

<b>Item No.</b>	<b>Classification</b>	<b>Date</b>	<b>Meeting Name</b>
	OPEN	25 <sup>th</sup> March	EXECUTIVE
<b>Report Title</b>		NEIGHBOURHOOD RENEWAL FUND 2003/4	
<b>Ward(s) or groups of Wards</b>		All, with particular focus on Grange, Chaucer, South Bermondsy, Livesey, Peckham, Nunhead, the Lane, Brunswick Park, Camberwell Green	
<b>From</b>		Chief Executive (Head of Social Inclusion)	

## **1. RECOMMENDATIONS**

1.1 That the Executive endorse the programme totalling £8,649,394 approved by Southwark Alliance for the 2003/4 Neighbourhood Renewal Fund as set out in the Financial Strategy outlined in this report.

1.2 That the Executive note the arrangements for determining spend of £2,500,000 Neighbourhood Renewal Fund as part of the Neighbourhood Delivery Plans.

1.3 That the Executive note the arrangements for determining spend on Neighbourhood Renewal Fund Strategic Gaps.

1.4 That the Executive delegate to the Chief Executive the power to agree use of NRF for the individual spending Activities and any subsequent variations/reallocations as proposed by the Southwark Alliance provided they are in line with the local priorities set out in the Neighbourhood Renewal Strategy, and subject to consultation with the appropriate Executive portfolio holder.

1.5 That the Executive receive an annual monitoring report on use of NRF, following the end of year Monitoring Returns submitted by each funded Activity.

## **2. BACKGROUND**

2.1 As part of the government's national strategy for neighbourhood renewal, Southwark Council is in receipt of Neighbourhood Renewal Fund (NRF). The purpose and conditions of the grant are set out in the Specific Grant Report (No.111) published by the Office for the Deputy (Prime Minister, 27<sup>th</sup> February 2003). This is the third year of a three year programme. The government had agreed in principle to a further two years (2004/5 and 2005/6), but the scale of resources available to any individual local authority has not been announced.

2.2 The NRF is a 'targeted' grant that can be spent in any way that will tackle deprivation in the most deprived neighbourhoods. The money should contribute to the improvement of mainstream services, particularly but not necessarily exclusively, in relation to the floor targets, local targets in the Community Strategy and Neighbourhood Renewal Strategy, and other deprivation related government targets. It is a time limited grant, to 'kick start' more effective long-term targeting of mainstream resources to tackle deprivation. Local authorities are required to collaborate with their Local Strategic Partnership to agree spending plans. Release of NRF is dependent on approval of the LSP Accreditation Action Plan.

2.3 For 2003/4, the NRF grant for Southwark is £7,912,358. In addition there is £737,036 unallocated from 2002/3, giving a total of £8,649,394 to be allocated. On 9<sup>th</sup> December, the Southwark Alliance (LSP) agreed an outline Financial Strategy and set up a process for determining allocations. On 15<sup>th</sup> March the Alliance approved the allocation of part of the resource to individual Activities, with arrangements to complete allocations by its meeting on 8<sup>th</sup> May.

2.4 On 17<sup>th</sup> March, the Council was advised by the Government Office for London that the Southwark Alliance Accreditation Action Plan for 2003/4 had been approved.

### 3. FACTORS FOR CONSIDERATION

3.1 The Southwark Alliance agreed the Southwark Neighbourhood Renewal Strategy in September 2002, and it was adopted by Council Assembly in October. Prior to determining the use of NRF for 2003/4, the Southwark Alliance commissioned an external evaluation of the NRF 2001/2 and 2002/3 programme. This identified that:

- Activities are generally performing well, subject to some common difficulties (e.g. recruitment, lengthy start-up);
- Activities need to have a clearer relationship with the targets and priorities in the NR Strategy
- Activities need to have a clearer statement of their mainstreaming strategy or the mechanism through which they will influence mainstream delivery
- Resources need to be more targeted in terms of priority areas; themed activities and the impact activities will have on mainstream delivery.

3.2 Based on these findings, the Alliance agreed an outline Financial Strategy to cover both the unallocated 2002/3 resources and the new resources for 2003/4. This sought to move away from an 'open bidding' process to a strategic commissioning approach. This would ensure that Activities were both targeted and better linked to mainstream. At the same time, to secure continuity and maximise the benefit from the first two years funding, it was agreed that some Activities should continue for a further year, with amended targets and milestones.

3.3 The NRF Financial Strategy is set out in the Table below, together with the processes for determining spend on individual Activities.

Type of Expenditure	Amount	Description	SA Decision 15 <sup>th</sup> March
Continuation of 2002/3 funding already approved	1,651,385	See "Continuation Funding" Schedule. These are Activities first funded in 2002/3 that were given a two-year approval at that time.	Already committed, so no further decision required by SA.
Rollover of Activities funded for two years (2001/2 and 2002/3) where a further funding year was required to embed change.	2,779,079	See "Rollover" Schedule. Agencies were required to submit new Proformas setting out targets, milestones and mainstreaming plans in order to have this funding ratified for	Agreed the Rollover submissions, with the targets and milestones set out in the Proformas.

		the further year.	
Small Grants Scheme	579,000	To operate a Small Grants Scheme for voluntary organisations providing grants of up to £10,000 for activities contributing to neighbourhood renewal, to be run by a third party agency.	No further decision required by SA
Neighbourhood Delivery Plans	2,500,000	To 'kick start' renewal in the 5 targeted neighbourhoods, based on multi-agency/community led Neighbourhood Delivery Plans setting out both mainstream and NRF supported Activity (£500k per neighbourhood)	The Alliance will consider final plans at its meeting of 8 <sup>th</sup> May.
Phase 2 Neighbourhoods	300,000	To provide a small initiative fund for the 6 Phase 2 neighbourhoods. Processes for spend to be determined once 5 N'hood Plans are completed.	Decision at a later date
Strategic Gaps	750,000	To tackle key gaps identified in the NR Strategy so as to lever in change in mainstream services. The proposed Activity to be identified through the main themed partnerships. See Strategic Gap Schedule attached.	The SA considered submissions totalling £2,136,086. Two submissions were approved (Category A on the Schedule). Criteria were adopted to select from Category B & C and a Sub-group set up to decide on allocation.
<b>Total 'earmarked' resource</b>	<b>8,559,464</b>		
Unallocated	89,930	To be held pending finalisation of SA operating budget for 2003/4.	
Total	8,649,394		

3.4 The Activities set out in the **Continuation and Rollover Schedules** (attached Annex B & C) cover all the themes of the NR Strategy, and tackle a range of issues.

2003/4 will be either the second or third year of funding and a key issue is to tackle mainstreaming for 2004/5. The programme includes:

- Activities targeted at particular neighbourhoods or areas of the borough
- Activities to build community engagement including BME and others experiencing social exclusion and deprivation
- Activities to pilot new ways of working by mainstream agencies

3.5 The **Small Grants Scheme** will be operated through South East London Community Foundation, which already administers other neighbourhood renewal grants on behalf of central government. The aim is to enable small organisations to access some NRF funding to help support community-led action.

3.6 The **Neighbourhood Delivery Plans** are being progressed for West Bermondsey, South Bermondsey/North Livesey, East Peckham, Nunhead and East Camberwell Priority Neighbourhoods. Each is the responsibility of an identified lead officer, working with agencies, community organisations and ward councillors. The main aim is to identify the key components of an integrated renewal plan for that neighbourhood for 2003-2005 based on mainstream interventions. The NRF will be used to lever in specific changes and to tackle some issues of immediate concern linked to the NR and local floor targets. Final plans will be submitted to the Alliance for 8<sup>th</sup> May. To avoid delay in committing expenditure after that date, it is recommended that the Council's Executive delegate the approval to spend on this aspect of the Financial Strategy to the Chief Executive.

3.7 The aim of the **Strategic Gap** funding is to support the main agencies and partnerships to bring in infrastructure and other changes that will embed neighbourhood renewal into core business. The Alliance agreed two submissions that underpin the overall delivery of the Strategy. These were:

- £250,000 earmarked for the Community Empowerment Network to address specific gaps once the SCEN/LSP Task Group has completed its review of community development and set out a framework for community involvement across Southwark
- £120,000 to fund a Renewal Manager and support costs, to target Camberwell with Kingswood, to enable the development, delivery and monitoring of the NR Strategy within that part of the borough. The post complements the Council's arrangements for Peckham and Nunhead, the NR post for Bermondsey and Rotherhithe, and the Director's posts for Elephant Links SRB and Aylesbury NDC.

3.8 Because of the large number of other submissions for Strategic Gap funding, (Annex D) the Alliance has set up a Sub-group comprising Alliance members who are also members of each of the main themed partnerships linked to the NR Strategy themes. For the two themes without a partnership, Educational Achievement, and Environment/Housing, one Alliance member has been identified who is part of an informal consortium of the key agencies involved. The Sub-group members are:

- Cllr. Nick Stanton, Chair of Southwark Alliance (Leader Southwark Council)
- Rev. David Wade, Children's Partnership Board (Alliance Vice Chair/faith groups)
- Chris Bull, Health Improvement and Modernisation Board (C Executive PCT/DSS)
- Ian Thomas, Safer Southwark Partnership (Borough Commander, Met Police)
- Cllr. Richard Porter, Community Legal Services Partnership (Executive Member)
- Brian Hodge, Chair Southwark Alliance Enterprise Task Group (Resident)

- Irene Bishop, Education consortium (Headteachers Council)
- Debra Lawson, Environment/Housing consortium (Southwark Housing Assoc. Group)
- Two representatives for Southwark Community Empowerment Network (resident/voluntary organisation).

3.9 The Sub-group intends to meet as soon as possible to consider the applications against the criteria agreed. (Annex E). In order to commit spend as quickly as possible following these decisions, the Council's Executive is recommended to delegate approval of spend to the Chief Executive.

3.10 The Alliance's Financial Strategy recognises that there may be no further NRF resources available from 1.4.04. As a consequence, agencies submitting proposals have been made aware that should they wish to continue the Activity beyond that date, then it would need to be incorporated into their main revenue budgets. Both health and the police have indicated they intend to do this in respect of two key Rollover Activities – sexual health services and police in schools.

3.11 In respect of the Council, departments will need to consider as part of their 2004/5 budget planning whether any of the 2003/4 NRF Activities are essential to on-going service delivery, and if so how best to incorporate them into mainstream. In respect of the Housing Department Activity around tenancy sustainment in West Walworth and West Camberwell, steps have already been taken to build the learning from this pilot into the Supporting People programme coming on stream from April 2004.

#### **4. IMPACT ON THOSE AFFECTED BY THE PROPOSAL**

4.1 The NRF programme focuses on tackling deprivation and social exclusion in the most deprived neighbourhoods. It will:

- Enable local communities to become more involved in improving their neighbourhood
- Undertake targeted activity focused on the NR floor targets and local Community Strategy targets related to quality of life
- Kick start renewal in 5 priority neighbourhoods that have not been part of major regeneration programmes.

#### **5. CONSULTATION**

5.1 The Southwark Alliance includes all the main agencies and voluntary sector umbrella groups, together with resident representatives. The Strategic Gaps proposals were drawn up by the main themed partnerships, involving a wider range of agencies. The Neighbourhood Delivery Plan process is engaging with local communities and ward councillors.

#### **6. REASON FOR LATENESS AND URGENCY**

6.1 The lateness of this item is a result of the Statutory Order confirming the NRF allocation to the Council being published on 27<sup>th</sup> February. In addition the ODPM have only notified the Southwark Alliance of approval of the Accreditation Action Plan on 17<sup>th</sup> March. It was not therefore possible before those dates to confirm the decisions of the Alliance in respect of its Financial Strategy for 2003/4.

6.2 The endorsement of the Executive to these recommendations is urgent in order to confirm resources for the start of the financial year. Agencies have planned for

continuity of Activities on the basis of the 'in principle' decisions of the Alliance, so as not to lose staff, and disrupt service delivery. In addition, for the Small Grants Scheme to be operational in time for summer activities, the contract with SELCF needs to be agreed as quickly as possible.

## BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Southwark Neighbourhood Renewal Strategy	Social Inclusion Division, Town Hall, Peckham Rd. SE5 8UB	Nathalie Hadjifotiou 020 7525 7194
Agenda and Minutes of the Southwark Alliance 9 <sup>th</sup> December & 15 <sup>th</sup> March	Social Inclusion Division, Town Hall, Peckham Rd, SE5 8UB	Nathalie Hadjifotiou

## Appendix A Audit Trail

<b>Lead Officer</b>	Nathalie Hadjifotiou, Head of Social Inclusion	
<b>Report Author</b>	Nathalie Hadjifotiou, head of Social Inclusion	
<b>Version</b>	Final	
<b>Dated</b>	19.3.2003	
<b>Key decision</b>	Allocation of NRF resources	
<b>CONSULTATION WITH OTHER OFFICERS/DIRECTORATESS/EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comment Sought</b>	<b>Comment Included</b>
Borough Solicitor & Secretary	Yes	Not required
Chief Finance Officer	Yes	Yes
Chief Officers	No	
<b>Executive Member</b>	Yes	N/A
Date sent to Constitutional Support	19.3.03	