

**REPORT OF: FINANCIAL SERVICES MANAGER**

**TO: EXECUTIVE**

**DATES: 28<sup>TH</sup> MAY 2015**

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## **AREA COMMITTEES 2015/16 – RELEASE OF FUNDING**

### **PURPOSE OF REPORT**

1. In March, the Executive agreed to withhold £40,000 of revenue funding allocated to Area Committees in 2015/16. This report is provided in response to the Executive's request for a report back on a mechanism for the release of this funding.

### **RECOMMENDATIONS**

2. It is recommended that the Executive note this report and agree that a further report be presented to the September meeting.

### **REASONS FOR RECOMMENDATION**

3. To await the outcome of the work being undertaken by the Town and Parish Council Working Group on the transfer of assets to local councils.

### **ISSUE**

4. The Budget approved by Council in February included a savings proposal estimated to generate £40,000 in the current year from the transfer of specific assets to local town and parish councils. The assets comprised Passenger Shelters, MUGAs and Play Areas. These transfers are part of the programme of asset/service transfers that have previously been shared with Town and Parish Councils. Whilst some Town and Parish Councils have expressed an interest in the transfer of these assets/services, at this stage no transfers have taken place.
5. Whilst discussions take place with Town and Parish Councils, to mitigate the potential for a shortfall in savings, the Executive agreed in March to retain £40,000 of the revenue funding for Area Committees pending the completion of these asset transfers.

6. The funding withheld has been apportioned between the Committees as follows:

	£
• Barrowford and Western Parishes	4,829
• Brierfield and Reedley	4,697
• Colne & District	10,434
• Nelson	12,120
• West Craven	<u>7,920</u>
	<u>40,000</u>

7. Work to progress the transfer of assets to local councils is currently underway, overseen by the Town and Parish Council Working Group. The working group met earlier in May following which all local councils will be contacted to assess the scope for asset transfers. This work is unlikely to conclude before August hence it is difficult at this time to predict the actual level of saving that may be achieved.
8. As a result it is suggested that the position relating to the withheld funding is reviewed in September. The release of any funds after this should provide sufficient time for the relevant Committee to spend the balance of its allocation. Whatever, mechanism is agreed the maximum that would be released to each Committee is as shown above in paragraph 6 less any funding required to meet the savings agreed.
9. The achievement of planned savings remains key to delivering a balanced budget and is reflected in the financial planning for future years. Any shortfall in savings achieved compounds the current position which, as Councillors are aware, is one of a significant resource shortfall over the medium-term.
10. The Executive is asked to await a further report on this matter in September by which time there should be greater clarity on the likelihood of the assets referred to in paragraph 4 being transferred to local councils.

## **IMPLICATIONS**

### **Policy**

11. There are no new policy implications arising from the contents of this report.

### **Financial**

12. The financial implications are generally as provided in the report.

### **Legal**

13. There are no legal implications arising directly from the contents of this report.

### **Risk Management**

14. There are no significant risk management implications arising from this report.

### **Health and Safety**

15. There are no health and safety implications arising from the contents of this report.

## **Climate Change**

16. There are no climate change implications arising directly from the contents of this report.

## **Community Safety**

17. There are no community safety issues arising from the contents of this report.

## **Equality and Diversity**

18. There are no equality and diversity issues arising from the contents of this report.

## **APPENDICES**

None

## **LIST OF BACKGROUND PAPERS**

None