

## OXFORDSHIRE PUBLIC SERVICE BOARD – 18 NOVEMBER 2009

### Report on the allocation of Local Area Agreement Performance Reward Grant (LAA 2006-2009), and an update Area Based Grant (2010-2011).

#### 1 LAA Reward performance reward grant claim to government

Oxfordshire County Council audit team has audited final performance data on all stretch performance targets that have been achieved (fully or in part). Our calculations indicate that the total reward grant to be claimed will be £9,113,880.94. The official grant claim will be made to government in late November and we anticipate receiving the first payment of reward grant (50% of the claim) by the end of March 2010. We expect that government will wish to verify the data submitted before payment.

In 2010/11 we will submit a second claim which will trigger our second payment. The second payment will be bigger than the first because it will include outturn performance data for the adult skills target that we are unable to claim for in this year's claim. This is because the delivery period ended at the end of August 2009 and the final performance data for will not be available until 2010. We hope to receive the second payment in the first half of the 2010-2011 financial year.

It should be noted that reward grant is subject to a 50:50 capital and revenue split, applicable to both years' payments.

Details of the amount claimed are set out in the table below.

Ref	Indicator	Total target value	% claimed	Amount claimed
1a	Adults in the 13 most deprived Super Output Areas participating in approved learning.	£830,118.72	Final performance data not yet available. If target is achieved it will be part of second claim in 2010	
1b	Adults supported by the area programme resident in the 13 most deprived Super Output Areas achieving NVQ1 or higher.	£1,936,943.68	Final performance data not yet available. If target is achieved it will be part of second claim in 2010	
2.2	Looked after Children achieving 1 GCSE A*-G or equivalent	£276,706.20	81%	£223,493.47
3.1	Reducing new entrants to the Criminal Justice System aged 10-17	£691,765.60	100%	£691,765.60
3.2	Reducing rate of convictions of Young Offenders aged 10-17 years in specific populations	£691,765.60	100%	£691,765.60
4.1	Increasing incidents of domestic violence reported to the police	£1,106,824.80	100%	£1,106,824.80
5	Reducing rate of reoffending by adult and juvenile Priority and Prolific Offenders	£1,383,531.20	100%	£1,383,531.20
6	Tonnage of non-bio household waste recycled	£1,037,648.40	100%	£1,037,648.40

Ref	Indicator	Total target value	% claimed	Amount claimed
8	Falls in care homes	£1,383,531.20	60%	£833,577.55
9	People receiving intensive home care support to live at home	£1,383,531.20	81%	£1,118,855.67
10	Affordable housing units provided	£1,476,465.00	100%	£1,476,465.00
<b>Total</b>				<b>£8,563,927.29</b>

Targets that have not been achieved and therefore no claim is being made		
Ref	Indicator	Value of target
2.1	5 GCSE A*-C including Eng & Maths	£2,213,650.00
2.3	Looked after Children achieving 5 GCSE A*-G or equivalent	£276,706.20
4.2	Incidents of domestic violence resulting in a sanctioned detection	£276,706.20
7.1	Levels of litter & detritus (BVPI 199a)	£1,106,824.80
7.2	Satisfaction with cleanliness standards (BVPI89)	£276,706.20
<b>Total</b>		<b>£4,150,593.40</b>

## 2 Reward grant bids

At its meeting on 2<sup>nd</sup> September the PSB agreed the next steps for a number of reward grant bids. There were three categories of decision

- bids that were not successful
- bids that needed further development to clarify the objectives and scope of the proposed activities
- bids that were agreed subject to sign off of delivery plans by the relevant thematic partnership.

Revised bids were submitted at the end of October and a roundtable meeting was held between bidders and the LAA Steering Group to discuss the bids and follow up any issues prior to the board meeting.

The bids have been circulated separately to this paper and the table below sets out the comments and recommendations of the LAA Steering Group.

Bid	Details	Steering Group comments/ Recommendations
Breaking the Cycle Deprivation (£1M)	At the last PSB the bid was agreed subject to further work by the 5 Chief Execs Group that should be reported back at the November meeting.	<ul style="list-style-type: none"> <li>• Update on progress is satisfactory.</li> <li>• Details of delivery plans for projects needed from Oxford and Banbury steering groups available for February PSB.</li> </ul>
Becoming a World Class Economy (£1M)	In September the PSB agreed that up to £1M shall continue to be allocated against this priority. However, the existing bid was not agreed in its current format. The Oxfordshire	<ul style="list-style-type: none"> <li>• Steering group requested more detail on the proposed criteria for the business support fund.</li> </ul>

	Economic Partnership was asked to work with stakeholders to develop proposals and report back in November.	<ul style="list-style-type: none"> <li>• Delivery plans will be required and further detail on the capital and revenue use of funds for February 2010 PSB.</li> <li>• Close monitoring of the allocation of funds between revenue and capital.</li> </ul>
Grant pot for voluntary and community sector (£500k)	In September the PSB members agreed to reserve £500k for a grant pot for the voluntary and community sector but expressed concern about the level of expenditure proposed for administration of the scheme	<ul style="list-style-type: none"> <li>• Steering group agreed revised proposals as set out in the attached bid document.</li> <li>• PSB may wish to delegate final agreement of the grant criteria to the LAA Steering Group.</li> </ul>
Understanding the needs of vulnerable communities in Oxfordshire (£100k)	This bid was not agreed, however, the PSB requested that OSCA and the LAA Steering group have further discussions about this bid and bring a proposal back to the November 18 PSB that clarifies aims and outcomes, and how this links in with other existing groups across the county.	<ul style="list-style-type: none"> <li>• Detailed proposals deferred pending current work of local authority equality officers to establish data about vulnerable groups.</li> <li>• Future proposals to present a co-ordinated approach between the public and voluntary sectors.</li> <li>• Bring proposals to February 2010PSB</li> </ul>
Data Observatory	The Data Observatory has advised that it is not seeking LAA reward grant funding for the Local Information System project. County Council is funding this project.	n/a
<b>Bids agreed at last meeting</b>		
Climate change (£500k)	In September the project was agreed subject to sign off by the Environment & Waste Partnership on the details of the work with schools.	
Safer Communities (£500k)	In September the project was agreed subject to there being further challenge within the OSCP/CDRPs/partner organisations to ensure that this bid and the 50% of reward going direct to partners is aligned with the OSCP and Oxfordshire 2030 priorities.	
LAA manager (£50k)	In September the project was agreed for financial year 2009/2010 subject to review at the end of December 2009	
Partnership development (£50k)	In September the project was agreed for financial year 2009/2010 subject to review at the end of December 2009	
Self-Build	In September the project was agreed subject to planning	

Project (£324k)	permission renewal and further work to develop suitable stakeholders group and project management arrangements. The housing delivery group and Spatial Planning and Infrastructure Partnership will sign off the delivery arrangements.
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### 3 Sign off process for reward grant bids

Projects funded by the PSB will only be allocated funding on agreement of a project delivery plan. The delivery plan must include;

- Who is the accountable body
- Who is responsible for delivery (if different) and how the activity/ies will be managed
- Which partnership the project will be accountable to
- Projected spending profile.
- List of planned activities and milestones.
- Quarterly performance and finance reporting arrangements
- Confirmation that reward grant will not duplicate work covered by bids to the grant pot held by the PSB – and vice versa

The steering group discussed the thematic partnerships taking responsibility for monitoring delivery of the reward grant projects in line with the new performance management framework. To ensure that the PSB has confidence in the delivery of the projects it is recommended that these quarterly monitoring reports are provided to the LAA Steering Group by the thematic partnerships who may wish to follow up if projects are not on track.

### 4 Proposal for the allocation of reward grant to target deliverers

The PSB will not monitor the use of reward funding that goes back to those who delivered stretch targets in detail because it has agreed that deliverers could spend this element of the reward as they chose. However there are some checks that the PSB may wish to use to ensure reward grant is used most effectively. These may include;

- Confirmation that reward grant is subject to the 50:50 capital : revenue split.
- Confirmation that reward grant plans will not duplicate work covered by bids to the grant pot held by the PSB – and vice versa.
- Spend on the grant will be monitored every six months until it is spent.
- Confirmation of the accountable body for the money to be transferred to.
- Details of the audit and financial arrangements.

#### **Oxfordshire Treasurers Association**

Following the review of partnership governance the Oxfordshire Treasurers Association (OTA), which comprises of senior finance managers in local authorities and the police, have agreed to

- Take on the role of finance support group to the PSB
- Nominate a lead officer (City Council to lead in the first instance) to liaise with the LAA Steering Group and the PSB on financial issues

- Provide information, advice and guidance when required – for example, on the detail of the process to distribute and monitor reward grant monies.

## 5 Area Based Grant (ABG)

In February 2009 the PSB decided that ABG for financial year 2010-2011 should be passported to services, subject to partnerships having the opportunity to comment on proposals by 19 September. Partnerships made some broad comments but no specific recommendations were received as it is recognised that many of the funding streams finance core services.

In January 2010 we will receive notice of the local government financial settlement for 2010-2011 and that will include the total amount of ABG for that year. To ensure that the ABG allocated by Government to Oxfordshire is the same as that reported to the PSB in February 2009 the following is proposed :

A report about the 2010-2011 ABG settlement is brought to the PSB on 18 February 2010 to either:

- Confirm whether the amount of ABG grant for 2010-2011 meets our expectations. In this case it is anticipated that the PSB will confirm their previous decision to passport ABG to services.
- Provide an analysis of any differences there may be so that further action can be planned accordingly.

2010-2011 is the last year of the current Comprehensive Spending Review / financial settlement for local government. It is anticipated that there will be further requirements by Government for local authorities to work with partners to resource priorities beyond 2011. Therefore, it is proposed that the PSB consider this again when these plans are clear.

## 6 Recommendations

The Public Service Board is recommended to;

- I. Note the amount of LAA1 reward grant to be claimed from the Government and the likely timescales for doing so.
- II. Note the progress made with bids to the LAA1 reward grant held by the PSB and ask the LAA Steering Group to
  - a. Continue to work with bidders to resolve any further issues
  - b. Bring a report finalising the bids to the February 2010 PSB.
- III. Agree a signing off process for bids to the LAA1 reward grant held by the PSB
- IV. Agree a set of checks and balances to ensure that the LAA1 reward grant going direct to partners is used most effectively.
- V. Agree a process for monitoring progress of delivery of reward grant bid projects.

- VI. Agree that the Oxfordshire Treasurers Association shall advise the LAA Steering Group on a process for the distribution, and assurance on spend, of reward grant.
- VII. Bring a paper to the February 2010 PSB confirming the amount of Area Based Grant for financial year 2010-2011.