

Committee: Policy and Resources	Date: 11 March 2021
Subject: Policy and Resources Contingency/Discretionary Funds	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, Committee's Project Reserve and COVID19 Contingency Fund for 2020/21 and future years with details of expenditure in 2020/21. The balances remaining for these Funds for 2020/21 and beyond are shown in the Table below.

Fund	2020/21 Balance Remaining after Approved Bids £	2021/22 Balance Remaining after Approved Bids £	2022/23 Balance Remaining after Approved Bids £	2023/24 Balance Remaining after Approved Bids £
Policy Initiative Fund	527,082	756,365	970,000	1,000,000
Policy & Resources Contingency	57,719	282,000	300,000	300,000
Policy & Resources Project Reserve	328,000	0	0	0
COVID19 Contingency	972,046	600,000*	0	0

*Subject to budget approval at March Court of Common Council

Recommendations

Members are asked to:

- Note the report and contents of the schedules.
- Decide if any unallocated balances on your Committee's PIF and Contingency Fund should be carried forward into 2021/22.
- Agree to roll forward the COVID Contingency Fund into 2021/22 due to the ongoing pandemic and the need to rapidly respond.

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 from 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 Department's 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 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 2019'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.
8. The COVID19 Contingency Fund is a time limited fund established to meet any unforeseen items of expenditure due to the COVID19 virus such as; to enact contingency planning arrangements, support unforeseen expenditure required to support service community which cannot be met from local budgets and to support/implement guidance issued by the government where there is no other

compensating source of funding. The Town Clerk and Chamberlain have delegated authority to approve bids to this fund that are under £250,000.

9. The Brexit Contingency Fund was 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. As per Policy and Resource's decision unspent sums have been rolled into the COVID Contingency.

Current Position

10. Appendices 1 to 3 list committed projects and activities approved by this Committee for the current and future financial years with the remaining balances available for the PIF (Appendix 1), your Committee's Contingency (Appendix 2), and the Policy & Resources Project Reserve (Appendix 3). Bids against the COVID19 Contingency Fund (Appendix 4) has either been approved by the Town Clerk and Chamberlain under delegated authority or by this Committee.
11. The balances that are currently available in the Policy Initiatives Fund, Committee Contingency Fund, Committee's Project Reserve and COVID19 Contingency for 2020/21 are shown in the Table below.

Fund	2020/21 Opening Balance	2020/21 Approved Bids	2020/21 Balance Remaining after 2020/21 Approved Bids	2020/21 Pending Bids	2020/21 Balance Remaining after 2020/21 Pending Bids
	£	£	£	£	£
Policy Initiative Fund	1,969,348	(1,442,266)	527,082	0	527,082
Policy & Resources Contingency	664,569	(606,850)	57,719	0	57,719
Policy & Resources Project Reserve	420,000	(92,000)	328,000	0	328,000
COVID19 Contingency	2,152,546	(1,180,500)	972,046	(445,000)	527,046

12. The remaining multiyear allocation is shown in the Table below with details, as shown in Appendix 1, prior to any allowances being made for any other proposals on today's agenda.

	2020/21	2021/22	2022/23	2023/24
Balance remaining of Multiyear PIF allocation	£71,365	£243,365	£340,000	£350,000

13. Members are asked to decide on whether any uncommitted balances on the PIF or Committee Contingency Fund should be carried forward into 2021/22 as has historically occurred or to not roll forward any uncommitted balances into 2021/22. The table below shows the current level of uncommitted funds in 2020/21. The budget and uncommitted spend for 2021/22 onwards for the PIF is shown in Appendix 1 and for the Committee's Contingency in Appendix 2.

14. It is recommended to members that the uncommitted balance of the COVID Contingency Fund is rolled forward into 2021/22 due to the ongoing pandemic and potential need for related spend. The uncommitted balance of the COVID Contingency Fund can be found in the table below.

Fund	Current Uncommitted 2020/21 Balance
Policy Initiative Fund	£527,082
Policy & Resources Contingency	£57,719
Policy & Resources Project Reserves	£328,000
COVID19 Contingency	£972,046
Total	£1,884,847

Corporate & Strategic Implications

15. 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.

16. 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 2020/21 and Future Years
- Appendix 2 – P&R Contingency 2020/21 and Future Years
- Appendix 3 – P&R Project Reserve 2020/21
- Appendix 4 – COVID19 Contingency 2020/21

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