

OXFORDSHIRE PUBLIC SERVICE BOARD - 18 FEBRUARY 2009

AREA BASED GRANT 2008-2011

1 Purpose of this report

Area Based Grant (ABG) was introduced for 2008/09 and for the first year of operation it was agreed that the funding should be passported to the service areas for which it had hitherto been allocated. This report summarises the purposes for which ABG is being used and the opportunities/consequences of reallocating the funding.

2 Background

What is Area Based Grant?

For many years local authorities have received funding from Government in the form of separate, specific and ring-fenced; for example: School Development Grant; Mental Health Grant; Rural Bus Services Grant. In order to give more flexibility and freedom at the local level the Government decided to pool these separate grants to local authorities in one grant - the Area Based Grant (ABG).

This is part of the Government's 3 year funding regime for local government (2008-2011). Overall the number of separate grants being included in the ABG may increase – for example, Supporting People is added in 2010-2011 – but in real terms funding for many funding streams are reducing in years 2 and 3.

Flexibilities and restrictions

The Department for Communities and Local Government advise that ABG can be used to meet priorities agreed with partners and there is no requirement to report to government on its use.

However, not all government departments have recognised this: for example, there is an expectation from the Department for Children, Schools and Families and the Department of Health that some grants should continue to be spent on the purposes originally agreed, and that local authorities should continue to report on their use.

Issues and risks

From April 2011, and subject to the next general election, it is possible that ABG will be absorbed into Revenue Support Grant (general formula grant from Government) which raises potential problems for some local authorities. The county council are at the formula grant "floor" – which means that it only gets minimum increases. These may only be 1%p.a. from 2011/12 – and possibly less than inflation.

From April 2010 onwards it is unlikely that the Government will provide information about funding allocated for specific activities so it will only be possible to see general trends in funding increases or decreases.

Whatever happens it is likely that funding for services and activities will be tighter in the future whether funded from ABG or other sources.

3 Use of Area Based Grant

In 2008-2009 the county council passported ABG to the services and partnerships who received the original grants. In financial years 2009-2010 and 2010-2011 the county council intends to do the same while ensuring that the use of ABG is open, transparent and discussed with partners.

Details of the use of ABG, including issues and opportunities for doing things differently and working through partnerships, are set out in **Annex 1**.

4 How much money is included in the Area Based Grant ?

Council	2008-09 £000s	2009-10 £000s	2010-11 £000s
Oxfordshire County Council	26,004	26,950	42,572 *
Oxford City Council	202	207	213
Cherwell District Council	48	70	97
South Oxfordshire District Council	22	22	22
Vale of White Horse District Council	22	22	22
West Oxfordshire District Council	22	22	22

- Includes Supporting People grant for the first time.

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See Annex 2. Details of the grants pooled in the Area Based Grant 2008-2011

5 RECOMMENDATIONS

The Public Service Board is recommended to:

1. Invite the county council - and other local authorities in receipt of ABG - to work with thematic partnerships to develop an ABG funding plan for the financial years 2009-2010 (by June 2009) and 2010-2011 (by October 2009) to ensure that ABG is used effectively to meet partnership priorities.
2. Support further partnership governance work to develop an annual process for ensuring that all targets adopted for the Oxfordshire 2030 Delivery Plan (including LAA and local targets) are fully resourced

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Use of Area Based Grant.

Oxfordshire County Council : Children, Young People & Families	
Use of grants	<p>The funding can be split into two categories:</p> <ol style="list-style-type: none"> 1. Funding that cannot be used for anything other than their stated purpose because we are inspected and monitored against clear criteria and targets. These comprise: Extended Schools Start Up Costs; School Improvement Partners; Choice Advisers; Secondary Nat Strategy – Behaviour & Attendance; Secondary Nat Strategy – Central Coordination; Primary Nat Strategy – Central Co-ordination; Child Death Review Processes and total just over £2m in 2008/09. 2. Those that could be used more flexibly to support local priorities. These comprise: Child & Adolescent Mental Health (CAMHS); Carers Grant (Children); Children’s Fund; Connexions; Positive Activities for Young People; School Development Grant – LA Element; Education Health Partnerships; School Intervention; Flexible 14-19 Partnership Funding; Extended Rights to Free Travel; Sustainable Travel; Teenage Pregnancy; Care Matters White paper and total just over £10m in 2008/09. The biggest elements are Connexions (£4,914,000) and School Development Grant (£1,835,000).
Implications of moving resources.	<p>All the grants are linked to targets and/or statutory requirements. If resources were moved, plans would need to be drawn up to show how the targets and statutory duties would be delivered differently.</p> <p>The Children’s Trust is responsible for the partnership targets linked to joint priorities, such as Teenage Pregnancy and Child and Adolescent Mental Health. A reduction in the sums allocated to such joint priorities would compromise the Trust’s ability to deliver in these areas.</p>
Proposals for reviewing usage with partnerships	<p>In the short term, the Children’s Trust can review the grants in the 2nd category (above) to determine those which provide high value for money (i.e. achievement of targets) and move resources from those which do not. Nearly all the grants support posts in the County Council and some support posts in partner organisations. Where moving resources involved redundancies, these would have to be tackled in the medium term. In the longer term, resources could be combined from across the partnerships to address cross-cutting locality priorities.</p>

Oxfordshire County Council : Social Care	
Use of grants	<p>The grants for adult social care fall into three categories:</p> <ol style="list-style-type: none"> 1. Grants which provide core funding to pay for services to adults with learning disabilities (Preserved Rights £2.794m) and adults with mental health problems (Mental Health Grant £1.233m). These are longstanding grants which reflect the transfer of responsibility from the National Health Service or a policy decision by the Department of Health to increase funding for mental health services which has often been seen as a “Cinderella” service. 2. Grants which support services that directly help service users and carers. These are the grants which fund the carers centres and other services in Oxfordshire (Carers Grant £1.795m); the grant which funds work to support those who do not have the mental capacity to act on their behalf (Mental Capacity Advocacy Service £283k); the grant that supports services commissioned by the Learning Disability Partnership Board which is one of the key means of involving adults with learning disabilities and their carers (Learning Disability Development Fund £367k). All three of these grants have been in place for a number of years. The Carers Grant has been increased significantly in recent years reflecting the national focus on support for carers. 3. The grant which funds the Local Involvement Network (£223k). This is a recent statutory requirement for the County Council to commission a host organization to support the Local Involvement Network which replaced the former Patient and Public Forum (PPF). The grant pays for the costs of the host organization.
Implications of moving resources.	<p>The implications are differ depending on the category:</p> <ol style="list-style-type: none"> 1. Reducing the grant would mean that there are fewer resources to spend on these services and would directly impact on service quality/quantity and on key performance targets assessed by inspectors. The increasing number of adults with learning disabilities is highlighted in Oxfordshire 2030 and is causing considerable financial pressure for both the County Council and the PCT who are not receiving extra funding from central government in response to this demographic pressure. There are major financial pressures on the pooled budget despite the delivery of very significant efficiency savings and the commitment to deliver further savings. The needs of those with mental health problems are also highlighted in Oxfordshire 2030. This has been identified as one of the key priorities for the Health & Well-Being Partnership Board. It is also important to note that making progress on addressing the needs of those with mental health problems is also likely to help with achieving the Oxfordshire Partnership priority of delivering a world class economy by bringing into the workforce, people with considerable talents and skills who are currently not employed. 2. Reductions in these grants would have an impact on service users and carers. It would impact on the LAA2

	<p>target to increase the proportion of carers receiving a service and would lead to adverse criticism by inspectors. Any proposed change should also be subject to consultation with services users and carers.</p> <p>3. There are mixed views locally on the potential benefits of this development. However, it is a statutory requirement. In addition, without a Local Involvement Network there is no alternative mechanism to obtain the views of patients of NHS services. Health Overview and Scrutiny Committee will have views on this possible issue.</p> <p>Review of this funding should be subject to discussions at the Health & Well-Being Partnership Board (which involves service users and carers) (and in the case of 3 with the Oxfordshire Health Overview and Scrutiny Committee).</p>
<p>Proposals for reviewing usage with partnerships</p>	<p>Services for adults with learning disabilities have been transformed over the last 5 years which leaves relatively few options available (and these will need to be pursued to respond to the existing financial pressures on the pooled budget). It may be possible to look to see what further changes could be made to the delivery of mental health services possibly by applying some of the approaches that have been adopted within learning disability services. However, there are potential benefits from expanding services for those who have mental health benefits to address this partnership priority so any released resources could usefully be used within mental health.</p> <p>It would not be appropriate to comment now on the implications of reducing spending on services which support service users, carers or patients without consulting them first. My expectation is that they would be concerned at the possible lose of support but they may be able to suggest ways in which the services could be delivered in a more efficient way.</p>

Oxfordshire County Council : Community Safety Block (and activities delivered via OCC Shared Services)	
Use of grants	<ul style="list-style-type: none"> ▪ Children’s Workforce Development and Adult Workforce Development. These grants are used to meet costs involved in the recruitment, retention, training and development of staff working to support vulnerable adults and young people including competency training to meet national standards in these areas. ▪ Stronger/Safer Communities Grant : Originally a Home Office grant made direct to District Councils to support activities of CDRPs; since 2006 this has been paid to the County Council on behalf of the Safer Communities Partnership. The funding is used for countywide, district based and local anti-social behaviour and crime reduction activities in accordance with the rolling 3 year Community Safety strategies for each district. These are developed in partnership with the Police and District Councils and are subject to approval by elected members.
Implications of moving resources.	<p>Safeguarding training is a statutory requirement for people working with vulnerable people (both OCC staff and staff working within partner agencies). Moving this resource could have a negative impact on the outcome of inspections (eg OFSTED, Council for Social Care Inspections) and JAR (Joint Area Review)) Without a trained workforce the adult and children’s services they would not be able to fulfil their statutory duties and meet national standards.</p> <p>Stronger/Safer: a reduction in enforcement and intervention would have a negative impact on preventative work which is likely to have a corresponding negative impact on crime reduction, ASB and fear of crime.</p>

<p>Proposals for reviewing usage with partnerships</p>	<p>Shared services: Work with the MKOB Care (Milton Keynes, Oxfordshire and Buckinghamshire) continues – this partnership increases buying power and commissions activity across the authorities such as Log onto Care which provide e-learning opportunities for the care sector. The Children’s Safeguarding Board identified areas of development across multi-agencies working with children (Heath, private, voluntary and independent sector)- this work is ongoing Work has recently started with the District councils to identify areas for joint commissioning, thereby increasing our buying power. Work with the local universities, police, districts and PCTs is due to commence in March 2009 to identify common ways of working within HR, INCLUDING Learning and Development.</p> <p>Stronger/Safer The Safer Communities Partnership and District CDRPs will need to consider the following in 2009-2010 : Stronger/Safer:16% of budget has already been moved from single authority to a partnership basis. A cut in TVP BCU contribution in 2009 of 20% (due to government reduction in funding from 2008) will require the re-working of draft work plans and budgets to focus only on priorities. In medium term this may be opportunity to rationalise work within and between CDRP’s, but remaining focused on local needs and targets.</p>
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Oxfordshire County Council : Environment and Economy	
Use of grants	<ul style="list-style-type: none"> • Detrunked roads grant is applied within the highways maintenance budget to carry out routine maintenance of former trunk roads in the County, including verge maintenance, safety barrier repairs, patching and pothole filling. • Road Safety grant is split between the Thames Valley Safer Roads partnership, where it pays for the operation of safety cameras, and OCC road safety education and training programmes. • Rural Bus Services Grant provides the subsidy for bus services connecting rural areas with local service centres. • School Travel Advisors grant pays for staff to support schools in developing their own travel plans so as to reduce congestion, air pollution and road safety problems caused by the school-run.
Implications of moving resources.	<ul style="list-style-type: none"> • Maintenance of former trunk roads or other parts of the highway network would suffer with the overall reduction in funding. • If grant were not available for the Partnership, OCC may need to withdraw from what is an effective arrangement which has contributed significantly to reducing road casualties in Oxfordshire. Reduction in funding to support education and training programmes would undermine key road safety targets, especially child casualties. • RBSG currently supports 23 bus service contracts which enable people to access work, health, shopping and leisure activities without being dependent on others. LAA target on accessibility (NI175) would not be met. • Fewer schools would benefit from the guidance offered by staff on devising appropriate School Travel Plans and accessing other funding such as for cycle parking or local safety measures. LAA target on travel to school (NI198) may not be met.
Proposals for reviewing usage with partnerships	<ul style="list-style-type: none"> • Discussions have been held in the past with District Councils over the potential to coordinate verge maintenance with litter collection, although no agreements have been reached. • It may be possible to review how the grant is applied within the Thames Valley Safer Roads Partnership area in order to better prioritise its expenditure to meet local needs. • Oxfordshire Rural Community Council carry out local needs surveys to inform the priorities for rural bus services. Alternative measures such as taxis and taxi-buses have been encouraged in the past but have proven not to be widely applicable. • Increasing demands to address workplace travel would benefit from the skills available through the School Travel Advisors. Extending current work to cover staff at schools and to include further and higher education establishments could bring additional transport benefits beyond the LAA target.

Cherwell District Council	
Use of grants	Community cohesion grant was issued to Cherwell District Council for the first time in 2008/09. Grant used to fund diversity mapping projects and preparatory work for a multi-cultural festival to be held in late summer 2009. In line with advice from GOSE's community cohesion network, future year's grant is likely to be split between project funding and grant awards to local organisations.
Implications of moving resources.	GOSE has identified the need to improve community cohesion within the Cherwell District. Reduction in planned activities could have a negative impact leading to increased crime, ASB and community tensions.
Proposals for reviewing usage with partnerships	The district Crime and Disorder Reduction Partnership, Oxfordshire Voluntary Development Partnership and local schools are already consulted on projects being funded by the cohesion grant.

Details of the grants pooled in the Area Based Grant 2008-2011

Oxfordshire County Council			
Children & Young People	2008-09 £000s	2009-10 £000s	2010-11 £000s
Child & Adolescent Mental Health Grant (CAMHS)	701	739	778
Carers Grant (Children)	417	449	481
Children's Fund	869	869	869
Connexions	4,914	4,669	4,658
Positive Activities for Young People	178	306	397
School Development Grant	1,835	1,835	1,835
Extended Schools Start Up Costs	925	1,593	655
School Improvement Partners	289	289	289
Education Health Partnerships	135	120	120
Choice Advisers	37	37	37
School Intervention	189	189	189
Flexible 14-19 Partnership	159	159	160
Extended Rights to Free Travel	179	329	479
Sustainable Travel	52	52	52
Secondary Nat Strategy - Behaviour & Attendance	183	183	183
Secondary Nat Strategy - Central Coordination	268	267	267
Primary Nat Strategy - Central Coordination	319	320	320
Teenage Pregnancy	160	160	160
Care Matters White Paper	246	345	403
Child Death Review Processes	54	56	58
Young People's Substance Misuse	188	188	107
Child Trust Fund	4	6	7
Preventing Violent Extremism Toolkit	15	0	0
Social and Community Services			
Carers Grant (Adult)	1,669	1,795	1,922
Mental Capacity Advocacy Service	223	283	273
Mental Health Grant	1,171	1,233	1,296
Preserved Rights	2,893	2,794	2,693
Learning Disability Development Fund	367	367	368
Local Involvement Networks	222	223	223
Supporting People - Administration	406	374	320
Supporting People	0	0	16,167
Environment & Economy			
Detrunking of Non-Core Routes	1,662	1,703	1,746
Road Safety Partnerships	1,334	1,190	1,146
Rural Bus Services Grant	1,592	1,634	1,676
School Travel Advisors Grant	92	92	92
Community Safety			
Stronger Safer Communities Fund	652	652	652
Shared Services			
Children's Social Care Workforce	137	138	138
Adults Social Care Workforce	1,268	1,312	1,356
Oxfordshire County Council Total - £000s	26,004	26,950	42,572

District Councils		2008-09 £000s	2009-10 £000s	2010-11 £000s
Oxford City Council	Preventing Violent Extremism	105	110	116
	Youth Taskforce	75	75	75
	Climate Change (Planning Policy Statement)	22	22	22
Cherwell District Council	Cohesion	26	48	75
	Climate Change (Planning Policy Statement)	22	22	22
South Oxfordshire District Council	Climate Change (Planning Policy Statement)	22	22	22
Vale of White Horse District Council	Climate Change (Planning Policy Statement)	22	22	22
West Oxfordshire District Council	Climate Change (Planning Policy Statement)	22	22	22