
REPORT TO:	Finance and Management	AGENDA ITEM:	15
DATE OF MEETING:	November 25 2004	CATEGORY:	DELEGATED/ RECOMMENDED
REPORT FROM:	Director of Housing and Community Services	OPEN/ PARAGRAPH NO:	
MEMBERS' CONTACT POINT:	M Roseburgh	DOC:	
SUBJECT:	Establishment of the Council as Accountable Body for the South Derbyshire Local Strategic Partnership	REF:	
WARD(S) AFFECTED:	All	TERMS OF REFERENCE:	

2.0 Recommendations

2.1 That committee approve the establishment of the Council as the Accountable Body for the South Derbyshire Local Strategic Partnership (SDLSP) and note the arrangements and responsibilities attached to the role.

3.0 Purpose of Report

3.1 To seek approval for the establishment of the Council as the Accountable Body for the South Derbyshire Local Strategic Partnership and inform and update committee in relation to the arrangements and responsibilities attached to the role.

5.0 Detail

5.1 The District Council have been instrumental in setting up South Derbyshire Local Strategic Partnership, which is an unincorporated, non-statutory, non-executive body with South Derbyshire District Council named as the Accountable Body in both the Partnership's draft and formally approved constitution.

5.2 The term Accountable Body means the organisation responsible for the receipt and management of financial and other resources.

5.3 In brief the LSP is made up of partners from the public, private and voluntary and community sectors that have come together to work strategically in order to improve the quality of life for people in South Derbyshire. One of their key tasks is to devise and implement a Community Strategy that will identify local priorities and set out actions to bring about change.

5.4 A copy of the Partnership's constitution, which was formally adopted in October 2003, is attached as Appendix 1. This details amongst other things the Partnership's values, aims and objectives, structure, membership, functions and responsibilities. In relation to Financial Matters it states: The management of the Board's financial affairs will be conducted in accordance with the Financial Regulations and the

associated Financial Procedure rules of the Accountable Body as set out in Part 4 of the Accountable Body's Constitution.

5.5 Initially the Partnership had very limited financial resources beyond those allocated from the Council itself and required to set the partnership up. However, in the Spring of 2004/05 Derby and Derbyshire Economic Partnership (DDEP), which is the Sub-regional Strategic Partnership (SSP), covering South Derbyshire announced it was devolving £150,000 of its annual budget from East Midlands Development Agency (emda) to the Partnership. The grant was required to deliver emda's tier 3 economic development outputs through projects that could be realised before March 31st 2005.

5.6 In response to the announcement the LSP Board set up a business planning sub group who devised and sent a business plan to DDEP in summer 2004. The plan comprises six projects as outlined in the table below.

Project Name	Lead Agency	DDEP Grant	Total Project Cost
West Street Redevelopment Phase 1	West Street Community Partnership	50,500	119,330
Swadlincote Area Regeneration Study	South Derbyshire District Council	25,000	60,000
National Forest Business Grants *	National Forest	16,000	32,000
The Grid	People Express	15,000	30,000
Findern Access Centre	Findern Parish Rooms Improvement Group	30,000	82,000
Credit Union Outreach services	Moneyspider Credit Union	6,000	12,000
Admin	South Derbyshire District Council	7,500	7,500
Total		150,000	342,830

5.7 Since the submission DDEP have appraised the projects individually and have approved them all. Discussion with DDEP officers has indicated that they are in a position to offer one contract for the scheme as a whole with the District Council acting as Accountable Body in line with the original business plan submission.

5.8 Further to the £150,000 allocated to the partnership for this financial year DDEP have indicated that a further £150,000 will be forthcoming in 2005/06 and 2006/07. As a response to this the LSP Board are in the process of convening a restructured business planning group to formulate new business plans and undertake contingency planning in relation to the original business plan.

5.9 Although the finalised formal contract with DDEP hasn't been received standard DDEP contracts include terms and conditions such as variation, withholding and repayment of grant; recovery of sums due; monitoring, financial audit and information; inventory of assets; financial records; marketing etc. The DDEP standard contract is attached as Appendix 2.

5.10 The risk attached to these terms and conditions is largely mitigated by funding agreements issued by the Accountable Body to all project lead agents with terms and conditions reflecting those contained in the DDEP contract.

5.11 The day to day responsibility for issuing the 0405 funding agreements, managing implementation of the 0405 Business Plan and inputting into future business plans has been assigned to the Partnership Development Officer.

6.0 Financial Implications

6.1 The risk attached to acting as Accountable Body is mitigated by the issue of funding agreements and the monitoring arrangements contained therein.

6.2 Due to the amount of cash reserves held by the community based lead applicants of some of the projects the Council will need to make some payments in advance of grant. In practice this means the lead partner will supply the Council with a covering letter requesting advance payment and a copy invoice for work done/goods purchased. The Council will then pay the partner who will in turn pay for the work done/goods purchased. The Council will then make a standard claim to DDEP who will reimburse the Council. The Council will then retain that part of the reimbursement corresponding to the advance payment made.

6.3 The £150,000 grant from DDEP contains a £7,500 contribution towards administration costs.

7.0 Corporate Implications

7.1 The requirements for Accountable Body support to the LSP have been managed through existing resources primarily in Policy, Democratic and Legal Services and Leisure and Community Development. However once the Community Strategy is in place in early 2005 the LSP Board may revisit the Partnership's support requirements.

