

Agenda Item 5

ST ALBANS & DISTRICT LOCAL STRATEGIC PARTNERSHIP

REPORT TO: LSP BOARD

DATE: 03 FEBRUARY 2011

REPORT TITLE: PERFORMANCE REWARD GRANT 2011/12
(allocating funds to commissioning proposals)

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1. Introduction

- 1.1 At the LSP Board meeting on 13th October, the Board considered initial conclusions from the Management Committee's review of PRG commissioning proposals (the 'big ideas'). This was carried out in light of the reduced Performance Reward Grant available to allocate to these projects due to the 50% cut announced in June 2010.
- 1.2 The purpose of this paper is to update the Board on the current position regarding Performance Reward Grant (PRG) (financial summary at Appendix B) and suggest recommendations following completion of the review by the Management Committee (details given at Appendix A).
- 1.3 The Management Committee reviewed all twelve of the commissioning proposals developed over the last 12 months and considered the potential impact of each project (Appendix C) as well as the scope, risks and need for further funding.
- 1.4 As a result of that review the Management Committee have agreed a set of recommendations for allocation of remaining funding (summarised in paragraph 4.1) which will enable the projects to progress.

2. Recommendations

That the Board

- 2.1. Approves the recommended programme of projects to be commissioned and the allocation of up to £140,000 of remaining PRG and other funds, as set out in the table at paragraph 4.2 and appendix A.
- 2.2. Invites the Management Committee to progress and oversee the delivery of this programme of projects, reporting back to the Board on progress through the performance reports.

3. Background Information

- 3.1. The LSP Board and Management Committee developed an initial long list of approx 20 ideas for strategic commissioning which would be developed and refined over the 6 month period Oct 2009 – Mar 2010. The Board in February 2010 reviewed a refined shortlist of 11 commissioning proposals including projects across the seven targeted gap areas in the Sustainable Community

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Strategy and all looking for a share of the anticipated £380k PRG to be allocated in this way over during the period 2010 – 2012,.

- 3.2. Of the 11 projects, two of the commissioning proposals were already at an advanced stage and ready for implementation in April 2010 so at the meeting in Feb 2010, the Board approved the project proposals and the payment of the initial year one funding from PRG. This commitment for the first year of implementation for the two projects totalled £60,300.
- 3.3. A further commissioning proposal for a Cunningham Community Hub was also approved in principle with a request for further project detail to be submitted before implementation.
- 3.4. Following the government decision to reduce PRG spend by 50%, the Board invited the Management Committee to review all PRG spending, including the 11 commissioned proposals.
- 3.5. The first phase of this review was completed and considered by the Management Committee in September. This involved:
 - A review of the Year 2 spend of projects already agreed by the Board
 - A review of the potential financial commitments for future commissioning projects
 - A review of LSP staffing costs
- 3.6. The Management Committee agreed the following interim conclusions at that point and these were reported to the Board in October 2010:-
 - The two projects (Growing a Strong Third Sector and Kickstart/Exec Forum) already started should continue into Year 2, but at reduced funding levels;
 - 4 of the commissioning proposals to proceed, subject to consideration of the detailed project plan and funding mix and final approval from the Board (Getting Involved, Cunningham Community Hub, Marlborough Community Pavilion, Home of Wi-Fi)
 - Further research work to be commissioned for 2 of the projects (Sopwell Health Clinic and Youth Café)
 - 1 project (Community Transport) to be considered further in October but unlikely to call on PRG funding alone
 - Further scoping discussions on two projects (active management of the greenbelt, and energy from waste/biomass) aimed at finding a way forward without calling on PRG
 - 'Local Services Hub' model to be incorporated for consideration of PRG expenditure
 - PRG contribution to staffing costs to be cut by 50% next year – alternative resourcing models being considered by District Council
- 3.7. The Management Committee have since completed their review early in January 2011 and the outcomes were considered at their meeting on 21st January. The final stages of the review included:-

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- A review of the status of each project proposal following the interim actions agreed
- A review of the potential impact of each project (appendix C)
- Individual meetings with project leads to review the scope, risks, dependencies and other funding opportunities
- Confirmation of the LSP staffing implications for 2011/12

4. Findings

4.1. In reviewing the overall programme of commissioning proposals the Management Committee adopted the following principles:-

- Include all funding available through the LSP single pot fund rather than just the PRG element
- Aim to achieve a good balance of work covering all of the gap areas identified in the Sustainable Community Strategy
- Consider the balance across the district ensuring that the proposed projects include and will benefit communities across the parishes, town and city
- Seek to honour existing commitments where possible
- The importance of maintaining momentum and providing seed corn funding for the further development and establishment of a range of projects to deliver the Community Strategy

The Management Committee did consider whether to allocate larger sums of money to fewer projects, but noted that even those sums were unlikely to be sufficient in themselves – many of the larger capital projects would inevitably need contributions from a range of partners but the key was providing support to clarify the scope and get initial work underway.

4.2. The Management Committee agreed the following conclusions as a result of the full review:-

- The two projects (Growing a Strong Third Sector and Kickstart/Exec Forum) already underway should continue into Year 2 at reduced levels as agreed, but that a further £4000 funding reduction be made for the Kickstart programme due to the delayed start of the programme;
- Research to be completed as initially planned on three projects in order to identify preferred options for implementation (Sopwell Health Clinic, Youth Café and Energy from Waste). This money has already been agreed by the Management Committee since it is under £10,000 and within the delegated limit of authority (set out in the constitution).
- Contribution from PRG to staffing costs should be reduced by £30k for 2011/12 (50%) as previously agreed.
- Projected available funding in 2011/12 to be allocated across the 12 proposed projects as follows (see appendix A for detail):-

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Project	Additional funding commitments (to be agreed by the Board Feb 11)	Total commitment to the project
Growing a Strong Third Sector	£0	£33,000
Kickstart & Executive Forum	£0	£47,600
Getting Involved	£10,000	£10,000
Local Services Hub	£25,000	£25,000
Home of Wi-Fi	£25,000	£25,000
Cunningham Community Hub	£0	£20,000
Integrated Community Transport	£10,000	£17,000
Sopwell Health Clinic	£50,000	£58,000
Sopwell Community Hub (Marlborough Club)		
Youth Café	£10,000	£13,000
Energy from Waste	£0	£5,000
Active Management of the Greenbelt	£10,000	£10,000
Totals	£140,000	£263,600 (£133,600 Revenue) (£130,000 Capital)

4.3. The implications of these conclusions on the overall funding situation as shown in Appendix B are as follows:-

- Overall we will have agreed to commit all funding available
- Further work will be needed to achieve the required balance between capital and revenue for the PRG element of the funding used (approximately £30k over commitment towards revenue). Potential projects where a swap might be possible and budgets within the district council that can help to achieve this balance have been identified.

4.4. This does assume all income currently expected is as set out and the LSP Management Committee will need to consider further prioritisation in the event of not all income being received for 2011/12. Further work is already underway to consider alternative options to address the revenue/capital imbalance for the Performance Reward Grant.

4.5. If all of the recommended funding commitments set out in the table above are approved this would leave a deficit of £3528 which is approximately 1.2% of the total expenditure commitments for 2011/12 from the LSP single pot fund (see appendix B). The Management Committee would expect to manage this through their usual monitoring process.

4.6. However, it should be noted that the allocated funding amounts are to be considered as maximum amounts. Some projects will spend up to this amount

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(possibly less) whereas there are a number where exact amounts are unclear and so an amount has been set aside to contribute to the overall funding requirement should it be considerably larger. Also there may be some project proposals that eventually do not need to call on the funding set aside by the LSP.

5. Conclusion

- 5.1. The Management Committee are confident that the recommended programme of commissioned work achieves a good balance overall and, when considered together with the Targeting Change Fund projects (also funded 2010 – 2012), demonstrates a comprehensive approach including both community led and strategically commissioned outcomes for the district as a whole.

Appendices

- A: Prioritising the big ideas**
- B: Financial Position summary**
- C: Targeting the gap areas**