Committee or another Theme Committee, but which Theme Committees have chosen not to fund because they are not borough-wide priorities.

1.20 Committees will need to have a realistic view of the sort of projects they can expect to be able to implement using their own budgets and a general idea of the full costs of implementing these. For larger projects, it may be more appropriate to fund them through another route to avoid spending a disproportionate amount of the Area Committee's budget on a single project.

1.21 It was recommended to the Community Leadership Committee that as a general rule, to support Area Committees to be able to keep responding to a broad range of local issues rather than spending all their funding on a single project, Area Committees do not fund any project for which the estimated costs of implementing it are greater than £25,000. This £25,000 would not include the cost of feasibility studies, consultation and design as these must take place to determine the final implementation costs, and the cost of these 'scoping' works would also need to be funded from the Area Committee budgets.

1.22 In practice, this would mean that when an issue is identified that an Area Committee would like to see resolved, they instruct officers to carry out the necessary investigative work and authorise funding to cover this. Officers would come back to the Area Committee with proposals and costs for resolving the issue and if the costs of resolving it exceeded £25,000 the Area Committee would refer it on to a Theme Committee for funding through another route instead.

1.23 The Community Leadership Committee tasked the Theme Committees with producing guidance which will help Area Committees strike the right balance between borough-wide priorities and local need and ensure they are getting good value from their budgets, starting with guidance on Environment Committee issues. This guidance is to give Area Committees a high-level overview of any additional considerations they need to take into account when considering environmental projects – such as the consultation requirement associated with implementing a CPZ – and the approximate costs associated with each phase of development, so that Members have more information about what is feasible within their resources. At its June meeting, Environment Committee instructed the Commissioning Director, Environment to work up this guidance for presentation at the July round of Area and Theme Committees for discussion and approval, and a draft of this guidance is attached at Appendix D for comment.

This paper recommends that the Committee reviews and comments on the draft guidance produced in response to the instruction from Environment Committee and attached at Appendix D.

Allocating the budgets and dealing with outstanding issues in 2015/16

1.24 In 2015/16 it is proposed that the Area Committee focuses first on

- the 'backlog' of issues already identified for each constituency
- other agenda items at the July 2 meeting, with a particular focus on any issues which need referral into the LIP programme.

1.25 The resources which have been identified through the Environment Committee budget (pending approval by Environment Committee on 15 July), would be sufficient to resolve the backlog issues which have costs of £25,000 or more, without the need for additional funding from the LIP programme. This would remove a further eight items from the backlog list for Chipping Barnet, with total estimated unfunded costs of £370,000.

1.26 It is therefore proposed that the Area Committees refer those issues on the list for which costs are estimated at more than £25,000 to Environment Committee for consideration, pending the decision whether or not to allocate funds to meet the backlog.

This paper recommends that the Area Committee refers the backlog issues listed at Appendix B which are neither closed nor fully funded,

excluding RE47 and RE44, whose costs are estimated at £25,000 or less, to Environment Committee to be considered for funding at their meeting on 15 July.

1.27 This leaves three issues remaining on the backlog list, RE44 (parking controls at Colney Hatch Lane and Friern Village Estate, costed at £15,000), RE47 (a review of parking bay occupancy in Chipping Barnet Town Centre, costed at £20,000), and RE25 (London Cycling Campaign road schemes, considered in paragraph 1.29 below).

1.28 Both RE44 and RE47 relate to infrastructure and are therefore eligible for CIL funding, and it is thus proposed that, rather than committing its more flexible funds at this stage, Chipping Barnet Area Committee reserves its decision as to whether or not to take these forward until the Committee knows whether or not it has CIL income at its disposal. It is therefore proposed that the Committee refers these two issues onto the work programme for its October meeting.

It is therefore recommended that the Chipping Barnet Area Committee refers issues RE44 and RE47 onto their work programme for consideration at their October meeting.

1.29 The Chipping Barnet Area Committee is also being asked to consider a report reviewing proposals made by the London Cycle Campaign for cycling improvements in the Chipping Barnet Constituency. This is issue RE25 on the backlog list but is being treated independently as more detailed proposals have come forward as a separate item. Given the points made earlier in this report about the need to consider a reasonable cost threshold for works implemented by Area Committees themselves, the fact that CIL resources aimed specifically at infrastructure works may come forward later in the year, and the need to balance this against the timing for submissions into the LIP programme, the Committee might wish to consider taking the following approach to any one of the following proposals. Each of these can be approved or turned down independently of the others:

- Taking a decision at this meeting to fund the proposed feasibility study for the major junction redesign work forecast in Coppetts, in order to develop options in time to submit these into the LIP programme in September, at an approximate cost of £15,000
- Similarly, taking a decision as to whether or not to fund a feasibility study into the proposed works in East Barnet, to inform the LIP submission, at an approximate cost of £15,000
- Considering whether or not they might wish to fund the work identified to implement protected cycle lanes in Totteridge (estimated cost £25,000) but, if the Committee does want to take this forward, delaying the final decision until their October meeting in order to have the option to make use of CIL funds if these are available
- Considering, for the remaining proposals identified whether or not the Committee wishes to support them and, if an issue is supported,

referring it on to Environment Committee to be considered for funding as part of the backlog list, or as a submission to the LIP programme.

It is therefore recommended that the Committee follows the approach set out in this report when considering other issues on its agenda, as well as any issues which are referred on to the Committee from the July 2 Residents' Forum.

1.30 Finally, it is recommended that the Area Committees consider allocating a portion of their total budget for 2015/16 through the Council's Corporate Grants programme. A recommendation to do this is being presented to each Area Committee. The first year's applications showed a clear appetite in all constituencies for projects which focused on direct work with residents rather than on the environmental improvements which have been the traditional focus of the Area Committees – 13 of the 20 applications made to Chipping Barnet were for projects which would provide workshops or activities to local people, such as ESOL classes or community domestic violence support services.

1.31 In order to retain some of the grant-giving capacity that the Area Committees provided in their first year and to avoid the Committees' focus being entirely on environmental improvements, it is proposed that each Committee allocates £17,000 of its budget through the Corporate Grants programme. The budget for this programme has fallen in recent years and the £51,000 this would generate would bring it back up to par, as well as giving Area Committees access to a tried and tested process for allocating funding to community projects.

It is therefore recommended that the Area Committee approves the transfer of £17,000 of its current budget for 2015/16 to the Corporate Grants programme budget, to be allocated through, and using, the existing and established Corporate Grants application process.

Allocating the budgets from 2016/17 onwards – setting priorities

1.32 It is proposed that in future years, the Area Committees would use their March meetings to review the Theme Committees' business plans, along with known projects or issues which have come forward through other routes (as above), and consider their priorities for how they will use their budgets in the subsequent financial year. This could be an opportunity to set some broad guidelines for how they will divide up their budgets – for example:

- roughly how much planned work they wish to see undertaken;
- how much (if any) investigative work they would like officers to undertake around more complex issues that have been identified through needs assessments or other evidence-gathering processes, as described above; and

- how much funding they would like to hold back for projects which might come forward during the remainder of the year, and/or for reactive responses to low-level issues.

1.33 Members could also choose to set aside a proportion of the budget to respond to low level environmental issues as and when these emerge – though these would have to be coordinated with other responsive environmental maintenance work.

1.34 If other issues have been flagged up as significant local problems by officers through existing needs assessments or other evidence-gathering processes – for example, high youth unemployment or health inequalities between different communities – Members could, in the same way that they might request a feasibility study for an environmental improvement, instruct officers to investigate the issue and bring possible options for projects which could address the issue back to the Committee, with funding used to implement the preferred option if it was considered a local priority.

1.35 Finally, in this March meeting and their summer meetings, Area Committees will also need to have an eye to any projects best suited for funding through LIP and ensure that these are referred to Environment Committee in time to be considered as part of the September submission.

1.36 A table showing the proposed process for 2015/16 and 2016/17 onwards is attached as Appendix C.

2. REASONS FOR RECOMMENDATIONS

2.1 Members and residents have both expressed frustration at the way in which Area Committees and Residents' Forums currently operate and how effective they are at resolving local issues. Officers had already committed to reviewing the process for allocating Area Committee budgets in their first year and it has been logical to broaden this to see how some of the other issues which have been raised could be resolved. The findings of this review have been endorsed and approved by the Community Leadership Committee at its meeting on 24 June 2015

2.2 The measures proposed here (and covered under recommendation 1) to improve the operations and logistics of Area Committees and Residents' Forums have been developed in consultation with the Chairs and Vice-Chairs of the Area Committees and the Chairs of the Residents' Forums, who consider that these improvements will make the various meetings work more effectively.

2.3 The relationship between the Area Committees and Theme Committees, particularly the Environment Committee (covered under recommendation 2) needs to be formalised to ensure we strike the right balance between borough-level priorities and local need, and make sure that issues can be resolved at the right level and in a timely manner

2.4 The proposal to supplement the Area Committee budgets with income from CIL provides additional resources to resolve the current backlog of outstanding issues as well as any new environmental issues which come forward, while the proposal to agree additional resources through the Environment Committee's budget to resolve the remaining backlog of works means that Members' decisions can now be implemented (both covered under recommendation 3).

2.5 The proposal to adopt the 'backlog' list attached at Appendix B as capturing the outstanding issues raised as of 12 June 2015 (covered under recommendation 4) and to refer the backlog issues listed at Appendix B, excluding RE47 and RE44, to Environment Committee to be considered for funding at their meeting on 15 July (covered under recommendation 6) will enable Environment Committee to identify definitive resources to resolve these issues and progress them.

2.6 The proposal that the Area Committee should review and comment on the draft guidance attached at Appendix D (covered under recommendation 5) gives Members of the Committee the opportunity to make sure the guidance meets their needs.

2.7 The proposal that the Chipping Barnet Area Committee should refer issues RE44 and RE47 onto their work programme for consideration at their October meeting (covered under recommendation 7), and that the Committee follows the principles set out in this report when considering other issues on its agenda (as well as any issues which are referred on to the Committee from the July 2 Residents' Forum) (covered under recommendation 8) is designed to ensure that the Area Committee makes fully informed decisions about how to deploy its resources and that funding is deployed as effectively as possible in line with any restrictions on its use.

2.8 The proposal to allocate a proportion of Area Committee funding through the Corporate Grants programme (covered under recommendation 9) responds to any concerns about moving away from a grants process for allocating Area Committee resources more generally, and retains a role for the Chipping Barnet Area Committee in supporting resident-focused projects in 2015/16, enabling it to build on some of the successes of the first year's process and balancing out the effect of keeping a strong environmental focus for the use of the budgets in the first year of this new process.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 The Council could make no changes to the way in which Area Committees and Residents' Forums operate, but this would:

- risk continuing Members' and residents' dissatisfaction with the current system
- not take action to resolve the local issues which have already been identified by residents and Members

- lose out on the opportunities Area Committees provide to feed local views and opinions into the borough-wide priorities of the Theme Committees.

3.2 The Council could retain the existing process for allocating the Area Committee budgets, but this would:

- require additional officer resource to administer it – the capacity used to support the first round of allocations no longer exists due to restructures in the Commissioning Group and Governance Service – without any budget available to do this
- limit flexibility in how the budgets are spent – the process does not give Committees room to prioritise or to target their resources
- continue to duplicate the corporate grants programme.

3.3 Area Committees could choose to take a purely environmental focus and ignore non-environmental issues in their local area, but this option:

- restricts flexibility in how the budgets are spent should non-environmental issues emerge
- loses the link between democratic decision-making and funding for local community projects
- risks missing out on opportunities to get residents engaging with the Council on a whole range of local issues through the Residents' Forums, as the Forums would be likely to remain focused on environmental improvements under this approach.

4. POST DECISION IMPLEMENTATION

4.1 Chipping Barnet Area Committee's support for the proposals to supplement the Area Committee budgets with income from CIL will be noted in a paper to Policy & Resources Committee on 9 July 2015, asking them to agree the allocation of CIL to Area Committees.

4.2 The issues from the backlog list will be added to the future work programmes for the Area Committee and the Environment Committee as set out above, and the work programmes of each Committee adjusted to reflect the process from 2016/17 onwards.

4.3 Comments on the draft guidance will be incorporated and the guidance returned to Environment Committee to be signed off. Guidance will be developed by the other Theme Committees to inform the Area Committee's prioritisation meeting in March 2016.

4.4 £17,000 will be transferred to the Corporate Grants programme budget to be allocated through that process.

5. IMPLICATIONS OF DECISION

5.1 **Corporate Priorities and Performance**

5.1.1 The recommendations set out in this report further the principles of the Corporate Plan 2015-2020 by seeking to ensure that Area Committee operations and the resources they allocate improve quality of life for people in each local area, support communities to help themselves, and work efficiently to ensure value for money.

5.1.2 The decision will contribute to the Health and Wellbeing Strategy's aim to improve wellbeing in the community by helping local people get issues in their area resolved more effectively and giving Area Committees and Residents' Forums the tools they need to ensure this.

5.2 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 Paragraphs 1.18-1.36 of this report and paragraphs 1.33-1.53 of Appendix A deal with proposals to refine the way in which the existing budgets of £100,000 a year delegated to each Area Committee for each of the four years 2014/15-2017/18 are administered.

5.2.2 These proposals seek to ensure that these resources are administered in a way which:

- ensures the resources are used in a way which achieves good value for public money
- avoids overly high administration costs
- makes sure appropriate capacity is available to support the process without having an impact on the delivery of other areas of work.

5.2.3 The current funding available to each Area Committee for 2015/16, including the underspend from 2014/15, is set out in the table below:

Current funding available by Area Committee

	Annual budget	*2014/15 underspend*	*Total available in 2015/16*
Chipping Barnet	**£100,000**	**£51,204**	**£151,204**
Finchley & Golders Green	£100,000	£14,628	£114,628
Hendon	£100,000	£26,103	£126,103
Total:	£300,000	£91,935	£391,935

5.2.4 This report also proposes that a proportion of the Community Infrastructure

Levy (CIL) is allocated to each Area Committee, subject to agreement from Policy & Resources Committee on 9 July 2015. The purpose of CIL is to provide, improve, replace, operate or maintain infrastructure which will help to address the impact of growth and development in a local area. CIL income varies year to year and area to area, depending on the number and size of developments which come forward in that area. CIL income for each financial year is spent a year in arrears (so, for example, the 2014/15 income is not known until 2015/16).

5.2.5 There is a regulatory requirement, in parished local authority areas, for 'a meaningful proportion of CIL income to be allocated to neighbourhoods', met by allocating 15% of the CIL income for each parish to the parish council. The purpose of this requirement is to make sure the communities affected by growth and development have the opportunity to benefit directly from the income it brings in.

5.2.6 Because Barnet has no parish councils, the Council is not required to delegate CIL income. However, it is proposed – subject to agreement from Policy & Resources Committee – that to fulfil the spirit of the CIL regulations, Area Committees should be treated in the same way as parish councils and allocated 15% of the CIL receipts for their local area, to be capped at £150,000 per year and ring-fenced for spend on environmental schemes.

5.2.7 In 2015/16 officers have also proposed that we amalgamate the CIL allocations for 2013/14 and 2014/15. This would support a more even distribution across Committees, with Chipping Barnet and Hendon both reaching their capped total and Finchley & Golders Green receiving over £100,000. This combined allocation is set out in the table below:

CIL allocations by Area Committee

	15% of 2013/14 Income (actual)	*15% 2014/15 Income (projected)*	*15% net total*	*Capped Expenditure Budget*
Chipping Barnet	**£97,352.97**	**£125,000**	**£222,352.97**	**£150,000**
Finchley & Golders Green	£31,905.04	£80,000	£111,905.04	£111,905.04
Hendon	£2,877.93	£200,000	£202,877.93	£150,000
Total:	£132,135.94	£405,000	£537,135.94	£411,905.04

5.2.8 The implication of these recommendations for the Corporate Grants programme is a transfer of £51,000 from the combined Area Committee budgets to the Corporate Grants programme, to be made up of £17,000 from each Area Committee.

5.2.9 This transfer allows Area Committees to maintain grants provision for local

groups wishing to carry out projects in their local areas, and mitigates a fall in the Corporate Grants programme's budget from £104,390 in 2014/15 to £87,344 in 2015/16.

5.2.10 If all the recommendations in this report are implemented then the total funding available to each Committee in 2015/16 would be as set out in the table below:

Proposed funding to be allocated by each Area Committee in 2015/16

	Base budget 2015/16	*Unallocated funds from 2014/15*	*CIL income*	*Allocation through Corporate Grants programme*	*Total 2015/16 allocation through Committees*
Chipping Barnet	**£100,000**	**£51,204**	**£150,000**	**-£17,000**	**£284,204**
Finchley & Golders Green	£100,000	£14,628	£111,905	-£17,000	£209,533
Hendon	£100,000	£26,103	£150,000	-£17,000	£259,103
Total:	£300,000	£91,935	£411,905	-£51,000	£752,840

5.2.11 The total estimated outstanding costs of issues on the 'backlog' list, by Area Committee, are as set out in the table below, broken down into large schemes (suitable for resolution through the Environment Committee budget or the LIP programme) and small schemes (suitable for resolution through the Area Committee budgets). These numbers differ from those given in the Community Leadership Committee paper as additional issues have been incorporated to make sure this list captures the complete backlog.

*Estimated costs of outstanding issues by Area Committee**

	Total outstanding costs	*Outstanding costs of large schemes*	*Outstanding costs of smaller schemes*
Chipping Barnet	**£405,000**	**£370,000**	**£35,000**
Finchley & Golders Green	£90,000	£50,000	£40,000
Hendon	£275,000	£235,000	£40,000

**Omits borough-wide issues

5.2.12 These issues cannot be resourced through Area Committees alone, as their costs exceed the total funding available to the Committees. The Environment

Committee is seeking resources from the Council's reserves to fund the outstanding costs of the larger schemes on the backlog list, so the only costs from the list which would fall to the Chipping Barnet Area Committee would be the £35,000 outstanding costs of the smaller schemes.

5.2.13 Should the Committee follow the route suggested in paragraph 1.29 of this report and fund the proposed feasibility studies for junction redesign in Coppetts and East Barnet Wards in order to inform the LIP submission this autumn, this would commit it to spending £30,000. The cost of the cycle lane protection in Totteridge would likewise incur approximately £25,000 in costs.

5.2.14 It is clear that the CIL income, if agreed, will be a significant factor in what Area Committees are able to do with their resources each year. Because this income has not yet been confirmed, it is recommended that, unless progress needs to be made more quickly to tie in with an external funding cycle, the Committees do not decide to commit funds until their October 2015 meeting, when they will know the full extent of their resources.

5.2.15 The recommendations in this report also seek to ensure that in future, issues which cannot or should not be resolved through the Area Committee budgets are referred to the best place for them to be handled and to put the right mechanisms in place for this to happen.

5.2.16 The Council will need to ensure that there is no negative impact on other work that has already been planned or programmed through the Theme Committees, so commissioners and Delivery Units – particularly Re – will need to work closely together to make sure flexible resources – particularly officer and contractor time – are identified and available to implement any discretionary projects agreed by Area Committees.

5.3 **Legal and Constitutional References**

5.3.1 The Council's Constitution, Responsibility for Functions, Annex A, sets out the Terms of Reference for the Residents' Forums, Area Committees and Theme Committees. The Terms of Reference for the Area Committees are, in relation to the area covered by the Committee:

(1) Consider matters raised at Residents Forums and determine how they are to be taken forward, including whether to request a report for a future meeting, refer to an Officer and/or ward councillors.

(2) Discharge any functions, within the budget and policy framework agreed by Policy and Resources, of the theme committees that they agree are more properly delegated to a more local level. These include but are not limited to:

- Town Centre Regeneration and Management
- Sewers, drainage, public conveniences, water courses
- Refuse collection, litter, cleansing, waste and recycling
- Parks, open spaces, nature reserves, allotments, recreation and leisure facilities
- Libraries and Culture

- Cemeteries and Crematoria
- Recommending the creation of Conservation Areas to Environment Committee
- Day to day environmental issues and management of land on Council Housing estates
- Local highways and safety schemes

(3) Administer any local budget delegated from Policy and Resources Committee for these committees in accordance with the framework set by the Policy and Resources Committee.

(4) Powers to deal with small public works.

Area committees should not deal with issues that are specifically within the remit of other committees (e.g. Licensing), that should be exercised at a Borough wide level or that are outside the budget and policy framework.

5.4 **Risk Management**

5.4.1 The proposals set out in this report and its appendices are designed in part to mitigate the risks of not resolving the issues identified with Area Committee and Residents' Forum operations. In particular, any continuing lack of action in resolving the outstanding issues identified by Area Committees – particularly in relation to highways schemes – risks damaging the reputation of the Area Committees and the Council as a whole as local people's expectations have been raised and have neither been met (through delivery of the schemes) or managed (through clear communication about their status).

5.4.2 There is a risk that moving from an open public grants process to a more Member-led process for allocating the Area Committee budgets may be negatively received by voluntary and community groups who were keen to access funding through the first round of allocations. This risk will be mitigated through clear communication with local community groups about the move and through adding capacity to the corporate grants programme. It is balanced to some extent by removing some of the risks associated with the open public grants process – for example, ensuring adequate due diligence around safeguarding and financial issues – which required significant resource to mitigate them.

5.4.3 There is some risk that the proposal to focus on environmental issues in 2015/16 may lose opportunities to broaden the focus of the Residents' Forums and Area Committees and allow them to take a more holistic view of the needs of their local areas. This has been mitigated by retaining the option for Area Committees to consider more resident-focused projects in the future and ensuring that their work programmes are linked to other Theme Committees as well as the Environment Committee.

5.5 **Equalities and Diversity**

5.5.1 The 2010 Equality Act outlines the provisions of the Public Sector Equality Duty. This requires public bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups.

5.5.2 The recommendations set out in this report are designed to ensure that Area Committees are able to reflect the needs of different communities within their local area in their own decisions, and to give Area Committees a route to feed these into the decisions made by Theme Committees.

5.5.3 Individual equalities impact assessments will be carried out to identify any equality considerations associated with the decisions made by an Area – or Theme – Committee.

5.6 **Consultation and Engagement**

5.6.1 The original proposals to delegate Area Committee budgets were a response to the survey findings of the public consultation on the changes to the Governance system. This consultation ran from 23 August 2014 to 22 September 2014. The consultation received a total of 575 responses. 504 came from the Citizens' Panel and 71 from residents.

5.6.2 One of the key findings was that, under the previous Sub-Committee structure, residents did not feel involved and able to influence local decision-making or policy development. Common issues raised were:

- a lack of understanding as to who was responsible for delivering some of their local services
- confusion about how the Council made its decisions and a perception that council decision-making was 'secretive and bureaucratic'
- a perception that Council decisions and views of elected representatives did not reflect residents' own priorities or those of their local area
- efforts at consultation were considered to be a way to rationalise 'predetermined decisions'.

5.6.3 It was also felt that the previous Area Environment Sub-Committees had limited decision-making powers, with restricted terms of reference and no budget devolved to them.

5.6.4 The Area Committee budgets were devolved in response to the findings of that consultation and the proposals set out in this paper aim to continue developing the Council's response to those findings.

5.6.5 More generally, the relationship between Area Committees and Residents' Forums is a critical part of the Council's commitment to public engagement. If the process is perceived as being 'clumsy' or not relevant because local priorities are not acted on then that relationship will not be used to its full potential. The proposal to create a process for Area Committees to determine and act on priorities in their local areas will help to build stronger and more effective links between the Council's decision-making processes and the needs of local communities.

5.6.6 Members, particularly the Chairs and Vice-Chairs of the Area Committees and Residents' Forums and the Chair, Vice-Chair and Opposition Spokesman of the Community Leadership Committee, have been consulted throughout the review and the development of the recommendations.

6. BACKGROUND PAPERS

6.1 Area Environment Sub-Committees - Draft Funding Arrangements (Policy & Resources Committee, 10 June 2014).

6.2 Area Sub-Committees - Budget Allocation Draft Framework (Community Leadership Committee, 25 June 2014).

6.3 Developing a Community Participation Strategy for Barnet (Community Leadership Committee, 25 June 2014).

6.4 Community Participation Strategy: Area Committee Budget Arrangements and Wider Community Funding (Community Leadership Committee, 11 September 2014).

6.5 Community Participation Strategy: Implementation Plan (Community Leadership Committee, 11 March 2015).

6.6 Review of Area Committees and their relationship with the Environment Committee (Environment Committee, 11 June 2015).

6.7 Review of Area Committees - operations and funding (Community Leadership Committee, 24 June 2015).