

REPORT TO: East Lothian Council

MEETING DATE: 16 December 2014

BY: Chief Executive

SUBJECT: Area Partnerships: Devolved Budget

1 PURPOSE

- 1.1 To present the Council with a proposal for devolving budgets to Area Partnerships.

2 RECOMMENDATIONS

- 2.1 Council is asked to approve the report, specifically the recommendations contained in paragraphs 3.8 and 3.9.

3 BACKGROUND

- 3.1 *Working Together for a Better East Lothian: The East Lothian Council Plan 2012-2017*, as approved by the Council in August 2012, includes the *Growing our Communities* objective – *to give people a real say in the decisions that matter most and provide communities with the housing, transport links, community facilities and environment that will allow them to flourish.*
- 3.2 The Council Plan includes commitments to: *‘Establish Local Area Partnerships for all six areas of East Lothian to give local communities, Community Councils and local groups more say in local services and to develop Local Community Plans that will influence the achievement of the Community Planning Partnership’s Single Outcome Agreement’*; and to: *‘Devolve decision making and budgets starting with allocating a £100,000 budget for each secondary school cluster.’*
- 3.3 Six Area Partnerships have been established and have begun the work to develop Area Plans by identifying the key issues and priorities for their areas. The Area Partnerships have been based on the Council wards, which in turn are based on secondary school cluster areas. It is proposed that the most effective way in which budgets could be devolved to secondary school cluster areas would be through Area Partnerships. Each Area Partnership includes representatives from a wide range of community interests and groups

including Parent Councils. Head teachers from several Secondary and Primary schools have participated in Area Partnership meetings.

- 3.4 The Partnerships have been advised that the Council Plan includes a commitment to devolve budgets and that the methodology for determining how much is to be devolved to each area and how the devolution of budgets will operate will be developed and reported back to them prior to the start of the 2015/16 financial year.
- 3.5 The Council's three year budget, 2014/15 – 2016/17 as approved by Council on 11 February 2014 includes the following budget allocations for 'Local Area Management':
- £600,000 transferred from Amenity Services - Landscape & Countryside in 2015/16 and built into the base budget
 - £350,000 transferred from reserves in 2015/16
 - £300,000 in the Roads Capital Budget (including £250,000 additional allocation) in 2015/16 and 2016/17.
- 3.6 Two issues need to be resolved – how the devolved funds are to be allocated between areas and how priorities for local allocation of devolved funding are to be determined.

Allocation of devolved funds between areas

- 3.7 The funding could be allocated using different formulas based on dividing the funding by seven wards, six Area Partnerships, population or some other factor.
- 3.8 The recommended proposal is to allocate the three funds as follows:
- £600,000 for services provided by the Council's amenity services to be allocated equally to the six Area Partnerships – £100,000 each
 - £300,000 capital roads budget to be allocated equally to the six area partnerships – £50,000 each
 - £350,000 to support Local Area Management in 2015/16 to be allocated equally to the seven Council wards so that the Musselburgh Area Partnership would receive £100,000 and the other five Area Partnerships would each receive £50,000.

Determining priorities for local allocation of devolved funding

- 3.9 Each Area Partnership will have responsibility for determining their priorities for expenditure under the three budget headings in line with the priorities set in their Area Plan:
- £100,000 on services provided by the Council's amenity services which includes maintenance, renovation and minor improvements in parks, sports pitches, open spaces, hard landscaping, rural paths, woodlands and

children's play areas; grass cutting; street sweeping; and street bins, seats, signs and fencing

- £50,000 for roads capital expenditure which can include:
 - Traffic and safety schemes - footway and car park improvements, reconstruction and resurfacing
 - Street lighting – upgrading or replacing existing lighting or installing new street lighting
 - Road reconstruction – carriageway repairs or resurfacing, drainage improvements
- £50,000 (£100,000 for the Musselburgh Partnership) for other non-recurring general services priorities determined by each Partnership in their Area Plan.

3.10 The Council is appointing four Area Managers who will hold the budgets devolved to the Area Partnerships. They will have the key role of liaising between the Area Partnerships and the managers responsible for providing the amenity and roads services provided through the respective devolved budgets.

3.11 It is envisaged that the Area Managers and relevant service managers would report to each Area Partnership with the planned expenditure identified by the service based on their needs assessment and service priorities. It will be important for Area Partnerships to be made aware of the type of work that is covered by, and can be funded through, the devolved budgets and, equally importantly, the work that could not be funded through these budgets. The Area Partnership would then have the opportunity to comment on and influence the planned expenditure and to determine the priorities for the £100,000 on services provided by the Council's amenity services and £50,000 in roads capital expenditure which had been devolved to each area.

3.12 The project or projects funded through the £50,000 revenue spend devolved to each Area Partnership (£100,000 for the Musselburgh Partnership) will be determined by each Partnership in accordance with the priorities determined through their Area Plan. It should be noted that schools have developed 'Cluster Plans' for their clusters. These plans will provide the evidence of need to improve attainment and achievement of our communities' young people will help to inform Area Plans and the priorities determined by Area Partnerships.

3.13 In determining how their devolved funding will be used Area Partnerships will follow the principles of Best Value and consider the most effective and efficient use of the funding, for example through exploring opportunities for co-production and using the funding to leverage in funds from other sources. The use of the devolved funds will be monitored and an evaluation carried out before the end of the 2015/16 financial year.

4 POLICY IMPLICATIONS

- 4.1 The devolution of budgets to Area Partnerships fulfils the Council Plan commitment to *'Devolve decision making and budgets starting with allocating a £100,000 budget for each secondary school cluster.'*

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is not applicable to the well-being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – none directly as a result of this report as the funding referred to is contained within the budget approved by Council.
- 6.2 Personnel – none directly as a result of this report.
- 6.3 Other – none directly as a result of this report.

7 BACKGROUND PAPERS

- 7.1 Working Together for a Better East Lothian: East Lothian Council Plan 2012-2017

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DATE	4 th December 2014