

OXFORDSHIRE PUBLIC SERVICE BOARD – 19 NOVEMBER 2008

**AREA BASED GRANT AND LOCAL AREA AGREEMENT 1  
PERFORMANCE REWARD GRANT.**

**1: Area Based Grant**

Financial year 2008-2009 is the first year of Area Based Grant arrangements. The total amount for Oxfordshire in this financial year is £25,889,448. Allocations of £180,000 and £26,471 were also made to Oxford City Council and Cherwell District Council respectively. The total will grow to £44,130,000 in 2009/10 with the inclusion of the Supporting People grant of approximately £17m. Local authorities are expected to use ABG to deliver on the priorities it has agreed with its partners – in our case those agreed in *Oxfordshire 2030* and our new Local Area Agreement (LAA2).

The Public Service Board agreed to :

1. passport the 2008/09 Area based Grant funding on the basis on which it was distributed in the previous financial year to ensure continuity of services.
2. analyse current usage of ABG.
3. develop a process for allocating funding in future years.

**Progress with analysing current usage of ABG**

The majority of ABG is held by County Council services. They have been asked to provide information on their plans for ASB over the 3 years of the current financial settlement with the Government (Comprehensive Spending review 2008-2011). See Annex 1. This information is currently being collated.

**2: Local Area Agreement (2006-2009) Performance Reward Grant**

Reward grant gained from meeting LAA1 “stretch” targets will be payable 50/50 revenue and capital and will be paid 50% in 2009/10 and 50% 2010/11. It is not anticipated that the partnership will receive reward from government until the end of 2009/10 following audit and submission of the performance data to government.

The Public Service Board has agreed :

- That 50% of all reward grant gained from meeting LAA1 “stretch” targets will go to partners involved in target delivery. The allocation of this 50% to individual partners proposed by partnerships has been agreed by the PSB and can be viewed at
- The remaining 50% of reward grant will be used as to support partnership projects in the county. Basic principles that bids must demonstrate were agreed by the PSB in January 2008.
- To request that partnerships submit plans for the expenditure of reward grant
- To develop a process for allocating funding in future years.

**Progress with spending plans for LAA1 Performance Reward Grant.**

Partnerships responsible for LAA1 stretch targets have been asked to provide information on their plans. See Annex 2. This information is currently being collated.

**3: Developing the process for allocation resources**

The timetable for clarifying the use and purpose of ABG and plans for the use of LAA1 Performance Reward Grant is as follows:

- **November / December** : collation of the information requested of partnerships and further consideration of LAA1 Performance Reward Grant plans by thematic partnerships and Area Based Grant plans by services / partnerships in receipt of grant.
- **December** : Report to PSB members, other partners, county local authority leaders and chief executives for discussion.
- **January 2009** : Final review of plans by partnerships and recommendations.
- **18th February** : Public Service Board to agree plans for Area Based Grant and LAA1 Performance Reward Grant.

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