

**OFFICE OF THE POLICE AND CRIME COMMISSIONER
FOR HUMBERSIDE
DECISION RECORD**

Decision Record Number: 512013

Title: Funding of partnerships

Executive Summary:

The Home Office have announced that with the introduction of the Community Safety Fund a range of funding streams for community safety will cease at 31 March 2013. The grant for Humberside for 2103/14 was confirmed as £2.316m as part of the Police Grant Settlement. It is now necessary to begin the process to allocate this funding.

Recommendations:

- 3.1 That you understand and give consideration to the funding pressures and risk associated with the likely future 'bids' for funding.
- 3.2 That approval is given to notify partners of the proposed allocations.
- 3.3 That approval is given to commence the assurance process.

Police and Crime Commissioner for Humberside

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with my code of conduct.

Any such interests are recorded below.

The above request has my approval.

Signature



Date 22.2.13

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POLICE AND CRIME COMMISSIONER
FOR HUMBERSIDE

DECISION RECORD: SUPPORTING REPORT FOR DECISION

Title: Funding of partnerships

Date: 20 February 2013

1. Purpose

- 1.1 To consider the risks associated with potential funding 'bids' linked to the Office of the Commissioner, to determine proposed allocations for Community Safety Fund and agree the assurance process.

2. Issue:

- 2.1 The Home Office have announced that with the introduction of the Community Safety Fund a range of funding streams for community safety will cease at 31 March 2013. The grant for Humberside for 2103/14 was confirmed as £2.316m as part of the Police Grant Settlement. It is now necessary to begin the process to allocate this funding.

3. Recommendations:

- 3.1 That consideration is given to risk associated with the likely 'bids' for funding.
- 3.2 That approval is given to notify partners of the proposed allocations.
- 3.3 That approval is given to commence the assurance process.

4. Background:

Home Office funding for community safety

- 4.1 The vast majority of the Home Office drugs, crime and community safety funding streams will come to an end in March 2013 and in the future partners will no longer receive funding from the Home Office, but from you.
- 4.2 From 2013/14 the Home Office will provide a new grant to you called the Community Safety Fund. This is un-ringfenced and you can use it to commission services that help to tackle drugs and crime, reduce re-offending and improve community safety in the Force area. It will be rolled into main grant from 2014/15.
- 4.3 Recently the Home Office provided details of the aggregate amounts for each grant regime in 2013. Little detail has been provided of previous year

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allocations to individual organisations and so officers have had to research the details from publicly available information.

- 4.4 The research shows that nationally, the total amount allocated in connection with the grants that will end in March 2013 was £123m. This compares with the allocation of £90m in 2013/14. Direct comparison with previous year is difficult in that some of the grants, such as the Community Action Against Crime – Innovation Fund and Safer Future Communities funding were one year initiatives. Funding for other initiatives outside these arrangements, such as Crimestoppers also remains uncertain and the potential financial pressures cannot be identified or quantified at this time.
- 4.5 The Community Safety Fund for Humberside for 2013/14 was confirmed as part of the Police Grant Settlement and amounts to £2.316m. This compares with previous years funding of £2.434m (£118k less), which was identified from the total of grants that will cease at the end of this financial year.
- 4.6 In addition to drug interventions, community safety partnerships and Youth Offending Teams (YOTs), that were funded directly for the first time by the Police Authority in 2012/13, there are other schemes / agencies formerly funded by the Home Office, which are now your responsibility to decide to fund or not.
- 4.7 'Positive futures' is one such additional funding stream, which I know you are aware of. The background and use of this funding is relatively easy to work out and the position is reasonably clear.
- 4.8 The details of all the known grants funded in 2012/13, which amount to the £2.434m, referred to above, can be found at appendix 1. In addition there were some other funding streams where there is inadequate knowledge or understanding as to future expectations and commitments. As you are likely to be seen as the principle funding source for community safety activity, this creates a risk that in the near future other organisations / agencies will make 'bids' to yourself. The known risk so far amounts to £468,830 (see appendix 2).

Local community safety activity

- 4.9 The community safety partnerships are not only resourced from the Community Safety Fund. Each partnership is funded differently, but essentially the Local Authority, the responsible authorities and the health sector provide significant contributions, whether they provide direct funding or 'in kind'. The quantum of the total resources used by each partnership is not

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available to us, but it is clear that the Community Safety Fund is not the major funding stream.

- 4.10 The transition to the new funding / governance arrangements brought with it uncertainty for community safety partners as they did not know what their future allocation would be (if any). As a consequence of this unfortunate situation, a decision was taken by you to give six months funding with the aim of assisting them to 'buy time'. This arrangement was reflected in the Medium Term Financial Strategy document that supported the precept proposal that was submitted to and accepted by the Police and Crime Panel on 6 February 2013.
- 4.11 Partners have subsequently made it apparent that the six months allocation simply delays their uncertainty and they have subsequently sought a definitive position from you. This is one of the reasons why you are asked to consider this paper today.
- 4.12 If you are minded to agree proposed allocations to the partnerships for 12 months, it is important that we undertake a degree of due diligence so that you can be assured that the proposed funding will demonstrate good value and be focused on delivering the objectives set out in your police and crime plan. This work can be undertaken by Paul Wainwright and draft terms of reference can be seen at appendix 3.
- Police Authority / Office of Commissioner funding for community safety***
- 4.13 For several years the Police Authority has had a Partnership Reserve, which provided an additional resource to 'invest' in community safety activity. In 2012 this was topped up to £1 million to support work with partners during the transition to Police and Crime Commissioner.
- 4.14 The use of the reserve has always been for one-off funding streams and not used for long term solutions.
- 4.15 The Police Authority provided funding from the partnership reserve in 2012/13 for a number of projects. These included Minerva (£80,718), Local Criminal Justice Board (£28,897) and a range of alcohol projects (£288,000) for which to date we do not have an evaluation or definitive position as to whether further bids from this initial work will be forthcoming. As part of this process contracts were developed, which provide a mechanism for performance management.
- 4.16 Additional potential pressures on this Reserve include:
- a request by the Assistant Chief Constable Operations for you to consider match funding the Rank organisation for £25,000 for 3 years,

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- your own proposals for community safety grants up to £250,000 and a potential fund for supporting victims,
- the need for new services which may be identified in the series of work streams to enable delivery of the police and crime plan e.g. drink banning orders, new diversionary schemes.

4.17 The current balance of the Partnership Reserve is £602,000, after taking account of commitments but this will increase by £66,000 as a result of one of the alcohol projects referred to in 4.15 has not been.

5 Options / Risks / Implications:

Option 1 – stick with 6 months allocations

5.1 You could hold with your earlier decision to allocate only 6 months funding and during the next 3 months strive to better understand the intentions of each partnership to assure yourself as to the right allocations to make.

5.2 However, following the recent partnership meeting it is apparent that such a move would be against the wishes of community safety partnerships and is centred on their sincere belief that the work they are undertaking is good value and is an efficient and effective use of the Community Safety Fund.

5.3 This option could not only sour relationships, but it may well get in the way of discussions around how the partners can assist in making an even greater impact in reducing crime and furthering your objectives.

Option 2 – allocate funding at the same level as last year

5.4 This option would require you to top up the Community Safety Fund grant from your partnership reserve by £118,002.

5.5 This option would give the partners some comfort in your belief in their work and demonstrate a clear commitment of wanting to develop and maintain an effective relationship with them. Indeed this would fit with your strategic intention to work with partners to get 'upstream' of crime.

5.6 However, there are three points of note here. First some of the major potential contributors to supporting your intention to get 'upstream' are not directly part of the community safety partnerships e.g. health and well being boards and children's trusts (or equivalent bodies). Therefore even if you do agree with this option, it will not be the only partnership work you will need to influence.

5.7 Second is the issue that in addition to topping up the allocation from the Partnership Reserve, you will still be carrying significant risk for future

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pressure on your reserves such as those highlighted at paragraphs 4.8 and 4.16 above.

- 5.8 Thirdly it could hamper your ability to progress some of your own initiatives set out in the Police and Crime Plan.

Option 3 – allocate funding at a percentage of previous year e.g. 95%

- 5.9 Allocation of 95% of the previous years funding is essentially the same level of funding you have been given by the Home Office. This assume that there are no other calls on you from schemes funded for one year only to 31 March 2013. The risk with taking this option is that the partnerships will either have to find the reduction through greater efficiencies or reduce activity. To be frank this approach is no different to that being experienced by all sectors in this age of austerity and indeed is expected by some of the partners.
- 5.10 However, by design, you do have the Partnership Reserve for occasions such as these and to some extent the 'gap' appears to be manageable and not worth making the partners work even harder to find even more efficiencies.
- 5.11 The benefit of this approach is that it would give a clear steer to partners that you want to protect the Reserve for use in funding new services or fill gaps in those areas you deem as critical in taking forward your Police and Crime Plan. It would also assist in managing the risk associated with the other funding pressures.

6 Financial Comments:

- 6.1 Some of the financial information has been provided earlier. However, it is important to set the full financial context prior to you considering, which is the right option for allocating funds to community safety partners.
- 6.2 In terms of funding, you have two primary sources namely, the Home Office grant (Community Safety Fund) and the balance of your partnerships reserve.
- 6.3 As highlighted above there are known commitments to the Community Safety Fund of over £2.4 million. In addition, there are existing community safety activities, which may result in future 'bids' amounting to a worse case scenario of £468,000 (see appendix 2). There are also a number of other financial pressures, including your own manifesto commitments such as a community safety grant scheme (para 4.16), which together could easily amount to £500k.

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- 6.4 So in broad terms you have £3m funding available for commitments, which could amount to £3.5m, although this is a worse case scenario along with a lot of 'guess work' e.g. new services. The table below summarises the position:

Available funding	
Community Safety Fund	2,316,000
Partnership Reserve	602,000
N. Lincs Alcohol (Retained)	66,000
Total	£2,984,000

Potential Commitments	
Current commitments (appendix 1)	2,434,002
Local Criminal Justice Board	28,897
Known risk of future bids (appendix 2)	468,830
Rank organisation	75,000
Commissioner's grant fund	250,000
New services emerging from summits	250,000
TOTAL	£3,506,729

- 6.5 You could call on general reserves, divert other resources or require additional savings to be made to increase the available funds to fill such a 'gap'. However in view of the requirement in the Medium Term Financial Strategy for the Force to find an additional £11 million savings it is suggested that at this early stage it would be unwise to add any further burden to the existing funding pressures.

- 6.6 Therefore it appears reasonable and appropriate to commit to funding those commitments in appendix 1 (either at 100% or 95%). Then to defer any further funding decisions, until the 'summits' have been concluded in July, by which time you will be better placed to make further commitments should you be so minded.

7 Legal Comments:

- 7.1 There are no legal issues to consider, other than the pressure partners will come up against in meeting the contractual and employment obligations should the decision be delayed too long.

8 Equality Comments:

- 8.1 There are no equality issues in the context of this report.

9 Summary

- 9.1 The work of community safety partners is critical to the achievement of your vision, but the initial transition to the new governance arrangements has created tension and uncertainty for partners.
- 9.2 Your decision to allocate 6 months funding was intended to resolve the immediate issues, but the reality has been it didn't. The recent meeting with

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partners demonstrated a less than productive relationship and there is an urgent need to resolve the funding allocations for 2013/14. Until this has been resolved, additional consideration of how the partnerships can better support your intention will bog down.

- 9.3 The Community Safety Fund is not the only pressure you have on available resources. Probably the largest pressure is the potential need to commission new services, which may fall out of the forthcoming 'summits' on how your Police and Crime Plan can be best delivered.
- 9.4 In my view you do not have the luxury of waiting to allocate the Community Safety Fund, but you can defer the other potential decisions for 3 months.

10 Next steps

- 10.1 Once you have made your determination, it will be appropriate to forward a letter of intent to the community safety partnerships, the force re drug testing and positive futures alerting them to their respective proposed allocation and that it will be subject to assurance work to be undertaken by Paul Wainwright. A draft letter is attached at appendix 4.
- 10.2 Once Paul has undertaken his assurance work, he can report findings to you, giving you a clear understanding of the value to be added from the allocations and to enable you to take the final decision.

11 Background/Supporting Papers:

Kevin Sharp
Chief Executive
Office of Police & Crime Commissioner

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Appendix 1

Community Safety Fund allocations 2012/13

Grants received in 2012/13	£	£
Drug Intervention Programme (DIP)		
East Riding of Yorkshire Council	70,030	
Hull	462,476	
North East Lincolnshire	291,024	
North Lincolnshire	187,666	
		1,011,196
DIP Drug Testing		562,023
Community Safety Partnership Funding		
East Riding of Yorkshire Council	114,430	
Hull	223,034	
North East Lincolnshire	112,687	
North Lincolnshire	87,623	
		537,774
Youth Crime and Substance Misuse		
East Riding of Yorkshire Council	26,824	
Hull	45,562	
North East Lincolnshire	28,768	
North Lincolnshire	28,081	
		129,235
Positive Futures		
East Riding of Yorkshire Council	45,900	
Hull	89,874	
North East Lincolnshire	58,000	
		193,774
TOTAL		2,434,002

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Appendix 2

Known risk for future funding bids

Project	Description	Addressing	Amount £
Bridlington Crime Prevention Fund	Bridlington Theatre in Education – reducing ASB and under-age drinking.	ASB	3,300
Hull BID	Reduce City Centre retail crime by aiding small retailers to identify offenders then develop retailers skills to support each other, drawing on agents from Hull BID, security teams and wardens from Goodwin Trust to work with individuals to reduce re-offending.	Crime in local neighbourhoods	45,500
Hull Street Angels Trinity	Activities to make a really positive impact on crime and ASB in the vicinity of the Trinity Quarter area, particularly around bars and clubs by providing a calming presence late at night.	ASB	16,425
Minerva Social Enterprise	The Shires Project.	Crime in local neighbourhoods	79,860
Neighbourhood Network	Postholder to develop the network and to support communities to resolve community priorities.	Crime in local neighbourhoods	83,000
New Life – (Scunthorpe)	New Life Women's House – life improving residential programme for Women with life controlling issues and who are trying to get out of prostitution, exploitation, abusive relationships and free from addictions and eating disorders.	Crime in local neighbourhoods	43,000
North east Lincolnshire mental health (Service User and Carer) Independent Forum	Victim focus groups –working together to set up sustainable independent self help groups for victims of ASB and hate crime	ASB	14,525
Open Door	New Start employment project for female offenders that otherwise local employers would not employ due to repeat re-offending.	Reducing re-offending	50,000
PROBE (Hull) Ltd.	PAVE (protection against violent experience).	Violence against women and girls	11,487
Safer Homes Service	Home security service – working with local residents to identify weak entry points to their homes before crime is committed.	Crime in local neighbourhoods	23,840
The Boothferry Road Community Project	Migrant Rights and Responsibilities in Goole	Reducing re-offending	40,665
Westcliff Drop-in Centre	Westcliff Intervention and support project (WISP)	Youth Crime	57,228
TOTAL			468,830

Terms of reference

Assurance in advance of allocation of Community Safety fund

Aim

To obtain assurance that the proposed allocations approved by the PCC utilising the Community Safety Fund represent good value in the context of supporting achievement of the outcomes set out in the Police and Crime Plan.

Objectives

2012/13

- To understand the total funding / resources of the partnership in connection with each initiative and what proportion is from the grant regimes that the Home Office have identified that will come to an end in March 2013,
- Understand what the funding is being used for in 2012/13,
- To evidence the outcomes / products / performance achieved from the 2012/13 funding,
- To obtain copies of grant agreements for funding in 2012/13 together with details of payment arrangements,
- To identify and obtain copies of contracts and details of specific posts linked to the funding and length of obligation.
- To identify performance management & audit arrangements (internal and external) in connection with funding received and disbursed in 2012/13,
- To identify any interdependencies with the funding (what other funding streams does this funding work in conjunction with e.g. pooled budgets for big contract, link between drug testing on arrest and referral to treatment.

2013/14

- To understand connection between partnership plan and Police and Crime Plan,
- What will the funding from the Commissioner utilising the Community Safety Fund be used for?
- What performance objectives linked to funding or pooled funding and what are the performance management arrangements?

Method

- Speak with each key player in the partnership (together or alone),
- Obtain & analyse existing performance data,
- Prepare position statement giving assurance (or not) to proposed future funding,
- Identify any opportunities for future consideration (locally or sub regionally) for greater efficiency or effectiveness.

Time scale

- (to be determined with Paul Wainwright)

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Appendix 4

Contact: Matthew Grove

Tel: 01482 220787

Fax: 01482 220794

e-mail: pcc@humberstide.pnn.police.uk

February 2013

Dear

Community Safety Funding 2013/14

I am sure that you will be aware that the Home Office have now confirmed the Community Safety Fund for 2013/14 at £90m compared, with the £123m for 2012/13. Despite this 27% reduction from the centre, and following the recent meeting of community safety partners on Friday the 8th February, I am minded to make an allocation to you at the same level as the grant/95% of the grant you received from the Home Office in 2012/13. I will achieve this by topping up the fund from my own Partnership Reserve.

I have come to this bold view for a number of reasons. First as you know the draft version of the Police and Crime Plan clearly articulates my aspiration to work with you and other like minded partners to continue tackling some of the causes of crime. Second, your work over the years has clearly been focussed on the issues you see as most important in addressing this issue at a local level. Third, by maintaining the current level of investment in your partnership, despite all the uncertainties and difficulties of future funding, it gives a clear demonstration of my commitment to wanting to build upon your success.

I must formally grant the funding to you in an accountable manner. Therefore I do need to be assured that the funding is making a real demonstrable difference in 2012/13 and that your plans for use of the funding in 2013/14 are clearly aligned to local needs, but also on those objectives I focus upon in the Police and Crime Plan. The funding will be subject to completion of a written agreement.

Rather than requiring you to submit all the evidence I need, I have decided to task Paul Wainwright to meet with you or your colleagues to review the evidence you will undoubtedly have collected and used to manage the performance of your partnership in the past. Also, Paul will go through with your teams, the plans for 2013/14. I would hope the information you have is sufficient for my purpose, but if following the visit I need more I will undertake to let you know what extra I require.

Running alongside this work I have also agreed for my Office to coordinate a series of work streams, which were initially discussed at the partners meeting last week. This work will seek to bring together the knowledge and understanding of current

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activity and assess any gaps and opportunities for making an even greater impact on achieving the outcomes in the Plan.

I would therefore be grateful if you would ensure your team are fully involved in this work when asked to engage, as I have no doubt that our collective endeavour is far more likely to identify areas for improvement than us working in isolation.

I would hope that these work streams will report initial findings by June / July, following which there will need to be a period of reflection, whether that be on strategy, tactics, structure or resources.

Finally working together as the year progresses will be vitally important to inform our budget planning for 2014/15 and later years. There is great uncertainty over the amount of funding that will be available when the Community Safety Fund is rolled into the main grant settlement for Police and Crime Commissioners and every partner will continue working hard to limit the impact of their own budget cuts.

As part of this planning, I believe it will be advantageous to consider how services will be commissioned in the future and where and on what, our collective resources should be targeted. This will require everyone to work together to identify what is likely to give us the best return on the overall resources used to make our communities safer. This will be no mean feat, but if we undertake this in a thorough, joined up and robust way, I hope we will be able to uncover some opportunities.

I trust that this approach meets with your approval, but if not please do not hesitate to make contact with me or any member of my team

Yours sincerely

Matthew Grove

Police and Crime Commissioner

