

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting9th October 2008

1. Title of Item/Report

Communities Fund

2. Record of the Decision

Consideration was given to a report that outlined the delivery plan and the mechanism for the allocation of the balance of Stockton's Communities Fund beyond the transitional year of NRF interventions as previously agreed by Cabinet on 24th April 2008.

The Working Neighbourhoods Fund (WNF) was created by Government to simplify and refocus local level funding to tackle worklessness and low levels of skills and enterprise within some of the most disadvantaged communities. This new fund, part of the non ringfenced Area Based Grant (ABG) replaced Communities and Local Government's Neighbourhood Renewal Fund and concentrated the focus of neighbourhood renewal on these core areas of regeneration.

Government intended that the fund would provide the basis for a new approach, recognising the need to tackle worklessness on a local community wide basis to provide maximum flexibility to local authorities to design local worklessness programmes to meet local needs.

Stockton had been allocated £13,511,065 over a three-year period. As a result of the late announcement of the WNF, Cabinet had agreed a transitional year for the remaining 40 NRF projects, which amounted to an expected expenditure of £2,785,027 during 2008/09. A further allocation for the Area Partnerships of £516,705 over the three years had also been agreed. Consequently, there was £10,209,333 available for activities to tackle worklessness and increase the levels of skills and enterprise in the Borough.

In Stockton, Cabinet had agreed to refer to the Working Neighbourhoods Fund as the Communities Fund. This was in recognition of the emphasis placed on budget setting and commissioning in the recently published 'Unlocking the talent of our communities' and the consultation paper on the Statutory Guidance on Strong and Prosperous Communities about working with and within local communities. This guidance, in

addition to the DWP's Green Papers, A new deal for welfare: Empowering people to work, and No one Written off, focused on tackling poverty and social exclusion. This devolved responsibility to local authorities offered the unique opportunity to use WNF to have more control over the delivery of accountable services that best suited the needs of the locality. It offered the opportunity to give the community the tools to get involved and leads to neighbourhood empowerment.

The value of provision reflected the training and support that was needed for a person to achieve sustainable employment, as this would vary depending on the complex and individual needs of that person.

In line with Government guidance for the Working Neighbourhoods Fund to tackle worklessness and the low levels of skills and enterprise consideration had been given to allocate the Communities Fund to three distinct elements in recognition of the work that would be required to improve the status quo.

RESOLVED that:-

1. The balance of £10.2 million already allocated to the Communities Fund be apportioned as follows:

- £7.2M of the fund will 'follow the person' and be allocated to employability activity and increasing skill levels in the Borough.
- £2M be targeted towards increasing levels of enterprise in the Borough in line with the themes identified through the previous Local Enterprise Growth Initiative (LEGI) bid.
- £1M be allocated to a Communities Contingency Fund for ongoing evaluation of the programme and a further Skills Audit to better inform the needs of the community.

2. The delivery plan including the "worklessness, employability and skills", "enterprise" and "contingency" elements be procured through the Public Contracts Regulations 2006 and Stockton Council's own contract procedure rules be agreed.

3. The delivery of the employability programmes concentrate on five adjacent geographical areas, generally aligned to the Area Partnership boundaries and that up to five lead providers be commissioned to deliver those programmes/services be agreed.

4. Payments be defrayed on the basis that there be a fixed allocation for the delivery of the programme paid monthly to help assist with cash flow,

a variable staged progression payment, which included measurable milestones and a performance/reward payment be agreed. The actual proportion of each payment stage be agreed as part of the procurement process.

5. The priorities and criteria set out in paragraphs 5 to 6.4 of the report be endorsed.

3. Reasons for the Decision

Stockton had been allocated £13,511,065 of Working Neighbourhoods Fund (WNF) over a three year period. As a result of the late announcement of the WNF, Cabinet previously agreed a transitional year for the remaining 40 NRF projects, which amounted to an expected expenditure of £2,785,027 during 2008/09. In the said Cabinet Report the proposals for governance recommended that Cabinet "Agree the allocation of the Communities Fund to a delivery plan/programme to improve employability" the report outlined the delivery plan and the mechanism for the allocation of the balance of Stockton's Communities Fund beyond the transitional year.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

Not later than Midnight on Friday, 17th October 2008

Proper Officer
13 October 2008