

HAMPSHIRE AND ISLE OF WIGHT LOCAL GOVERNMENT ASSOCIATION

28 September 2007

HOME OFFICE FUNDING CUTS

Report by County Council Chief Executive

RECOMMENDATIONS

- (1) That the offer of cash contributions of approx £48,000 from the County Council and £25,000 from the Hampshire LAA development fund to mitigate the impact of Home Office funding cuts for 2007/2008 on Hampshire Crime and Disorder Reduction Partnerships and Drug and Alcohol Action Team be recognised;
- (2) That Hampshire local authorities and partners seek to further address the impact of cuts locally; and
- (3) That taking into account the cash contributions from the County Council and the confirmed commitments to county projects stated in this report, the District Councils support the proposal that funds being received by the County Council via the LAA be distributed as per the indicative Home Office allocations, subject to adjustment required to accommodate the final LAA determination from the Government Office.

SUMMARY

This item is particularly addressed to Leaders of District Councils who met in July with the County Council to consider Home Office funding cuts. Authorities and Strategic Partnerships have objected in the strongest possible terms to these cuts. The County Council is now offering additional funding to mitigate some of the funding cuts to the Crime and Disorder Reduction Partnerships (CDRPs) and Drug and Alcohol Action Team (DAAT).

This report gives details of the impacts of the cuts and proposals to mitigate them.

BACKGROUND

1. During the current financial year, the Home Office announced a cut of 14% in Safe and Strong Communities revenue funding which now forms part of the Local Area Agreement Grant.
2. The agreed arrangement for 2007/08 was for Local Area Agreement (LAA) Grant to be passported in full to previous recipients. The original expected indicative allocations together with the reduction impact on the 11 CDRPs and the DAAT is shown below:

Recipient	original expected amount £	reduction impact £	resulting allocation £
Basingstoke & Deane	13,0755	-18,378	112,377

Recipient	original expected amount £	reduction impact £	resulting allocation £
East Hampshire	98,621	-13,862	84,759
Eastleigh	116,170	-16,328	99,842
Fareham	107,470	-15,105	92,365
Gosport	109,632	-15,409	94,223
Hart	90,613	-12,736	77,877
Havant	131,421	-18,472	112,949
New Forest	144,085	-20,252	123,833
Rushmoor	99,097	-13,929	85,168
Test Valley	108,991	-15,319	93,672
Winchester	107,077	-15,050	92,027
DAAT	120,111	-16,882	103,229
TOTAL	1,364,043	-191,722	1,172,321

PROGRESS ON CONSIDERING THE IMPACT OF CUTS

3. In July, the Hampshire LAA Board considered options for dealing with this reduction. A significant amount of CDRP spending had been committed, including for salaries and projects. The resultant cuts as per these allocations could impact adversely on local activity and projects of CDRPs, and on county-wide projects which are being jointly funded. Other options to be explored were whether the LAA Grant could be used flexibly and whether partners would ensure that from mainstream budgets, the community safety activity would not be affected.
4. To assist in managing the impact of the cuts, the County Council offered to make payments in 07/08 equal to the full amount of the originally expected funds in order to manage cashflow on the basis that this would be taken back from the CDRP allocation in the 08/09 grant. Given that future funding levels from the Home Office are uncertain, this might mean that a double cut would result for 08/09 and districts agreed it would be preferable for this problem not to accumulate.

THE LATEST PICTURE

5. Some further information has been requested from partners to inform further consideration of this matter.
6. In terms of the rest of the LAA Grant:
 - A final determination has still not been received from Government Office for the South East (GOSE) despite continued requests so the total amount for allocation is not known.
 - Most of the funds centrally pooled in the LAA Grant relate to Children's services and, to the extent that these funds are known, they are already committed to delivering core services.

- The other element of the Grant relates to Waste Performance and Efficiency, some of which is retained by Hampshire County Council (HCC) and some is to be allocated to districts. The revenue elements of this can be vired (under the single pot LAA) at a district level – whilst there is little feedback on whether this has been explored, it is likely that this is fully committed in 07/08. The 50% County revenue element has also already been committed within the waste disposal budget.

CONFIRMED COMMITMENTS/IMPACT ON COUNTY-WIDE PROJECTS

7. In terms of the county-wide projects previously funded jointly for community safety – confirmation has been received from district CDRPs of the following contributions (revenue or capital) irrespective of the cuts:

Recipient	Data Exchange (CADDIE) £	Drug Intervention Programme (DIP) £	Youth Inclusion Support Programme	Domestic Violence (DV) £	Alcohol Co-ordinator £
Basingstoke & Deane	3,636	8,183	9,000	2,850	4,582
East Hampshire	2,548	4,899	8,508	1,137	2,743
Eastleigh	3,500	7,058	9,000	0 (but met from EBC)	3,953
Fareham	3,636	6,383	9,000	0	3,574
Gosport	2,968	6,546	9,000	2,281	3,667
Hart	2,301	2,500	9,000	1,000	2,000
Havant	3,733	8,235	9,000	2,868	4,611
New Forest	4,179	9,218	9,000	0	5,162
Rushmoor	3,636	5,738	9,000	1,998	3,213
Test Valley	3,636	6,503	9,000	2,264	3,641
Winchester	2,883	6,360	9,000	2,215	3,561
HCC	3,636 plus management costs			6,000 training element	

8. Given these commitments, payments can now be made from the LAA Grant prior to allocation of resources to CDRPs.

IMPACT ON LOCAL ACTIVITY AND CONTEXT OF LOCAL AUTHORITY MAINSTREAM INPUT

9. In view of these commitments, the impact on the district CDRP budgets, together with a basic indication of wider resources which are already applied by local authorities for community safety activity are as follows:

Authority	Impact on CDRP budget taking into account commitment to county projects	Wider local authority contribution to community safety
Basingstoke & Deane	Full amount (-£18,378)	£847,400 staff costs for council community safety and wardens teams
East Hampshire	-£11,325. No other funding sources will be used to compensate for the cuts. Any operational implications will have to be covered by existing resources.	EHDC, staff cost and associated on-costs - £70,000 Police contribution to Community Safety TCG projects - £50,000
Eastleigh	EBC Cabinet to consider possibility of meeting 50% of shortfall plus saving on DV Co-ordinator vacancy equivalent to total of £9,188 – request that the remaining shortfall of £7,140 be met from LAA or other partners	Capital: CCTV - £25,000 Digital Systems - £5,000 Stand-alone CCTV - £10,000 Area Committee CS-related Projects - £15,000 Road Lighting enhancements - 8,000 Total Capital - £63,000 Revenue: CCTV - £195,000 Community Safety Team Budget - £122,000 Area Committee Comm Safety Spending - £15,000 15% of Local Area Co-ordinators and Street Scene Manager time) - £55,000 Total Rev - £387,000 TOTAL - £450,000

Authority	Impact on CDRP budget taking into account commitment to county projects	Wider local authority contribution to community safety
Fareham	Full amount (£15,100) Joint domestic abuse co-ordinator post with Gosport will be cut (-£8,000). Local tasking and co-ordinating budget cut (-£3,500). Cut in revenue support for Council of Community Service delivered initiatives (-£3,600)	Not supplied
Gosport	Full amount (-£15,409)	Staff 73,000, Initiatives £20,000, CCTV £207,380
Hart	Full amount – could threaten the sustainability of the Community Wardens Scheme or the ASB function	Only OCU funding
Havant	Full amount (-£18,472) including reduced contract for Anti-Social Behaviour Co-ordinator	CS budget £47,000 CS staffing £40,000 CCTV £323,000
New Forest	Full amount (-£20,252)	£800,000 including CCTV, emergency planning and contribution to ACSOs)
Rushmoor	The budget is being reviewed to determine if savings can be made to compensate for the reduction. A commitment has already been made for 2007/8 to fund the PPO Scheme (£15,000), Partnership Officer, Anti-Social Behaviour Coordinator, Neighbourhood Wardens and a P/T Analyst amounting to approximately £80,000.	The wider budgets account for at least £856,000 as follows:- £182,000 Community Safety Team £446,000 CCTV £228,000 Community Patrol Team
Test Valley	Full amount (-£15,319)	Not supplied

Authority	Impact on CDRP budget taking into account commitment to county projects	Wider local authority contribution to community safety
Winchester	Full amount (-£15, 050) including abandoning joint funded Early Intervention post, cancellation of annual conference, Pub Watch Scheme to be supported by other resources and reduction of Fire Setter Intervention Project	Not supplied
Hampshire County Council		Some examples include: ACSOs - £1,600,000 Under age sales - £95,000 YOT £2,100,000 DAAT – management and support costs and proportion of adult care budget through DAAT joint commissioning process

10. It should be noted that the Hampshire DAAT has suffered cuts in its own Partnership Grant of £16, 882 but also in the following main programmes which it leads:
- Pooled treatment budget - 1%
 - Drug Intervention Programme 11.7%
 - Young Person’s Substance Misuse Grant education and prevention elements (via the CYPP) - 30% over 3 years
11. The LAA Board has previously agreed to pool some resources to support the initial development of the LAA in year 1 (LAA Performance Co-ordinator post).
12. The County Council also agreed to contribute £100,000 in year 2 to address capacity problems identified by partners, including the co-ordination of Priorities B and H and other co-ordination costs. It has also been used to support the cost of the Performance Co-ordinator in Year 2 and to underwrite the costs of the Domestic Violence (DV) Co-ordinator (£25,000) so that recruitment was not further delayed. This year 2 contribution was on the basis agreed by the LAA Board that there would be matching funds from non-HCC elements of the LAA Grant in year 3.

PROPOSAL TO MITIGATE THE IMPACT ON CDRPS IN 07/08

13. The LAA capacity funds could accommodate costs of the DV Co-ordinator post (£25,000).
14. County Council can offer to meet the local authority costs of the Alcohol Co-ordinator post in 07/08 (approx £39,500) from its own resources (community strategy budget) on the basis that this is a strategic project supporting all Hampshire CDRPs.

15. These two actions would mitigate the effects of the cuts to CDRPs by approx £64,500 (34% of the Home Office cut). This would be on the basis that all local authorities consider carefully whether they were able to also try to mitigate locally the impact of the cuts on their respective CDRPs.

PROPOSAL TO MITIGATE THE IMPACT ON THE DAAT

16. The County Council can offer to offset the impact on the DAAT Partnership Grant by 50% (£8,400) from its own resources (Community Strategy Budget).

FUTURE ARRANGEMENTS

17. Despite a final determination still not having been received from Government Office for the South East, LAA Grant payments are now being received by Hampshire County Council. Subject to agreement on these proposals, the Home Office element of the funds could be passed to the respective agencies for the county projects and the remainder to District Councils.
18. The proposed arrangements would be for 07/08 only. The future of Home Office funding for community safety via the LAA will not be clear until the outcome of the Comprehensive Spending Review is known. It is intended that the use of LAA Grant and wider resources in relation to the relevant community safety aspects of the national performance framework and the Assessment of Policing and Community Safety will need to be led by the new Hampshire County Strategy Group for Crime and Disorder as part of a strategic commissioning role. This group is currently being formed with the first meeting on 1 October 2007.

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Date: 18 September 2007
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Home Office Funding Cuts/reports