

## **TAYSIDE COMMUNITY JUSTICE AUTHORITY**

**Meeting:** Tayside Community Justice Authority - 17 March 2015

**Title:** Tayside Community Justice Authority Criminal Justice Social Work Services Grant Allocation & Revenue Budget 2015/16

**Report by:** Marjory Stewart, Treasurer

**Report No:** TCJA 237-2015

**Abstract** – This report informs members of the Tayside Community Justice Authority (CJA) grant allocation for 2015/16.

The Scottish Government notified the Chief Officer of the grant allocation for local authority based criminal justice services for 2015/16 in late November 2014. The grant allocation has reduced by £62,872 (0.8%) from the comparable baseline figure for 2014/15, reflecting the use of updated workload and needs data in the Core funding allocation formula. Additional funding has been made available for the nationwide roll-out of Fiscal Work Orders.

At a local level, the allocations to the three constituent local authorities have been rolled forward from 2014/15 into 2015/16 and adjustments have been applied to reflect the reduction in the grant allocation and the roll-out of Fiscal Work Orders. Allowance has been included for the projected running costs of East Port House.

As expected, the additional funding for Services for Women Offenders has now been discontinued.

### **1.0 Recommendation(s)**

**1.1** It is recommended that the Community Justice Authority (CJA):

- notes the Scottish Government Criminal Justice Social Work Services grant allocation for the Tayside CJA for 2015/16
- approves the allocation of this funding to the constituent Local Authorities to provide criminal justice services
- notes the position on East Port House for 2015/16

- notes that the additional funding for Services for Women Offenders has now been discontinued

## **2.0 Background**

- 2.1 The Management of Offenders, etc (Scotland) Act 2005 places a responsibility on the CJA to allocate to the appropriate local authorities any amount paid to it under Sections 27(A)(1) and 27(B)(1) of the Social Work (Scotland) Act 1968. Community Justice Authorities are responsible for the effective financial management of the funds allocated to their CJA, including resource allocations across the constituent local authorities.
- 2.2 Members will recall the important changes in the funding system that were introduced in 2013/14 and which were aimed at providing CJAs with increased flexibility in how they use their Section 27 funding allocation. The key changes introduced were:
- there is no longer a distinction made between core and non-core funding at the point of allocation from the Scottish Government
  - CJAs no longer require to seek approval from the Scottish Government to vire funds between budget heads
  - CJAs will be free to allocate funds as they see fit across their CJA area in accordance with their Area Plan and in the way they see as most appropriate to fulfil their statutory obligations and to reduce reoffending
- 2.3 The Scottish Government informed the Chief Officer of the Tayside allocation for 2015/16 in late November 2014. Tayside CJA's single line allocation for 2015/16 has been notified as £7,765,060. This represents a reduction of £62,872 (0.8%) against the comparable baseline figure for 2014/15 and reflects the use of the most recent data sets for workload and needs factors in the formula allocation for core funding. The dampening mechanism that was previously applied to limit the volatility in core funding allocations has now been removed from the funding formula. This has been replaced by a "floor and ceiling" arrangement that caps any year-on-year movements in individual CJA allocations (-2% for reductions, +4% for increases).
- 2.4 Within the 2015/16 single line allocation, additional funding has been made available for the nationwide roll-out of Fiscal Work Orders (FWOs). Previously, seven Council areas were pilot sites for FWOs including Dundee City Council who received a funding allocation of £50,000 per annum. Tayside CJA has received an allocation of £62,500 for the

nationwide roll-out of FWOs in 2015/16. The local Criminal Justice Service Partnership Management Team (CJS PMT) has agreed that this allocation should be split as follows: Angus Council 25% (£15,625), Dundee City Council 50% (£31,250) and Perth & Kinross Council 25% (£15,625). The levels of demand and workload associated with FWOs will be reviewed regularly during 2015/16 and funding will be re-allocated if necessary.

- 2.5 As expected, the additional funding previously made for Services for Women Offenders has now been discontinued. However, in a letter dated 23 February 2015, the Deputy Director at the Community Justice Division of the Scottish Government advised as follows:

*"..I am aware that some projects are facing difficulty in securing funding. Notwithstanding the responsibility that grant recipients accepted to secure sustainable funding, I would be willing to consider exceptional requests from projects seeking funding in 2015-16, where it will not be possible to sustain a project to an acceptable level from local resources."*

It is understood that the CJS PMT is currently considering this matter.

- 2.6 The single line allocation for 2015/16 has been considered by the CJS PMT and also discussed with CJA officers. It has been agreed that the 2014/15 allocations to the three constituent Local Authorities should be rolled forward into 2015/16. Thereafter, adjustments have been made to reflect the factors detailed in paragraphs 2.4 and 2.5 above. This leaves a funding gap of £75,372 in 2015/16. The CJS PMT has identified areas where the current budget allocations will be reduced to address this funding gap. Appendix 1 shows a summary reconciliation of the year-on-year movement in allocations at constituent Local Authorities level.
- 2.7 Despite the move to a single line allocation, it is still necessary for the CJA to retain the previous core and non-core detailed budget headings for the purposes of budget preparation, budget monitoring and final accounts preparation. Appendix 2 shows the proposed 2015/16 allocation to the constituent Local Authorities, on a line-by-line basis.
- 2.8 The overall reduction in funding, together with the requirement to fund a pay award and other cost and demand pressures, will undoubtedly place further pressure on social work criminal justice services in 2015/16 and will mean that difficult decisions will have to be taken. It is anticipated that the following actions will again have to be taken to balance the budgets across criminal justice services:
- increasing staff slippage targets
  - holding some posts vacant indefinitely
  - freezing or reducing payments to the voluntary sector/partner bodies

- freeze on possible service developments

Further, it is understood that for a number of years now the Constituent Local Authorities have been funding a proportion of their Criminal Justice Services from their mainstream budgets.

- 2.9 Following a change in Supporting People funding arrangements, it had been necessary since 2008/09 to vire funds from other budget headings to cover a funding shortfall for East Port House. These virements have required the approval of the Scottish Government. Following the introduction of a single line allocation in 2013/14, it is no longer necessary to identify such virements and seek approval for them. Within the single line allocation for 2015/16, it has been possible to include in full the projected running costs of East Port House (£607,668). For information, this equates to a projected funding shortfall of £118,615 in 2015/16 when compared to the previous dedicated Scottish Government allocation for the project. The on-going funding position continues to be considered as part of the work programme of the East Port House Options Group.
- 2.10 The Scottish Government have again advised that, in exchange for the increased flexibility in the funding system, they expect to see progress being made by CJAs towards the Scottish Government national outcome of reduced reoffending. CJAs and other stakeholders should engage in early discussions about how to utilise resources most effectively, and CJAs should particularly look to the Scottish Government report: *What Works to Reduce Reoffending: A Summary of the Evidence*, as an aid to determining how to strategically commission services. The expectation is that CJA Annual Reports will provide evidence as to how funding has been used and how CJAs are contributing to the national outcome of reducing reoffending.
- 2.11 The Scottish Government have also again advised that if any non-core sums are not spent on the projects, pilots or areas of activity the funding was originally provided for, then CJAs remain accountable for those decisions, and the Scottish Government will initiate discussions about whether the same amount of funding should continue to be provided for that purpose. The Scottish Government are systematically reviewing non-core lines as part of the work of the funding workstream within the Reducing Reoffending Programme phase two (RRP2).
- 2.12 The multi-agency Funding Review Group (established as part of the RRP2 Programme) continues to review existing community justice funding arrangements and how best it might support the work on the wider redesign of community justice. Within this workstream, the unit costing exercise is due to report soon. This was commissioned by the Scottish Government with the purpose of improving knowledge amongst the various stakeholders of the costs of providing criminal justice social work services.

### **3.0 Proposal(s)**

- 3.1 It is proposed that the allocation of the Scottish Government grant for 2015/16 across the local authority criminal justice services be adopted as outlined in Appendix 2.

### **4.0 Consultation**

- 4.1 The three local authorities within the Tayside Community Justice Authority area have been consulted in the preparation of this report.

### **5.0 Financial/Resource Implications**

- 5.1 The financial and resource implications are noted above.

### **6.0 Strategic Objectives**

- 6.1 Tayside CJA is required to allocate funding to criminal justice social work services in order that these services can be delivered in line with National Objectives and Standards for Social Work Services in the Criminal Justice System, with the National Strategy for the Management of Offenders, and with the Tayside CJA Area Plan.

### **7.0 Conclusion**

- 7.1 The overall reduction in the 2015/16 grant allocation from the Scottish Government, together with the requirement to fund a pay award and other cost and demand pressures, has further increased the pressure on criminal justice social work services to effectively meet increasing demands. Individual local authorities will have to take action to bring planned expenditure for 2015/16 in line with their grant allocations.

**Marjory Stewart**  
**Treasurer**  
**Tayside Community Justice Authority**

**4 March 2015**

## TAYSIDE COMMUNITY JUSTICE AUTHORITY

## RECONCILIATION OF CRIMINAL JUSTICE SERVICE GRANT ALLOCATION 2015/16

	<u>Dundee</u> <u>£000</u>	<u>Perth &amp; Kinross</u> <u>£000</u>	<u>Angus</u> <u>£000</u>	<u>Total</u> <u>£000</u>
Original allocation 2014/15	4,915,075	1,551,334	1,617,485	8,083,894
<u>Less Funding for Women Offender Services</u>	<u>(118,800)</u>		<u>(137,162)</u>	<u>(255,962)</u>
Baseline allocation 2014/15	4,796,275	1,551,334	1,480,323	7,827,932
Adjustments reflected in 2015/16 allocation:				
Cessation of Fiscal Work Orders Pilot	(50,000)			(50,000)
Roll-out of Fiscal Work Orders	31,250	15,625	15,625	62,500
	<u>(18,750)</u>	<u>15,625</u>	<u>15,625</u>	<u>12,500</u>
Reductions in 2015/16 budget lines:				
Supported Accommodation	(10,000)			(10,000)
Arrest Referral		(16,000)		(16,000)
CPO - Unpaid Work	(24,686)	(12,343)	(12,343)	(49,372)
	<u>(34,686)</u>	<u>(28,343)</u>	<u>(12,343)</u>	<u>(75,372)</u>
<b>2015/16 allocation</b>	<b><u>4,742,839</u></b>	<b><u>1,538,616</u></b>	<b><u>1,483,605</u></b>	<b><u>7,765,060</u></b>
Year-on-year movement (£)	(53,436)	(12,718)	3,282	(62,872)
Year-on-year movement (%)	(1.1)	(0.8)	0.2	(0.8)

## TAYSIDE COMMUNITY JUSTICE AUTHORITY

## CRIMINAL JUSTICE SERVICE GRANT ALLOCATIONS PER AUTHORITY FOR 2015/16

	Tayside CJA Budget 2015/16 £	Dundee Grant Allocation 2015/16 £	Perth Grant Allocation 2015/16 £	Angus Grant Allocation 2015/16 £
<b><u>Core Services</u></b>				
CPO - Probation	807,001	393,563	230,729	182,709
CPO - Unpaid Work	1,622,157	981,274	320,059	320,824
CPO - Supervised Attendance Orders	518,387	235,352	82,389	200,646
Criminal Justice Social Work Reports	1,478,874	898,546	247,908	332,420
Throughcare	501,442	323,286	123,629	54,527
Throughcare Addiction Services	36,851	19,531	9,213	8,107
Home Detention Curfews	24,783	15,135	4,914	4,734
Diversion	8,909	3,902	3,216	1,791
Bail	147,816	82,490	31,860	33,466
Court Services	342,730	200,657	79,013	63,060
DTTO	542,585	354,892	85,646	102,047
<b>Total Core Services Grant allocation 2015/16</b>	<b>6,031,535</b>	<b>3,508,628</b>	<b>1,218,576</b>	<b>1,304,331</b>
<b><u>Non-Core Services</u></b>				
<b><u>Centrally Initiated Funding</u></b>				
Arrest Referral	188,752	0	188,752	0
Delivery of National Training Programme	20,000	20,000	0	0
Community Sex Offender Groupwork Programme (CSOGP) / Moving Forward: Making Changes / Tay Project	274,338	265,950	4,239	4,149
Fiscal Work Orders (roll-out)	62,500	31,250	15,625	15,625
MAPPA - Co-ordinator and Administrator	61,500	61,500	0	0
MAPPA - Co-ordinator and Administrator	72,726	29,242	21,742	21,742
<b><u>Locally Initiated Funding</u></b>				
Supported Accommodation - East Port House	607,668	607,668	0	0
Supported Accommodation - Other	97,806	15,258	41,818	40,730
<b><u>Angus:</u></b>				
Fergus Programme	28,085	0	0	28,085
<b><u>Dundee:</u></b>				
APEX Employment	104,876	98,960	2,993	2,923
Intensive Probation	104,383	104,383	0	0
<b><u>Perth &amp; Kinross:</u></b>				
Forensic Social Worker	44,871	0	44,871	0
<b><u>Other Non-Core Projects</u></b>				
Structured Deferred Sentence	66,020	0	0	66,020
<b>Total Non-Core Services Grant allocation 2015/16</b>	<b>1,733,525</b>	<b>1,234,211</b>	<b>320,040</b>	<b>179,274</b>
<b>TOTAL GRANT ALLOCATION 2015/16</b>	<b>7,765,060</b>	<b>4,742,839</b>	<b>1,538,616</b>	<b>1,483,605</b>