

## Bath & North East Somerset Council

MEETING:	Cabinet	
MEETING DATE:	11 January 2012	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2334
TITLE:	Performance Reward Grant: Main Fund	
WARD:	All	
<b>AN OPEN PUBLIC ITEM</b>		
<b>List of attachments to this report:</b> <b>APPENDIX: Proposals from the LSP Board relating to the Performance Reward Grant: Main Fund</b>		

### 1. THE ISSUE

- 1.1 This report sets out the current position on delivering the LSP's Performance Reward Grant Main Fund valued at £1M. This - together with the associated small grants fund - forms the Local Strategic Partnership's £1.3M component of the Council's £2m Community Enablement Fund, the arrangements for which were agreed by Cabinet in March 2011.
- 1.2 The LSP is charged with the management of this fund, and there is an understanding with lead LSP partners about this, but the technical release of the funding relies on Cabinet and any delegation arrangements it creates.

### 2. RECOMMENDATION

The Cabinet agrees that:

- 2.1 The recommendations of the LSP Board set out in the Appendix in relation to next steps for the Performance Reward Grant Main Fund be endorsed
- 2.2 That Cabinet receive further recommendations at its April meeting relating to funding for specific projects and to establish monitoring arrangements
- 2.3 Progress on other elements of the Community Enablement Fund be noted and a further report on the element of the Fund designed to help disadvantaged communities, regeneration and localism projects be brought to the February Cabinet meeting

### 3. FINANCIAL IMPLICATIONS

- 3.1 This report relates to the release of £1m of Performance Reward Grant which is available to the Council for investment in local projects and initiatives.

3.2 The fund is contained in the 2011-12 budgets under the heading of community enablement. Depending on the timing of spending within each of the projects there will be a need to transfer the funding into the next financial year (2012/13) and possibly further.

3.3 The release of funding will be agreed by Cabinet in April in the light of recommendations of the LSP Board following the bidding process set out in the Appendix. £400,000 is available for capital and £600,000 for revenue expenditure. The funding drawdown, outcomes and monitoring will be subject to grant conditions designed to secure effective financial control and value for money. It is proposed that there be a minimum bid application in this process of £25,000.

#### **4. CORPORATE PRIORITIES**

4.1 The aim of the Programme is to build the capacity of communities to address issues set out in the Sustainable Community Strategy.

#### **5. THE REPORT**

5.1 As a result of the Council and partners delivering the Local Area Agreement, the Partnership received £1.3m of "Performance Reward Grant". The Council budget report in February 2011 noted that the Local Strategic Partnership would manage this funding which would be invested in building capacity in the community.

5.2 The £1.3m was divided into two funds: £300,000 of small grants aimed at local projects (with a maximum grant per project of £5000) to be available as soon as possible and £1m for longer term investment (the "Main Fund").

5.3 The Cabinet in March 2011 noted that this budget will be managed through LSP governance arrangements as part of an overall approach to Community Enablement/Empowerment. The key principles of the Main Fund were noted as:

- to build capacity in the community
- to be one-off funding only
- to Pump Prime activity which becomes sustainable in its own right
- to reduce the need for future funding and be built around Invest to Save principles
- to have an exit strategy in place
- to include realistic milestones

5.4 For the £1m Main Fund the partnership developed an "Outcomes Framework", linked to the Sustainable Community Strategy, to guide thinking about allocation. From 11<sup>th</sup> July to 30<sup>th</sup> September ideas were submitted in Project Outline Proposals (or "POPs"). This engagement included a facilitated ideas-sharing day on 22 September 2011 designed to encourage people to work together to develop sustainable proposals and to advise on the commissioning framework. The outputs of this workshop can be summarised as

- "Do less but do it well"
- "Common themes not project ideas"
- "Focus on identified need"
- "Flexibility on the outcomes framework"
- "Community hubs"

- “ Partnership Working”
- “ Recognition of local expertise”
- “ Recognise that “new and innovative” isn’t always what’s needed”

5.5 This process enabled Project Outline Proposals to be developed and ideas shared informally. The LSP Board now proposes that the Programme be moved to a bidding stage which would lead to award of grants for specific projects. The feedback identified above has been used to shape this process, including informing the scoring criteria and developing the overall themes. The LSP Board proposes that bids be invited on the basis of the proposed scoring/weighting in Appendix One. In particular, this weighting draws on the feedback received so far which has stressed the need for significant weight to be placed on links with the local community in assessing proposals.

5.6 Applications will be requested to identify the particular theme they are contributing to from those set out in the Appendix. However, to ensure flexibility, specific funding allocations between the themes are not proposed. Instead, all Project Bids will be scored against the criteria but it is proposed that each theme area will see projects funded to at least £100,000, subject to a minimum score being achieved by these projects. It should also be noted that overall agreed projects will need to be within the revenue-capital split in the fund- ie, £400,000 capital and £600,000 revenue. The LSP Board in making its recommendations to Cabinet will consider the overall aims of the Programme in building community capacity across Bath and North East Somerset.

5.7 The process and timetable for this is set out in the Appendix with the LSP Board making specific recommendations to the Cabinet meeting in April for release of funding.

5.8 As well as the Main Fund detailed in this report, the Community Enablement Fund also comprises

- **A two-year £300,000 “small grants” fund, currently capped at £5000 per grant.** 33 awards have been made so far totalling £136,328. The LSP Board recognises that this is a valuable scheme for local groups, and recommends only that from April 2012 the scheme be amended to allow grants of up to £10,000 in exceptional circumstances.
- **The Youth Enablement Fund (£120,000).** This enables voluntary sector groups to apply for funding to provide positive activities for young people, through the development and/or delivery of youth provision in Bath & North East Somerset, in line with the Localism agenda. 22 groups have received funding for a total of 24 projects, and a total of £89,539 has been either spent or allocated to date. Further information can be found at [Youth Enablement Fund](#)
- **The Ward Councillors’ Initiative (£130,000).** In 2011/12 this provides a sum of £2,000 to each Ward Councillor to enable them to respond quickly to local community needs where a small amount of financial support can make a big difference. Each Ward Councillor will be allocated £3,000 for 2012-13 and 2013-14. There will be no allocation for 2014-15.
- **A fund designed to help disadvantaged communities, regeneration and localism projects (£336,000).** The LSP Board’s recommendations reflect the community-focused nature of the LSP’s work and its desire for the Main Fund to

focus on investment in local community capacity. In establishing the overall Community Enablement Fund, the Council recognised that it would also need to take some key “enabling” measures to maximise opportunities and ensure that Council itself is playing its full part in delivering the “Big Society”. This might include:

- (1) Support for Community Budgets: the Council is in Phase Two of the national roll-out
- (2) Further investment in community assets to promote local involvement and maximise opportunities
- (3) Investment in relevant Council services such as our one-stop shops and other local services and community facilities, to ensure community involvement and appropriate multi-use
- (4) Investment in Businesses Cases on a “risk-sharing” and “invest to save basis
- (5) Match funding for national initiatives where this meets local aims
- (6) Support for implementing the provisions contained in the Localism Act
- (7) Additional investment in existing funds such as the Youth Enablement Fund

5.9 A further report will be brought to the Cabinet in February setting out more detail on how this fund is to be allocated.

## **6.RISK MANAGEMENT**

6.1 The report author and Lead Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance. Risks were identified to the LSP Board and plans for mitigation identified.

## **7.EQUALITIES**

7.1 A proportionate equalities impact assessment has been carried out and the duty upon the Council under the Equality Act 2011 has been fully considered. There are no adverse impacts on protected characteristics identified through this process. However, an opportunity had been identified to progress the Council's public sector equalities duty through this process by adding a specific criterion on identifying need and promoting equalities and this is proposed in the report.

## **8.RATIONALE**

8.1 The rationale for this decision is that following from the Project Outline Proposal process there is now an opportunity to undertake a bidding process through which schemes can be scored and projects recommended by the LSP Board.

## **9.OTHER OPTIONS CONSIDERED**

9.1 The alternative option of undertaking a series of procurement exercises with detailed specifications relating to the outcomes required and with specific funding allocations was considered. This has been rejected on grounds of inflexibility and

the desire of the LSP Board to encourage organisations to pursue a wide range of proposals to meet the criteria of the scheme

## 10 CONSULTATION

10.1 Cabinet members; Parish Council; Stakeholders/Partners; Other Public Sector Bodies; Section 151 Finance Officer; Chief Executive; Monitoring Officer

10.2 A detailed report with proposals in relation to the Main Programme was made to the LSP Board on 17th November and 13th December. The Board includes representatives from Somer Community Housing Trust, Police, and Council as well as voluntary and community sector representation and representation from town and parish councils. The Board agreed to recommend to the Cabinet the process set out in this report.

## 11 ISSUES TO CONSIDER IN REACHING THE DECISION

11.1 *Social Inclusion; Customer Focus; Sustainability; Property; Young People; Corporate;*

## 12 ADVICE SOUGHT

12.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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<b>Sponsoring Cabinet Member</b>	<i>Councillor Paul Crossley</i>
<b>Background papers</b>	<i>Report to LSP Board, 17<sup>th</sup> November 2011 and 13<sup>th</sup> December 2011; Report of Main Fund workshop held 23<sup>rd</sup> September 2011</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	