

AREA COMMITTEE BUDGETS – FAQs

These Updated FAQs reflect Member decisions on Area Committee budgets made by the Community Leadership Committee in March 2016.

1. HOW MANY AREA COMMITTEES ARE THERE; WHAT AREAS DO THEY COVER; WHEN DO THEY MEET?

- **Three.** They cover the constituency areas of **Chipping Barnet, Finchley & Golders Green, and Hendon.** Committees meet **four times a year** in January, March, June/July, and October.

2. WHAT ARE AREA COMMITTEES AND WHAT DO THEY DO?

- ACs were created in June 2014 when the Council moved to the Committee governance system. They replaced the Council's three Area Environment Sub-Committees, in place under the Executive governance system. Terms of Reference for the ACs include:
 - Considering issues raised at the linked Residents Forums meetings and determining how these matters are to be taken forward.
 - Discharging functions delegated by Theme Committees that the Theme Committees agree are more properly discharged at a local level. These may include, but are not limited to, place-focused services such as environmental improvements; local highways; and safety schemes; and Town Centre management.
 - Dealing with small-scale public works.
 - Administering any local budget delegated by the Policy & Resources Committee.

3. HOW MUCH DOES EACH AREA COMMITTEE HAVE TO SPEND AND WHAT CAN IT BE SPENT ON?

THERE ARE TWO SOURCE OF FUNDING FOR ACS:

I. £100K PER YEAR TO EACH AC UNTIL 2017/18 FOR SPENDING ON ENVIRONMENTAL OR NON-ENVIRONMENTAL ISSUES

- In June 2014, Policy & Resources Committee agreed that each AC would receive a budget of **£100k for each financial year up to 2017/18.**
- Any annual under spends can be **rolled forward** for spending in the subsequent financial year.
- The £100k can be used to fund **environmental** and **non-environmental projects.**
- On the **environmental side**, an example might be for an AC to fund traffic calming measures in a 'hot spot' area, such as vehicle activated speed limit signs.
- On the **non-environmental side**, examples might include initiatives to increase sport and physical activity; activities for young people; or proposals to improve community safety.

II. IN ADDITION, UP TO £150K PER YEAR TO EACH AC FROM COMMUNITY INFRASTRUCTURE LEVY (CIL) RESOURCES, FOR SPENDING ON ENVIRONMENTAL INFRASTRUCTURE ISSUES.

- In July 2015, Policy & Resources Committee agreed that each AC should receive a proportion of CIL funding, **in addition to their £100k allocations.**
- CIL is a planning charge on new developments to help pay for **community infrastructure.** Allocating a proportion of CIL income to ACs helps ensure that communities affected by development benefit directly from the income it brings in.
- To ensure the Council does not spend a disproportionate amount of CIL on small-scale, local projects, CIL allocations to ACs are **capped at £150,000 per Committee;** and CIL funding will be **returned to the Council's reserves if not allocated within two years, or spent within five.**

- In contrast to the £100k above, CIL is restricted for uses relating to ‘the provision, improvement, replacement, operation or maintenance of infrastructure’.
- The definition of ‘infrastructure’ is set out in the Planning Act 2008, including reference to: **Roads & other transport facilities; Flood defences; Schools and other educational facilities; Medical facilities; Sporting and recreational facilities; and Open spaces.**

4. HOW WILL AREA COMMITTEES KNOW HOW MUCH THEY HAVE TO SPEND DURING THE YEAR?

- The finance team keep a track of spending against each ACs annual budget to ensure that Committees are aware of how much funding they have available at each meeting.

5. HOW DOES THE RELATIONSHIP BETWEEN ACS AND THEME COMMITTEES WORK?

- Under the previous Executive system, the then Area Environment Sub-Committees had **executive powers delegated to them** in relation to local highways and other environmental issues. If an issue was referred to a Sub-Committee and it was decided that action should be taken, the Chair could meet the relevant Cabinet Member who, using his or her delegated powers, could give authority for actions to be carried out. Most significantly, the Area Environment Sub-Committees approved the highways planned works maintenance programme for each parliamentary constituency area.
- However, under the Committee system, **these arrangements are no longer in place** as the Environment Committee approves the highways planned maintenance programme at a borough-wide level. The Committee system avoids delegation of powers to Committee Chairs and there is no equivalent of the executive power which let the previous Sub-Committees put decisions into practice.
- As a consequence, there is a need to: 1) Ensure that ACs can **resolve issues which fall within their remit**; and 2) be clear about the **routes ACs can use to refer issues to Theme Committees which they cannot resolve and how progress is reported back.**

6. SHOULD THERE BE A CONSULTATIVE ELEMENT TO THE RELATIONSHIP BETWEEN AREA COMMITTEES AND THEME COMMITTEES – PARTICULARLY THE ENVIRONMENT COMMITTEE?

- **Yes** – strategies, schemes and projects coming to Theme Committees which need **local input** should be **considered by ACs**, with input **fed back to the Theme Committee**. Where ACs have provided input, they should **receive progress updates** from the Theme Committee.

7. CAN ACs REFER ISSUES TO THEME COMMITTEES FOR RESOLUTION, IF THEY CANNOT BE RESOLVED BY AN AC OR RESIDENTS FORUM?

- **Yes.** This should be **coordinated with the timetable by which Theme Committees make decisions**. For example, where the Environment Committee is setting a work programme such as the **highways planned works maintenance programme** – which agrees priorities and activities for the year – any referrals from ACs which would be implemented through the programme will need to be made before it is agreed.
- For referrals into the Council’s own highways programme, ACs would need to feed in local issues in **their first or second meetings of the year** (June/July or October) in order for them to be considered and – if agreed – built into the borough-wide plan.

8. WOULD REFERRALS NEED TO BE COORDINATED WITH ANY EXTERNAL FUNDING CYCLES?

- **Potentially, yes.** For example, large-scale highways infrastructure works are usually funded through the Transport for **London Local Implementation Plan (LIP)** programmes, with is agreed by Environment Committee. LIP funding applications are submitted in September each year, so if ACs want to refer an item to be considered and implemented in the following

financial year, they would need to refer it to Environment Committee at the first AC meeting of the year (June or July).

- Again, ACs should be **consulted on the detailed design** of any such schemes as these come forward and should receive **progress reports** if they are agreed and implemented.

9. ARE AC BUDGETS STILL ALLOCATED VIA AN OPEN PUBLIC GRANTS PROCESS?

- **No.** Following a review of the first year's allocation process (2014/15), the Community Leadership Committee and ACs agreed to **move away from an open public grants process**.
- It was agreed by the Community Leadership Committee and ACs that the allocation process for the first year would be a **pilot** which would be **reviewed before future allocations were made**. The review – which reported to Community Leadership Committee in June 2015 and to ACs in July 2015 – recommended **no longer running allocations as an open public grants process**. This was agreed, based on the following reasons:
 1. **Size of awards and the organisations that bid** – the size of grants was much higher than anticipated (average grant £6.5k) and most grants were awarded to existing groups. The process did not attract bids for small-scale community activities and from new and emerging groups as had been the intention.
 2. **Duplication of other funds** – the process duplicated the Council's existing Corporate Grants Programme which created confusion and contributed to reduced demand for the Corporate Grants Programme.
 3. **Prioritisation** – the process did not give Members an opportunity to consider how they might want to prioritise funding and ensure they got the most value for their local area.
 4. **Administrative costs** – Administration took more than 200 hours of officer time with around 20 officers involved from across the Council. The process was not sustainable without additional resources being provided, and Members were not keen to divert resources to pay for admin.

10. HOW DOES THE ALLOCATION PROCESS WORK, IF IT IS NOW NOT OPEN TO PUBLIC BIDS?

- Community Leadership Committee and the ACs agreed to move to an allocations process which gives **Members more opportunity to plan and direct how they spend the funds**, rather than responding to public requests for grants (which can still be received through **the Corporate Grants Programme** – see Q13 & Q14 below).
- There are **a number of routes** through which priorities for funding can be determined:
 - **Issues raised through Resident Forums** – Forum Chairs are able to refer items raised by residents to ACs. ACs can determine whether or not they can resolve the issue themselves – and use their budgets – or, if not, refer it to a Theme Committee.
 - **Referrals from Theme Committees** – the Environment Committee, or any Theme Committee, can refer projects or schemes to ACs which they have identified but may have chosen not to fund because they are not borough-wide priorities. ACs would be able to consider such schemes and use their resources to fund them if necessary.
 - **Members items brought to Area Committees** – Members are able to bring items to ACs for consideration. If an AC agrees, can set aside a proportion of its budget to fund the proposal. Members items can relate to environmental or non-environmental issues – further detail on the process is set out below.

11. ARE THERE CRITERIA FOR FUNDING NON-ENVIRONMENTAL PROJECTS FROM THE NON-CIL FUNDING?

- Yes, these are set out below:

CRITERIA FOR ASSESSING APPLICATIONS FOR FUNDING

1. Area Committee funding will be for projects or initiatives that meet the priority areas agreed by the Community Leadership Committee (see below)
2. Area Committee funding will be for locally based projects or initiatives that tackle local issues, rather than borough-wide schemes
3. Area Committee funding may be used for the feasibility, start up, or scaling phase of a local project OR for one off events or purchases which fit the criteria of the Area Committee
4. The maximum value of an award is £9,999

The priority areas are

- Improve community safety
- Improving local mental and physical health, physical activity and independence
- Support local people to improve their skills or find employment
- Provide support local businesses
- Improve the local environment

Areas agreed not to be considered for funding:

- Self interest groups – where there is no evidence of wider community benefit;
- Funding must not be used to meet a budget deficit in a specific area, to meet the debts of an organisation in financial difficulty, or to cover a shortfall in a service which would normally be provided by the Council or another public sector organisation;
- Funding will not be given to assist with the administration and/or research costs of preparing an application;
- Funding will be for one-off projects which do not require on-going support from the Council. They must not require maintenance from the Council, or future expenditure.

12. HOW SHOULD MEMBERS ITEMS BEING BROUGHT TO AREA COMMITTEES?

- Member items should be brought forward by a **member of the AC, on behalf of themselves or another Member**. Any Members wishing to bring an item should **discuss it with a Member on the relevant AC** to confirm that it can be taken in their name. The Member who has raised the issue **may be invited to the AC meeting to discuss it, if necessary**.
- Proposals for non-environmental, non-CIL funding should be provided 12 clear days in advance of the Committee deadline, to allow Officers to ensure that applications forms are completed and that Committee Members have the right information to make an informed decision.
- Members are permitted to bring one item to each Committee, so they will be required to prioritise.

I. FUNDING FOR ENVIRONMENTAL INFRASTRUCTURE ITEMS (e.g. highways issues)

- Members who wish to bring items relating to environmental infrastructure to an AC are encouraged to **discuss it with the Commissioning Director for Environment in advance**.
- The AC will **consider the item** and **may use some of its budget to conduct a data collection and feasibility study** e.g. if the item relates to fast moving traffic, the AC could instruct Re officers to conduct a speed survey, collision data report and a feasibility study to determine the best way to alleviate the problem, paid for from the AC's budget.
- The results would be compiled into a **report back to the AC with options for a solution** e.g. installation of vehicle activated speed limit signs. If agreed, the AC would use some of its budget to implement the proposals.

ENVIRONMENTAL INFRASTRUCTURE PROJECTS – CAPPING FUNDING AT £25,000 PER PROPOSAL (NOT INCLUDING FEASIBILITY, CONSULTATION AND DESIGN COSTS)

- ACs will need to have a **realistic view of the sort of projects they can implement using their budgets** and an idea of the **full costs involved**, which are likely to include **feasibility and design costs, consultation costs (if required)**, as well as the cost of **physical infrastructure**.
- Community Leadership Committee and ACs have agreed that – as a general rule – ACs **should not fund any project for which the estimated cost of implementing it is greater than £25,000**. This £25,000 **would not include the cost of feasibility studies, consultation and design costs** which would need to take place to determine the final implementation costs.
- Capping expenditure at £25,000 enables each AC to **respond to a broader range of local issues rather than spending all their funding on a single project**.
- In practice, as set out above, if there is an environmental issue that an AC would like to resolve, they would **instruct officers to carry out the necessary investigative work and authorise funding for this**. Officers would **report back to the AC with proposals and costs for resolving the issue**, funded from the AC's budget. If implementation **exceeds £25,000**, the AC could refer it to Environment Committee for consideration for funding through another route.

II. FUNDING FOR NON-ENVIRONMENTAL PROJECTS

- ACs may wish to fund **non-environmental issues** such as those to improve community safety, improve local mental and physical health, physical activity and independence, to support local people to improve their skills or find employment, provide support local businesses or improve the local environment and **Members may wish to bring items to ACs which relate to non-environmental areas, such as the above**.
- This might relate to issues that have been **flagged as local problems by officers through needs assessments or other sources of evidence** e.g. high youth unemployment, community safety concerns, or health inequalities between different communities.
- As with **the process for environmental schemes**, Members who wish to bring items relating to non-environmental schemes to an AC are encouraged **discuss it with the relevant commissioner in advance**.
- ACs could, in the same way that they might request a feasibility study for an environmental improvement, **instruct the relevant commissioning teams to investigate the issue and bring options to address it back to the Committee**. If agreed, the AC would **use their funding to implement the proposals**.

13. WILL DUE DILIGENCE BE TAKEN?

- **Yes**. Once a committee approves a proposal, the decision will be subject to due diligence checks carried out by the Finance Team.

14. ARE THERE OTHER GRANT FUNDS OPEN TO LOCAL GROUPS AND RESIDENTS TO BID FOR?

- **Yes**. Following the decision to move away from an open public grants process, ACs wanted residents and community groups to have the ability to **bid for grants to fund local projects**.
- Therefore, each AC **topped up the Corporate Grants Programme** to the tune of £51k (£17k from each Committee's budget) to ensure residents and community groups **have access to grant funding**. The benefit of directing residents and community groups to the Corporate Grants Programme is that it has a **well-tested grants allocation procedure in place with dedicated officer support to administer it**.

15. HOW DOES THE CORPORATE GRANTS PROGRAMME WORK?

- Projects funded through the Corporate Grants Programme are **similar to those which came forward through the first round of AC funding** e.g. a pilot project to coach unemployed people who have learning disabilities and/or long-term conditions and to help them find work.
- **Where a proposal complements one or more of the council's corporate priorities as set out in the Corporate Plan**, the programme offers grants of:
 - Up to £10k (over a maximum of one year) to help set up a **sustainable new project or activity in Barnet in response to identified needs**; and
 - Up to £5k in support of **community events, purchases or non-recurring items of expenditure**.
- Applicants must be **constituted as a not-for-profit organisation** (such as a registered charity, company limited by guarantee or, in the case of small local groups, an unincorporated association) and must show how a proposal **supports one or more of the council's priorities**.
- Applications are assessed on their **individual merits against the council's policy objectives**; the **benefits to the local community**; the **effectiveness of the organisation in its service delivery**; its **value for money**; its **financial needs**; and the budget for making awards each year. All grants are made subject to the council's **Standard Conditions of Grant Aid**, with which applicants are required to signify their compliance.
- If Members receive requests from residents and community groups for grants, **they should be referred to the Corporate Grants Programme**. The programme is administered by Ken Argent and further details can be found at www.barnet.gov.uk/grants

FURTHER INFORMATION AND A RECORD OF DECISION MAKING CAN BE FOUND HERE:

Community Leadership Committee – 24 June 2015

<http://barnet.moderngov.co.uk/documents/s24009/Area%20Committees%20-%20Community%20Leadership%20Committee%2025%20June%202015%20-%20FINAL.pdf>

Area Committees – 2 July 2015

<http://barnet.moderngov.co.uk/documents/s24254/Review%20of%20Area%20Committee%20Operations%20and%20Delegated%20Budgets.pdf>

<http://barnet.moderngov.co.uk/documents/s24244/Review%20of%20Area%20Committee%20Operations%20and%20Delegated%20Budgets.pdf>

<http://barnet.moderngov.co.uk/documents/s24250/Review%20of%20Area%20Committee%20Operations%20and%20Delegated%20Budgets.pdf>

Policy & Resources Committee – 9 July 2015

<http://barnet.moderngov.co.uk/documents/s24360/Delegating%20a%20proportion%20of%20Community%20Infrastructure%20Levy%20CIL%20income%20to%20the%20Councils%20Area%20Committee.pdf>