

BARNSELY METROPOLITAN BOROUGH COUNCIL

Central Area Council Meeting:
17th October 2016

Report of Central Area Council
Manager

Central Council Financial Update Report

1. Purpose of Report

- 1.1 This report outlines Central Area Council's projected financial position for the next 3 years, 2017/18-2019/20, based on existing commitments and any procurements, SLA's and programmes agreed in principle and currently in development.
- 1.2 The report also clarifies the position about the timely expenditure of Central Area Council funds devolved to the 5 Central Ward Alliances for 2016/17, and presents a proposal for devolving funds to Ward Alliances in 2017/2018.

2. Recommendations

It is recommended that:

- 2.1 **Members note the actual financial position for the next 3 years, 2017/18-2019/20, based on Central Area Councils' existing commitments and any procurements, SLA's and programmes agreed in principle and currently in development.**
- 2.2 **Members agree the proposal provided at para 4.4 about the timely expenditure of Central Area Council funds devolved to the 5 Central Ward Alliances for 2016/17 and the return of monies to Central Area Council if money is not defrayed by 31st March 2017.**
- 2.3 **Members agree whether they wish to devolve Central Area Council funds to the 5 Ward Alliances for expenditure in 2017/18 and if so, agree how much is to be devolved.**

3.0 Central Area Council Budget-Background and current situation

- 3.1 Since Area Council's became operational in April 2014, an amount of £500,000 per annum has been allocated to Central Area Council.
- 3.2 At a Cabinet meeting on 21st September 2016 a report outlining a range of Council wide budget savings for the period 2017-2020 was considered. As part of this report it was proposed that the overall Area Council budget be reduced by £10,000 per ward from 1st April 2017.

- 3.3 Although the budget proposals have not yet been subject to Full Council consideration and approval, it is anticipated that there will be no change to the Area Council element of the report.
- 3.4 As a result, the Central Area Council budget will be reduced from £500,000 to £450,000 per annum, from 1st April 2017 onwards.
- 3.5 The table attached at Appendix 1 provides an overview of the financial position for Central Area Council for the next 3 years (2017/18-2019/20), based on the revised allocation.

Figures provided are based on **existing contracts/commitments (shown in green)** and any **procurements, SLA's and programmes that have been agreed in principle and are currently in development (shown in amber)**.

- 3.6 Those figures shown in **red are for potential contracts/SLA's that members may want to continue into the future, but no agreement in principle or otherwise has yet been sought from Central Area Council.**
- 3.7 Members should note that the figures provided remain indicative projections and may be subject to changes agreed as part of the ongoing procurement and contract management processes etc.

4.0 Central Area Council Devolved Funds to Ward Alliances -2016/17

- 4.1 Following the Council's decision to withdraw Devolved Ward Budget funding from 1st April 2016 and associated amendments regarding the use of Ward Alliance Funding, at a meeting of Central Area Council on 14th March 2016 it was agreed that an additional discretionary payment of £10,000 be made to each of the 5 Central Ward Alliance funds for expenditure in 2016/17.
- 4.2 Given that there were "carry forward" funds in a number of Ward Alliances, a core allocation of £10,000 was made, plus the Central Area Council additional discretionary payment of £10,000 referred to above, the starting balance for the 5 Central Area Ward Alliances for 2016/17 ranged from £20,000 -£29,202.
- 4.3 A table outlining the starting balances and expenditure for the 6 month period from 1st April 2016- 30th September 2016 for each of the 5 Central Area Ward Alliances is attached at Appendix 2 for information.
- 4.4 Given the "additional" nature of monies devolved to Ward Alliances by Central Area Council for expenditure in 2016/17, it is proposed that any remaining Ward Alliance Funds (up to the additional Central Area Council allocation of £10,000) not defrayed as at 31st March 2017, should be returned to Central Area Council.
- 4.5 If this proposal is agreed, to ensure expenditure is defrayed by 31st March 2017, Ward Alliances will need to have made final decisions about Ward Alliance applications in late February/early March 2017 at the latest.

5.0 Central Area Council Devolved Funds to Ward Alliances -2017/18

- 5.1 It is anticipated that Barnsley Council's framework for the allocation and use of Ward Alliance funds remains the same for 2017/18. This includes the allocation of £10,000/ward from Council core funding and the potential for Area Council's to devolve funds to Ward Alliances.
- 5.1 As can be seen from the Central Area Council Financial Forecast document attached at Appendix 1, an amount of **£62,204** only currently remains uncommitted for 2017/18, and an amount of **£30,100** for 2018/19.
- 5.2 Within this context, Central Council Members should consider if they want to devolve any Central Area Council funds to Ward Alliances for expenditure in 2017/18 and if so, the amount they would want to devolve. A figure of £8,000/Ward Alliance is proposed.

Appendices

Appendix 1- Central Area Council Financial Forecast -2017/18-2019/20

Appendix 2- Ward Alliance Fund Spend

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4th October 2016