

WIRRAL COUNCIL

CABINET

18 OCTOBER 2007

REPORT OF THE DIRECTOR OF FINANCE

SPECIFIC GRANTS

1. EXECUTIVE SUMMARY

- 1.1. This report details the revenue grants received by the Council in 2007/08 and makes recommendations as to how variations in the level of grants should be treated in the 2008-09 budget.

2. SPECIFIC GRANTS

- 2.1 Specific Government grants are designed to aid particular services and may be revenue or capital in nature. Such grants usually have conditions attached so that they can only be used to fund spending on meeting specified objectives.
- 2.2 Over the period of the current Comprehensive Spending Review the Government has sought to reduce the number of specific grants through incorporation within the general grant (Formula Grant). A major exception to this was the introduction of the Dedicated Schools Grant that provides resources specifically for schools.
- 2.3 The evolution of the Local Area Agreement has resulted in a number of grants being allocated under an area based approach to Government grant support. The Comprehensive Spending Review 2007 (CSR) is expected to result in the further consolidation of grants either into the Formula Grant or into the Area Based Grant. The Government has indicated that this Area Based Grant will not be ringfenced and is to be used to meet the agreed priorities and objectives contained within the Local Area Agreement.
- 2.4 Government grants form part of the Local Government Finance Settlement which is announced from early December. The detailed allocations are made available in the subsequent weeks leading to the Final Settlement being issued in February. As regards the 2007/08 financial year the final determination has still to be received in respect of the Local Area Agreement grants.

3. FUTURE DEVELOPMENTS

- 3.1 The Appendix details those specific grants to be received by the Council during 2007/08. For 2008/09 onwards the expectation is that the number will be reduced. This will become clearer following the Comprehensive Spending Review and Local Government Finance Settlement.
- 3.2 The Department of Health, which has been particularly slow in announcing specific grants in recent years, has indicated that it intends to transfer all specific grants with the exception of the AIDS support grant into the Formula Grant during the period of the CSR upto 2011.
- 3.3 In preparing the budgets for 2008-2011, I propose the following action in respect of specific grants:-
- (a) any new grants should be reported to the Cabinet with an explanation of their proposed use.
 - (b) any grant increases of greater than inflation should be reported similarly.
 - (c) for any grants which are reduced it is assumed that expenditure will be reduced accordingly.

4. FINANCIAL AND STAFFING IMPLICATIONS

- 4.1 The Council expects to receive specific grants totaling £415 million during 2007/08.
- 4.2 There are no staffing implications arising from this report.

5. EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 There are none arising directly from this report.

6. HUMAN RIGHTS IMPLICATIONS

- 6.1 There are none arising directly from this report.

7. COMMUNITY SAFETY IMPLICATIONS

- 7.1 There are no specific implications arising from this report.

8. LOCAL MEMBERS SUPPORT IMPLICATIONS

- 8.1 There are no specific implications for any Member or Ward.

9. LOCAL AGENDA 21 IMPLICATIONS

- 9.1 There are none arising directly from this report.

10. **PLANNING IMPLICATIONS**

10.1 There are none arising from this report.

11. **BACKGROUND PAPERS**

11.1 There were none used in the preparation of this report.

12. **RECOMMENDATION**

12.1 That Chief Officers in receipt of specific grant funding:-

- (a) Report to Cabinet any increase in grant funding, in excess of inflation, including any new grants, and the intended usage of such additional or new funding.
- (b) Report to Cabinet any reduction in grant funding, which cannot be matched by a corresponding reduction in spending, together with the implications.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/247/07

APPENDIX

SUMMARY OF REVENUE GRANTS 2007/08

Department	Grant	Amount £000
Adult Social Services	Access & Systems Capacity	3,997
	Preserved Rights	2,883
	Carers	1,380
	Mental Health	995
	National Training Strategy	751
	Delayed Discharges	732
	Preventative Technology	368
	HR Development Strategy	348
	Emergency Respite Carers	186
	Mental Capacity PSS	115
	AIDS Support	35
Children & Young People	Dedicated Schools	179,479
	Standards Fund – Other	23,792
	Further Education (LSC)	18,040
	Connexions	17,804
	Standards Fund – School Standards	10,389
	Sure Start	8,018
	Children’s Services	1,445
	Youth Offending Teams	1,246
	Children’s Fund	1,241
	Adult & Community Learning (LSC)	836
	Child & Adolescent Mental Health	670
	Carers	276
	Sharing IS Index	188
	Teenage Pregnancy	185
	National Training Strategy	167
	HR Development Strategy	64
	Asylum Seekers	30
Corporate Services	Workstep	50
	Planning Delivery	17
Finance	Housing Benefit/Council Tax	117,077
	Discretionary Housing Payments	210
Regeneration	Supporting People	10,629
	Neighbourhood Renewal Fund	7,700
	Community Safety	478
	Tranmere Together	350
	Family Intervention Programme	315
	Planning Delivery	234
	Single Regeneration Budget	216

Department	Grant	Amount £000
	Mersey Waterfront Regional Park	200
	Smoke Free	150
	Partnership Support	150
	Respect Area	125
	Museums	79
	Birkenhead Town Centre	59
	Homelessness	50
	Respect – Parenting	50
	Lottery	41
	ARCH Initiatives	36
	Trading Standards	28
	New Opportunities	15
Technical Services	Waste Efficiency	646
	Planning Delivery	148
TOTAL		414,713