

BARNSELY METROPOLITAN BOROUGH COUNCIL

North Area Council Meeting:
17th September 2018

Agenda Item: 7

Report of North Area Council
Manager

Procurement Update, Financial Position and Forecast

1. Purpose of Report

- 1.1 This report provides the Area Council with a financial position and forecast for expenditure based on the projects that have been proposed.

2. Recommendation

- 2.1. **The North Area Council should note the existing budget position and forecast for the funding commitments.**
- 2.2. **Members are required to make a decision regarding the contract renewal of the Housing Migration Officer – 3.3**
- 2.3. **Members should note that the recruitment update for the Youth Participation Support Worker.**
- 2.4. **Members should note the update on the Social Inclusion and Fuel Poverty Reduction project proposal. (This is covered in detail in Item 5)**
- 2.5. **Members should note the current financial position.**

3. Background highlighting all significant financial commitment

- 3.0 The Anti-Poverty Community Outreach Project commenced on the 14th September 2015. This is a one year (plus one year) contract valued at £149,000 in total. The initial contract has now concluded.

The decision was taken to retender the opportunity for a further 2 years (+ 1 year) at a contract value of approximately £95,000 per annum. The provider commenced service delivery on the 14th September 2017. This contract will run until at least September 2019 provided the conditions of the contract are met.

- 3.1 The Clean and Green Service commenced on the 14th September 2015. This was a one year (plus one year) contract valued at £150,000 per annum. The initial contract has now concluded.

The decision was taken to advertise an enhanced tender opportunity for a further 2 years (+ 1 year) at a contract value of approximately £85,000 per annum. The provider commenced service delivery on the 2nd October 2017. This contract will run until at least September 2019 provided the conditions of the contract are met.

- 3.2 Environmental Enforcement contract commenced in April 2016. This was a one year (+ one year + one year) contract, with financial implications of up to £146,000 per annum. The decision was taken at the September 2017 meeting NOT to utilise the final year of the contract extension. This will mean that the contract concluded on 31st March 2018.

The recycled income value for 2017/18 totalled £33,818.00.

- 3.3 Housing Migration Officer Private Sector Housing Officer – At the November meeting 2017 it was agreed that the North Area would offer a Housing Migration Officer post at Grade 6 for 12 months fixed term. The successful candidate started on the 22nd January 2018. In addition to the salary fees the Area Council agreed to fund uniform, PPE including IT, phone and bodycam, plus a £5k annual working budget.

For Decision: Members are required to make a decision regarding the extension of the Housing Migration Officers contract which will be due for renewal from 18th January 2019 on a fixed term basis for a period of 12 months.

- 3.4 Opportunities for Young People – Two 18hr Youth Participation Support Worker Grade 4 posts were advertised in May 2018. Interviews were conducted on 12th June 2018. References and DBS checks have been received. The officers started at the beginning of August. The posts are 12 months fixed term.

The funding for this project includes staff salaries and on-costs plus a mobile phone and laptop each. A working budget of £5,000 has also been agreed.

- 3.5 Health and Wellbeing – At the November 2017 meeting The North Area Council agreed to consider a Social Inclusion Project with a Prevention of Winter Deaths focus. This would complement the work of Housing and Energy Colleagues who are looking at developing a Housing and Energy Advice Hub with housing energy advice. Aligning a 3 year pilot in North Area would be a fantastic opportunity to combine resources and realise positive outcomes for residents in the North Area. A workshop took place on the 10th of April which informed the specification that was signed off at the 14th May meeting.

The procurement process for this project was conducted during June and July 2018. DIAL Barnsley was the preferred provider when the process concluded. At the time of writing the tender is live and there has been considerable interest in the opportunity from a range of providers. This contract is valued at £75,000p.a. (with a ceiling of £85,000) for two years, with the option to extend a third year. The contract commenced on the 3rd September 2018.

- 3.6 Stronger Communities Grant – The total funding available for 2018/19 is £80,000. A total of 7 applications were received. The grant is oversubscribed

by in excess of £44,000. At the Grant Panel on the 15th March 5 projects were recommended for approval delivering a broad range of services up until March 2019.

- 3.7 Community Magazine – The Area Council fund the distribution costs of the North Area Magazine. This is a twice yearly distribution costing approximately £3,200 per issue. Please refer to the table below for the production timescale for the autumn 2018 issue.

	North
Articles to communications (5 working days)	17/09/2018
Info to Barnsley Card for design	24/09/2018
First proof	27/09/2018
Final proof approvals	02/10/2018
Magazine to print	05/10/2018
Delivery to Distributers	19/10/2018

4. Financial Position

- 4.1. At the September 2017 meeting The Area Council took the decision to reconfigure its annual financial commitment to ensure that the annual spend is in-line with the budget allocation. It was agreed to cease the Environmental Enforcement Service and proposed to introduce a Participation Worker for Young People.
- 4.2. It is forecast that there will be an **underspend of approximately £156,278 for 2018/19 (this includes underspend from previous years). However the in-year balance exceeds the annual budget by £54,726.**
- 4.3. This is a significant excess caused by the decisions to stop the Positive Progressions project £55,000, the delay in recruiting to the Private Sector Housing Support Officer role, and recycled FPN income of £31,073 for 2017/18 now received.
- 4.4. The decision to terminate the Environmental Enforcement contract from March 2018 provided an opportunity to develop the social isolation project.

4.5. Outlined annual commitments from April 2018:

Contract	Annual Value
Anti- Poverty – Community Outreach	£95,000
Creating a Cleaner, Greener Environment in Partnership with Local People	£85,000
Housing Migration Officer – Grade 6 (+laptop and phone)	£35,000
Stronger Communities Grant	£80,000
Magazine Delivery (x2 deliveries p.a.)	£7,200
Support Worker - Youth Participation Grade 4 – two officers working 18hours (+laptop and phone) (+participation budget)	£26,000 & £5,000
Social Isolation and Cold Homes Project	£75,000
Devolved funding to Ward Alliances	£40,000
TOTAL	£447,400

5. Risks

- 5.1. Members please note that the Area Council has benefited from £112,294.00 in recycled FPN income since 2014. This ceased in March 2018 following the decision to decommission the service.
- 5.2. Members please note that the financial position of the Area Council has altered significantly and there was a substantial sum currently unallocated from 2017-18.
- 5.3. The proposed budget would take the Area Council £47,400 over budget pa for the next 3 years. However taking into account the current under spend or £167,183, the investment profiled in 4.5 would be feasible for the next three years and still leave approximately £25,000 unallocated.

6. Next Steps

- 6.1. Ensure that the Area Manager is alerted to any proposed commissioning profile variations so that feasibility considerations can be made at the earliest opportunity.

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Date:
03/09/2018