



Belfast City Council

Report to:	Development Committee
Subject:	Review of the allocation formula used in the Advice and Information Services grant programme
Date:	21 February 2012
Reporting Officer:	John McGrillen, Director of Development, ext. 3470
Contact Officer:	Catherine Taggart, Community Development Manager, ext 3525 Brenda Kelly, Community Resource Unit Manager ext. 3770

1	Relevant Background Information										
1.1	Each year the council provides approximately £826,000 of funding to advice consortia in north, south, east, west and central Belfast under its Advice and Information Services grant programme. This programme supports the consortia to deal with an average of 74,500 enquiries per year across the city.										
1.2	The current delivery of the programme is based on review recommendations made in 2005/06 and is partially funded through the Community Support Programme by the Department for Social Development as part of its 'Opening Doors' advice strategy.										
1.3	The current programme includes a formula for determining the percentage allocation of funding to the four quadrants and central Belfast. The formula is based on 2001 Noble deprivation ranks at ward level weighted by the population of each area. (The exception is Central which receives a flat 10%). The current allocation is: <table style="margin-left: 40px;"> <tr> <td>North Belfast :</td> <td>27.33%</td> </tr> <tr> <td>South Belfast :</td> <td>13.51%</td> </tr> <tr> <td>East Belfast:</td> <td>16.82%</td> </tr> <tr> <td>West Belfast:</td> <td>32.34%</td> </tr> <tr> <td>Central:</td> <td>10.00%</td> </tr> </table>	North Belfast :	27.33%	South Belfast :	13.51%	East Belfast:	16.82%	West Belfast:	32.34%	Central:	10.00%
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1.4	The use of deprivation data is based on guidance to councils from DSD under their advice strategy.										
1.5	In February 2010 Members requested that the council carry out a review of the existing allocation model and subject any recommendations to an Equality Impact Assessment. Community Services appointed Deloitte to carry out a short independent review. As part of their brief they:										

	<ul style="list-style-type: none"> - analysed previous annual returns from each consortia; - held discussions with key partners (including consortia members and DSD); - Examined the influence of changes in migrant populations and age profiles across the city. - Test the formula and update it with the latest demographic and deprivation data.
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2	Key Issues
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2.1	Based on their analysis Deloitte have produced recommendations which identify three options for updating the allocation model. (See Appendix 1) These options are summarised below:
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2.2	<p><u>Option 1 – ‘The status quo’</u> This is the existing allocation model and is included for comparison purposes only. The option assumes no change in the formula and uses out-of-date 2001 Noble deprivation data and 2001 population data based at the ward level in each Parliamentary constituency</p>
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2.3	This existing allocation formula weighs funding towards those wards that were in the 10% to 30% most deprived wards in the city. (‘Central’ was not included in this calculation and was given a flat 10% based on its role in providing an advice service for anyone in the city who could not avail of the service provided in the four quadrants.)
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Area	Current Funding %	Funding %	% Change	Funding amount (£)
Central	10.0	10.0	0%	£82,570.37
East Belfast	16.81	16.81	0%	£138,850.46
North Belfast	27.33	27.33	0%	£225,648.51
South Belfast	13.51	13.51	0%	£111,560.70
West Belfast	32.34	32.34	0%	£266,989.30

2.4	<p><u>Option 3: ‘Local focus’ model</u> This option uses the latest deprivation data (MDM 2010) and the most recently available population estimates. The option focuses at the much small Super Output Area level (rather than at ward level) – and thus is more sensitive to pockets of deprivation – something which Members have been particularly concerned about.</p>
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2.5	As with the previous allocation formula funding is weighed towards those areas that are in the 10% to 30% most deprived in the city. Again, ‘Central’ is not included in this calculation and given a flat 10%.
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2.6	Outcome for option 2: There is an uplift in funding for north and south Belfast. However, there is a small reduction in funding for both east and west Belfast.
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	Area	Current Funding %	Under new allocation model	% Change	Funding amount £
	Central	10.0	10.0	0%	£82,570.37
	East Belfast	16.81	13.4	- 3.4%	£110,633.00
	North Belfast	27.33	28.87	+ 1.54%	£238,356.32
	South Belfast	13.51	16.33	+ 2.82%	£134,823.64
	West Belfast	32.34	31.41	-0.93%	£259,327.05
2.7	Option 2 would require the re-distribution of funding within the city and would result in a possible reduction of frontline advice services in two quadrants of the city.				
2.8	<p><u>Option 10: 'Local focus' model (adjusted)</u> This option uses the same deprivation data (MDM 2010) and the most recent population estimates as Option 3 above. The model also focuses at the much small Super Output Area level and thus is more sensitive to pockets of deprivation. As with the previous allocation formula funding is weighed towards those SOAs that are in the 10% to 30% most deprived in the city. Again, 'Central' is not included in this calculation and given a flat 10%.</p>				
2.9	However, this option proposes an additional adjustment to the two areas (east and west Belfast) that lose out from the revised allocation to ensure that no area receives less funding than they did in 2011/2012.				
2.10	<p><u>Outcome for option 10:</u> There is an uplift in funding for north and south Belfast. Funding for east and west Belfast remain the same as the current 2011/2012 allocation.</p>				
	Area	Current Funding %	Under new allocation model	% Change / Proposed action	Funding amount £
	Central	10.0	10.0	Maintain at current funding level	£82,600
	East Belfast	16.81	13.4	Maintain at current funding level	£138,850.6
	North Belfast	27.33	28.87	Rise of 1.54%	£238,466
	South Belfast	13.51	16.33	Rise of 2.82%	£134,885
	West Belfast	32.34	31.41	Maintain at current funding level	£267,128.4
NB. The total for this option (£862,000) is £36,000 greater than the current					

2.11	<p>budget. Thus this option would require additional funding being secured of approximately £36,000 per year.</p> <p>A decision is required as to whether this arrangement would be for one or four years. Over a four year period this would require approximately £144,000 to maintain the funding at that level.</p>
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3	Resource Implications
3.1	Option 10 would require an additional 4.3% to the overall total budget of £826,000 for the year. This would require a budget of approximately £35,518 per year and £144,000 over a four year period.
3.2	Funding for the year 2012/13 has been identified in the Development Department Budget. Funding for the years 2013-2016 would need to be allocated from within the Council budget.

4	Equality Implications
4.1	The Equality Officer has worked with officers and the consultants to conduct an equality screening for option 10. (Appendix 3 of the Deloitte report). Members will note that substantial equality data has been gathered and consultation with stakeholders has taken place.
4.2	Equality proofing has been completed and equality issues addressed for this option. The screening suggests that the proposed option would have no impact on the Section 75 groups. We thus recommend that the option is screened out and that a full Equality Impact Assessment is not required.
4.3	However, if Members wish to continue to a full Equality Impact Assessment (EQIA) it should be noted that this would require a twelve week public consultation on the option which would delay the implementation of any chosen model by three months.
4.4	As a result the new model could not be implemented in the 2012/13 financial year as the consultation period and subsequent findings would not be concluded by March 2012.

5	Recommendations
5.1	<p>It is proposed that Members:</p> <ol style="list-style-type: none"> 1. Endorse the findings of the Deloitte review and choose the recommended Option 10: 'Local focus' model (adjusted) 2. Agree that the option be applied for four years (with a review of the option in 2015). And agree that additional funding for the years 2013-2016 would to be allocated in the Development budget. 3. Agree that the option be screened out for equality impact assessment.

6	Decision Tracking
Recommended action to be carried out by Catherine Taggart by April 2012	

7	Key to Abbreviations
BCC - Belfast City Council DSD – Department for Social Development MDM- Multiple Deprivation Measure	

8	Documents Attached
Appendix 1: Deloitte options report on the allocation model including the Equality Screening (Appendix 3 of the report)	