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| Committee: Policy and Resources | Date: 19 September 2019 |
| Subject: Policy Initiatives Fund/Committee Contingency/Brexit Contingency/Committee's Project Reserve | Public |
| Report of: Chamberlain | For Information |
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Summary

This report provides the schedule of projects and activities which have received funding from the Policy Initiatives Fund (PIF), the Policy and Resources Committee's Contingency Fund, the Brexit Contingency Fund and the Committee's Project Reserve for 2019/20 and future years with details of expenditure in 2019/20. The balances remaining for these Funds for 2019/20 are shown in the Table below.

| Fund | Balance Remaining 2019/20 |
|--|----------------------------------|
| Policy Initiative Fund | £473,748 |
| Policy and Resources Contingency | £258,753 |
| Brexit Contingency Fund | £ 2,049,420 |
| Policy and Resources Committee's Project Reserve | £405,000 |

Recommendations

Members are asked to:

- Note the report and contents of the schedules.

Main Report

Background

1. The purpose of the Policy Initiatives Fund (PIF) is to allow the Committee to respond swiftly and effectively with funding for projects and initiatives identified during the year which support the City Corporation's overall aims and objectives.
2. The current process for identifying which items should sit within the PIF are if they fall under the below criteria:
 - Items that relate to a specific initiative i.e. research;
 - Sponsorship/funding for bodies which have initiatives that support the City's overall objectives; and
 - Membership of high profile national think tanks.

3. To restrict the depletion of funds in future years, a two-year time limit is in place on multiyear PIF bids, with three years being an option by exception. To ensure prioritisation within the multiyear bids, the PIF for the financial year 2019/20 and onwards has £600k of its total budget put aside for multiyear bids with the rest set aside (£650k) for one off allocations, with the option to 'top up' the multiyear allocation from the balance if members agree to do so. This will ensure that there should always be enough in the PIF to fund emerging one-off opportunities as they come up.
4. PIF bids need to include a measurable success/benefits criterion in the report so that the successful bids can then be reviewed to see what the outcomes are and if the works/activities meet the objectives of the PIF. These measures will be used to review PIF bids on a six-monthly basis. This review will aide members in evaluating the effectiveness/benefits of PIF bids supported works/activities which can be taken into consideration when approving similar works/activities in the future.
5. When a PIF bid has been approved there should be a reasonable amount of progress/spend on the works/activities within 18 months of approval which allows for slippage and delays. If there has not been enough spend/activity within this timeframe, members will be asked to approve that the remaining allocation be returned to the Fund where it can be utilised for other works/activities. If the Department requires funding for the same works/activities again at a later date, it is suggested that they re-bid for the funding. If there is a legitimate reason, out of the Departments control, which has caused delays, it is recommended that these are reviewed by Committee as needed.
6. The Committee Contingency Fund is used to fund unforeseen items of expenditure when no specific provision exists within the Policy Committee's budget such as hosting one-off events.
7. The Brexit Contingency Fund is a time limited fund established to meet any unforeseen items of expenditure due to the UK leaving the EU such as; communicating the interests of the City, helping mitigate the risks identified in the Corporate Risk Register or managing any urgent unforeseen issues arising from Brexit.
8. The Committee's Project Reserve is a limited reserve which has been established from funds moved from the Projects Sub Committee Contingency Fund as approved in May's Policy and Resources Committee. This reserve of £450,000 from the Project Sub Committee is not an annual Contingency but a one-off sum. It is suggested that this reserve is used for project type spend.

Current Position

9. Appendices 1, 3 and 5 list the projects and activities which have received funding for 2019/20 from the PIF (Appendix 1), your Committee's Contingency (Appendix 3) and the Brexit Contingency (Appendix 5) with the expenditure incurred to date. Appendices 2, 4 and 6 shows all committed projects and activities approved by this Committee from the PIF (Appendix 2), the Contingency (Appendix 4), the Brexit

Contingency (Appendix 6) and the Committee's Project Reserve (Appendix 8) for the current and future financial years with the remaining balances available shown.

10. It should be noted that all items bar those in Appendices 5 and 6 have been the subject of previous reports approved by this Committee. Items in Appendices 5 and 6 have either been approved by the Town Clerk under delegated authority (for amounts under £100k) or by this Committee.
11. The balances that are currently available in the Policy Initiatives Fund, Committee Contingency Fund, Brexit Contingency Fund and Committee's Project Reserve for 2019/20 are shown in the Table below.

| Fund | Balance Remaining 2019/20 |
|--|----------------------------------|
| Policy Initiative Fund | £473,748 |
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12. In June's Committee Members agreed to approve the transfer of funds of £61,865 from the Committee Contingency Fund to the Policy Initiatives Fund in order to increase the 2019/20 Multiyear allocation to £700,000; the initial allocation set aside of £600,000 was not high enough for the financial year. The remaining multiyear allocation is shown in the Table below with details, as shown in Appendix 7, prior to any allowances being made for any other proposals on today's agenda.

| | 2019/20 | 2020/21 | 2021/22 |
|---|---------|-----------|----------|
| Balance remaining of Multiyear PIF allocation | £61,865 | £ 190,365 | £583,365 |

Corporate & Strategic Implications

13. Although each PIF application has to be judged on its merits, it can be assumed that they may be helping towards contributing to a flourishing society, supporting a thriving economy and shaping outstanding environments as per the corporate plan.
14. Each PIF application should be approved on a case by case basis and Departments should look to local budgets first before seeking PIF approval, with PIF requests only being submitted if there is no funding within local budgets available.

Appendices

- Appendix 1 – PIF 2019/20 expenditure
- Appendix 2 – PIF 2019/20 & Future FY Committed
- Appendix 3 – Contingency 2019/20 expenditure
- Appendix 4 – Contingency 2019/20 & Future FY Committed

- Appendix 5 – Brexit Contingency 2019/20 expenditure
- Appendix 6 – Brexit Contingency 2019/20 Committed
- Appendix 7 – PIF Multiyear allocations
- Appendix 8 – Committee Project Reserve

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