

REPORT TO	DATE OF MEETING
Governance Committee	25 April 2012

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
My Neighbourhood - Governance Arrangements	N/A	M. Wood	7

SUMMARY AND LINK TO CORPORATE PRIORITIES

This report has been prepared to provide the Governance Committee with information on the governance arrangements that are being proposed to control My Neighbourhood capital expenditure. Members will recall that the committee requested, at its meeting on 1 December, a report to be brought to this meeting explaining how the system would work.

The action reported on covers two of the Council's priorities namely efficient, effective and exceptional council and also strong and healthy communities and in particular corporate action 12 which is "empowering members to fulfil their role as community leaders".

RECOMMENDATIONS

That the Committee note, review and comment on the actions that are proposed.

BACKGROUND

The My Neighbourhood framework and its supporting arrangements were approved by full Council at its meeting on 21 September 2011. The following extract from the Council's constitution explains the scope of decision making for the My Neighbourhood areas:

- That decision making be delegated to the Chair of the "My Neighbourhood" Area in consultation with the Director of Regeneration and Healthy Communities and in accordance with the Council's decision making processes.
- All decisions must be made in accordance with the agreed Community Improvement Plan and budgets allocated.
- All decisions must be properly recorded and will be published on the Council's website.
- Expenditure should be of a "one off" nature and should not generate further on-going revenue expense to the Council.

In December 2011 the Governance Committee received a more detailed report on the decision making aspects of the My Neighbourhood arrangements for "core funding" expenditure. The flowchart which outlines the process was presented at that meeting and is shown at Appendix A. Core funding is the revenue money that was initially allocated to the My Neighbourhood areas in 2011/12 and was available before the Community Improvement Plans were fully developed.

Since the December meeting the My Neighbourhood Plans have been prepared and approved by full Council at its meeting on 29 February 2012 and are now available on the Council's website. They set out the priority schemes including an estimate of the Council's contribution towards the total project cost. If capital funding is required they show the nominal capital allocations recommended by the five My Neighbourhood Areas. The proposed funding for these schemes is primarily from S106 developers' contributions which the Council has received to date. The actual financing arrangements and legal requirements will be determined as and when projects are more formally scoped and appraised.

Members are also aware of, and may take assurance from, the financial regulations for controlling capital expenditure. These have recently been strengthened and were discussed in detail at the Constitution Working Group, then supported at the Governance Committee on 12 March 2012 and further approved by Cabinet on 21 March 2012 for presentation to Council on 18 April 2012.

DETAILS

Since the approval of the My Neighbourhood plans on 29 February 2012 each of the My Neighbourhood forums is now actively developing schemes and maintaining a close working relationship with the Community Involvement team. Consensus is essential to ensure support, buy in and agreement of all members. Timely discussions are ongoing with the Director of Regeneration and Healthy Communities and, as appropriate, the relevant Portfolio Holder(s).

Certain criteria is now being applied to each of the schemes to ensure they are robust, sustainable, demonstrate value for money and will make a difference to the community. The information will be considered against the criteria prior to the approval of the funding of the scheme. This includes demonstrating a genuine need that links with priorities, a clear outcome, identifying community involvement, joint working and match funding where appropriate.

This report presents further controls to govern the approval of each My Neighbourhood scheme and the release of appropriate Council funding.

To supplement the approval and financial controls each scheme is available on the Council's website to ensure transparency and also to improve engagement with the community. A separate page on the Council's website is now devoted to each of the five areas and is used to publish each individual scheme as it is being developed, including the funding as it is planned to be spent.

The scheme decisions will be channelled and controlled through the existing approval processes as documented in the Council's constitution. In effect this will mean that each decision will be fully documented, transparent and will require professional clearance by both Legal and Financial Services to assess the potential risks, implications and level of resources required.

In the case of capital expenditure (refer Appendices B & C) each scheme will require a full financial appraisal (as detailed in the financial regulations) and legal agreement to use the monies for the proposed scheme. In particular, Legal Services will need to ensure that the proposed expenditure is in accordance with the terms and conditions of the particular S106 agreement.

The financial regulations dictate that capital expenditure approval for amounts over £75,000 require Cabinet approval (refer Appendix C) and amounts less than £75,000 are handled through a delegated decision (refer Appendix B). The coloured boxes in the attached flowcharts highlight the differences in process from the original flowchart at Appendix A.

Following successful officer clearance, the Director of Regeneration and Healthy Communities will need to work closely with the chair of the My Neighbourhood forum and also the relevant Portfolio Holder(s) before a report is ready for approval.

Approval will be sought from Cabinet or through the delegated process depending on the amount of funding required. If the decision is delegated then all relevant parties will need to sign up to the approval. This should include the relevant officers from Financial and Legal Services, the Director of Regeneration and Healthy Communities, the My Neighbourhood Chair and the relevant Portfolio Holder(s). All decisions are subject to the Council’s “call-in” process which means that the decision is not effective until the 5 day “call-in” period has elapsed. If approval is successful then the decision will be published on the Council’s website.

The Corporate Governance service continues to work closely with the Community Involvement team to ensure robust arrangements support the developing My Neighbourhood framework.

WIDER IMPLICATIONS

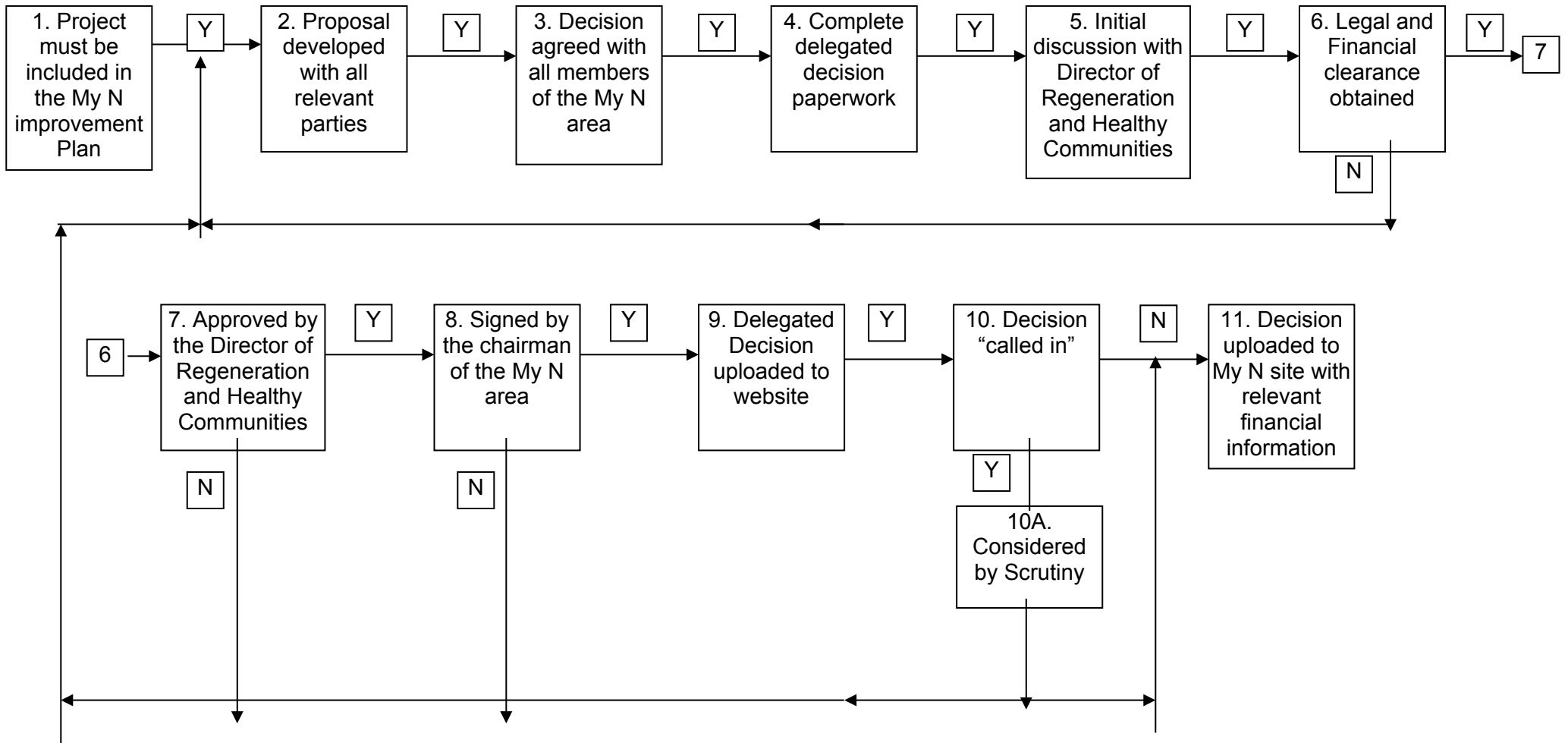
In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

FINANCIAL	There are no financial implications arising directly from this report.
LEGAL	There are no legal implications arising from this report. However, the actions identified in this report comply with the latest recommended best practice for data transparency in local authorities.
RISK	The delivery of the actions identified in this report should further enhance our governance and business control status thus minimising risk.

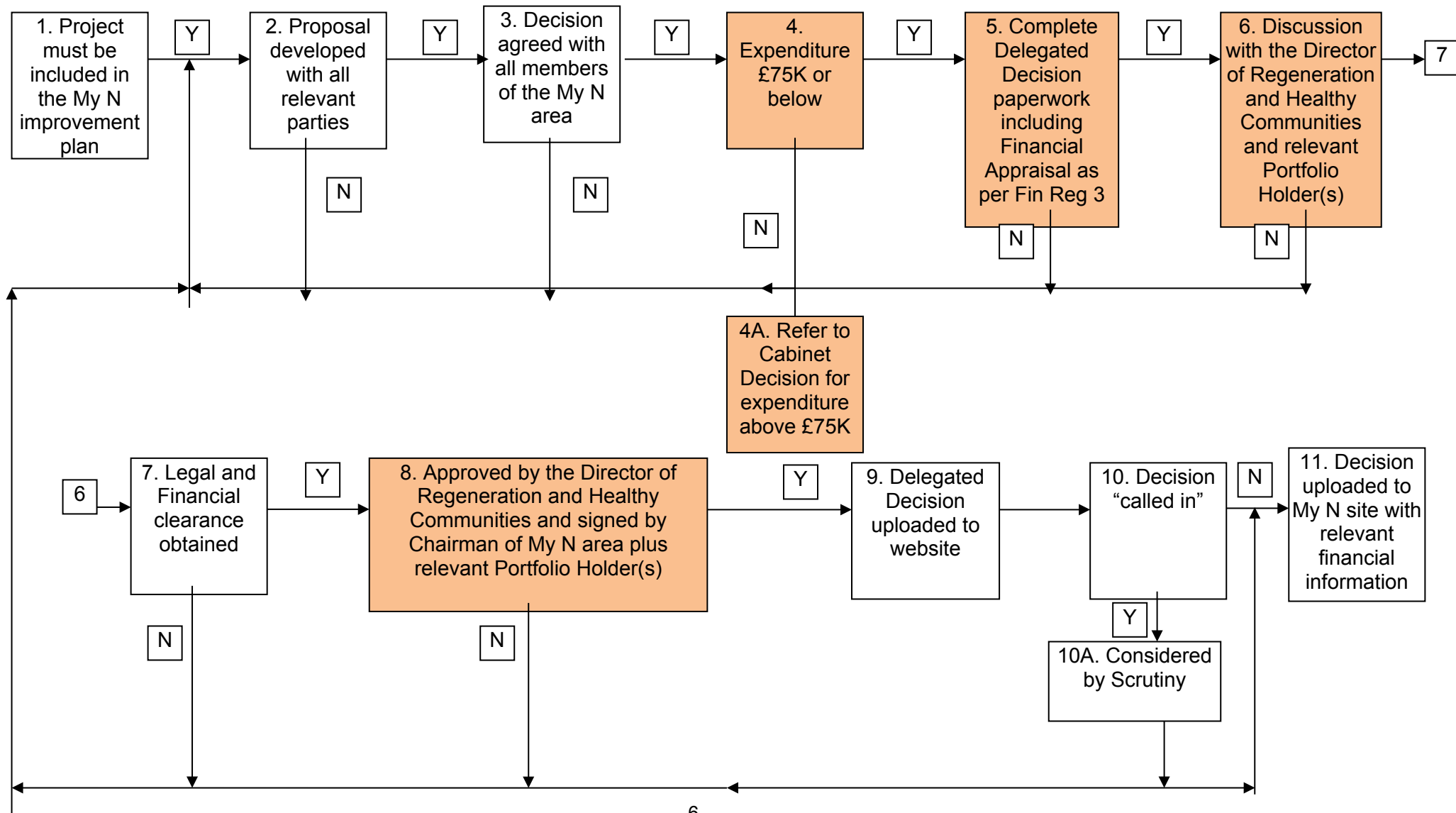
OTHER (see below)

<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

MY NEIGHBOURHOOD PLAN – CORE FUNDING



MY NEIGHBOURHOOD PLAN – £75K OR LESS – DELEGATED DECISION



MY NEIGHBOURHOOD PLAN – OVER £75K – CABINET DECISION

