

MUNICIPAL YEAR 2010/2011 REPORT NO. 230

MEETING TITLE AND DATE:

Council 6th April 2011

REPORT OF:

Chief Executive and Director of
Finance & Corporate Resources.

Contact officer and telephone number:
Mike Ahuja 0208 379 5044.

Agenda - Part: 1

Item: 10

Subject:

**Enfield Residents Priority Fund (ERPF),
Formal Guidance and Revised Ward
Allocation**

Wards: ALL

Cabinet Members consulted:

Councillors Taylor, Georgiou,

1. EXECUTIVE SUMMARY

1.1 This report follows from, supplements and clarifies report number 178 which Council considered on 2nd March 2011. This report deals with three key issues for Council

1. The formal guidance for Councillors and community implementation of report 178.
2. The revised ward allocation reflecting the latest Index of Multiple Deprivation (IMD) which were unexpectedly published by Department for Communities and Local Government on 24th March 2011. (Appendix 1)
3. Explanation of the well-being objectives underpinning the use of the power in section 2, Local Government Act 2000, to support this scheme.

1.2 The scheme will be a vehicle for funding projects that address need identified in the borough. Examples of the types of projects envisaged, attached at Appendix 2 and 3 of the Guidance are likely to improve the social, environmental and/or economic well-being of the borough by reducing need of a number of types across all areas of the borough. In addition the projects funded by the scheme will help to deliver the overarching strategic objectives of the Council to achieve fairness for all, growth and sustainability and strong communities. The implementation of the scheme will also deepen the level of engagement Ward Councillors have with residents.

1.3 The guidance provides members with formal advice on

- The decision making process
- The role of Ward Councillors in the administration of the scheme
- Engagement with community
- Support Members can expect

1.4 The report further provides Council with the latest IMD figures and a revised allocation of funding to individual wards.

2. RECOMMENDATIONS

2.1 Council notes:

- a) the explanation of the relevant well-being objectives underpinning the use of the power under s.2 Local Government Act 2000 to support this scheme;
- b) that delegation of functions of the authority to individual Ward Members are made in accordance with Section 236 of the Local Government Public and Involvement in Health Act 2007 (LGPIHA 2007).

2.2 Council is recommended to:

- a) approve revised ward allocations based on latest IMD figures provided shown at Appendix 1;
- b) approve the guidance and toolkit.

Note the project request will be subject to change to reflect good practice and learning.

3. BACKGROUND

3.1.1 Council approved the overarching framework of the ERPF on 2nd March 2011.

3.1.2 The fund will focus on providing financial support to projects that demonstrate the ability to reduce need within a given ward, including a likelihood of participation by, or benefit to, residents of more deprived areas of the ward; as well as residents in general (where participation or benefit is also considered likely by or to residents outside those areas). The projects envisaged by the scheme, examples of which are attached at Appendix 2 and 3 of the guidance, are considered likely to improve the social, environmental and/ or economic well-being of the borough by reducing need across the borough.

3.1.3 The allocation of the funds will be based on a recently updated IMD that can ensure funds are directly proportionate to meet need.

3.1.4 The fund is consistent with the following aims and objectives set out in Enfield's Sustainable Communities Strategy (SCS) and the guidance will assist in having regard to the objectives of the SCS. The SCS sets out how the Enfield Strategic Partnership will achieve its vision of Enfield as 'a healthy, prosperous, cohesive community living in a borough that is safe, clean and green' and improve the wellbeing of its communities. The Local Area Agreement, Building Futures, Changing Lives, which had acted as the delivery vehicle for the strategy, addressed key local issues including employment, health, education, crime, housing and the environment. These issues mirror the IMD domains, which the ERPF used as a guide to ensure that funds are directly proportionate to meet need.

3.1.5 The commitment to this is £2.1 million for each year of the administration commencing in 2011/2012 (a potential maximum spend of £6.3m).

3.2 The purpose of the guidance

3.2.1 The guidance and toolkit is provided to assist members in the smooth implementation of the ERPF in all wards. The guidance will also assist community in understanding the purpose of the ERPF. The guidance will ensure that each project addresses the well-being objective of reducing need of a number of types within the community, and in doing so helps promote the key Council priorities of achieving fairness for all, growth and sustainability, and strong communities. The guidance will also help to deepen the level of engagement of Ward Councillors with their communities. The guidance will ensure that in making decisions regarding the fund that Members have regard to the aims and objectives of the sustainable communities' strategy.

3.2.2 The guidance and toolkit specifically sets out the eligibility criteria:

- Does the project have a measurable and/or visible impact
- Community engagement.
- The proposed project can demonstrate how it will promote or improve the social, economic or environmental wellbeing of the area.
- Align with the Council's Strategic Objectives.
- Within any particular Ward the project must address an aspect of need within the IMD **and** demonstrate a likelihood of take-up by, or benefit to, residents in deprived areas of that ward, as well as residents in general (where participation or benefit is also considered likely by or to residents outside those areas).

3.3 Revised IMD Figures

3.3.1 The IMD are usually updated every three years. However, in 2010 when the new figures should have been issued, the Coalition Government decided to delay publication and undertake a consultation seeking the views of IMD users. The consultation responses indicated that an update was required and consequently, on 24th March 2011, the Department for Communities and Local Government unexpectedly issued the updated figures.

3.3.2 The revised IMD data are primarily based on statistics from mid 2008, and while they are not substantially different from the IMD 2007 figures used to determine the ward allocations contained in report 178, it is appropriate that the most recent numbers should be used for the distribution of the ERPF. It is noted that the effect of the new figures means an increase for some wards and a decrease for others.

4 PRINCIPLES OF THE GUIDANCE

4.1 The document is intended to provide guidance to Members and other interested parties regarding administration of the Fund. In addition there is an

explanation of the level of funding allocated to each ward and clarification of the Ward Councillors role and the decision making process.

Community Engagement

4.1.1 Ward Members must consult their residents to gather ideas about potential projects and facilitate their communities to come forward with views and ideas for projects in their localities. Engagement will vary between wards and localities and will depend upon the nature of the project and elements of community involved. Projects identified will be discussed and shortlisted by local ward councillors, but the decision for approval or non-acceptance will be with the cabinet sub-committee. The Cabinet sub –committee will publish its decision in accordance with the Council’s normal process.

4.1.2 The guidance will also contain advice for ward councillors on the following issues and factors that govern the ERPF:

- Eligibility Criteria
- Governance Arrangements
- Finance Arrangements
- Performance Management Arrangements
- Small Grants
- Menu of options and Choices
- Project Request Forms

4.2 Local projects adding value

4.2.1 It is proposed that the fund will finance projects that address local priorities by creating opportunities for community involvement and engagement, and improve the quality of life for all Enfield residents. Projects will be time and resource bound and where possible will demonstrate a reinforcement of the bond between the local authority and residents.

4.3 Transparency

4.3.1 Details of all projects will be published on the Council website and regular performance updates added.

4.4 Payments

4.4.1 In line with many other London boroughs that operate a local fund, it is recommended that fund allocations be delivered as one off payments only.

4.4.2 Where a Member has a personal or prejudicial interest under the Members Code of Conduct, they will need to fully declare this as part of the project proposal submission and if appropriate not be involved in the process.

5. REASONS FOR RECOMMENDATIONS

5.1 The recommendations are based on:

1. the requirement to allow full Council to consider and approve the guidance for implementation of the ERPF.
2. a need to approve the revised allocation to Wards based on the latest IMD figures made available on 24th March 2011 shown at Appendix 1
3. the need for members to note the explanation of the relevant well-being objectives underpinning the use of the power under s.2 Local Government Act 2000 to support this scheme and S236 LGHIPA 2007.

6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS

6.1 Financial Implications

The Priority Fund will be split as one third revenue and two thirds capital. The financing of the capital will be included as part of the revenue cost to the general fund. The total impact on the 2011/12 revenue budget is £830k, of which £130k is the ongoing capital financing cost. In year two the total revenue cost rises to £960k and in year three £1090k. Dependent on the type of projects that are approved, there will be some flexibility of the split between revenue and capital.

6.2 Legal Implications

6.2.1 Section 2 of the Local Government Act 2000 provides the Council with the power to do anything it considers likely to achieve the promotion of improvement of the social, economic or environmental wellbeing of its area or residents. The power includes in section 2 (4) the giving of financial assistance to any person. The fund as outlined in report 2010/2011 no. 178 outlines projects (see appendix 2 and 3 of the guidance) which it is considered will address a range of individual and community needs across the borough. The implementation of the fund by the Council and the proposed projects are considered likely to improve the social, environmental and/or economic well-being of the borough. The specific ways in which needs will be addressed under the power, and the likely well-being benefit in each case, will be addressed as individual projects are considered for approval. In exercising the power under s.2 in this way, the Council will also help to achieve the three key Council priorities of Fairness for All, Growth and Sustainability and Strong Communities. There is no express prohibition, restriction or limitation contained in a statute against use of the s. 2 power in this way. (It will also be necessary to check that the latter is the case in relation to each individual project as it comes forward for approval).

6.2.2 The detail of the attached Guidance will ensure that each proposed project addresses the well-being objective of reducing need in a given ward and demonstrates a likelihood of participation by, or benefit to, residents in more

deprived areas of that ward; as well as residents generally (where participation or benefit is also considered likely by or to residents outside those areas); in order that this can be given due consideration by Members. Wards may also wish to work together, in which case the same requirements will apply to each of them. The Guidance will ensure that using the power in this way will help to achieve the three key Council priorities outlined above. The guidance will ensure that the precondition (for using the s. 2 power) of having regard to the aims and objectives of the sustainable communities strategy is met.

- 6.2.3 As set out in the Statutory Guidance on use of the well being power, when eligible Councils undertake any activity in pursuit of one or more of the wellbeing elements, the well-being power enables them to incur expenditure, and specifically identifies the provision of financial assistance as one means of doing so. In providing funding in this way, the Council must ensure that Best Value is sought and achieved in accordance with the Local Government Act 1999, which requires local authorities to show continuous improvement in the exercise of all functions of the authority, whether statutory or not, having regard to a combination of economy, efficiency and effectiveness.
- 6.2.4 The Council has a fiduciary duty to take into account the interests of its Council Tax payers which should be considered in relation to each project.
- 6.2.5 In awarding the payments, the Council will need to differentiate between grants and contract for services. The grants can be paid without the requirement to comply with competition rules, whereas a contract for services will need to be procured in accordance with the Council's Constitution, in particular its Contract Procedure Rules. The grant payments should have clear criteria/weightings to ensure equal treatment, transparency, proportionality and non-discrimination. The Council will need to put in place grant/funding agreements to ensure the satisfactory monitoring of the spend and such will need to be in a form approved by Legal Services.
- 6.2.6 As outlined in the report, the decisions to award funding to the projects will be made by the Cabinet sub-committee. Ward Councillors will undertake public consultation on behalf of the authority and agree short listing of projects by ward with fellow Ward Councillors, for submission to the sub-committee. Some of the activities which ward councillors may undertake as part of their consultative and short-listing role are likely to be considered functions of the executive, and will require delegation by the Leader to Ward Councillors in accordance with S236 LGPIHA 2007

6.3 Property Implications

- 6.3.1 No property implications identified.

7. KEY RISKS

- 7.1 Where risks exist to project delivery they will be closely managed through robust performance management systems.

7.2 Risk is significantly reduced where projects are managed and/or delivered by the Council. There may be potential for adverse reputation if some wards receive less than others. It will be essential to have clear exit strategies and to communicate these effectively to relevant partners and communities. There is also a risk if sufficient administrative support for the fund is not secured.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

8.1.1 The funding programme is designed to help reduce inequalities by targeting funds at ward level in accordance with levels of need as identified through the IMD. A Predictive Equality Impact Assessment has been completed which includes an action plan which is held by Communities, Communications, Policy and Performance Division.

8.2 Growth and Sustainability

8.2.1 The fund will help to create stronger communities by securing greater involvement from local people within their communities and heightening engagement with the Council. It will also help refine and increase the effectiveness of services provided by the local authority.

8.3 Strong Communities

8.3.1 By empowering local communities and making the council more accountable to them, it is anticipated that the Enfield Residents Priority Fund will serve as a flagship programme for improving the resilience of our local communities and reconnecting them to the Council.

9. PERFORMANCE MANAGEMENT IMPLICATIONS

9.1 An effective performance management system will be implemented based on the successful approach currently pursued by the Corporate Policy and Performance Team in managing activities supporting the current Local Area Agreement and other grant streams.

10. HEALTH AND SAFETY IMPLICATIONS

10.1 There are no currently identified health and safety implications.

Background papers

Report 178

Appendix 1

Ward	Index of Multiple Deprivation 2010	% split	£2,100,000	Comparative figures from report 178 £2,100,000
Edmonton Green	47.1	8.79%	185,000	180,000
Upper Edmonton	39.8	7.43%	156,000	152,300
Lower Edmonton	36.3	6.77%	142,000	138,400
Ponders End	35.7	6.66%	140,000	137,700
Turkey Street	34.4	6.42%	135,000	132,500
Haselbury	32.9	6.14%	129,000	130,700
Enfield Highway	32.5	6.06%	127,000	119,600
Enfield Lock	30.8	5.75%	121,000	119,500
Jubilee	30.2	5.64%	118,000	119,400
Southbury	29.3	5.47%	115,000	116,100
Bowes	26.4	4.93%	103,000	104,300
Chase	25.4	4.74%	99,000	92,700
Palmer's Green	22.9	4.27%	90,000	90,600
Southgate Green	19	3.55%	74,000	79,800
Highlands	14.6	2.72%	57,000	61,800
Winchmore Hill	14.5	2.71%	57,000	59,200
Cockfosters	14.2	2.65%	56,000	58,200
Bush Hill Park	13.7	2.56%	54,000	56,400
Southgate	13.1	2.44%	51,000	53,400
Town	12.9	2.41%	51,000	52,900
Grange	10.1	1.89%	40,000	44,500
		100%	2,100,000	2,100,000