

Forward Plan reference number: FP/441/05/19

Report title: Physical Activity Local Delivery Pilot Funding Agreement	
Report to: Cabinet	
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Date: 18 June 2019	For: Decision
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County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 The Council has bid for and has been awarded, subject to contract, up to £9.84m of money by Sport England to fund a programme of activity to reduce the number of people in Essex who are physically inactive.
- 1.2 This report asks Cabinet to agree to accept the funding and agree that the Council may enter into the necessary agreements.

2. Recommendations

- 2.1 Agree to enter into an agreement with Sport England for the acceptance of up to £9.84m for the delivery of a pilot to reduce inactivity in Essex.
- 2.2 Adopt the investment guidelines at appendix 2.
- 2.3 Note that further decisions on the use of the money will be required in accordance with paragraph 3.6 of the report.

3. Summary of issue

- 3.1 Essex was chosen to be one of 12 local delivery pilots (LDPs) by Sport England. The Essex Local Delivery Pilot (LDP) is a way to secure funding to encourage the people of Essex to become more physically active. The proposals are about system change and new ways of working to encourage the 391,600 people in Essex who are inactive to enjoy the physical, social and mental health benefits of an active lifestyle.
- 3.2 Our ambition is high—we aim to deliver sustainable whole system change to tackle the issues of inactivity in Essex head-on, and for our County to become a beacon for best practice in reducing inactivity.
- 3.3 Currently, one in four (27%) Essex residents are inactive and carry out less than 30 minutes of physical exercise each week. People on low incomes are

twice as likely to lead sedentary lifestyles (source, Active Lives Survey 2016/17).

3.4 In December 2018 we submitted an investment plan to Sport England focussed on seven strategic priorities, with the activities focussed on Basildon, Colchester, and Tendring although funding is available to replicate and scale up good practice across Essex. The strategic priorities are:

- i. A whole system approach
- ii. Increase community engagement and cohesion through new social movements, networks, and communications
- iii. Test and learn, scaling up and replication
- iv. Community capacity and development
- v. Effective use of data and insight
- vi. Create active environments
- vii. Evaluation learning and sustainability

3.5 The purpose of the £9.84m grant is to tackle levels of physical inactivity across Essex, especially in low income communities. The £9.84m is split into two parts. The first part totals £5.9m and is available for ECC to spend immediately. The second part of the award is £3.94m and is an 'in principle' award at this stage, subject to satisfactory progress being made. Sport England have agreed the following categories of spend (shown below split between confirmed and 'in principle' funding. It is possible to transfer some money between headings.

3.4 The table below sets out the breakdown of the £9.84m allocation in terms of the £5.9052m award and the £3.9375m in principle award (Appendix 2, for more detail).

Award Approvals (Awarded and in-principle)		
Strategic Priorities/Funding Streams	Awarded	In-Principle
Community Capacity and Development		
Asset Based Community Development	£300k	£40k
Implementation Groups	£110k	
Development of Community Hubs	£360k	£480k
Sub-Total £1,290k	£770k	£520k
Test and Learn		
A Community Chest Grant Scheme,	£375k	£375k
Testing of Larger Projects	£1000k	£1000k
Piloting of an Essex wide pass card	£300k	
Sub-Total £3,050k	£1,675k	£1,375k
Scaling Up		
Intense replication of good practice projects	£800k	£950k
Sub-Total £1,750k	£800k	£950k
Active Environments		
Strategic Infrastructure Improvements	£250k	£250k
Community Infrastructure Improvements	£330k	£480k
Active Design Kite mark	£25k	£25k
Active Workplace Coordination	£70k	£30k
Sub-Total £1,460k	£675k	£785k

Directly Underpinned by:		
Core Team costs, Management and Operations	£490k	
Social Movements and Communications	£200k	£150k
Effective use of Data and Insight	£320k	£80k
Whole System Approach	£172.5k	£27.5k
Evaluation	£750k	
Learning and Sharing	£50k	£50k
Sub-Total £2,290k	£1,982.5k	£307.5k
TOTAL £9.84m	£5,902.5k	£3,937.5k

- 3.5 It is proposed that the LDP budget will be allocated in accordance with investment guidelines. The draft guidelines have been agreed by Sport England and were endorsed by the Essex Health and Wellbeing Board on 15 May 2019. The Cabinet is asked to formally adopt the guidelines. The investment guide is attached at Appendix 2.
- 3.6 The Local Delivery Pilot is a partnership project and the original submission was made on behalf of the Essex Health and Wellbeing Board. The Board's terms of reference do not allow it to make spending decisions of this nature. As a result, ECC will be holding the grant and acting as the Accountable Body, and any decisions for the distribution of the grant will be required to follow ECC's own governance process.
- 3.7 Decisions on allocating funds to projects will be made as follows:
- up to the value of £500,000 by the Director, Wellbeing, Public Health and Communities on the recommendation of the Core Group
 - over £500,000 will be approved by the Cabinet Member for Health and Adult Social Care by a way of a Cabinet Member Action.
- It should be noted that these arrangements are different from those approved by the Health and Well-being Board but they better align with the ECC constitution.
- 3.8 A process has been established by which investment proposals made by groups and organisations which operate or propose to operate in the Basildon, Colchester and Tendring districts will be developed through local implementation groups to be established by the district or borough council. Once finalised and agreed through the local established implementation groups proposals will be considered by the LDP core management team and a formal recommendation made.
- 3.9 Sport England have confirmed that all money must be committed by March 2021 and spent by 31 March 2025.
- 3.10 The LDP funding will, if accepted support the Council to :
- enable more vulnerable adults to live independent of social care, improve the health of people in Essex, and help to secure stronger, safer and more neighbourly communities.

- ii) help achieve the aims expressed in the motion passed at Full Council on 10 July 2018 which recognised the importance of physical exercise in avoiding social isolation, safeguarding physical and mental health and tackling obesity and associated diseases such as diabetes and to encourage physical exercise.

4. Options

4.1 Option 1 – Agree to accept the funding and act as accountable body

- 4.1.1 This will enable the drawdown of funding from Sport England and enable the project to be delivered.
- 4.1.2 In the event of failure to meet the criteria set out in the Agreement and Deed there is the potential for Sport England to seek the return of all or part of the funding. ECC would be at risk of having to fund this itself if it does not have robust arrangements in place for funding the work.

4.2 Option 2 – Do nothing

- 4.2.1 If the 'do nothing' option is selected the funding will not be released and the project will not commence unless another organisation agrees to act as accountable body.
- 4.2.2 This would carry a reputational risk and damage to relationships with partner organisations and Sport England and would not deliver the hoped-for reduction in inactivity.
- 4.3 Option 1 is recommended as it will enable delivery of the project. The risk of non-delivery and need for return of the funding will be mitigated by a robust governance and oversight process.

5. Issues for consideration

5.1 Financial implications

- 5.1.1 In December 2018, Sport England confirmed a grant award of £9.84m, £5.9m is confirmed for phase one, £3.94m is agreed in-principle for phase two pending evidence that the initial £5.9m is fully committed and the delivery plan is on track.
- 5.1.2 By committing the initial grant funding of £5.9m the LDP is not committed to any activity that cannot be stopped should the additional £3.94m not be released, therefore there is no risk of cost pressures for Essex County Council or the LDP partners.
- 5.1.3 The grant funding will be received by Essex County Council as the Accountable body for the LDP pending distribution to partners as per the investment

guidance document that Cabinet is asked to formally adopt. Ideally the grant will be distributed to fund projects within six months of the grant being received however, should a significant value of grant remain unutilised for a substantial length of time a process for applying interest will need to be determined.

5.1.4 There is a risk that Sport England will require the return of all or part of the grant if any LDP partner fail to meet the criteria set out in the Grant Agreement and Deed, however the investment guidance document agreed at HWBB has been written in conjunction with the grant terms and conditions therefore minimising the risk of any grant having to be returned.

5.2 Legal implications

5.2.1 At present the projects proposed for funding have not been worked up in sufficient detail to identify the legal implications. It is clearly important to ensure that:

- Grants are backed by proportionate funding agreements.
- Where services are procured we comply with ECC procurement rules and the law.
- There is a decision in place for each element of funding – this report can be viewed as a framework not as authority for any expenditure.
- For the proposed 'pass card' there is a full data protection impact assessment.
- For any activities delivered by ECC there are proper arrangements in place
- We have an exit strategy for all activities which involve ECC taking on an open-ended commitment (eg permanent employees).
- Those involved remember that ECC is accountable for funding, not partner organisations or funders.

6. Equality and Diversity implications

6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

- 6.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

7. List of appendices

- Appendix 1 – Sport England/Essex Local Delivery Pilot Lottery Funding Grant Agreement
- Appendix 2 – Essex Local Delivery Pilot Investment Guide
- Appendix 3 – EquIA

8. List of Background papers

- LDP Chapter 1 report
- LDP Chapter 2 report