

Overview

1. This paper provides an update on progress since the last meeting and reports on the outcome of the Ministerial meeting with leaders from the first phase Community Budgets areas of 24 March. It gives the latest position on requests of Whitehall.

Key Objective

2. To agree actions to assist the first phase Community Budgets for families with multiple problems - the first work strand in the Group's terms of reference.

Purpose of Discussion

3. Members are asked to:

- note the good progress areas have made in relation the number of families with multiple problems they are seeking to support over 10,000 families and for champions to continue to work with Birmingham, Essex, Kent and Lincolnshire as they develop their trajectories;
- consider and discuss progress on tackling issues identified by areas and to provide any updates since the Ministerial meetings on 24 March;
- encourage participation in workshops being organised by DH (around developing Community Budgets with emerging health structures) and DWP (around development of a 'virtual pot');
- note proposed Ministerial meeting following these departmental workshops;
- support LG Group work on considering how best to disseminate solutions to locally-identified issues to avoid areas re-inventing solutions.

Considerations

4. Minutes of the Ministerial meeting with leaders were circulated to members on 29 March. Key points which Members will need to be aware of, consider and discuss are below:

Key points from first half of the meeting

- Innovative finance e.g. payment by results needs to be explored – members have previously agreed that this is an on-going issue;
- Pooling is a key issue that should be considered by Baroness Hanham's working group;
- Police engagement is a cultural issue – encouragement is needed for police forces to collaborate on Community Budgets;
- LG Group should consider how best to disseminate solutions to locally-identified issues to avoid re-inventing solutions;

Key points from second half

- Community Budgets is about effective use of resources. Collectively progress was getting to something that all could be proud of that would also save money;
- European rules prevent pooling of ESF funding at source;
- DWP wants to get to a 'virtual pot' with the size negotiated locally and propose a half day workshop with 16 areas to go through the work programme and ESF approaches and work through how to deliver the 'virtual pot';
- DH want to hold a workshop with the 16 areas to ensure clarity about which organisations areas should talk to on what issues and how best to develop community budgets;

- DfE agreed to produce a note on pooling budgets for schools & academies. DfE officials would attend meetings between local authorities and schools/academies if that was helpful.
- DfE was convening a meeting with Eileen Munro for areas to discuss flexibilities.
- It was important to tackle the issues impacting on these Budgets and to get the Budgets right. Once done Community Budgets could be rapidly expanded to tackle other priority outcomes.

Requests of Whitehall

5. Annex B provides a list of the requests of Whitehall which have been addressed whilst Annex A provides the latest status on on-going and outstanding requests. In light of the actions agreed for DH and DWP workshops, agreed future work on data sharing and innovative financing, and the DfE actions referred above (para 4), the Group may wish to discuss progress on the live requests in Annex A and also seek confirmation that progress is being made on:

- encouragement for police forces to collaborate on Community Budget;

6. Ten leaders, together with their Chief Executives, are intending to work intensely with Baroness Hanham and Tim Loughton (DfE). The first meeting of Baroness Hanham's Group is later today and is covered in paper 3.

Communications

7. A background note listing key events has been provided with the papers. Eric Pickles spoke at Capita's conference on Community Budgets on Tuesday 29 March along with some members of the Group and representatives of some of the first sixteen places. The web story is at <http://www.communities.gov.uk/news/newsroom/1875618>

8. LG Group is organising events for Chief Executives in April and Leaders in May.

Annex A

Community Budgets for Families with Multiple Problems: Requests of Whitehall identified by the first phase areas to be concluded

Live requests of Whitehall

Dept	Issue	Status
DfE / MoJ	Addressing the major causes of delay in court care proceedings	Subject to discussions with MoJ and the West London Community Budget area, DfE to support Hammersmith & Fulham's proposed pilot to address the major causes of delay in court care proceedings.
HO/ MoJ	Enabling Drugs funding to be used for tackling Alcohol Abuse	Ongoing discussion between HO and Leicestershire on de-ringfencing funding for drugs and alcohol programmes.
MoJ	Issues around prisoner release/ pre-release dates and informing landlords when people go to prison.	MoJ has offered to work with Lewisham.
DH	Incorporate Family Nurse Partnership budget and 0-5 intervention programme into CB	DH has offered to work with Leicestershire.
CO	Transition Fund for VCS	Cabinet Office fund is closed but Champion has agreed to explore funds in other Departments.

Workshops and workstreams agreed to address complex issues

DWP half day workshop with the 16 areas: to address issues relating to the Work Programme, ESF funding and delivering a 'virtual' pot.

DH workshop with the 16 areas: to address issues relating to developing the best Community Budgets in light of the reforms to the health service.

Data Sharing and Innovative Financing: the Group has agreed that work should be taken forward on both of these themes.

Requests received from areas that have been addressed

Issue	Dept	Outcome
Encouragement to front-line organisations to engage positively on CBs	DWP, HO, MoJ, DH	Supporting letters sent to front-line organisations; Champions have brokered meetings where areas have asked for help
Identification of potential funding streams to help areas develop their CBs	All	Funding 'menu' circulated 22 December making clear this list is a starting point and not a definitive list
Support to define & identify the FMP cohort in each area & best practice solutions	DfE	DfE provided definitions based on research; background data for each area; & links to best practice guidance, case studies etc.
Additional funding to support investment in change & innovation	DfE	DfE have agreed to an investment fund & exemplar funding; financial incentive models - Greater Manchester and Lewisham are already part of a MOJ pilot on FIM to go live in April 2011. MOJ have also discussed the future viability of further FIM projects with Westminster and Islington. Here it was clarified that the pilot for 2011/12 could not be extended to include any other areas but they would be kept up to date on future developments arising from the current pilot. MoJ also expressed willingness to have similar discussions with Hull; CB Group agreed that innovative finance should be progressed as part of the Group's work.
Schools engagement with CBs	DfE	DfE to produce a note on pooling budgets for schools & academies. DfE officials offered to attend meetings between local authorities and schools / academies.
Flexibilities on assessment process (for children) / extending dispensations following Munro review	DfE	On common assessment, there is an interface with the recently published Green Paper on Special Educational Needs and the Munro review. DfE is committed to extending the Munro flexibilities. A meeting has been held with Eileen Munro and areas to discuss flexibilities and DfE will feed back on the outcomes.
Cross Ministerial Group	DCLG/All	Ministers met leaders from the 16 places on 3 March and 24 March, and are due to meet again. Baroness Hanham is leading a small group of Leaders and Chief Executives that will meet more frequently to provide political leadership and progress specific issues.
Analytical support to help areas assess different approaches to FMP & evaluate impact of these & CBs	All	Analysts are available to support areas; area/dept. analyst working group established to develop evaluation approach; CB Group agreed to involvement of IfG; depts working with Greater Manchester & Birmingham on their CBA approaches
Places given time to vision, shape, design and learn to achieve the best solutions.	All	Government recognise that 1 st April is just one milestone in a longer CB process
Clarity from Information Commissioner on legality of holding personal & sensitive information about an individual child on a family file	ICO	Positive response from Information Commissioner's Office provided to Swindon
Aligning Work Programme with CBs	DWP	DWP to write to preferred partners in CB areas to set out expectations and encourage them to work with local agencies. DWP to engage with contractors on an individual basis in areas where there were problems.
Access to discretionary JCP funding and staffing.	DWP	DWP want to be partners in delivery and confirmed JCP can pool discretionary funding around worklessness, though area partnerships must ensure they are engaging JCP.
'Top down driven targets' on	HO	HO no longer places any 'top down driven targets' on

Community Budgets Group (Meeting 5 April 2011)
Paper 2: Update on the First Phase Community Budgets

Issue	Dept	Outcome
police forces		forces.
Local flexibility over restorative justice approaches	MoJ	MoJ confirmed areas have flexibility on this.
Greater co-operation with NOMS/probation service on assessments for pre-lease and community orders	MoJ	MoJ confirmed that NOMS and Probation can pool budgets locally.
Co-operation of prison governor in Community Budget work and partnership working	MoJ	MoJ will work with the newly appointed governor to secure positive engagement.
Pooling of DTA / substance misuse budget	DH	DH confirmed flexibility for local drugs partnerships to pool
Pooling of public health budget	DH	DH confirmed flexibility for local pooling; Hull to contact DH if they find local barriers to this
Commitment to prioritization of early intervention and preventative health services for 'families', so that new commissioning arrangements focus on investing health resources early enough to reduce costly interventions. May require a degree of direction to cluster PCTs & shadow GP consortia in the early stages, as recommended by the Allen review.	DH	Local areas need to set their own priorities. The recommendations of the Allen review are currently being considered and are helping shape the Social Mobility and Child Poverty strategies which will inform PCT clusters and GP Consortia. Local areas have been given the freedom to decide on the local priorities and areas to which they should focus their resources being responsive to the different needs of each community.