



HARROW STRATEGIC PARTNERSHIP BOARD

Local Area Agreement Reward Grant Allocation

22nd July 2010

Introduction

On the 10th June the Government announced some details of the £6.2bn reduction in public expenditure. This included reducing the previously announced totals of LAA Reward Grant to Round 2 and Round 3 LAAs by 50%.

This means that in the best case, a total of £2,340,506 is now available and, in the worst case, £1,705,109 LAA reward grant is available compared with the Partnership's original expectation of receiving £4,681,012.

We are still awaiting confirmation from Government on the success of our second claim where we hope to receive a further £600,000 giving us the best case total. Until the final reward position has been confirmed, it has been agreed to work to the worst case figure but agree in principle the best case option.

London Councils are currently negotiating with Treasury on the possibility of converting any outstanding reward grant, i.e. the £600,000 for Harrow, to 100% revenue. Pending a decision it was recommended that allocations are based on the continuation of the 50:50 split between revenue and capital.

Following the LAA Reward Grant announcement, the Partnership Board at their June meeting recommended that the Harrow Chief Executive Group and the five Management Groups reconvene urgently to review their proposed allocations.

The Board also agreed that where expenditure had already been incurred on projects, these costs are required to be met from within the relevant management group or HCE allocation.

Proposed Action

On agreement of the proposed business cases by the Partnership Board, funding will be allocated to the lead organisations to begin delivery of the projects.

The deliverables identified in the business cases will be monitored quarterly by the respective management group and Harrow Chief Executives Group. This will be on an exception basis at the quarterly performance mornings.

What are you asking the Partnership Board to do

- Approve the management group business cases (Attached)
- Note the agreed Harrow Chief Executive business cases (Attached)

Summary of the Issue

The Harrow Chief Executives convened an extraordinary meeting on the 1st July to agree the revised allocations of the LAA Partnership Fund, as outlined in the attached spreadsheet.

The agreed proposals have taken into account commitments that have already been made through a contractual agreement and money that has been spent. The recommended allocations also aim to achieve maximum return for the investment made by the Partnership.

The five Management Groups have each resubmitted their proposals and are outlined in the attached spreadsheet. The spreadsheet outlines both the best case and worst case scenario allocation. The updated Business Cases will inform the monitoring of the promised deliverables.