

WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

16 MARCH 2011

SUBJECT:	SPECIFIC GRANTS
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR JEFF GREEN
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1. This report compares the Specific Grants received in 2010/11 with those now announced by the Government for 2011/12. It identifies the movement in the grants between the two years and the implications arising from those grants that have ceased or been reduced.

2.0 RECOMMENDATION

- 2.1. That the report be noted.

3.0 REASON FOR RECOMMENDATION

- 3.1. This report was requested by the Committee.

4.0. BACKGROUND AND KEY ISSUES

- 4.1. The Government provides financial support to local authorities in the form of grant assistance. This essentially comprises general grants and specific grants. The main general grant is the Formula Grant, as announced in the Local Government Finance Settlement, which is available to support all Council services. Specific grants have reduced in number in recent years and are issued to support specific services or projects by a range of Government Departments. The main grants are the Dedicated Schools Grant and the Housing & Council Tax Benefit Grant.
- 4.2. The Appendix provides an analysis of the Grants received in 2010/11 and identifies what has happened to them in 2011/12. The general assumption is that as the grant is provided for a service or project then the ending of the grant will result in that service or project ceasing. Chief Officers considered the implications of the grants ceasing/reducing as part of the preparation of the budget.

- 4.3. The Local Government Finance Settlement for 2011/13 was announced on 31 January 2011. This essentially confirmed the Provisional Settlement and subsequent notifications of grants from Government departments. The latest position on reductions and ceased grants is:-

Department	Grant	£000	Change
Adults	Social Care Reform	1,870	Ceased
Adults	Stroke Strategy	105	Ceased
Children's	Early Intervention	4,875	Reduction
Children's	Play (Pathfinders & Playbuilders)	18	Ceased
Corporate	Housing Market Renewal	2,589	Ceased
Corporate	Single Programme	200	Ceased
Corporate	European Community Grants	75	Ceased
Finance	Housing/Council Tax Benefits	153	Reduction
Law	Registrars	10	Ceased
Law	Workstep	50	Ceased
Technical	Waste Infrastructure Grant	202	Ceased
		10,147	

- 4.4. The main reductions are:-

a. Social Care Reform/Stroke Strategy

Within the Formula Grant there is an increase of £2.3 million for Adult Social Services for additional resources for social care flowing from the recycling of the Social Care Reform and Stroke Strategy Grants. This amount was prior to the overall reduction in Formula Grant of 12.3% in 2011/12 and a further 8.4% in 2012/13.

b. Early Intervention

In overall terms the amount available to meet a range of services including Sure Start, Children's Centres, Aiming High for Disabled Children and Connexions has reduced by £4,875,000.

Part of this reduction was implemented following the in-year reduction in 2010/11 of Area Based Grants totalling £2,643,000. A further £383,000 will be achieved through the EVR/VS exercise, and the budget for 2011/12 included an increase of £1million.

A separate report on this agenda from the Interim Director of Children's Services provides further detail on the Early Intervention Grant.

c. Housing Market Renewal (HMR)

The HMR overall allocation for 2010/11 was £7.43 million. The Government has now ended the HMR Programme and funding. Staffing resources will significantly reduce through the EVR/Voluntary Severance Scheme to a minimum level to enable delivery of statutory functions and residual HMR activity including work on Houses in Multiple Occupation, Empty Properties, Private Sector Landlords, Housing Health and Safety and housing partnership working to deliver new and refurbished homes. Cabinet on 3 February 2011 agreed to a bid of £600,000 to use Community Fund resources in 2011/12 to facilitate the continuation of services.

d. Waste Infrastructure

This was used to support delivery of the waste and recycling contracts. As the contracts continue to be paid this loss of grant has been replaced in the budget for 2011/12 at £202,000.

5.0 RELEVANT RISKS

5.1. The reduction in grants has largely been managed by departments.

6.0 OTHER OPTIONS CONSIDERED

6.1. Other than those reductions which can be managed the options are set out in section 4.

7.0 CONSULTATION

7.1. No specific consultation has been undertaken with regard to this report.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1. There are no direct implications arising from this report.

9.0 RESOURCE IMPLICATIONS

9.1. There is a net reduction in 2011/12 of £10.1 million.

10.0 LEGAL IMPLICATIONS

10.1. There are none arising directly from this report.

11.0 EQUALITIES IMPLICATIONS

11.1. There are none arising directly from this report.

11.2. Equality Impact Assessment (EIA) is not required for this report.

12.0 CARBON REDUCTION IMPLICATIONS

12.1. There are none arising directly from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1. There are none arising directly from this report.

FNCE/42/11

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APPENDICES

Grant Comparisons 2010/11 v 2011/12

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Cabinet	21 February 2011
Cabinet	13 January 2011

APPENDIX

GRANT COMPARISON 2010/11 v 2011/12

GRANTS	2010-11 Original Allocation £000	Transfer to Formula Grant £000	Transfer from ABG Grant £000	Grants Ceasing Reducing £000	New Add'l Grant £000	2011-12 Prov Allocation £000	Comments / implications Of ceasing and reduction in grants
Children's Services							
Early Intervention							
ContactPoint	96	-	-	-	-)	
Think Family Grant	649	-	-	-	-)	
Youth Opportunity	424	-	-	-	-)	
Aiming High for Disabled Children	1,641	-	-	-	-)	
Foundation Learning	133	-	-	-	-)	
Targeted mental health	150	-	-	-	-)	
Challenge & Support Grant	75	-	-	-	-)	
YCAP	190	-	-	-	-)	
Children's Social Care Workforce	-	-	133	-	-)	
Childrens Fund	-	-	1,241	-	-)	15,066
Childrens Trust Fund	-	-	17	-	-)	£1m included in Budget 2011/12. See Section 4.4. (b) of report.
Connexions	-	-	3,299	-	-)	
Positive Activities for Young People	-	-	756	-	-)	
Youth Taskforce (Respect)	-	-	40	-	-)	
Teenage Pregnancy	-	-	185	-	-)	
Young People Substance Misuse	-	-	46	-	-)	
January Guarantee	-	-	54	-	-)	
Childrens Centres	7,688	-	-	-	-)	
Early Years Sustainability	1,463	-	-	-	-)	
Early Years Workforce	1,324	-	-	-	-)	
2 Year old learning	337	-	-	-	-)	
CYP Early Intervention total	14,170	0	5,771	-4,875	0	15,066	
FE funding from LSC 19+	1,565	-	-	-	-	1,565	To be announced in summer
Play (Pathfinders & Playbuilders)	18	-	-	-18	-	0	Reduction can be managed

GRANTS	2010-11 Original Allocation £000	Transfer to Formula Grant £000	Transfer from ABG Grant £000	Grants Ceasing Reducing £000	New Add'l Grant £000	2011-12 Prov Allocation £000	Comments / implications Of ceasing and reduction in grants
Children's Services							
PFI	5,472	-	-	-	-	5,472	Part of the Capital Block
Youth Offending Teams Grant	1,007	-	-	-	-	1,007	Announcement expected
Music Service	712	-	-	-	-	712	Announcement expected
Extended Rights to Free Transport	-	-	152	-	-	152	Announcement expected
Young People Substance Misuse (HO)	-	-	104	-	-	104	Included in Budget 2011/12
CYP Other	8,083	0	256	-18	0	9,032	
CYP TOTAL	22,964	0	6,027	-4,893	0	24,098	
Adult Services							
AIDS support	48	-48	-	-	-	0	Now in Formula Grant
Social Care Reform	1,870	-	-	-1,870	-	0	Known to be ending. Government recycled funds into Formula Grant.
Stroke Strategy	105	-	-	-105	-	0	Reduction managed. Government recycled funds into Formula Grant
Learning Disability & Health Reform	-	-	-	-	6,709	6,709	Formerly paid from the PCT
	2,023	-48	0	-1,975	6,709	6,709	
Finance							
Housing & Council Tax Benefit Admin	3,417	-	-	-153	-	3,264	Reduction managed by EVR / VS
Mandatory Rent Allowances: subsidy	113,195	-	-	-	-	113,195	Ongoing based on actual spend
Council Tax Benefit Subsidy	28,166	-	-	-	-	28,166	Ongoing based on actual spend
HB Discretionary payments	311	-	-	-	-	311	Ongoing based on actual spend
NNDR Cost of collection	388	-	-	-	-	388	Ongoing
	145,477	0	0	-153	0	145,324	

GRANTS	2010-11 Original Allocation £000	Transfer to Formula Grant £000	Transfer from ABG Grant £000	Grants Ceasing Reducing £000	New Add'l Grant £000	2011-12 Prov Allocation £000	Comments / implications Of ceasing and reduction in grants
Law,HR & Asset Management							
Registrars	10	-	-	-10	-	0	Reduction can be managed
Workstep	50	-	-	-50	-	0	Reduction can be managed
Stronger Safer Communities Fund (HO)	-	-	288	-	-	288	Included in Budget 2011/12
In shore fisheries	-	-	-	-	17	17	New grant January 2011
	60	-	288	-60	17	305	
Corporate Services							
Housing Market Renewal	2,589	-	-	-2,589	-	0	Cabinet 3 February agreed to bid of £600k to use Community Fund. Staff reduced to minimum through EVR/Voluntary Severance scheme.
Single Programme	200	-	-	-200	-	0	Reduction can be managed
Housing Strategy	239	-239	-	-	-	0	Now in Formula Grant
Homelessness	50	-	-	-	171	221	Increase of £75k for work on under-occupation £80k for tenancy fraud
European Community grants	75	-	-	-75	-	0	Reduction can be managed
	3,153	-239	0	-2,864	171	221	
Technical Services							
Road Safety training via CYP	39	-	-39	-	-	0	Staff on fixed term contracts and training will cease
Waste Infrastructure Grant	202	-	-	-202	-	0	Included in Budget 2011/12
Flood Defence	-	-	-	-	122	122	New but private sewer grant ended
	241	0	-39	-202	122	122	
Total excluding Schools	173,918	-287	6,276	-10,147	7,019	176,787	