

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE: 1 APRIL 2004

COMMUNITY BUDGETING PILOT

Report by the Depute Chief Executive/Director of Corporate Resources

1. PURPOSE OF REPORT

- 1.1 To advise Members of the Scottish Executive's decision to close the Community Budgeting Pilot programme.

2. BACKGROUND

- 2.1 At the Policy and Resources Committee of 13 June 2002, Members were advised of the consultation exercise being carried out by the Scottish Executive in respect of Community Budgeting and agreed a response to the Executive on this subject. The response highlighted the Council's concerns about the increasing use of the bidding process to secure funding to drive forward initiatives of this nature. The response also highlighted that although the Council agreed with the principles that underpin the community budgeting proposals, it was concerned about the definition of community budgeting as contained within the Executive's consultation report and the ultimate benefit to communities likely to arise from such an exercise. The Council's response also emphasised the need to adopt a long-term view on the outcomes that may arise from the Pilot. Overall, the Council's response expressed reservations around the entire concept of the Pilot.
- 2.2 At the Policy and Resources Committee of 28 November 2002, Members were advised of the Council's success in securing, in principle, additional finance to participate, along with its community planning partners, in the national Pilot scheme intended to assist in charting the way for the future delivery of community budgeting, a new approach that meets the needs of partnership working.
- 2.3 After detailed discussions with Council officers, community planning partners and the Chair of Policy and Resources Committee, the proposal submitted to the Executive on 4 December 2002 set out the Council's and planning partners' intention to align the main focus of the community budgeting exercise with a full service review of addiction services in the coalfield communities, in the first instance and if possible, that this be expanded to cover the north of the authority. It was further proposed that a secondary theme of the community budgeting Pilot should be a collaborative exercise across the three Ayrshire Community Planning Partnerships.
- 2.4 The East Ayrshire scheme was approved on 8 May 2003 and brought with it total Scottish Executive funding of £339,000. The duration of the Community Budgeting Pilot, which was to be taken forward by twelve local authorities, was two years (2003/04 and 2004/05).

3. DECISION BY THE SCOTTISH EXECUTIVE TO CLOSE THE COMMUNITY BUDGETING PILOT PROGRAMME

- 3.1 On 6 February 2004, the Scottish Executive telephoned Council officers to advise that the Minister for Communities, Margaret Curran, had decided to bring the Community Budgeting Pilot programme to a close. The Executive asked that all expenditure on the Pilot should cease from 6 February 2004. This was confirmed by e-mail on the same day. The Minister had concluded that, whilst the broad aims of community budgeting were right, the practical delivery of these aims, across the pilots, had proved difficult. Consequently, the Minister believed that it was better to bring an immediate halt to the programme, rather than allocate further resources to a programme that was unlikely to realise the expected benefits to communities.
- 3.2 The telephone discussion with the Scottish Executive's Team Leader on 6 February 2004 indicated quite clearly that the Minister's decision to bring the programme to a close was based on an overview of the difficulties faced by the programme as a whole, not any perceived problems held within the Executive concerning the East Ayrshire Pilot. This was reiterated at a meeting with Executive officials on 17 March. It should also be noted that the East Ayrshire Pilot has not been the subject of any adverse comment from the Executive following the Pilot evaluation visit by the Executive on 29 October 2003.
- 3.3 In a letter dated 13 February 2004 to Margaret Curran, Minister for Communities, Corrie McChord, Vice President of COSLA, expressed concern at the hasty closure of the programme. A response dated 9 March 2004 from the Minister, and copied to the Chief Executives of relevant local authorities, reiterated the Minister's view that the programme should come to an immediate close. The Minister emphasised that this decision "was not driven by cost savings but by the realisation that many of the Pilots were facing difficulties and that the programme was unlikely to realise the benefits to communities which the Executive was looking for at the outset of the programme."
- 3.4 In bringing the programme to a close, the Executive will consider each Pilot's situation and has given a commitment to meet all expenditure to date and any contractual obligations. Details of expenditure to date, existing contractual commitments and any other implications arising from the closure of the programme in East Ayrshire have been forwarded to the Executive to inform this process. These details are subject to any further additions/deletions as identified by the Council.

4. POLICY AND LEGAL IMPLICATIONS

- 4.1 Nil

5. FINANCIAL IMPLICATIONS

5.1 Of the total grant award of £339,000, all monies not incurred or committed at 6 February 2004 will require to be returned. The final amount however, is still subject to negotiation. Currently, East Ayrshire Council, in conjunction with its community planning partners, estimates its costs to date (actual and committed) at £75,900. The Scottish Executive was advised of this amount on 16 February 2004 and further discussions with our community planning partners on final costs for the Pilot are ongoing.

6. RECOMMENDATIONS:

6.1 The Committee is asked to:

- i) note the decision by the Scottish Executive to close the Community Budgeting Pilot programme;
- ii) remit the Depute Chief Executive/Director of Corporate Resources to finalise all actions relating to the Community Budgeting Pilot closure process;
- iii) request the Department of Education and Social Services to conclude the Addiction Review; and
- iv) otherwise, note the content of the report.

Fiona Lees

Depute Chief Executive/Director of Corporate Resources

19 March 2004

BACKGROUND PAPERS

Email from Scottish Executive dated 6 February 2004, advising of the national closure of the Community Budgeting Pilot

COSLA letter from Councillor Corrie McChord, Vice President, dated 13 February 2004 to Margaret Curran, Minister for Communities

Scottish Executive letter dated 9 March 2004 from Margaret Curran, Minister for Communities, to Councillor Corrie McChord, Vice President of COSLA
Council's email of 16 February 2004 re Community Budgeting Closure

Members wishing further information on this report should contact John Clayton, Head of Corporate Development and Communication, Tel: 01563 576195.

IMPLEMENTATION OFFICER: John Clayton