

**ALLOCATION OF REMAINING LOCAL PUBLIC SERVICE AGREEMENT (LPSA)  
REWARD GRANT**

*To:* **Cabinet**

*Date:* **27<sup>th</sup> September 2011**

*From:* **Chief Executive**

*Electoral division(s):* **All**

*Forward Plan ref:* **2011/038** *Key decision:* **Yes**

*Purpose:* **The report outlines the process by which the allocation of the remainder of the LPSA Reward Grant has been determined and records the outcome.**

*Recommendation:* **Cabinet is asked to endorse the allocation of the remaining LPSA Reward Grant and approve the payment of the allocated funding to partners.**

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## **1. BACKGROUND**

- 1.1 The Local Public Service Agreement (LPSA) 2004-07 was negotiated between the Cambridgeshire Local Authorities and Central Government with a view to securing improvements in service delivery. Targets within the LPSA were agreed for 12 key service areas and reward monies were payable by Government if those stretching targets were achieved. Of the £12.5 million available as LPSA reward, Cambridgeshire partners secured a total of just over £9 million.
- 1.2 By local agreement through Cambridgeshire Together, the reward grant was to be apportioned between Local Strategic Partnerships (LSPs) representing the five District Council areas, subject to top-slicing for concessionary fares and capacity building. The LSPs then allocated the funding to projects under a number of themes, to be delivered by the District and County Councils, Health, the Police and the voluntary sector.
- 1.3 Cambridgeshire County Council acted as the administering agent for the LPSA reward grant and in particular is responsible for; co-ordinating the claims made against the grant, distributing the reward grant in line with the grant agreements for each project, providing short-term cash flow support, overall administration and performance management of the grant.
- 1.4 Shortly after the Coalition Government's announcement of a £6 billion in-year public spending reduction, officers at GO East indicated to officers at the County Council that it was probable that no further reward grant payments would be made, with an overall loss of funding of some £4.5m.
- 1.5 All funding received at that point has been allocated based on claims made to Quarter 5 (31<sup>st</sup> March 2010) and an equal sharing of the remainder between the 5 LSPs. Cambridgeshire Together agreed that each individual public body should decide whether (at their own cost) to continue reward grant projects to their end date in full, to continue reward grant projects at a reduced to their end date, or immediately to end projects.
- 1.6 At the point that funding was withdrawn, projects were at different stages of inception and delivery, different levels of resources had been advanced and/or claimed by the different public bodies and each LSP took different decisions around continuing with projects. As a result, the financial impact on individual public bodies (and agents of these bodies) was variable.
- 1.7 In March 2011, following concerted lobbying from the County Council, confirmation was received from the Department of Communities and Local Government (CLG) that the balance of LPSA Reward Grant monies would be paid and funds were duly received by the end of the financial year and were taken to Reserve pending consideration as to their use.

## **2. MAIN ISSUES**

- 2.1 The LPSA reward grant payment is not ring fenced; however the Authority has a general duty to ensure value for money and public benefit is delivered from this resource. Additionally this funding was aimed at fostering partnership and performance improvement in areas of greatest need and it would be appropriate for this to be borne in mind when considering use of the resource.

- 2.2 As no LSP or individual project had received a "fair share" of resource as at July 2010 and individual authorities took different decisions around different projects after this, payment in accordance with the original Cambridgeshire Together agreement will no longer enable the original projects to be completed or original objectives to be achieved.
- 2.3 It is suggested that a better way to use the funding would be to back one project that will bring sustained benefit to the whole county, such as tackling digital exclusion and promoting economic growth through significantly improved broadband coverage.
- 2.4 Therefore the Cabinet Member for Growth and Planning was charged with discussing and agreeing proposals for the allocation of the £4.5m reward grant with the five District Councils as leaders of their respective LSPs. In each case consideration was given to achieving the maximum benefit for the people of Cambridgeshire whilst providing some funding to the LSPs to allocate to on-going local projects or to support voluntary bodies who lost funding as a result of the original withdrawal of the funding by CLG.
- 2.5 The following proposals have been put forward, with the balance of the funding to be committed to the Cambridgeshire Superfast Broadband Project:

<b>Partner</b>	<b>Amounts for local allocation</b>
East Cambridgeshire	£120k
Huntingdonshire	£100k
Fenland	£100k
South Cambridgeshire	£100k
Cambridge City	£43k
Cambridgeshire Police	£20k
NHS Cambridgeshire	£20k
<b>Total</b>	<b>£503k</b>

- 2.6 It should be noted that Cambridge City Council are particularly concerned about the impact on the voluntary sector within the City. An allocation of £43k has been made to bring the payment to the now-amalgamated City and South Cambridgeshire LSP up to £143k.
- 2.7 Cabinet are asked to endorse the proposals in paragraph 2.5.

### **3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING**

**Supporting and protecting vulnerable people when they need it most**  
**Helping people live healthy and independent lives in their communities**  
**Developing the local economy for the benefit of all**

- 3.1 The proposals in this report will provide support for all three priorities. Superfast broadband, in particular, is essential to the growth plans of the county as a whole and will provide residents with ready access to support, services and information.

#### **Ways of working**

- 3.2 This report is the result of consultation with other local public bodies and presents proposals which will benefit the county as a whole.

#### **4. SIGNIFICANT IMPLICATIONS**

##### **Resource and Performance Implications**

- 4.1 The report proposes that funding in excess of £4m is allocated to the provision of superfast broadband in the county. Cabinet approved the project to deliver superfast broadband at its meeting on 15<sup>th</sup> August 2011.

##### **Statutory, Risk and Legal Implications**

- 4.2 There are no significant statutory, risk or legal implications.

##### **Equality and Diversity Implications**

- 4.3 There are no significant equality and diversity implications.

##### **Engagement and Consultation**

- 4.4 As outlined in the report, the proposals have been discussed and agreed with other local public sector bodies.

<b>Source Documents</b>	<b>Location</b>
None	.