
LOCAL AREA AGREEMENT PERFORMANCE REWARD GRANT

Responsible Cabinet Member – Councillor Dixon, Leader of the Council

Responsible Officer – Ada Burns, Chief Executive

SUMMARY REPORT

Purpose of the Report

1. The purpose of this report is to outline how the Council intends to make use of the Local Area Agreement (LAA) Performance Reward Grant (PRG).

Summary

2. The Council is currently holding £927,245 of PRG monies as a result of successful achievement of a number of objectives within the Local Area Agreement which concluded in March 2009. This money is one-off; it is not recurrent revenue funding.
3. The funds are not ring-fenced within the Council's budget, and the Council can choose to use these without reference to any external body or partnership. However, the work to successfully deliver the LAA was undertaken by partnership activity through the Darlington Partnership and Cabinet have signalled to the Partnership that it wishes to honour the spirit of the funds' original purpose to recognise the partnership dynamic that had led to the award of these funds. The Darlington Partnership Board discussed the proposals outlined in this paper at its meeting on 14 March 2012, and the Board agreed with the approach outlined in principle, subject to full agreement by Cabinet.
4. There is significant pressure on the resources of all public sector bodies, but in particular local government has experienced the most significant and front-loaded cuts in funding. This paper outlines a proposed use of PRG monies that will assist in addressing the budget challenges of public sector bodies by seeking to support community and business initiatives, and in the longer term, reduce the demand for Council services.
5. The proposals will also provide a direct contribution to the Darlington Partnership's action priorities for 2012, thereby enhancing delivery of key partnership actions to meet the outcomes of the Sustainable Community Strategy.
6. It is unusual in this climate to be considering a report that contains choices about significant investment for the borough. As such, it is right that the Council considers investment that provides for long-term viability and the future of the borough. The proposals outlined here

- (a) stress the importance of establishing firm bases for resilient communities
 - (b) show visible support for new and developing businesses
 - (c) deliver on Darlington Partnership's action priorities.
7. Taken as a whole, this set of proposals combines to become more than the sum of its parts by supporting an environment for thriving social capital and a thriving local economy.

Recommendation

8. It is recommended that Cabinet approve the allocations as outlined in Paragraphs 26 - 44 of this report, and delegate approval of the detailed spending plans to the Chief Executive.

Reasons

9. The recommendations are supported by the following reasons :-
- (a) To ensure alignment of PRG spend with existing Council and Partnership priorities
 - (b) To enhance partnership activity and reduce demand on public service delivery.

Ada Burns, Chief Executive

Background Papers

Chris Sivers, Assistant Director – Development and Commissioning : Extension 2013

S17 Crime and Disorder	The proposals outlined here would enhance the Council's services and functions in relation to crime and disorder.
Health and Well Being	The proposals outlined here would enhance the Council's services and functions in relation to health and well being.
Carbon Impact	No impacts identified.
Diversity	The proposals outlined here would provide additional support for targeted groups in areas of a specified need. Young people and older people would be particular beneficiaries.
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	There is no impact on the budget and policy framework.
Key Decision	This is not a Key Decision
Urgent Decision	This is not an Urgent Decision
One Darlington: Perfectly Placed	The proposals outlined here clearly support the delivery of One Darlington Perfectly Placed, providing additional resource to its delivery during a time of significant resource reduction elsewhere.
Efficiency	These proposals would enhance the Council's ability to deliver the Medium Term Financial Plan, and provide a number of options for future reduction of demand for Council services.

MAIN REPORT

Information and Analysis

10. The Pilot Local Area Agreement (LAA) concluded at the end of March 2009, with a total of £1,854,456 reward element achieved by the Council working with its partners through Darlington Partnership. The incoming Coalition Government stopped the LAA and Reward Grant process but agreed to pay out 50% of the Reward Grant achieved to that point. The Council is therefore currently holding £927,245. There is no imposed deadline to spend for PRG, which can be held in an ear-marked reserve and released as proposals are developed and approved. The grant is not ring-fenced and can be used for any purpose determined by the local authority.

11. Local Government Minister Bob Neill MP confirmed the unringfenced nature of the funds in his press statement on Performance Reward Grant on 17 March 2011, when he stated that the purpose of such funds were

...in line with the Government's commitment to give councils more spending freedom the payments will be unringfenced so they can use it in the best way to protect frontline services.

12. Though the grant allocation is clearly to Darlington Borough Council to ensure protection of frontline services, the targets achieved which resulted in the grant being awarded were

the result of collaborative effort by partner organisations in Darlington through the Darlington Partnership. Consequently, it is both appropriate and in the spirit of the purpose of the funds, to give consideration to how the grant could be used to further partnership and collaborative activities.

13. Continuing reductions in public spending will place on-going pressure on service provision, not least within the local authority. Therefore, a priority to the Council must be ways that we can reduce demand for our services, develop community resilience to deliver services themselves and/or enhance the economic base of the borough to ensure that jobs and services shed by the public sector are replaced by new investment.
14. Cabinet agreed the Council's Business Model in November 2009, which outlined the key functions for a Council of the future:
 - (a) Champion the interests of citizens and businesses
 - (b) Support strong partnership to set a vision and direction for the Borough and its services
 - (c) Promote the Borough to secure investment and support
 - (d) Ensure the provision of good quality services.
15. Officers have considered options that support existing and emergent strategies in these areas, and have also taken into account the immediate financial challenge for the local authority.
16. Alongside the developments outlined above, the Darlington Partnership has reviewed its working arrangements in light of the changes in government legislation regarding partnership working. The Partnership has continued its support for One Darlington: Perfectly Placed (ODPP) as the overriding priorities for this Borough. Further, it has committed as its core business delivery on ODPP, alongside support for delivery of the Darlington Together strategy building community resilience in a challenging financial climate and thirdly the development of an annual programme of action priorities.
17. At its November meeting, the Partnership agreed three action priorities for joint activity in 2012:
 - (a) Vocational Opportunities for Young people
 - (b) Harm caused by alcohol mis-use
 - (c) Ageing well.
18. Darlington Partnership at its meeting in November also agreed to allocate £102,000 to the development of greater links between businesses and schools. This work has further been developed through the Darlington Foundation for Jobs, launched 26 January 2012.
19. These are all issues that have been highlighted in the Partnership's Single Needs Assessment (SNA). The SNA is a detailed analysis of the issues facing the people of Darlington, particularly in relation to health and social care and crime and disorder, but with analysis of wider issues as well. The challenges of ageing and alcohol have also been highlighted as key issues for the borough in the Director of Public Health Annual Report.

20. These issues are also significant challenges facing the Council and the proposals outlined in the following paragraphs provide additional support to the delivery of activity in these areas.
21. The PRG funds provide crucial support to the Council's and the Partnership's development of the Darlington Together agenda – developing capacity and the resilience within communities and businesses. Officers consulted members of the Partnership Executive on principles that could drive the use of funds, would be to provide support to initiatives that:
 - (a) reduce demand for our services
 - (b) develop community capacity to deliver services themselves
 - (c) use PRG funds as a lever to bring additional match funding and/or match resources
 - (d) enhance the economic base of the borough to ensure that jobs and services shed by the public sector are replaced by new investment.
22. As the funding is non-recurrent, there will need to be focus on those areas where we have a reasonable degree of confidence that they will be sustainable following this initial investment, and in making any commitment of this resource, a suitable exit plan will need to be considered.
23. There was debate at the Darlington Partnership Executive Group as to what might be the most appropriate mechanism for distribution of these funds. Whilst recognising the value of bottom-up approaches for new projects, it is recognised that a commissioned approach is more appropriate in this instance. The Group also suggested that a small amount is left unallocated at this point to address emerging priorities in the next 12 months.
24. In order to provide the assurance to Cabinet on spend of its resource, a Lead Officer from the Council will be allocated for each project, to ensure effective project management and that spend is in line with agreed Cabinet allocation. Lead officers will ensure Partnership involvement in the proposals through a number of mechanisms, suitable to each individual project. In some cases, partners are already heavily involved, and the Lead Officer will develop the most appropriate arrangements, in consultation with the relevant Cabinet portfolio holder and partners. In all cases, a project outline for spend will be approved through the Darlington Partnership Executive Group and in agreement with the Portfolio holder for that area of work.
25. A brief outline of each project, the Lead Officer and the amount of resource allocated are provided in **Appendix 1**. It is anticipated that through the process of developing the detailed proposition for each project, there may be slight changes to the allocated spend for each project. There will be close scrutiny by the Chief Executive with an intention to seek to create a reserve, in order to have funds for potential future allocation.

Initiatives to Support the Economic Strategy and Promote Growth

Implementation of the Economic Strategy

26. Businesses in Darlington are working with partners to develop a sustainable vision for economic development. This is in its early stages and will be holding its first engagement session on Thursday 8 March 2012. Previous work has included the development of a range

of workstreams for different sectors within the local economy. Alongside this, staff within the Council have been working with partners and funding bodies to develop Central Park, including the Darlington Enterprise Zone location for digital industry. The funds set aside through PRG will be allocated for specific projects once the Economic Strategy has been finalised and there is clarity on where the top priorities are. Given the degree to which the local economy impacts on developments for the borough as a whole, it is proposed that a significant element of resource is earmarked for this.

27. As mentioned, this development is being led by local businesses with a group that has arisen from the Prosperous Darlington theme group. Engagement has thus far been through that partnership group, and will also include wider engagement through the engagement process for developing Darlington's Area Wide Strategy.

Foundation for Jobs

28. Foundation for Jobs and the Supporting Young People into Employment have merged into one project. The purpose is to raise the profile of opportunities for young people, and to develop those opportunities to more closely align to business needs. There is activity taking place to create better linkages between schools and businesses and to promote apprenticeships, internships, cadetships and other opportunities to businesses and young people. The Foundation for Jobs was launched in the Northern Echo on 26 January. The funds already agreed through PRG would provide resource to employ a coordinator for two years to develop this work and it is proposed to allocate further funds to provide practical support for employers, to recruit and retain young people, the exact form of which will be determined as the project becomes more worked up.
29. Darlington Partnership Board has previously supported the allocation of £102,000 to this priority, and this paper both formalises that in principle agreement, as well as proposing an additional allocation of £40,000 to further develop this work.
30. Engagement from wider partners takes place through the Foundation for Jobs Steering Group, and this has been regularly reported to the Darlington Partnership Board meetings since its inception.

Initiatives to Enhance Local Community Resilience – Darlington Together initiatives

Darlington Cares

31. Darlington Cares is a new proposed project, building on the very successful Business in the Community "Cares" model that operates in a number of cities including York. The proposal is that businesses in the town set up an independent organisation to coordinate and expand corporate social responsibility activity. Darlington has many businesses with a strong track record of supporting community activity, though this has to date not yet been brought together into a coherent programme. Initial feedback from businesses is that they would like their contributions to be better targeted at priority areas and the most vulnerable groups. Evidence from York suggests that by enhancing coordination and promoting such work, new employers are brought into the activity.

32. A small group of interested businesses along with representatives from the voluntary sector and the Council have been meeting to establish whether there is appetite for this to be developed in Darlington. More work will continue in the coming months, with a view to a first meeting of Darlington Cares being held in June. This initiative will be led by businesses, with support from the voluntary sector, the Darlington Partnership and the Council, as appropriate.

Community Support Network

33. Many areas around the country have developed community support networks, although they may be known by different names with different focuses depending upon local need. An initial piece of work to establish whether a model might work in Darlington has suggested that there would be benefit in setting up such an approach.
34. The type of model being proposed for Darlington would be a hub, with a strong digital platform, that would be a way for individuals to connect with others in their communities. This might be for practical support and services (such as gardening or other household services), through to group activity (such as a community association) or increasing their individual social network to give them an improved social life.
35. Such approaches have proven successful elsewhere in providing very low level support for individuals who may need access to adult social care services. In other areas, this type of early support can prove to be so effective that individuals have less need to call on support from formal adult social care services. This is a vital consideration as the Council's budgets continue to be cut.
36. The proposal for PRG resource will provide the initial funding to kick start this initiative. It is likely that it will require some on-going resources from the Council, and as such, contracts in adult social care are being reviewed to redirect funds to this initiative, given the strong evidence base for future cost reductions.
37. A number of workshops have taken place with stakeholders to assist in shaping the Darlington model, and it is intended that such workshops will continue at appropriate points in time, to ensure that partners are well up to date.

Develop Mechanisms to Support Communities on Community Safety Issues

38. Feedback from consultations with communities very strongly suggest that community safety continues to be one of their main concerns. There have been significant budget reductions in this area in recent years, and it is recognised that the community plays an important role in keeping one another safe.
39. Partners in Darlington's Youth Offending Service and the Community Safety Partnership have been piloting an approach to restorative justice, which brings offenders of low level offences to face the victims of their crimes. This has been hugely successful in reducing reoffending, particularly for these types of crimes. It has also been very successful in providing reassurance to community members, who are able to be involved in the criminal justice process themselves, helping to determine appropriate sanctions.

40. The proposal for use of PRG monies will also be used to consider the potential for a Street Pastors scheme in Darlington Town Centre. In other towns and cities, such schemes provide support from volunteers (usually from faith communities) in Town Centres late on Friday and Saturday nights. They help to get people to taxis who may be drunk, escort women on their own, help prevent violent altercations and generally help to make the town centre a nicer place late at night.
41. The PRG monies will be managed through partnership working in the Community Safety Partnership's Anti-Social Behaviour Strategy Group.

Social Norms Work with Young People

42. For four years, Darlington Drugs and Alcohol Action Team has been running an annual survey on attitudes and behaviours in relation to a range of potentially risky activity such as drug taking, drinking and underage sexual activity. Alongside this, with specially developed key messages, the team have run campaigns to challenge ideas – such as data around how many parents buy alcohol for their children. The importance of these messages has been challenging assumptions that young people hold, and has successfully changed behaviours and attitudes in this area.
43. Funds for this work are due to come to an end shortly, and the PRG resource will provide short-term match funding (along with health funds) to develop work with schools to determine whether there can be a sustainable model for the future. Partners will be engaged in this activity through the multi-agency Drug and Alcohol Action Team.

Proposals to meet emergent needs arising from Council's MTFP process

44. The final area for allocation from PRG resources will be to support a number of areas of development arising from the Council's development of its Medium Term Financial Plan. It is well documented that the resources the Council receives are reducing significantly. Given the timescales involved in needing to set a balanced budget, it has not always been possible to fully explore other alternatives to the Council providing such services. In some cases, community groups have come forward to run such services, and the Council is keen to explore whether these types of initiatives could be sustainable. These are further detailed in **Appendix 1**.

Project monitoring

45. Each project lead will have responsibility for the monitoring of spend on the project, ensuring it is in line with Council regulations. As there is no deadline for spend, it is expected that projects will have different timetables, depending upon the degree of readiness of the project.
46. Project leads will be required to produce a project outline, which it is proposed will be agreed by the Chief Executive in consultation with the Leader of the Council, other relevant Cabinet Members and the Chairman of the Darlington Partnership.
47. There will also be regular reporting to the Darlington Partnership Executive Group on progress and outcomes, and a report on the outcomes generated from this resource injection will be provided at a future point.

48. Any significant changes to the programme will be agreed jointly by the Leader of the Council and the Chair of the Darlington Partnership. It is expected that minor changes will be made as the proposals are worked up into firmer actions, and it is anticipated that a small contingency will be created for future use.

Outcome of consultation

49. The principles outlined in this paper have been discussed at the Darlington Partnership Board on 11 January 2012. The proposals have had repeated scrutiny and discussion at the Darlington Partnership Executive, and were agreed in principle at the Darlington Partnership Board meeting on 14 March 2012. Many of the proposals have had individual consultation, and some have had feedback and comment through the Council's budget consultation exercise. This paper represents the views and opinions discussed. It is recognised that in the process of developing the projects, additional engagement work with a wider range of partners may also provide additional feedback.