

19th March 2020 Cabinet Report – Community Budgets

MEMBERS' COMMUNITY BUDGETS GUIDANCE 2017-2022

1. Purpose of the Community Budget

The current scheme was adopted by Cabinet on 28th May 2013 and subsequently amended by Cabinet on 19th November 2015 and 19th October 2017 and March 2020. This scheme is intended to support delivery of small local measures that are a priority for individual Councillors and their local community but are not funded by other Council budgets. Furthermore, it is intended to help deliver the Council's strategic objectives.

As part of the scheme, a sum of money has been divided equally between all 72 elected Councillors to use on supporting initiatives within their Ward. The Community budget provides each Councillor with a budget of £10,000 to spend per year.

2. What are the financial thresholds?

Councillors are allocated £10,000 per councillor per year (£50,000 for 5-year term of office).

There is no minimum amount a Councillor may spend on funding.

3. How will the successful scheme receive the funds?

Bank details must be provided for an electronic transfer, or a cheque to be generated. The bank details needed would be the name of the group or organisation, address, bank account number and sort code. The bank account must be in the name of the group or organisation applying for funding. A brief description of what the money is for would also be required. Cash will not be provided. (Any queries contact the nominated officer Jayne Hunt. E mail Jayne.Hunt@swansea.gov.uk Tel: 07814107623)

4. What Community Budgets can be used for?

Councillors can allocate funding to any scheme (providing it is legal, complies with the Council's constitution, policies and procedures) and it can be used to:

- a. Initiate or to support community projects;
- b. Improve health and wellbeing;
- c. Improve Council owned land and/or public rights of way;
- d. Improve community services or facilities in a local area;
- e. Address safety issues in the local community;
- f. Contribute towards the Council's costs in facilitating local events or markets;
- g. Produce leaflets and information promoting the local area (but not promoting individual businesses and/or organisations);

- h. Provide grants/donations to Community groups supporting wider community engagement or services, however, only a maximum of £3,000 per organisation. In addition there would be an overall cap of £15,000 over a 5 year term per councillor.
- i. Donations for cross council initiatives e.g. relevant city centre event up to £100 in exceptional cases where such donations would have a wider benefit to ward residents.

NB: Councillors will not be reimbursed for payments for goods purchased from their personal accounts

- j. Contribute towards the Minor Works Budget; (details are outlined below in section 5)
- k. Create or enhance an asset subject to all future revenue costs as a result of the acquisitions being met.
- l. Provision of match funding to support or extend projects of the types outlined above that are part funded from other sources.
- m. To support capital funding

Please note that the above list is not exhaustive.

5. What is the Minor Works Budget?

Councillors with Council housing in their Ward can identify and/or approve schemes proposed by Area Housing Managers, including work carried out on Housing Land only, such as:

- a) Fencing;
- b) Gulley clearance;
- c) Repairs to paths;
- d) Provision of barriers and/or security works;
- e) Additional lightening;
- f) Additional car parking;
- g) Improving open spaces;
- h) Installing community facilities and/or areas; seating;
- i) Garden areas;
- j) Allotments

6. What Community Budgets cannot be used for?

Councillors are not able to allocate funding for:

- a) A scheme that is not legal and does not adhere to the Council's constitution, policies and procedures;
- b) Providing grants/monies to any commercial organisation or any individual or organisation whose principles conflict with those of the Council;
- c) Supporting any kind of political activity.

In addition, support to community groups to fund ongoing day to day running expenses is not recommended except in exceptional circumstances and to assist in short term challenges.

7. How will work be carried out?

In the first instances, it is proposed that all "works" will still be issued via the Council in-house teams. These services must continue to demonstrate that it can deliver the scheme and ensure its communication is improved. To enable this to take place, a dedicated officer has been appointed to administer the scheme. (The nominated officer is Jayne Hunt. E mail Jayne.Hunt@swansea.gov.uk Tel 07814107623)

- a) A catalogue of schemes will be made available to members. This will include all costs associated with a scheme and show a minimum to maximum cost per scheme e.g. If bollards are to be erected it could depend on site. Council will also indicate what schemes it would not be interested in bidding for.
- b) All costs of delivery of a scheme including any costs for design and e.g. TRO's must be included thus providing visibility for members. A breakdown of costs and a completion date must also be included in quotes.
- c) When payment for a scheme is made then members should be advised as soon as possible.
- d) Jayne Hunt will regularly inform members of their up-to-date spend and amount of remaining budget.
- e) A simplistic approval process is in place to ensure members and the Council are protected

One of the most controversial issues of the existing schemes is the cost applied to cover a future revenue burden. The current scheme places a simplistic, cumulative, threshold of £100 per year for all the "works" undertaken by a Ward Member in their term. If there are unforeseen additional costs, then the ward member must be contacted immediately.

Care must be taken not to allow the scheme to generate a significant amount of future revenue burden without making appropriate budget adjustment.

- a. "Grants or works" should not normally result in a disproportional increased ongoing revenue burden for the Council. As such a simplistic, cumulative, threshold of £100 per year is for all the "works" undertaken by a Ward Member in their term and if annual costs exceed that, a discussion will be held with members before scheme commences, e.g. an equivalent contribution would be made by the ward member to cover an agreed period by way of a commuted sum for a period of 5 years e.g. £500.
- b. Where this has not previously been adopted or where a replacement is required after the expiry of the "commuted sum" period, then any "replacement" items would be counted as a new application under these revised arrangements.
- c. Officers will ensure compliance with all the Council's financial and contract procedure rules and therefore approval must be secured prior to making any commitment of funding to any organisation.

8. What if it's unclear whether the Community Budget can be used or not?

Councillors will make their recommendation on the spending of the Community Budget to the nominated officer. The nominated officer is Ms Jayne Hunt. E mail Jayne.Hunt@swansea.gov.uk Tel 07814107623.

9. Does the nominated officer have a role in Community Budgets?

The nominated officers will be the Councillors' direct link into the scheme and the approval process.

Jayne Hunt will regularly inform members of their up-to-date spend and amount of remaining budget.

Council officers will confirm that any application complies with the terms and conditions of the scheme. Officers will ensure that proposed schemes are linked into the wider community engagement and existing work programmes to avoid duplication.

10. Will a Councillor need to provide reasons to allocate funds?

To ensure a successful application, each Councillor should (if requested) provide reasons as to why any allocation of funds will help a local scheme, activity or project. Any scheme, activity or project will need to show it specifically benefits the well-being of the local community or its own environment or economy.

Details of Councillor spending will be published on the City and County of Swansea internet site on a quarterly basis.

11. What rules apply to spending Community Budgets?

As the monies within Community Budgets are public money then the same rules apply as would apply to any other Council spending. This means that any scheme will still need to go through the usual and appropriate procurement method. All Councillors will need to comply with the Council's Constitution, financial rules, and contract procedure rules.

Councillors must adhere to the Councillor's Code of Conduct when making decisions on how to allocate their Community Budget.

Councillors must consider and identify any potential conflicts of interest in relation to any proposals which they wish to support.

Any queries on potential conflicts of interest or Code of Conduct should be referred to the Monitoring Officer.

12. Work undertaken by private companies/organisations

Where donations are provided to third party groups based in "council assets e.g. schools, Members must obtain four detailed quotes and a timescale for completion of the work should be included in the quote.

The Council should also be invited to give one of these quotes. The company/organisation must comply with the council's procurement process and follow Council's policies on Health and safety, pay policy, etc.

Quotes for works to be undertaken must include all costs, e.g. Quotes for highways work including TROs. Payment will be paid on completion of the work providing it is up to a satisfactory standard.

13. If an asset is created or enhanced can its ownership be transferred from the Council?

No. Any asset created or enhanced under the Community Budget must remain under Council ownership unless it has been agreed as a specific decision in relation to an agreed community transfer in line with the appropriate policy.

14. Can a Councillor pool their funds?

Yes, Councillors can elect to pool their funds where there is more than one Councillor in a ward. If there are sufficient funds, it benefits the community and is not illegal then the funds can be allocated to any individual project or group within each financial period (April to March) each year.

A Councillor does not have to pool their funds if they do not want to.

Councillors cannot pool funds across different wards unless the scheme/work is in fact being delivered across both wards, e.g. Joint funding of highway works which bridge ward boundaries; a community event which crosses ward boundaries or joint use of community facilities.

15. Can a Councillor carry forward and unspent Community Budget?

Any unspent monies from a Councillors Community Budget will automatically be carried forward to the next financial period if it is within the Councillor's term. Work scheduled for the 5th year of a term of office must be confirmed in the 4th year (i.e. before the 5th financial year). This will enable the appropriate department to include schemes in their schedules for the following year.

If money is committed to a scheme during the financial year but the scheme has not commenced, then the commitment will be honoured and a completion date be given to the Councillor.

However, please note that any money not spent by the end of the Councillor's term of office will be lost.

The final deadline for committing Donations to groups can still be made provided they are made by the end of the financial year immediately preceding the next council

election. If an election takes place outside of the normal cycle the cut-off date will be 6 weeks before the date of the election.

16. What happens to the Community Budget upon a Councillor leaving the Authority during the financial period?

The budget is based on 5-year term and is £50k in total and current Councillors can spend it as and when required. If a change in a Councillor takes place, the remaining balance would be made available to the new Councillor. If the Community Budget has been committed no further monies will be advanced to the new Councillor until the next term of office.

17. Can members of the public find out how much each Councillor has spent and on what?

Yes. The Council will publish information regarding each Councillors Community Budget on a quarterly basis. This will include declarations of interest from Councillors in relation to any applications. The Council's internet site will include a section on Community Budgets.

18. Can a Councillor spend his/her Community Budget during Purdah?

Purdah is the period between the notice of the election and the actual date of the election.

During this period, the normal behaviours around a Council and Councillors' activities become more restricted. The Council is not able to show or give any impression of showing any support, bias or favouritism to any candidate for election of Councillor or any political party. The Council must remain neutral and impartial. Councillors will need to exercise caution in the use of their Community Budgets leading up to an election. Councillors will be able to identify any appropriate scheme up to and including the end of the financial year prior to the election i.e. 31st March prior to a May election.

19. What happens if there is a dispute about the scheme?

Hopefully most situations will be clear as to what is permitted and what isn't assisted by this guidance. If there is a disagreement between a ward Councillor and the nominated officer and a solution cannot be found the matter would be escalated for determination by the Cabinet Member and the Director of Place. If the matter cannot be resolved, then the final decision will be made by the Monitoring Officer on the grounds of compliance with appropriate legislation.

20. Capital Allocation

As part of the normal budget setting process Council or Cabinet may identify a capital allocation to form part of the overall community budget scheme. If such an allocation is made the following principles would apply:

The eligibility criteria in place would be the same as set out for revenue funding in paragraphs 1.2 to 1.4 above. In addition they would need to satisfy the criteria for capital projects as set out in the council's financial procedure rules. I.e. the work is intended to "add" to the asset such as new equipment or maintain the longevity of an asset by replacing something that already exists. Acquisition of assets or donations are not permitted from this budget

- As the project will be capital in nature the minimum scheme value would be £20,000
- There would be a cap on the amount that can be drawn from a capital budget of a maximum of £30,000 **per ward** per year. The capital contribution cannot represent more than 80% of the total costs of the scheme with the balance being derived from other sources which could include grant, revenue community budget allocation or wider community donations
- No more than 2 such schemes can be approved for a single ward in any financial year i.e. one or two scheme drawing a maximum of £30,000
- Once the budget has been fully committed no further schemes can be considered until a new allocation is made. A deadline or series of deadline may be declared to allow a phasing approach to bid consideration
- In year one of the scheme projects would be eligible provided they have not physically commenced on site
- Any capital budget remaining at the end of the council term will be rolled over to the next cycle and added to any new amounts allocated
- Decisions as to eligibility for each submitted scheme would be delegated to the leader, Cabinet member for Better Communities, and Director of Place. In the event of the scheme being submitted in one of the respective wards then the deputy leader would sit on the panel
- In the event of more approved bids that the remaining money available the panel could decide to "ration" the approval on pro rata basis
- As the schemes are likely to be larger than normal community budget projects a deadline will be set for final submission and approval of schemes 1 year prior to the end of the municipal term