



Cabinet: 15 June 2010

Report of: Assistant Chief Executive

**Relevant Portfolio Holders: Councillor I Grant
Councillor D Westley**

**Contact for further information: Cath McNamara (Extn 5380)
(E-mail: cath.mcnamara@westlancs.gov.uk)**

SUBJECT: PERFORMANCE REWARD GRANT – SPENDING DECISIONS

Borough wide interest

1.0 PURPOSE OF THE REPORT

- 1.1 To formalise the Council's approach to its ratification of spending decisions made by the West Lancashire Local Strategic Partnership in respect of the allocation of Performance Reward Grant (PRG)
- 1.2 To seek endorsement for the use of PRG to fund a 'Strengthening and Supporting CCTV Provision' project.

2.0 RECOMMENDATIONS

- 2.1 That authority to allocate PRG in accordance with the recommendation of the West Lancashire Local Strategic Partnership be delegated to the Assistant Chief Executive.
 - 2.2 That the 'Supporting and Strengthening CCTV' project be endorsed, as it meets with the requirements of the PRG Protocol, (Appendix A).
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3.0 BACKGROUND

- 3.1 One of the provisions of Local Public Service Agreement 2, now the Local Area Agreement (LAA), is the availability of Performance Reward Grant (PRG) from Central Government for the achievement of LAA stretch reward targets for the first LAA (2006/09). The dates for achieving the stretch targets were from 31 March 2009 until 31 December 2010. PRG is being paid in two instalments by Central Government to the accountable body for LAA, Lancashire County

Council (LCC). The first payment was received in April 2010 and the second is expected between February and May 2011.

- 3.2 LCC is the accountable body and banker of the funds received from Central Government in relation to PRG and is responsible for ensuring money is properly accounted for. It has now been agreed by the Lancashire Partnership that any PRG received should be distributed by LCC at the agreed rate of 40% to the Lancashire Partnership, with the other 60% being divided equally and paid to the 12 districts in Lancashire. This Council will receive the PRG payable to the West Lancashire LSP and will act as the accountable body for this, "Local", element of the grant and will be responsible for ensuring that funds are spent in accordance with the agreed protocol.
- 3.3 The amount of Local PRG payable will be wholly dependent upon the success in achieving individual reward targets during the above period but, whatever amounts are payable, they will be split 50% as capital and 50% as revenue.
- 3.4 Claims for the PRG are likely to be submitted by LCC after Christmas in each financial year with the expectation that the funds will be paid to LCC before 31 March. It is expected that the second tranche of funds will be released to the District Partnerships shortly after receipt by LCC, as has been the case this year.
- 3.5 It is estimated that there will be circa £954k in total to be paid to the West Lancashire LSP. PRG can be carried forward from the financial year in which it is paid and there is no final date set by which PRG must be spent.
- 3.6 At a meeting on 13 March 2010, the LSP Executive Group considered a proposal for a project aimed at supporting and strengthening CCTV provision in West Lancashire and agreed that it should be recommended to the Council for endorsement, as it meets with the PRG Protocol.

4.0 CURRENT POSITION

- 4.1 The Protocol states that PRG can be used to provide reasonable additional administrative and financial support for District Councils undertaking responsibilities related to PRG.
- 4.2 At its meeting on 16 June 2009 the Cabinet agreed that the Council would act as the accountable body for the PRG funds awarded to the West Lancashire LSP, subject to sufficient funding being available for the Council to cover its costs (administration and financial support) in undertaking these responsibilities in respect of the PRG programme.
- 4.3 As the accountable body for the local element of the performance reward grant the Council will essentially be undertaking a "rubber stamping" role. The Council would have a right of veto if it was believed that money was being allocated to projects which did not meet with the protocols agreed between LCC and the Department for Communities and Local Government (DCLG). Decisions on the fund can only be made by the LSP. This Council cannot suggest or prioritise projects through the ratification process (although it will continue to have a crucial role in identifying priorities as a key member of the partnership).

4.4 The LSP Executive includes the Council's Leader (or a substitute for the meeting) and Chief Executive (or substitute).

4.5 Given the level of Chief Officer and senior Member involvement and the limited powers of the Council in selecting projects in order to prevent any unnecessary delays in commencing projects it would seem appropriate to use delegated authority in this instance.

5.0 ISSUES

5.1 If I felt unable to ratify a decision because the project did not meet the LCC protocol, I would refer the matter to the LSP's Executive Group in the first instance.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

6.1 Projects funded through PRG will directly contribute to the achievement of the Sustainable Community Strategy.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 This Council's role as the accountable body is to oversee decisions to ensure that funding is used for suitable schemes. A small element of PRG will be used to support the Council's costs in undertaking additional related administrative and financial responsibilities.

8.0 RISK ASSESSMENT

8.1 The decision will ensure that there is a formally agreed mechanism for ratifying Performance Reward Grant spending decisions.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendix: PRG Protocol