

Meeting: Enterprise Partnership Board

Date: 10 December 2008

Report Title: Area Based Grant Review

Report of: Martin Tucker - Regeneration Manager (Employment & Skills)

Purpose

To inform the Board of the recent ABG Review and its recommendations and to begin consideration of the commissioning of the Enterprise Board's ABG allocation in 2009/10 and 2010/11.

Summary

A review of the Area Based Grant was carried out over July and August 2008

The review has recommended that as the ABG is allocated to local authorities on a 3 year basis this stability should be extended to thematic boards and that theme boards will receive two year allocations of ABG from April 2009.

Theme Boards should commission programmes of activities and interventions to support delivery and achievement of partnership priorities and LAA outcomes and national indicators. Further theme boards also hold the responsibility for de-commissioning programmes of activity and interventions where performance is poor and projects are not delivering against outcomes.

The Enterprise Board should now commence the process of commissioning the Enterprise ABG Programme for 2008/09 including the decommissioning of any current underperforming projects.

The indicative ABG allocation for Enterprise is £1.6million in 2009/10 and £1.463 in 2010/11. In 2008/09 the allocation is £1.2million.

Legal/Financial Implications

N/A

Recommendations

1. That the Board note the contents of the HSP Chair's Letter and the ABG Review Report
2. That the Board now commence the process of commissioning the

Enterprise ABG Programme for 2009/10 and 2010/11 including the decommissioning of any current underperforming projects through either:

- convening special meeting(s) of the Board to consider the development and agreement of an Enterprise Commissioning Prospectus and Plan or;
 - establish a Commissioning Sub-Group of the Board to meet and agree the Enterprise Commissioning Prospectus and Plan reporting back to a full meeting of the Board
3. That as a first step in this process the Board agree headline programme of activity and interventions relating to LAA outcomes namely:
- Tackling Worklessness including the Haringey Guarantee and Families into Work and;
 - Business Support and Enterprise

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Background

In November 2007 the Department for Communities and Local Government detailed the arrangements for the new Area Based Grant as part of the publication 'Development of the New LAA Framework' Operational Guidance.

The ABG is a non-ring fenced revenue grant, which local authorities are free to use "as they see fit to support the delivery of local, regional and national priorities in their areas, including the achievement of LAA target". As of April 2008, the ABG was allocated on a three-year basis to maximise stability and certainty. The allocations for years two and three are indicative and may be subject to change.

The allocation to Haringey Council for the next three year period is £22.24m 2008/09, £23.537m 2009/10 and £23.343m 2010/11. The Haringey Strategic Partnership agreed the allocations to the Thematic Boards for 2008/09 based on a steady state pending a review at six months.

The allocation to the Enterprise Theme Board in 2008/09 was £1.2m. Indicative allocations for Enterprise is £1.6million in 2009/10 and £1.463 in 2010/11.

A review of the Area Based Grant was carried out over July and August 2008

The review has recommended that as the ABG is allocated to local authorities on a 3 year basis this stability should be extended to thematic boards and that theme boards will receive two year allocations of ABG from April 2009.

Theme Boards should commission programmes of activities and interventions to support delivery and achievement of partnership priorities and LAA outcomes and national indicators. Further theme boards also hold the responsibility for de-commissioning programmes of activity and interventions where performance is poor and projects are not delivering against outcomes.

Enterprise Commissioning Prospectus and Plan

The Board need to consider how to take forward the recommendations of the ABG Review around commissioning and decommissioning programmes of activity and interventions which support delivery and achievement of partnership priorities and LAA outcomes and national indicators.

Haringey Council and the HSP are reviewing current commissioning and procurement activities with a view to moving towards more strategic commissioning.

In light of this the Board need to consider current activities and future needs in a strategic commissioning perspective.

Current ABG programmes of activity are:

- (a) Haringey Guarantee
- (b) Families into Work
- (c) Business Support and Enterprise

Each of these programmes are rated GREEN – The Haringey Guarantee had an AMBER rating at the end of Quarter 1 but this has now been remedied.

LAA outcomes which these contribute to are:

- i. NI 153 – Working age people claiming out of work benefits in the worst performing neighbourhoods
- ii. NI 171 – New business registration rate
- iii. Stretch (1) – Number of people from the worst twelve wards supported into sustained work
- iv. Stretch (2) – Number of people on Incapacity Benefit for more than 6 months supported into sustained employment
Plus local indicators on
- v. Number of registered Haringey Guarantee participants with a completed better off calculation
- vi. Adults achieving a Skills for Life qualification and entered employment and those gaining a qualification in the workplace
- vii. Adults achieving a full level two qualification and entered employed and those gaining a qualification in the workplace

Baselines and targets for outcomes ii, vi and vii are yet to be established and Haringey is looking to renegotiate outcomes I and iv as part of the LAA

Refresh. However these will remain the main outcomes and indicators that the Enterprise Board will have responsibility for in performance management.

Indicative ABG allocation for the Enterprise Board should be confirmed by late December/early January and the Enterprise Board need to be prepared to begin the commissioning/decommissioning process early to ensure delivery early in the next municipal year to meet partnership priorities and LAA outcomes and indicators.

It is proposed that the Board require officers from Economic Regeneration to work on a draft Enterprise Board Commissioning Prospectus and Plan outlining the strategic approach to commissioning, strategic approach on tackling worklessness, skills development, business support and enterprise, identifying gaps in provision, examples of good practice and setting out priorities for programmes of activity and interventions with indicative funding allocations. The draft will also include guidelines for partners and external agencies to apply to deliver programmes of activity and interventions and the process whereby commissioning will be determined and approved. (This approach was followed in the original commissioning of the Haringey Guarantee in 2006.)

This draft Enterprise Board Commissioning Prospectus and Plan to be completed by end of January 2009 and considered by the Board in either:

- (a) a special meeting of the Board in February or
- (b) the establishment of Enterprise Board ABG Commissioning Group who will meet to consider the draft and report back to the full Board.

Following approval of the Commissioning Prospectus and Plan the programmes of activity and interventions for 2009/10 and 2010/2011 are commissioned in March/April 2009.

Appendices

Appendix 1: Letter from Leader of the Council and Chair HSP to Theme Board Chairs

Appendix 2: Area Based Grant Review Report