

REPORT TO:		Cabinet	
DATE:		21 June 2023	
PORTFOLIO:		Councillor Peter Britcliffe - Deputy Leader of the Council, Resources	
REPORT AUTHOR:		Martin Dyson, Executive Director – Resources	
TITLE OF REPORT:		Establishment of a Leader’s Budget & Community Chest Fund for 2023/2024	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 The Report is to request Cabinet approval for the creation of a Leaders Budget and a Community Chest Fund for 2023/2024.

2. Recommendations

- 2.1 Cabinet agrees to the establishment of a Leaders Budget of £20,000 for the year 2023/2024 to be funded from the use of surplus earmarked revenue reserves as detailed in section 3 of the report below.
- 2.2 Cabinet agrees to delegate authority to approve expenditure from this budget to the Executive Director (Resources) following consultation of the Leader of the Council.
- 2.3 Cabinet agrees to create a Community Chest for 2023/24 of £75,000 for the purpose of making revenue grants to community groups based in Hyndburn (as further detailed in section 4 of this report).
- 2.4 Cabinet agrees to allocate funding from the revenue budget surplus achieved in 2022/2023 as detailed in paragraph 4.9 of this report.
- 2.5 Cabinet request the Executive Director (Resources) and Executive Director (Legal & Democratic Services) to bring a report to the next meeting of Cabinet setting out proposed governance arrangements for the administration and distribution of these funds.

3. Leaders Budget 2023/2024

3.1 In the past the Council has set aside a Leaders Budget to enable the Leader of the Council to:

- Support key service providers that may be under pressure and need assistance in delivery of key vital services and facilities for the benefit of the local residents;
- Support the civic function and the delivery of events for the general benefit of the Borough;
- Fund additional Council services that enhance the local street scene and make Hyndburn a nicer place to visit.

3.2 It is therefore proposed this budget is re-introduced for 2023/2024 and that a sum of £20,000 is set aside for the Leader to propose and highlight the areas for funding. The one-off budget will be funded by utilising some small outstanding balances of earmarked reserves that no longer have identified commitments against them.

3.3 The allocation of spending from this budget will be delegated to the Executive Director (Resources) following proposals and consultation with the Leader of the Council.

3.3 The funding of the budget for 2023/2024 will be allocated from earmarked reserves where it has been identified there are small balances remaining from previous external funding. These remaining balances have no clawback conditions and are now available to be used by the Council or placed into the general reserve.

3.4 The funding will come from:

Funding Identified	£	Type
Green Waste EM Reserve	18,469	Earmarked Reserve
Covid – 19 Reserve	1,531	Earmarked Reserve
Total	20,000	

Note: The Green Waste EM Reserve will have a zero balance after this use. The Covid – 19 reserve will have a balance of £206,025, with the majority of this funding is still subject to spend in 2023/2024 in accordance with grant conditions.

4. Community Chest 2023/2024

4.1 The intention of the Community Chest is to create a budget of £75,000 with the intention that the funds are to be shared equally throughout the Borough with £5,000 allocated to each of the 15 wards.

4.2 Charities and community groups across all wards will be invited to bid for grant funding from the Community Chest to be used in their own areas.

4.3 The intention is that these grants will be awarded to registered and well-established organisations across the Borough, with each charity and community group being required to hold their own designated bank account.

- 4.4 The application process will be proportionate to the size of grant and will not be too onerous so as to encourage applications; and each application will need to clearly state the community benefit that will be achieved with the grant funding.
- 4.5 The grants will be for revenue purposes only and will not be given where funding would create on-costs or future maintenance costs for the Council unless those can be accommodated within existing budgets.
- 4.6 It is proposed that the grant applications will be assessed by a Cabinet Working Group and that those recommended for award will be presented to Cabinet for approval.
- 4.7 It is also proposed that a regular update will be made to Cabinet on the level of grants awarded and also the community benefits and achievements that have been generated as a result of the Community Chest programme.
- 4.8 The draft Revenue Outturn 2022/2024 (subject to external audit) has returned a year end surplus / underspend position of £345,020 compared to the previously forecast £128,906 reported as to Cabinet in March of this year, which is an increase of £216,114.
- 4.9 It is proposed that the £75,000 funding of the Community Chest can be accommodated from this additional surplus / underspends and would reduce the balance available to be placed into the underspends reserve to £270,020.

5. Alternative Options considered and Reasons for Rejection

- 4.1 Not applicable to this report, although there is no requirement for the Council to operate either fund, so members have the option not to proceed with either proposal.

5. Consultations

- 5.1 Not applicable to this report.

6. Implications

Financial implications (including any future financial commitments for the Council)	Earmarked reserves are available for re-allocation to fund the £20,000 Leaders budget for 2023/2024. The Council has achieved a surplus / underspend in year that can accommodate the £75,000 Community Chest allocation for 2023/2024.
Legal and human rights implications	The proposed governance arrangements for the Community Chest fund will be set out in a future report to Cabinet.
Assessment of risk	

<p>Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i></p>	<p>None identified in respect of the recommendations in this report.</p> <p>Members may wish to consider the extent to which funding applications benefit the equality target groups when assessing Community Chest applications for approval.</p>
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**7. Local Government (Access to Information) Act 1985:
List of Background Papers**

- 7.1 Draft Financial Outturn Position – Revenue Budget Monitoring - Financial Year 2022/23
 Financial Monitoring Report – Revenue Budget 2022/2023 as at Period 10 / January 2023 – Cabinet 22nd March 2023

8. Freedom of Information

- 8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.