

Report of the Director of Customer and Communities

Ward Funding

Summary

1. The 2024/25 Ward budget allocation is comprised of £250k to be allocated across the city, and this paper outlines existing and potential models to inform making this split to wards.

Background

2. In 2023/24 the financial split was based upon firstly a base split by each ward for the number of councillors (£105k) and then a secondary split in each ward based on deprivation (£145k).
3. The 2023/24 ward funding process was subject to a call-in at Corporate Services, Climate Change and Scrutiny Management Committee on 2 November 2023, where the funding split agreed at Executive was confirmed and general committee agreement to have sight of further models and details for the Council to make a decision on in future years.
4. The Ward budget allocation is based on the levels of need in the city rather than population as the “fundamental principle of ward/division organisation is electoral equality, meaning that within a higher administrative area, each elector's vote bears a similar weight and, as a result, population sizes should be approximately equal” (ONS: <https://www.ons.gov.uk/methodology/geography/ukgeographies/administrativegeography/ourchanginggeography/boundarychanges>).
5. In 2023/24, in order to allocate the £145k based on deprivation, the levels of need in all wards were assessed against the national Index of Multiple Deprivation (IMD) which is based on the concept that there are distinct, recognisable types of need that are experienced by individuals living in an area. The IMD scores and ranks each area, using the following seven different dimensions or domains each of which is based on a basket of indicators. The data combines information from the domains to produce an overall relative measure of deprivation.

7 Domains of Index of Multiple Deprivation	
Income Deprivation	Crime
Employment Deprivation	Barriers to Housing and Services
Education, Skills & Training Deprivation	Living Environment Deprivation
Health Deprivation & Disability	

6. IMD is released at an LSOA (Lower Super Output Area) level, and the resulting overall Ward IMD scores are an area level aggregation of this relative measure of deprivation. The latest release of IMD data was in 2019, with another version originally expected in late 2023, which could have been used for allocations in 2024/25, but this has been delayed nationally and is unlikely to be available to Local Authorities until early 2025.

7. The 2023/24 allocation was designed with the intention of using deprivation so that those wards with the highest scores (the more deprived wards) would have the greater funding allocations. The element of the funding pot after Councillor allocation is only £145k and therefore;
 - The impact on wards which are in the “**higher population, lower deprivation bracket**” was at a maximum of 5k compared to using population.
 - The impact on wards which are in the “**Lower population, higher deprivation bracket**” was at a maximum of 8.5k compared to using population.
 - If the funding pot was greater, it is recognised that this difference could be exacerbated, and therefore the model may need to be refined further.
 - National and local data suggests that wards with a higher population, generally, are the more deprived areas. Therefore, if deprivation is used as the main measure of allocation, there does not have to be a further normalisation of the data by population.

Options and Analysis :2024/25 Models and Allocation

8. There are several models which could be used to split ward funding that have been suggested by both Business Intelligence and at the Call-in Scrutiny committee and all are based on latest available data at time of report writing, whether this be population, households, deprivation or other indicators that are available at a ward level.

9. An attempt has been made to create a ward funding split based upon Council Plan indicators and EACH (Equalities & Human Rights,

Affordability, Climate and Health) indicators. However as relatively few of the Council Plan indicators are available at ward level, a model which covers all 4 elements of EACH has not been able to be created.

10. Details for individual ward are shown within Annex A.

11. Models are;

Model	Details
Model A	Based on the 2023/24 Ward budget allocation of: Therefore; £105k base to be split by Councillor on each ward £145k to be split by each ward based on deprivation
Model B	Dividing the funding by the number of wards. Therefore; £250k to be split by each ward based on number of wards
Model C	Dividing the funding by the number of Councillors. Therefore; £250k to be split by each ward based on number of Councillors
Model D	Dividing the funding by the number of population. Therefore; £250k to be split by each ward based on population.
Model E	Based on the IMD deprivation scoring for each ward. York's methodology reduces the IMD 1-10 deciles for wards into three groups A1, A2 and A3. The most deprived wards sit within A1 and the least deprived within A3. The proposed calculation would have awarded more funding to those wards in A1 on a proportionate scale, with A3 receiving the lowest amount and the number of Councillors in each ward. Therefore; £105k of the funding divided equally across every Councillor and £145k will be allocated based on the IMD deciles
Model F	Based on the Household Deprivation figures from the 2021 Census and how many Councillors each ward has. Therefore; £105k of the funding divided equally across every Councillor and £145k will be allocated based on the number of most deprived ward households out of all deprived households

12. A high-level summary of the pros and cons of each of the models are:

Model	Type	Details
Model A	Pros	This approach will take into account both the size of the ward and its deprivation level
	Cons	Based on the premise that wards with a higher population are more deprived
Model B	Pros	Simple allocation method
	Cons	This method would not recognise the size of some of the larger wards or the deprivation levels.
Model C	Pros	Simple allocation method
	Cons	This method would not recognise the deprivation levels in wards
Model D	Pros	Simple allocation method
	Cons	This method would not recognise the deprivation levels in wards
Model E	Pros	This approach will take into account both the size of the ward and its deprivation level
	Cons	Employment domain only looks at those who have self-reported that they are unemployed or permanently sick. Based on household numbers not population May be unfavourable towards the larger wards. May be already out of date (Census 2021).
Model F	Pros	As a more direct measure of deprivation, the household deprivation indicators can be used to say that one area has double the proportion of households with multiple needs compared to another.
	Cons	Employment domain only looks at those who have self-reported that they are unemployed or permanently sick. Based on household numbers not population May be already out of date (Census 2021).

14. Outcome of models on funding (Per Head)

Ward	Councillors	Population (Census 2021)	Households (Census 2021)	Model A	Model B	Model C	Model D	Model E	Model F
Acomb	2	9,111	3,801	£1.36	£1.31	£1.17	£1.23	£1.45	£1.23
Bishopthorpe	1	4,136	1,818	£1.50	£2.88	£1.29	£1.23	£1.60	£1.19
Clifton	2	9,417	4,111	£2.10	£1.26	£1.13	£1.23	£1.87	£1.41
Copmanthorpe	1	4,148	1,762	£1.07	£2.87	£1.28	£1.23	£1.60	£0.99
Dringhouses & Woodthorpe	3	11,492	5,117	£1.15	£1.04	£1.39	£1.23	£0.97	£1.26
Fishergate	2	9,555	3,623	£1.14	£1.25	£1.11	£1.23	£0.93	£1.13
Fulford & Heslington	1	4,175	1,635	£1.30	£2.85	£1.27	£1.23	£1.59	£1.07
Guildhall	3	14,553	6,356	£1.22	£0.82	£1.10	£1.23	£1.06	£1.25
Haxby & Wigginton	3	11,774	5,255	£0.87	£1.01	£1.36	£1.23	£0.94	£1.23
Heworth	3	13,434	5,717	£1.25	£0.89	£1.19	£1.23	£1.15	£1.45
Heworth Without	1	4,076	1,830	£1.39	£2.92	£1.30	£1.23	£1.63	£1.08
Holgate	3	11,960	5,664	£1.31	£1.00	£1.33	£1.23	£1.30	£1.35
Hull Road	3	14,860	3,584	£0.93	£0.80	£1.07	£1.23	£1.04	£1.00
Huntington & New Earswick	3	12,419	5,622	£1.23	£0.96	£1.28	£1.23	£1.25	£1.40
Micklegate	3	12,405	6,244	£1.18	£0.96	£1.29	£1.23	£1.25	£1.27
Osbalwick & Derwent	2	8,401	3,530	£1.07	£1.42	£1.27	£1.23	£1.05	£1.13
Rawcliffe & Clifton Without	3	12,334	5,358	£0.94	£0.97	£1.29	£1.23	£0.90	£1.10
Rural West York	2	8,113	3,250	£1.03	£1.47	£1.31	£1.23	£1.09	£1.01
Strensall	2	8,327	3,340	£1.11	£1.43	£1.28	£1.23	£1.06	£0.99
Westfield	3	13,976	6,200	£1.76	£0.85	£1.14	£1.23	£1.74	£1.62
Wheldrake	1	4,157	1,647	£1.21	£2.86	£1.28	£1.23	£1.59	£0.94
York	47	202,823	85,464	£1.23					

Council Plan

15. One City, for All, the City of York Council's Council Plan (2023-27) sets out a strong ambition to increase opportunities for everyone living in York to live healthy and fulfilling lives. The ward budget arrangements provide an opportunity for Members to deliver against locally agreed priorities and complementing the EACH priorities of the council through the funding of locally agreed social action projects, enabling positive health and wellbeing outcomes for residents to be achieved.

Implications

16. There are no direct implications for this report as this in itself is not a decision making report, however scrutiny members may give feedback to Executive, who then will need to consider implications of any decision they may take as a result.

Risk Management

17. Whilst there are no direct risks to this report for the reasons outlined in paragraph 16 above, it is worth noting that allocations could go up or down for wards as a result of any change in mechanism should Executive implement any change in approach.

Recommendations

18. Since the 2023/24 ward funding allocations were made, the key data behind this allocation, the Index of Multiple Deprivation has not been updated at a national level.
19. From the models set out in paragraph 12, Models A and E most closely align with the Council plan, the EACH priorities and reflecting analysis of IMD data. Both approaches take into account the size of the ward and its deprivation level. Providing ward budgets based upon a split of an element base funding per Councillor, and an element of ward deprivation is also in line with objectives set out at the Full Council in July 2023.
20. Members are therefore asked to consider the content of the report, and consider if they wish to support the existing model or to feed back to the Executive any suggestions for change.

Contact Details

Author:

Joe Micheli

Head of Communities

Joe.Micheli@york.gov.uk

Chief Officer Responsible for the report:

Pauline Stuchfield

Director of Customer and Communities

Ian Cunningham

Head of Business Intelligence

**Report
Approved**



Date 06/03/2024

Wards Affected: List wards or tick box to indicate all

All



Annexes

Annex A - Ward Funding Allocation Models

Background Papers

Corporate Services, Climate Change and Scrutiny Management Committee
(Calling In) 2 October 2023

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=602&MId=14431&Ver=4>

Full Council 20th July 2023

<https://democracy.york.gov.uk/documents/s168967/Report%20of%20Executive%20Member.pdf>

<https://democracy.york.gov.uk/documents/s168969/Annex%20-%20Ward%20Budgets%202023-27.pdf>

Abbreviations

EACH = Equalities and Human Rights, Affordability, Climate, Health

IMD = Index of Multiple Deprivation

LSOA = Lower Super Output Area