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|  | <h2>Policy and Resources Committee</h2> <h3>10 June 2014</h3>  |
| <p style="text-align: right;"><b>Title</b></p>                   | <p><b>Area Sub-Committees – Budget Arrangements</b></p>  |
| <p style="text-align: right;"><b>Report of</b></p>               | <p>Head of Governance</p>  |
| <p style="text-align: right;"><b>Wards</b></p>                   | <p>All</p>   |
| <p style="text-align: right;"><b>Status</b></p>                  | <p>Public</p>  |
| <p style="text-align: right;"><b>Enclosures</b></p>              | <p>None</p>  |
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| <h2>Summary</h2>  |
| <p>The report requests that the Policy and Resources Committee consider and approve the process and implementation plan around new budgets devolved to the Area Sub Committees.</p> |

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| <h2>Recommendations</h2>   |
| <ol style="list-style-type: none"> <li>1. That £100,000 per annum be allocated in principle to the Area Sub-Committees in line with the new Committee System of Governance approved by Council on 21 January 2014</li> <li>2. That no action is taken to either commit expenditure or spend any money until the Community Leadership Committee has approved the governance, accountability and priorities arrangements</li> <li>3. That the detailed arrangements for the governance, accountability and priorities for the budgets allocated to the Area Sub-Committee be delegated to the Community Leadership Committee for approval.</li> <li>4. That the Chief Finance Officer in consultation with the Chairmen of the Policy and Resources and Community Leadership Committees be delegated authority to put in the place the financial arrangements and controls.</li> </ol> |

## 1. WHY THIS REPORT IS NEEDED

1.1 Under the previous Committee Structure the Area Environment Sub Committees' remit and powers largely involved discharging the Council's Functions relating to environment and highways matters in accordance with Council Policy and within budget. Amongst the typical business for the Area Environment Sub-Committees was;

- Safety and Traffic Management Review
- Highways Planned Maintenance programme
- Members Items - these primarily relate to traffic calming measures

1.2 The rationale for allocating Area based budgets to Sub-Committees arose as a result of the public consultation survey findings on the change of the Governance System, and feedback from attendees at Residents Forums. Amongst the key findings highlighted in the survey was that under the previous Committee structure residents did not feel involved and able to influence local decisions (decision making or policy development). Common issues raised were:

- a lack of understanding as to who is responsible for delivering some of their local services
- confusion about how the Council makes its decisions and a perception that council decision making is 'secretive and bureaucratic'
- a perception that council decisions and views of elected representatives do not reflect residents' own priorities or those of their local area
- efforts at consultation are considered as a means of post-hoc rationalisation of 'predetermined decisions'

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

1.4 As a way of addressing this, the Constitution, Ethics and Probity Committee (CEP) agreed to (i) amend the name and Terms of Reference so that they were no longer Area Environment Sub-Committees but Area Sub-Committees, with a wider remit and (ii) allocate budgets, which would enable them to directly control a portion of the Council budget specifically devolved to them not just for environmental matters but other local matters. These non-environmental issues would either be matters referred up to the Area Sub Committee by the Chairman of the Residents Forum or delegated down by the Theme Committees (listed below) as set out in the Constitution;

- Children, Education, Libraries and Safeguarding
- Adults and Safeguarding
- Environment
- Assets, Regeneration and Growth
- Housing
- Community Leadership

- 1.5 CEP agreed that the budget devolved to each Area Sub-Committee by the Policy and Resources Committee should be £100,000 p.a. over four years.
- 1.6 The implementation of Area-based budgets will offer the Council a potentially powerful tool to engage residents in the decision making process and build and enhance trust in the Council's democratic and governance process. Delegating a budget will give Area Sub-Committees control over certain aspects of spending.
- 1.7 This new process is intended to address residents' concerns raised in paragraph 1.2 by including mechanisms that will:
- empower communities to solve local problems by supporting local activity and giving people a say and influence over the resources allocated to their area.
  - improve local democracy and devolve power to a local ward based level.
  - provide an agreed, open, transparent, and co-ordinated approach to resolving local issues through partnership working with local residents.
  - provide a recognised forum for local people to bring forward not only their concerns but also their ideas for local improvements.
  - allow local residents to take part in decisions on local expenditure, which can help enhance trust and a spirit of collaboration between residents and the Council.
- 1.8 When underpinned by effective community consultation, this process will also be valuable in bringing together different groups within the community to discuss local issues and concerns. The prospect of funding will provide an added incentive when residents learn that their ideas for local improvement may secure tangible resources. This will provide an effective way of encouraging attendance at the Area Sub-Committees and Residents Forums and will encourage residents or community groups who are unaccustomed to attending meetings to engage with wider local issues.
- 1.9 In line with the principles set out in the Community Participation Strategy (scheduled to be considered by Community Leadership Committee on 25 June 2014), this process will ensure that the Council and its partners operate in a more coordinated way to empower and engage local residents. Area based budgets will enable local people to have real influence over the local allocation of resources and will improve the relationship between the Council and the community.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 Community participation and involvement will be vital in achieving the changes the Council will need to make to the ways in which it delivers services over the next five years. Helping residents and community groups become more independent and resilient and take on more responsibility for

their local areas should lead to lower levels of demand on statutory services; residents will gain opportunities to develop their skills and capacity, while communities will have stronger networks and connections and become more cohesive as a result.

- 2.2 Improved community participation and involvement will also let the Council make the best use of residents' knowledge of their local area and of the resources within local communities to make sure that Council services are meeting local need as effectively as possible. In many cases, residents and community groups may be better placed than the Council is to understand and provide for the challenges facing their communities and the Council needs to take this into account when considering how to deliver services. These themes will be discussed in more depth in the Community Participation Strategy paper at the 25 June meeting of the Community Leadership Committee.
- 2.3 Improved community participation will mean that residents will need to become more involved in conversations about local priorities and in decision making, including decisions about how resources are allocated; and the Council will need to consider what support the community will need to become more independent and to take on more responsibility. The new Area Sub-Committee budgets, and the proposals to involve residents in prioritising how these are spent, are an opportunity to think about how the Council can make these principles work in practice.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 There is no existing policy that allows for the delegation of individual budgets to Area to Sub-committee, but this a new process that has been reviewed by the Constitution, Ethics and Probity Committee who have put forward the proposal.

### **4. POST DECISION IMPLEMENTATION**

- 4.1 The Area Residents Forums and Sub-Committees on the 18 June will receive a briefing paper explaining the decision taken by the Policy and Resources Committee and the implication of the decision. They will also be informed that the proposals and governance arrangements around Area based budgets are to be considered by the Community Leadership Committee on 25 June - the report will be available at the meeting.
- 4.2 Following on from the meeting of the Community Leadership Committee and agreement of the framework, communications to the public will clearly set out what the new process is and how to get involved.

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

- 5.1.1 The proposals contained in this report support the Council's strategic priorities as set out in the Corporate Plan for 2013-2016:

- To create the right environment to promote responsible growth, development and success across the borough.
- To support families and individuals that need it - promoting independence, learning and well being.
- To improve the satisfaction of residents within the borough as a place to live, work and study.

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

5.2.1 The £100,000 allocated per annum will have a life span of 4 years and shall be funded from ring-fenced reserves.

5.2.2 An annual report will be submitted to the Policy and Resources Committee detailing any expenditure and decisions made by the Area Sub-Committees.

5.2.3 Funding should not result in commitment for ongoing revenue expenditure beyond the life of the project.

## **5.3 Legal and Constitutional References**

5.1.2 As part of the wider localism and community empowerment agenda introduced by the Localism Act 2011, there has been a growing interest in devolving decision making for aspects of local spending.

The Act:

- gives local authorities the formal legal ability to respond to what local people want.
- passes significant new rights directly to communities and individuals
- makes it easier for local people to take over the amenities they love and keep them part of local life
- ensures that local social enterprises, volunteers and community groups with a bright idea for improving local services get a chance to change how things are done
- enables local residents to call local authorities to account for the careful management of taxpayers' money

5.3.1 Policy and Resources Committee amongst some of its functions has overall strategic responsibility for the following:

- Allocation of a budget, as appropriate, for Area Sub-Committees
- Ensuring effective uses of Resources and Value for money
- Equalities, Diversity and Community Cohesion

5.3.3 Community Leadership Committee amongst some of its functions has overall strategic responsibility for the following;

- To oversee the arrangements for partner co-operation including pooling of budgets (other than those within the remit of the Health and Wellbeing Board) e.g. Community Budgets
- To maintain good community relations with Barnet's diverse communities ensuring that all communities have the opportunity to participate fully in the Borough's affairs

## **5.4 Risk Management**

- 5.4.1 The proposals are founded on the principle that key strategic matters for the borough (e.g. significant planning applications) will remain within the remit of relevant themed committee. In this way understanding of what can be devolved and what can not is clear from the beginning.
- 5.4.2 The governance framework for the new arrangements will therefore need to clarify that the allocated budgets should not be used to cover work that the Council should be doing as part of its mainstream work (e.g. street cleaning) but can be used for work that needs doing but for which no budget exists in the current programme nor is there likely to be in the next year.
- 5.4.3 There is potential for confusion over who is responsible for the delivery of a particular project and how is to be delivered. Projects should link to the Community Participation strategy and the framework in place will help mitigate the risk of confusion. It should set out clearly what factors and questions need to be considered from onset and through the planning stages of a project.
- 5.4.4 The governance framework should state that resources are limited. Therefore priorities and project scope, realistic outcomes and time frames need to be clear along with the responsibilities of the Council, Councillors, stakeholders and residents.

## **5.5 Equalities and Diversity**

- 5.5.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which 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

The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services

- 5.5.2 The Equality and Human Rights Commission guidance advises public authorities to::
- have an adequate evidence base for decision making and to consider what engagement needs to be undertaken with people who have an interest in tackling discrimination, advancing equality and fostering good relations
  - analyse the effect of a policy or practice on equality.

It will be important that proposals put to sub committee are inclusive, take account of the needs of all citizens and reflect the diversity of the area. Proposals should be accompanied with some analysis of the equalities impact so that this can be taken into account in decision making.

## **5.6 Consultation and Engagement**

5.6.1 These proposals are a response to extensive resident consultation about the changes to the Council's Committee system, which were carried out between 23 August and 22 September 2013. In addition members of the Citizens Panel were also consulted and this took place between 30 August and 30 September. A total 575 responses were received

5.6.2 The Community Participation Strategy will link the implementation of these proposals with our broader work to improve engagement and gain a better understanding of our citizens and their needs.

5.6.3 Resident Forums will be one of the avenues used to help promote awareness of the Area based budgets, along with community organisations invited to attend the meetings. Information on the Area Budgets will also be included in the Resident Forum publicity.

## **6. BACKGROUND PAPERS**

6.1 The Agenda, report and minutes of the Council meeting held on the 21 January 2014 can be here;  
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7515&Ver=4>