

WIRRAL COUNCIL

CABINET – 2 SEPTEMBER 2010

REPORT OF THE DEPUTY CHIEF EXECUTIVE/DIRECTOR OF
CORPORATE SERVICES

REDUCTION IN PERFORMANCE REWARD GRANT – PAYMENTS TO COMMUNITY AND VOLUNTARY SECTOR

1. EXECUTIVE SUMMARY

The meeting of Cabinet, 24 June 2010 considered a report by the Director of Finance that provided details of reductions to the Local Area Agreement Performance Reward Grant and the implications for Wirral Council and its partners.

Cabinet requested that the amount of performance reward grant that would have been received by the Voluntary and Community Sectors from these monies still be paid, and that the Director of Corporate Services report back to Cabinet on how this could be achieved.

2. REDUCTIONS IN GRANT

Government announced on 24 May 2010 that local government would make a £1.165 billion contribution towards overall Government savings of £6.2 billion during 2010/11. The Department for Communities and Local Government on 10 June 2010 issued a document, "Reduction in Grants to Local Government," which provided details of councils' share of these savings.

Performance Reward Grant (PRG) was reduced by 50% of what was originally proposed.

Reports to the Local Strategic Partnership Executive Board, 11 November 2009, and to Cabinet, 15 April 2010, outlined the PRG allocation to the Community and Voluntary Sector (table 1). Reductions in PRG mean the shortfall is half that outlined in the table; a total of £63,100; £56,550 from revenue funding and £6,550 from capital (table 2).

Partner / agency	Capital allocation	Revenue allocation	Total allocation
Community and Voluntary Sector (Network)		£100,000	£100,000
Citizens Advice Bureau	£4,258	£4,257	£8,515
Bebington TUC	£655	£655	£1,310

Age Concern	£8,187	£8,188	£16,375
Original allocation:	£13,100	£113,100	£126,200

Table 1: Original PRG payable to Community and Voluntary Sector

Allocation following 50% reduction:	£6,550	£56,550	£63,100
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Table 2: Allocation to Community and Voluntary Sector following 50% reduction announced by Government

3. OPTIONS

The shortfall in capital funding of £6,550 to the sector can be met from the Council's share of the capital element of PRG. Ways in which the shortfall in revenue funding of £56,550 can be met is suggested as follows.

Corporate Policy has a budgetary allocation to support work with the Citizen's Panel that will not be used this year as the Panel was last used in March 2010, so any further work if desired, can be undertaken during early 2011/12, thus resulting in a saving of the 2010/11 budget.

In addition, further savings of around £20,000 would need to be identified from elsewhere in Corporate Services' budgets.

4. RECOMMENDATIONS

The shortfall in Performance Reward Grant for the Community and Voluntary Sector is met in the way outlined above.

5. FINANCIAL IMPLICATIONS

These are detailed in the report

6. STAFFING IMPLICATIONS

These are none arising directly from this report.

7. EQUAL OPPORTUNITIES IMPLICATIONS

There are none arising directly from this report.

8. COMMUNITY SAFETY IMPLICATIONS

There are none arising directly from this report.

9. LOCAL AGENDA 21 IMPLICATIONS

There are none arising directly from this report.

10. PLANNING IMPLICATIONS

There are none arising directly from this report.

11. ANTI-POVERTY IMPLICATIONS

Funding to the community and voluntary sector and particularly to Citizen's Advice Bureau and Age Concern supports anti-poverty.

12. SOCIAL INCLUSION IMPLICATIONS

Funding to the community and voluntary sector promotes social inclusion.

13. LOCAL MEMBER SUPPORT IMPLICATIONS

There are none arising directly from this report.

BACKGROUND PAPERS

Reduction in Grants to Local Government – letter from the Department for Communities and Local Government, 10 June 2010

Report to Cabinet, Reduction of Specific Grants, 2010-11, 24 June 2010

Report to Local Strategic Partnership Executive Board, 11 November 2009, LAA Performance Reward Grant