

**PROPOSALS FOR THE COMMITMENT OF WORKING NEIGHBOURHOOD
FUND 2008 - 2011**

**EXE 170608
Item**

EXECUTIVE MEMBER: Cllr Cath Giel,
Deputy Leader, Achieving Transformation
LEAD OFFICER: Fergus McMorrow,
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Sustainability
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Summary and Recommendation:

In December 2007, Central Government allocated 3 years of revenue funding as an area-based grant called Working Neighbourhood Fund. January Executive requested that proposals for the allocation of the funds be brought to a future meeting. The recommendations are that for Working Neighbourhood Fund:

(a) Up to a maximum of £100k p.a. should be allocated for investment in strategy and policy development (e.g. specialist advice) for the Copeland Regeneration Plan, further support for the LSP team, development of locality working, etc.;

(b) Up to a maximum of £200k p.a. should be allocated for the fixed-term revenue funding for up to 4 community development posts, to work within CBC Regeneration for the purposes of developing projects, securing additional funding, and monitoring progress, and to work alongside the Policy & Performance and LSP teams;

(c) A minimum of £400k p.a. should be allocated to an economic development fund to tackle worklessness and the causes of worklessness by match-funding public initiatives and projects; and

(d) A minimum of £100k p.a. should be allocated to fund community initiatives and projects.

A further recommendation is that proposals for allocating initial funds across the borough be brought to the Executive, and that the proposals for deciding spend of the £400k Economic Development Fund and the £100k Community Fund for 2008 – 2009 be brought to a future Executive meeting.

1. INTRODUCTION

- 1.1 Working Neighbourhood Fund (WNF) is an area-based grant allocated to Copeland Borough Council. The fund was allocated alongside the Revenue Support Grant from Central Government and as a consequence there will be a resulting increase in the Council's base budget to accommodate the fund.
- 1.2 The Council has allocated £1million pounds per annum for the next 3 years – a total of £3 million- for the period 2008 – 2011. The Council has benefited from the Government's recalculation of the Index of Multiple Deprivation and its policy of seeking to allocate funds to areas with depth and breadth of deprivation.
- 1.3 The intention of the fund is to have economic impact, particularly in relation to finding people work, training, further education, etc., in order to access opportunity. The fund can legitimately seek to address the causes of worklessness such as health, debt, access to transport, poor housing, etc. It is proposed that WNF would be used to finance activities that complement or further boost the activities of the West Cumbria Worklessness Floor Target Action Plan.
- 1.4 The current proposals for the use of WNF seek to address worklessness through:
 - Strategy and policy development;
 - Increased capacity for community development; and
 - New investment funds.

2. STRATEGY AND POLICY DEVELOPMENT

- 2.1 WNF has been created to address labour market issues, particularly socio-economic circumstances that prevent people finding work. The opportunity for work will be greatly enhanced through the delivery of the Energy Coast Masterplan. At Full Council in December, it was agreed that the next step in the development of the Energy Coast Masterplan should be the development of a Copeland Regeneration Plan.
- 2.2 It is proposed that 10% of the fund be allocated year on year for strategy and policy development, particularly the buying-in of specialist resource to assist in the production of a regeneration plan. Other contributions may be made to Copeland's allocation to the LSP Team for their role in planning programme development, and also to the policy development of locality working.

3. COMMUNITY DEVELOPMENT

- 3.1 In order to get best use from the WNF, it would be appropriate to invest in resource that can draw down more funds and allocate these alongside the WNF programme. It is proposed therefore to use up to £200k per annum to fund up to 4 new community development posts. These staff would work alongside the Council's current community renewal staff and with the Policy & Performance team and the LSP team.
- 3.2 Copeland has access to a number of investment funds that would allow financing of further measures to tackle worklessness and the causes of worklessness, e.g. West Cumbria Development Fund, NDA Socio-Economic Fund, Coalfields Trust, the new LLWR fund, etc. The role of the community development officers would be to increase the Council's capacity to develop projects, secure additional funds, and monitor projects for accountability.
- 3.3 The programmes and projects that might be developed and financed by the proposed officers would either (a) boost the current activities lead by Jobcentre Plus in local communities (particularly Sandwith, Mirehouse, Cleator Moor South, Distington, and Frizington), and (b) develop complementary projects to tackle the causes of worklessness, e.g. access to finance projects, debt counselling, tackling health issues, community safety projects, community educational projects, etc.
- 3.4 The Community Development Officers would be based centrally within the Council and would help to re-create the former Community Renewal Team within the Development Department, but should be considered an additional asset to the Council's work in regenerating the community.

4. INVESTMENT FUNDS

- 4.1 It is proposed that the majority of the WNF remains flexible with spending decisions taken as much as possible at the local level. The proposal is that 2 investment funds are established using WNF through an Economic Development Fund (a minimum of £400k per annum) and a Community Chest (a minimum of £100k per annum). The Economic Development Fund would be used to provide match-funding for projects and initiatives designed to address worklessness and the causes of worklessness, while the Community Fund would be used to fund marketing, campaigns and incentives for the work of the whole WNF programme.
- 4.2 It is proposed that in future the value of these funds be allocated in advance to the 5 locality areas of Whitehaven, Cleator Moor, Egremont, Mid-Copeland, and South Copeland, through the locality working structures to be set up in conjunction with the County Council, Parish

Councils and other community stakeholders. In the meantime, for the first year, spending decisions would be taken by the Executive.

5. LOCALITY ACTION PLANS

- 5.1 Under the Sustainable Communities Strategy, the West Cumbria Strategic Partnership (LSP), through the local authority leaders group, will develop a policy framework in order to provide the broad agenda for the locality working structures. It will be the responsibility of each locality structure to identify, prioritise and address the issues of deprivation identified through the LSP.
- 5.2 The individual assessment and programme design within each locality area would be provided by a 'locality action plan' that would help to prioritise the issues of concern. The locality action plan could seek to develop/commission individual projects, or 'top-up' mainstream services, or a mixture of both. It is intended that each locality might have a start-up fund approved by the Council through its powers of well-being, and be comprised of Working Neighbourhood Fund and other sources of funding.

6. ALLOCATION OF FUNDS ACROSS LOCALITIES

- 6.1 It does not necessarily follow that all 5 localities within Copeland would receive the same amount of initial funding from the Council. The Council would need to consider the issues facing the whole of the borough. One argument would be that deprivation is a fundamental challenge to the borough and therefore allocations should be made pro rata on the relative extent of deprivation. Another argument is that there are examples of deprivation in some parts of the borough that are not significant enough to be recognised as 'deprived areas' but are long-standing and do not readily attract other forms of funding. In this scenario, allocation of funds to localities could be done on a population (per capita) basis.
- 6.2 The implications of deprivation scores or per capita allocations is complex, particularly when different ratios of the two are used to provide a more exact and comprehensive allocation of funding. For this reason, the Executive are recommended to request a paper on all potential combinations of deprived and population allocations of funding to assess the potential impact for the borough.

7. FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)

- 7.1 In February 2008, when settling the 3 year operating budget within the total resources available to the authority, Council approved that £5m be

expended over the 3 year period for one-off regeneration projects from funds earmarked for these purposes as follows:

- £2m related to the on-going private sector housing renovation grant programme; and
- £3m related to the new working neighbourhood fund.

7.2 The proposed allocation of the working neighbourhood fund is set out in the table below.

Working Neighbourhood Fund Allocation	2008/09	2009/10	2010/11	Total Allocation
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Policy Development	100	100	100	300
South Whitehaven schemes	459	141*		600
Community Development posts	200	200	200	600
Worklessness fund	400	400	400	1,200
Community Initiatives	100	100	100	300
Total	1,259	941	800	3,000

[Note: the £141,000 allocation to South Whitehaven in 2009/10, has been notionally revised to £258,000 at previous Executive subject to review.]

- 7.3 Executive, at its meeting of the 27th May, has approved £459,136 of the £3m as included in figures in the table above to be allocated to the South Whitehaven management scheme for 2008/09. This leaves a balance of £2.541m still to be approved. (Where £459k + £2.541m = £3m.)
- 7.4 Members are asked to note that the Council's private sector renovation grant and working neighbourhood funds will be fully utilised should the allocations be approved; plus, should the area-based grant fall out in the next 3 year financial settlement cycle (i.e. 2011/12 – 2013/14) the Council will have to make additional savings of £1m to its on-going base budget.
- 7.5 It was also assumed for budgeting purposes that the County Council would continue to fund the South Whitehaven scheme for 2008/09 (£459k) and 2009/10 (£258k) from transitional funding paid to it by the government over and above the area-based grant paid to Copeland, whilst it was running down the old grant regime. The County Council Chief Executive, however, has expressed that Copeland BC should pay for the scheme meaning that the Council has £700k less than originally anticipated for funding neighbourhood management schemes.

8. IMPACT ON CORPORATE PLAN

Substantial. Working Neighbourhood Fund is a flexible fund that can potentially meet much of the Council's aspirations in terms of leadership, transformation, and prosperity.

List of Background Documents:

January 2008 Executive – Working Neighbourhood Fund
West Cumbria Local Strategic Partnership Worklessness Floor Target Action Plan 2007 – 2010.

List of Consultees:

Executive
Corporate Team
West Cumbria Strategic Partnership
County Council Copeland Local Area Committee

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	Yes – in terms of their role in creating barriers to work.
Impact on Sustainability	Yes – the proposals complement the sustainable communities programme.
Impact on Rural Proofing	Yes – there are specific resources allocated to rural development work.
Health and Safety Implications	None
Impact on Equality and Diversity Issues	Yes – the proposals seek to address deprivation within a number of communities.
Children and Young Persons Implications	None
Human Rights Act Implications	None
Section 151 Officer Comments	See section 7.
Monitoring Officer Comments	No specific comments.