

7 September 2020**Agenda Item: 11****REPORT OF THE SERVICE DIRECTOR, CUSTOMERS, GOVERNANCE AND
EMPLOYEES****UPDATE ON USE OF THE COUNCILLORS' DIVISIONAL FUND****Purpose of the Report**

1. To present Committee with a six monthly update on the use of the Councillor's Divisional Fund (CDF) for the period 1 October 2019 – 31 March 2020 and to share the headline findings of a recent audit undertaken by Democratic Services staff.

Information**Background**

2. The CDF is a specific budget which enables each County Councillor to put forward proposals for expenditure in their electoral divisions which accord with the strategic objectives of the Council. Such payments are subject to compliance with the requirements of the CDF Policy.
3. Each Councillor receives an annual allowance of £5,000 to spend within each financial year. Any funds remaining unspent within this budget at the end of the financial year will be returned to corporate balances.
4. As part of the revised CDF Policy agreed by Policy Committee on 18 July 2018, a new requirement was introduced for reports on the use of the CDF to be brought to this Committee on a six monthly basis. This is the latest such report and details of the applications received from Councillors during the period 1 October 2019 – 31 March 2020 are included at **Appendix A** (N.B. payments to individuals have been anonymised where relevant).

Audit of Previously Processed Applications

5. Further to the Audit reported to the Committee in December 2019, Democratic Services are currently undertaking a further sample audit exercise following advice provided by Internal Audit colleagues.
6. The headline findings of the audit will be included within the next six monthly update report to the Committee.

New Online Process

7. The Committee, at its meeting of 18 December 2018, supported the development of a new online process for the application, processing and payment of CDF awards.
8. The online process was developed by the Business Services Centre in conjunction with Democratic Services and has been live since 9 May 2019. Democratic Services Officers from within the Governance Team have been processing applications online on behalf of Councillors. Once input, applications for payment are routed directly to the Account Payable Team who then make payment directly into the recipient's nominated bank account via a BACS bank transfer. This ensures that the recipient is in receipt of their payment 3 days following processing by Accounts Payable. All Councillors receive 7 days' notice prior to a payment being made. Presentation cheques are also available to Councillors if requested.
9. As part of the new process previously agreed, Councillors will be enabled to input their own applications directly, with assistance from the Group support officers where required. It is hoped that this option can be rolled out over the Autumn, with virtual awareness-raising sessions arranged via Teams for Councillors and Group support officers.

Other Options Considered

10. None – the report provides an update on expenditure as required in the revised CDF policy.

Reason/s for Recommendation/s

11. To update the Committee in line with the requirements of the CDF Policy and to highlight ongoing issues and future developments.

Statutory and Policy Implications

12. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

- 1) That the Committee considers the CDF expenditure for the period 1 October 2019 – 31 March 2020 detailed in Appendix A and highlights any actions required.

Marjorie Toward

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Constitutional Comments (SS 20/08/2020)

13. Governance & Ethics Committee is the appropriate body to consider the content of the report.

Financial Comments (RWK – 10/08/2020)

14. There are no specific financial implications arising directly from this report. The total budget for the Councillors Divisional Fund is £329,000. Any funds remaining unspent within this budget at the end of the financial year will be returned to corporate balances.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Budget summaries of CDF payments.

Electoral Division(s) and Member(s) Affected

- All