



**To: NSP Board**

**From: NSP Executive**

**Date: September 2011**

**Title: Options for use of LAA Performance Reward Grant residual funding**

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**Recommendations:**

- 1. That the NSP Board considers the content of this report**
- 2. That the NSP Board confirms the allocation of:**
  - **£15,000 to the Council as Accountable Body, as a contribution towards management costs for the PRG and new LAA**
  - **£15,000 to the domestic violence project to part meet the request for match funding in its original bid**
  - **£4,000 additional funding to fund training for teachers to support children living with domestic violence**
- 3. That the NSP Board agrees the remaining funding be held as a contingency fund to support the work of the new Boards**

**1. Background**

The successful completion of the 2007-2010 Local Area Agreement (LAA) resulted in the partnership achieving £2,567,192.83 of performance reward grant. At its last meeting the Board agreed to fund seven delivery partnership bids and the Community Investment Fund from the PRG totalling £2,358,305, which left £208,887.83 to allocate.

**2. Introduction**

At its last meeting in January the Board stated that its preferred option for use of the residual funding was as a contingency fund. However, it did ask the Executive to consider a number of other options for use of this funding and bring its recommendations to the Board.

The options identified by the Board for consideration by the Executive were:

1. To retain the funding as a contingency fund
2. To review the requests for additional funding put forward by projects already approved
3. Whether bids tabled by NSP Executive members submitted outside of the PRG process developed with delivery partnerships should be considered

In addition the Executive also considered:

- Allocating funding for the administration and management costs for the new LAA/PRG programme - £15,000
- Allocating funding to cover the match funding requested by the Domestic Violence project in its original bid - £30,000

### **3. Managing Resources**

#### Funding the administration and management costs for the new LAA/PRG programme

The financial and performance management requirements for the new LAA/PRG programme will incur costs to the council as accountable body. Procedures will have to meet the expected local government audit and monitoring standards. Given that the LAA and PRG projects are partnership activities and the current difficult financial position of the council and partner organisations it was considered appropriate to allocate a small sum from the residual funding to cover these.

The NSP Executive agreed to recommend that the sum of £15,000 be allocated to the council for the purpose of administering the LAA and PRG projects.

This would leave £193,887.83 residual PRG funding to be allocated.

### **4. Deferred Items**

At the request of the Chairman of the NSP Board, who had been approached by the NSC Adult Social Services and Housing Scrutiny Panel, the Executive reviewed its decision to request match funding for the domestic violence project.

The original bid requested £60,000 to enable provision of wider holistic responses to be delivered to victims by the VCS. The NSP agreed to fund £30,000 and requested the project find match funding for the additional sum. Whilst the project is doing its best to deliver the match funding, the economic climate is having a detrimental effect on the VCS organisations it works with to provide these services.

The Executive agreed to recommend that half the remaining match-funding i.e. £15,000 be allocated to the project. Executive members also offered venue space free of charge to the project.

This would leave £178,887.83 residual funding to be allocated.

### **5. Options for allocation of residual funding**

The Executive considered the remaining options for allocation of the residual funding

#### Allocating additional funds for agreed PRG projects where this would make a significant impact.

The bids received from projects that had already been agreed did not, in general, provide much detail of the activity and outcomes any additional funding would achieve. The Executive decided not to fund these bids other than the domestic violence bid for £4,000. This money would fund the training of 100 teachers (over a two year period) to enable them to support children living with domestic abuse.

#### Allocating funding to bids submitted outside of the delivery partnership PRG bidding process.

The Executive also considered the bids submitted by Executive members outside of the delivery partnership process. Amounting to over £830,000 these bids came to

considerably more than the funding available. Whilst the bids were considered worthwhile it was felt that in the new structure funding requests should come through the new Boards.

The Executive agreed not to recommend this option.

Retaining the residual funding as a contingency fund

Retaining the residual monies as a contingency fund would enable the partnership to consider supporting PRG projects in difficulty or supporting delivery of targets within the local area agreement, possibly through pump-priming. In addition, each new Board could be given the opportunity to access funding to support the delivery of partnership priorities, whether to support the economic recovery or to respond to community needs and challenges as services are reduced.

In the uncertain economic climate and with the extensive and rapid changes to public sector organisations and funding the Executive felt that retaining the residual funding as a contingency fund was the best option for use of the remaining money.