

Area Partnership Board Funding Allocation Process

Introduction

For the past two years, Cheshire West and Chester Council (CWaC) have provided financial resources to each Area Partnership Board (APB) to support the delivery of actions and achievement of outcomes outlined in the Area Action Plans. For 2011/12, this allocation is £30k per APB. To date, no further detailed guidance has been issued to steer the use of this resource and, as a result, most of the funding to date has been allocated as a grant award to support 'one off' projects identified by the Northwich and Rural North Area Team and APB representatives. Whilst this has resulted in the appropriate use of the resource, it has failed to impact on the more significant mainstream resources of the Council and other APB partners and has been a reactive rather than proactive process.

One of the core terms of reference for the Area Partnership Boards is the 'commissioning' of services to meet local priorities though, in reality, no such approach is currently adopted at a local level. With evolving Coalition Government policy and legislation and financial pressures across all service delivery sectors, the importance of a robust consideration of public service need and design against the availability of resources is more important than ever. The Council is keen to explore alternative and innovative approaches to the delivery of evidence-based services which, in time, might be commissioned across organisational boundaries.

Whilst this aspiration might not be realised for some time due to the potential complexities involved, the additional resources available to the APB as highlighted above provide an opportunity for the APB to explore a more proactive commissioning type approach to local service delivery, particularly in relation to service enhancements or in filling gaps in provision.

Benefits

There are many benefits to the APB using a commissioning type process for the allocation of its funding, e.g.:

- activity funded will directly link to identified needs and priorities;
- the APB will be able to demonstrate successful outcomes against its Area Action Plan;
- it will provide an open and transparent system of accountability for the use of public monies taking in to account legal and statutory requirements;
- it supports scrutiny and the consideration of value for money;
- it ensures fairness when allocating funding; and
- it enhances opportunities for joint working whilst minimising or avoiding duplication.

General Principles

The general aim of the funding made available to the Area Partnership Board by the Council is to improve the quality of life for local people. In commissioning projects via the APB, preference should therefore be given to projects that:

- Improve the outcomes identified through the priorities set out in the Area Action Plan.
- Meet identified local needs such as the improvement of services or facilities.

- Will have a lasting impact.
- Bring in other resources e.g. as match funding or enhance the benefits from resources already spent in the area.
- Provide value for money.
- Empower communities to lead service improvement.
- Stimulate innovation in service design and delivery.

Commissioned projects can include capital and/or revenue funding to a minimum value of £2,500.

Application of the process will be informed and underpinned by the relevant sections of the Council's Finance and Contract Procedure Rules, particularly in relation to risk management, the control of resources, financial procedures and procurement.

Exemptions

The funding cannot be used:

- for routine or on-going overheads or running costs e.g. salaries, rent, insurance etc (i.e. to support the existence of organisations rather than the delivery of identified projects or services);
- for religious or political purposes;
- for groups going on trips;
- retrospectively;
- for personal / individual items or expenditure;
- to support an organisation in making a bid to provide a service in competition with other voluntary or statutory agencies;
- to replace a service that is currently delivered by mainstream providers or for replacing a mainstream service – though it could pay for an additional or enhanced service.

Considerations

In developing a workable project commissioning type process, a number of considerations have been taken in to account:

- That the process to be adopted is:
 - Simple
 - Quick – to avoid delays in action
 - Transparent – to ensure best use of public funds
 - Evidence based – to deliver the Area Action Plan priorities
 - Open to all
- That decision making rests with the APB
- That all proposed projects are initially reported to the Council's Partnerships and Area Working Team, prior to procurement, who will match proposals against existing commissioned activity which will:
 - avoid duplication;
 - inform the Area Partnership Board of previous successes / failures of similar projects;
 - identify 'piggy-backing' opportunities;
 - identify cross-area commissioning opportunities which can take place across areas and reduce management fees; and
 - identify requirements for market development or stimulation.

- That community involvement is encouraged in the identification, design and, where possible, delivery of commissioned projects to reflect their closer understanding of local issues and solutions and maximise local community benefit (e.g. creation of local employment, increased voluntary activity, community development, community capacity/confidence building, etc.)

The Process

Stage

- 1 The Area Action Plan is produced based on an analysis of both quantitative and qualitative data and informed by residents' views, e.g. the Our Communities survey, Parish Plans, etc. The Area Action Plan, detailing high level outcomes for the wider area and more localised priorities for action, is agreed by the Area Partnership Board (APB).
- 2 The Area Action Plan is considered by all partners through the established sub-groups of the APB and an analysis of current partner activity and resource deployment in support of identified priorities undertaken. Alternative existing resources from mainstream budgets, grants or external funding sources are also explored at this stage by the sub-group. (Under a more well-developed commissioning approach, this step would also include analysis of the effectiveness of current provision with a view to potential de-commissioning of activity and subsequent release of additional resources.)
- 3 The sub-group undertake a gap analysis of current service provision to clearly identify further action needed to address the identified priorities and likely cost. At this stage, the sub-group also identifies any other related commissioning opportunities from across the wider Area Action Plan.
- 4 Using the information gathered during the first three stages, the sub-group produces a Business Case, using the agreed 'Making the Business Case' form, to access the APB resources.
- 5 The completed Business Case is sent to the Partnerships and Area Working Team to:
 - (i) identify possible cross-APB projects/activities that could be jointly commissioned therefore maximising shared outcomes, minimising duplication and reducing administrative costs. If cross-APB activity is identified, the relevant Area Managers will produce a combined Business Case.
 - (ii) identify alternative funding sources (e.g. grants, external funding, etc.). If alternatives are identified, the Business Case is returned to the sub-group with details of the funding stream to which the sub-group will make a formal application.
 - (iii) identify any existing commissioned activity to prevent duplication or 'piggy-back' on the current activity. The Business Case will be returned to the sub-group with information about the current commissioned activity who will subsequently agree next steps (e.g. exploration of options to extend or alter current provision, no further action, etc.).
 - (iv) identify that no additional or alternative opportunities exist.
- 6 The Area Manager presents the Business Case to the appropriate ward Councillor(s) where the activity/project is planned to take place for possible

- funding through the Member's Budget(s). If the Councillor(s) agree to fund the Business Case the Member's Budget process is adopted, if the Councillor(s) do not fund the Business Case it progresses to the next stage.
- 7 Once the Business Case has been assessed by the Partnerships and Area Working Team and subject to the ongoing need for additional funding, the Business Case is presented to the APB by a representative of the relevant sub-group. The APB will then decide whether to approve the Business Case or not. If not, the sub-group is formally informed of the reason for the decision.
 - 8 If the Business Case is approved and under £2.5k the contract documentation is sent out as per stage 13. If the business case is valued over £2.5k the Area Manager (with the support of the Partnerships and Area Working Team) prepares a simple contract specification and scoring criteria.
 - 9 The specification for the proposed commissioned activity(s) is sent to partners, Town and Parish Councils and local voluntary/community/faith groups. Other publicity will undertaken in accordance with the Council's Finance and Contract Procedure Rules. Further advice can be obtained at this stage from the Council's Procurement and Legal Teams to ensure procedural compliance.
 - 10 Applications are returned to the Area Manager for initial assessment against the general principles and identified exemptions.
 - 11 The Area Manager, with the support of the Partnerships and Area Working Team, shortlists the applications against the contract specification and pre-determined scoring criteria.
 - 12 The shortlisted applications are reported to APB, including options and recommendations for decision by the APB. At this stage APB members can also assess the applications from their own service perspective as they may wish to fund all or part of the Business Case(s) from their service budget.
 - 13 The successful applicant is sent the necessary contract documentation outlining targets, outcomes, outputs, payment etc.
 - 14 The commissioned activity is monitored on a quarterly basis by the Northwich and Rural North Area Team. As a minimum the commissioned organisation/group will be contacted/visited by a member of the Team to ensure activity is taking place inline with key milestones and to identify any areas of risk with planned rectification.
 - 15 The commissioned organisation/group will be required to complete an evaluation midway through the activity and at the end of the activity/project using the agreed evaluation form.