

## LOCAL AUTHORITY CIRCULAR

**LAC(2005) 11**

To: The Chief Executive  
County Councils )  
Metropolitan District Councils ) England  
Shire Unitary Councils )  
London Borough Councils  
Common Council of the City of London  
Council of the Isles of Scilly

Chief Executive - Care Trusts  
Chief Executive - Strategic Health Authorities

The Director of Social Services

19th May 2005

## Mental Health Grant Guidance 2005-06

### Summary

1. The purpose of this circular is to provide guidance on the administration and conditions attached to the Mental Health Grant (MHG) for Councils with Social Service Responsibilities (CSSRs) in 2005-06. This guidance is aimed primarily at those CSSRs rated Zero, One and Two stars under the Department of Health's performance ratings system. Three star CSSRs and those two star CSSRs where the authority has been rated excellent under the Comprehensive Performance Assessment (CPA) will need to pay particular attention to the 'Grant Freedoms' section.
2. The MHG will be paid under section 31 of the Local Government Act 2003. This circular explains how the 2005/2006 Mental Health Grant (MHG) of £132.95 million breaks down between the core grant and the non-London Homeless Mentally Ill Initiative (HMII). It sets out the conditions attached to the grant and individual CSSRs' allocations. This circular also provides the forms required for the administration of MHG in 2005/2006 and the Statement of Expenditure forms for 2004/05 and 2005/2006.

### Action

3. Authorities are asked to:
  - a) note the allocations of the grant and arrangements for its payment
  - b) note the conditions to be applied

- c) Submit the appropriate forms as set out in Appendix B

## Background

4. The 2005/06 MHG comprises of one grant for adults of working age and one grant for the non-London HMII. The MHG grant available for allocation to councils is £132 million. The non-London HMII of £0.950 million will continue to be allocated on a 100%, 70:30 or 50:50 basis depending on how long the scheme has been running. Councils in receipt of HMII will be separately informed of their allocations.

## Allocation Formula & Payment of the Grant

5. Starting in 2004/05 there has been a staged transition from using the historic grant allocation method to using the adults' FSS formula. 2005/06 is the second year in that staged transition and as such, 50% of the grant is allocated using the adults' FSS formula and 50% using the historic allocation method. In 2006/07 it is proposed that the grant be allocated 75% using the adults' FSS formula and 25% using the historic allocation method.
6. A determination is attached at Appendix A. The determination confirms the individual allocations and sets out grant conditions. Grants will be paid in one instalment to three star councils and in quarterly instalments to all other councils. Indicative allocations dates and references for the payments are set out in Annex A of Appendix A.
7. The allocation set out in the Appendix A – Annex A vary from those issued in the PSS Finance settlement. The reason for this is that initially, for 2005-06, the 50% historical data element was calculated by reference to the 2004-05 allocation. This 2004-05 data contained a 25% FSS element. It should have been calculated on the basis of the 2003-04 allocation, this being the last year when 100% historical data was available.
8. Any recoveries due as a result of 2004/05 certification will be deducted from the final 2005/06 payment. This payment will be delayed if we are not in receipt of an auditor-certified statement of expenditure form for 2004/05.
9. We no longer require payment request forms; instalments will be paid automatically, with exception of the fourth instalment. This instalment will include any supplementary allocations from underspend bids, minus any surrenders and minus any recoveries. Funds will be transferred directly into each CSSR's bank account through the Bank Automated Credit System (BACS).

## Use of funding

10. Mental Health Grant (MHG) is for **revenue** expenditure only. It should not be used to finance any capital needs resulting from the development of services for people with mental illness. Nor may it be used as a substitute source of finance for social care being provided already, including any provision through joint finance or 'dowry' payments.
11. Further conditions of the grant are set out in the determination attached at Appendix A.

## Grant Freedoms for High Performing CSSRs

12. Three star CSSRs (as at November 2004) and authorities rated as CPA "excellent" (at December 2004) will have no conditions attached to their grant payments and a final

statement of expenditure will not be required. In addition, three star CSSRs will receive all of their MHG allocation in May.

13. Although CSSRs rated three star and two star CSSRs rated "excellent" under the Comprehensive Performance Assessment system are not required to follow the grant conditions outlined in this document much of the information and guidance is important and CSSRs are encouraged to read this circular.

## **End of Year Flexibility**

14. Three star CSSRs and two star CPA "excellent" authorities can carry forward up to 100% of their grant allocation.
15. Two star CSSRs not rated CPA "excellent" will be allowed to carry forward up to 25% of their total grant allocation. Carry forward for zero and one star authorities is up to 5%. Any grant carried forward will be the councils responsibility to manage the funds locally. The amount carried forward must be spent within 2006/07.

## **Underspend Exercise**

16. If funds cannot be used locally and end of year flexibility is not being used, CSSRs should inform the Department immediately they anticipate an underspend, to allow for reallocation to other CSSRs. In addition, with the exception of three star and two star excellent CSSRs all CSSRs are asked to complete the final outturn form MHG 1 attached at Appendix B. It must be signed at Director level and returned to the Department by 19th December 2005. This should enable CSSRs to provide an accurate forecast of final outturn against their indicative MHG allocations for 2005/2006, which takes account of any local reallocation of resources. When the form MHG 1 is returned to the Department any forecast underspend identified at item B2 should normally be released at item C2. Any forecasted underspend not released that remains unspent in 2005/2006 will be reclaimed the following year through the certification procedures.
17. All CSSRs including three star and two star excellent CSSRs may bid for a supplementary MHG allocation by completing section D of form MHG1. CSSRs that receive a supplementary allocation during the year should note that it will be a "one-off" payment for 2005/2006 and paid as part of the fourth instalment. CSSRs committing supplementary money to projects lasting beyond the end of the financial year should not assume that MHG support will be made available from the Department in future years to help them fulfil such commitments.

## **Expenditure certification requirements.**

18. Statements of Expenditure for 2004/05, form MHG EXP 2 at appendix B need not be completed by Three star CSSRs (as at November 2003) and authorities rated as CPA "excellent" (at December 2003), or by those councils receiving a MHG of £50K or less in 2004/05. All other councils should complete the form and return the pre auditor certified copy to the department by 3<sup>rd</sup> October 2005, and the auditor certified form by 3<sup>rd</sup> January 2006.
19. Statements of Expenditure for 2005/06 form MHG EXP 3 at appendix B need not be completed by Three star CSSRs (as at November 2004) and authorities rated as CPA "excellent" (at December 2004), or by those councils receiving a MHG of £50K or less in 2005/06. All other councils should complete the form and return the pre auditor

certified copy to the department by 2nd October 2006, and the auditor certified form by 2<sup>nd</sup> January 2007.

## **Cancellation of circular**

20. This circular should be cancelled on 1 April 2006. It replaces the guidance "*Mental Health Grant 2004/05*" – dated 4<sup>th</sup> March 2004.

## **Enquiries**

21. Any queries on this circular and its enclosures or the administration of the grant should be directed to-

Dorothy Francis, Department of Health, Rm 313, Wellington House, 135-155 Waterloo Rd, London, SE1 8UG.

Telephone: 0207 9724678

E-mail: [Dorothy.Francis@dh.gsi.gov.uk](mailto:Dorothy.Francis@dh.gsi.gov.uk) – Please use e-mail whenever possible when sending queries.

Further copies of this Circular may be obtained from Department of Health, PO Box 777, London SE1 6XH, Tel. 0870 1555455 or Fax 01623 724 524. Please quote the code and serial number appearing on the top right-hand corner. Current circulars are now listed on the Department of Health web site on the Internet at: <http://www.dh.gov.uk.letters/> Full text of recent circulars is also accessible at this site. © Crown copyright 2004. This Circular may be freely reproduced by all to whom it is addressed.

*This circular has been issued by:*

**Anthony Sheehan**  
**Director for Care Services.**

## **DETERMINATION UNDER SECTION 31 OF THE LOCAL GOVERNMENT ACT 2003 OF THE MENTAL HEALTH GRANT FOR 2005/2006**

### **Introduction**

1. This Determination is made by the Secretary of State for Health (“the Secretary of State”) under section 31 of the Local Government Act 2003<sup>1</sup> (“the 2003 Act”). It specifies grants that the Secretary of State proposes to pay to certain local authorities in England.
2. This Determination specifies the local authorities to which grants are to be paid, the services the grants are to be used to support, the amount which the Secretary of State proposes to pay each of the authorities concerned and the manner of payment. It also specifies the conditions that the Secretary of State intends to impose on the payment of the grants.
3. Before making this Determination, the Secretary of State obtained the consent of the Treasury in accordance with section 31(6) of the 2003 Act.

### **Mental Health Services**

4. Pursuant to section 31 of the 2003 Act, the Secretary of State hereby determines that the grants are to be paid towards revenue expenditure incurred by local authorities in the financial year 2005/2006 in respect of mental health services as defined in Annex B.

### **Amounts payable to local authorities**

5. Pursuant to section 31(1) and (3) of the 2003 Act, the Secretary of State hereby determines that the local authorities to which grants are to be paid are those authorities listed in column 1 of Parts 1 and 2 of Annex A, and the amount payable to each local authority is the corresponding amount set out in column 2 of Parts 1 and 2 of that Annex.

### **Payment of grant monies**

6. Grant monies shall be payable—
  - (a) to authorities listed in Part 1 of Annex A, on or before 23rd May 2005; and
  - (b) to authorities listed in Part 2 of Annex A, in four instalments of equal amounts to be paid on or before 23rd May 2005, 8th August 2005, 7th November 2005 and 6th February 2006 (“the final instalment”).

### **Conditions for the payment of the grants**

- 7.—(1) Subject to paragraph (2), and pursuant to section 31(4) and (5) of the 2003 Act, the Secretary of State hereby specifies, as the conditions which he intends to impose on the payment of the grants, the conditions set out in Annex B.
- (2) The conditions set out in Annex B shall not apply to—
  - (a) those authorities listed in Part 1 of Annex A; and
  - (b) those two star authorities listed in Part 2 of Annex A which are rated as “excellent” in a Comprehensive Performance Assessment as at December 2004.

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<sup>1</sup> 2003 C. 26.

(3) For the purposes of paragraph 7(2)(b)—

(a) a “two star authority” means a local authority which has been awarded that number of stars in the social services performance ratings published by the Commission for Social Care Inspection in November 2004<sup>2</sup>; and

(b) “Comprehensive Performance Assessment” means an assessment of council performance carried out by the Audit Commission as at December 2004<sup>3</sup>.

Signed by authority of the Secretary of State

[Date] 2005

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<sup>2</sup> For more information on the star rating system see:

[http://www.csci.org.uk/council\\_performance/star\\_ratings/default.htm](http://www.csci.org.uk/council_performance/star_ratings/default.htm)

<sup>3</sup> Further details can be found at: [www.audit-commission.gov.uk/cpa/index.asp](http://www.audit-commission.gov.uk/cpa/index.asp)

## ALLOCATIONS FOR THE MENTAL HEALTH GRANT FOR 2005/2006

## PART 1

LOCAL AUTHORITY	ALLOCATION
<b><i>Principal Metropolitan Cities</i></b>	
Newcastle Upon Tyne***	947,870
<b><i>Other Metropolitan Districts</i></b>	
Bolton***	754,396
Gateshead***	646,376
Kirklees***	936,695
Knowsley***	504,483
Sunderland***	888,703
<b>Inner London</b>	
City of London***	38,312
Kensington and Chelsea***	837,421
Southwark***	1,398,491
Tower Hamlets***	1,226,736
Wandsworth***	1,192,351
Westminster***	1,091,807
<b>Outer London</b>	
Bexley***	544,939
Kingston upon Thames***	455,396
<b>Shire Counties</b>	
Derbyshire***	1,697,634
Kent***	2,999,886
Leicestershire***	1,170,205
Somerset***	997,915
<b>Shire Unitary Authorities</b>	
Blackburn with Darwen***	385,114
North Lincolnshire***	379,885

## PART 2

<b>LOCAL AUTHORITY</b>	<b>INDICATIVE ALLOCATION</b>
<b><i>Principal Metropolitan Cities</i></b>	
Birmingham	2,988,846
Leeds	2,093,725
Liverpool	1,603,129
Manchester	1,646,627
Sheffield	1,704,465
<b><i>Other Metropolitan Districts</i></b>	
Barnsley	554,521
Bradford	1,259,209
Bury	486,215
Calderdale	548,777
Coventry	791,050
Doncaster	775,056
Dudley	739,387
North Tyneside	619,677
Oldham	703,432
Rochdale	585,446
Rotherham	666,872
Salford	670,724
Sandwell	814,933
Sefton	740,892
Solihull	411,865
South Tyneside	497,656
St Helens	487,886
Stockport	611,214
Tameside	618,333
Trafford	529,620
Wakefield	803,826
Walsall	738,754
Wigan	800,092
Wirral	926,855
Wolverhampton	722,043
<b><i>Inner London</i></b>	
Camden	1,157,267
Greenwich	984,447
Hackney	1,301,750
Hammersmith and Fulham	936,708
Islington	1,010,887
Lambeth	1,441,541
Lewisham	1,198,078

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<b><i>Outer London</i></b>	
Barking and Dagenham	526,399
Barnet	901,900
Brent	977,952

Bromley	703,662
Croydon	947,055
Ealing	1,054,636
Enfield	805,241
Haringey	921,731
Harrow	566,730
Havering	540,056
Hillingdon	696,899
Hounslow	696,651
Merton	694,949
Newham	1,092,296
Redbridge	626,974
Richmond upon Thames	501,409
Sutton	456,521
Waltham Forest	799,140
<b>Shire Counties</b>	
Bedfordshire	825,219
Buckinghamshire	939,548
Cambridgeshire	1,208,198
Cheshire	1,452,895
Cornwall	1,164,730
Cumbria	1,074,168
Devon	1,475,215
Dorset	829,993
Durham	1,222,529
East Sussex	1,243,387
Essex	2,862,132
Gloucestershire	1,222,668
Hampshire	2,516,477
Hertfordshire	2,329,420
Lancashire	2,643,370
Lincolnshire	1,389,433
Norfolk	1,793,683
North Yorkshire	1,193,253
Northamptonshire	1,385,662
Northumberland	782,735
Nottinghamshire	1,725,369
Oxfordshire	1,390,408
Shropshire	561,035
Staffordshire	1,668,601
Suffolk	1,595,313
Surrey	2,428,161
Warwickshire	1,050,696
West Sussex	1,734,929
Wiltshire	850,174
Worcestershire	1,094,743
<b>Shire Unitary Authorities</b>	
Bath & North East Somerset	444,365
Blackpool	417,278
Bournemouth	462,891

Bracknell Forest	240,225
Brighton & Hove	848,740
Bristol	1,203,540
Darlington	295,141
Derby	646,764
East Riding of Yorkshire	611,215
Halton	290,314
Hartlepool	256,863
Herefordshire	360,634
Isle of Wight Council	334,909
Isles of Scilly	4,875
Kingston upon Hull	898,399
Leicester	827,708
Luton	487,657
Medway	556,660
Middlesbrough	490,671
Milton Keynes	455,559
North East Lincolnshire	396,637
North Somerset	399,361
Nottingham	832,758
Peterborough	385,607
Plymouth	630,070
Poole	310,402
Portsmouth	565,470
Reading	369,483
Redcar and Cleveland	396,016
Rutland	59,495
Slough	307,099
South Gloucestershire	448,141
Southampton	725,850
Southend-on-Sea	486,496
Stockton-on-Tees	413,194
Stoke-on-Trent	620,641
Swindon	371,062
Telford and The Wrekin	331,017
Thurrock	330,914
Torbay	333,986
Warrington	414,275
West Berkshire	280,873
Windsor and Maidenhead	297,438
Wokingham	254,179
York	474,363

## APPENDIX A -ANNEX B

### CONDITIONS FOR THE PAYMENT OF THE MENTAL HEALTH GRANT FOR 2005/2006

1. With the exception of those authorities referred to in paragraph 7(2)(b) of the Determination, the payment of grant monies to a local authority as specified in Part 2 of Annex

A pursuant to section 31 of the Local Government Act 2003<sup>4</sup> (“grant monies”) for local authority expenditure in the financial year 2005/2006 shall be subject to the conditions set out in this Annex.

2. In this Annex—

“mental health services” means—

- (a) the services provided by local authorities which are designed to support implementation of the Mental Health National Service Framework (MHNSF) Standards<sup>5</sup>;
- (b) those necessary mental health service developments set out in the NHS Plan<sup>6</sup>; and
- (c) the milestones set out in Local Development/Delivery Plans<sup>7</sup>;

“zero star authority”, “one star authority” and “two star authority” means a local authority which has been awarded that number of stars in the social services performance ratings published by the Commission for Social Care Inspection in November 2004<sup>8</sup>; and

“Comprehensive Performance Assessment” means an assessment of council performance carried out by the Audit Commission as at December 2004<sup>9</sup>.

#### Use of grant monies

3.—(1) Subject to paragraph 4 (carryover), each local authority shall use the grant monies for revenue expenditure in the financial year 2005/2006 only, for the purposes of carrying out mental health services.

(2) Local authorities shall discuss and agree their proposals for expenditure of the mental health grant monies with Mental Health National Service Framework (MHNSF) Local Implementation Teams and partner agencies.

(3) For the purposes of paragraph 3(2)—

(a) “MHNSF Local Implementation Teams” means teams consisting of local authority employees and employees of NHS bodies who are responsible for the implementation of mental health services in a local authority’s area; and

(b) “partner agencies” means Primary Care Trusts, Strategic Health Authorities and NHS trusts responsible for mental health services in a local authority’s area.

#### Carryover

4.—(1) Two star authorities not rated as “excellent” in a Comprehensive Performance Assessment may carry over up to 25% of the grant monies set out in Annex A for expenditure in the financial year 2006/2007, but only for the purposes for which the grant is made.

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<sup>4</sup> 2003 c. 26.

<sup>5</sup> The MHNSF Standards are to be found in the Mental Health National Service Framework which can be found at: <http://www.doh.gov.uk/PublicationsAndStatistics>

<sup>6</sup> For information about the NHS Plan see the Department of Health website: <http://www.doh.gov.uk/PublicationsAndStatistics>

<sup>7</sup> Milestones can be found in Local Development Plans. Further details of such Plans can be found at: <http://www.doh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/PlanningFramework>

<sup>8</sup> See footnote number 2.

<sup>9</sup> See footnote number 3.

(2) One star or zero star authorities may carry over up to 5% of the grant monies set out in Annex A for expenditure in the financial year 2006/2007, but only for the purposes for which the grant is made.

(3) Subject to sub-paragraph (4), grant monies carried over in accordance with this paragraph must be spent in the financial year 2006/2007.

(4) Where grant monies are carried over under this paragraph but are not spent in the financial year 2006/2007, then the provisions of paragraph 8 shall apply with the following modifications:

(a) for the words “financial year 2005/2006”, in all places where they occur, substitute “financial year 2006/2007”;

(b) in paragraph 8(3)—

(i) the words “and to paragraph 4 above (carryover)” are omitted; and

(ii) for the words “31st December 2006”, substitute “31st December 2007”;

(c) in Paragraph 8(4), for the words “31st December 2005” substitute “31st December 2006”.

(2) Where grant monies are payable in instalments pursuant to paragraph 6(b) of the Determination—

(a) the final instalment will only be paid once the Secretary of State has received a statement in the required form (“the certified statement”)<sup>10</sup> in relation to mental health grant monies received by an authority in respect of the financial year 2004/2005 certified by the authority’s Chief Finance Officer, and by an auditor appointed by the Audit Commission; and

(b) any recovery of mental health grant monies by the Secretary of State resulting from the certified statement in respect of the financial year 2004/2005 shall be deducted from the final instalment.

#### Certified statement

6.—(1) Subject to sub-paragraph (2), each authority shall ensure that information as to the expenditure of the mental health grant monies is provided to the Secretary of State on a form<sup>11</sup> provided by him, and is certified—

(a) by the authority’s Chief Finance Officer, and a copy of the form thus completed is received by the Secretary of State not later than 2nd October 2006; and

(b) by an auditor appointed by the Audit Commission, and the form thus fully completed is received by the Secretary of State not later than 2nd January 2007.

(2) Sub-paragraph (1) shall not apply where the grant monies paid to the local authority for the mental health grant are £50,000 or less.

#### Further information

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<sup>10</sup> The statement must be set out on form ref: MHG EXP 2 which can be found at Appendix B .See: the Mental Health Grant Guidance 2004/2005 (LAC 2004 7) for details of the dates by which the certified statement in relation to the 2004/2005 Grant must be received by the Secretary of State.

<sup>11</sup> See footnote 10 for details of the form in question.

7. Each local authority shall supply to the Secretary of State such further information as may be required by him for the purposes of determining whether they have complied with the conditions set out in this Annex.

#### Repayment of grant monies

8.—(1) Subject to sub-paragraph (2), if a local authority fails to comply with the conditions set out in this Annex the Secretary of State may require the repayment of the whole or any part of the grant monies paid to that authority as may be determined by him and notified in writing to the authority. Such sum as has been notified shall immediately become repayable to the Secretary of State.

(2) If, in the certified statement referred to in paragraph 6, the auditor states that he is of the view that the expenditure of the mental health grant monies by the local authority in question was not discussed and agreed with MHNSF Local Implementation Teams and relevant partner agencies in accordance with paragraph 3(2), then the auditor may disqualify such part of the mental health grant monies as he sees fit, and such a sum, as notified by him to the local authority in writing, shall be repayable to the Secretary of State in the following financial year.

(3) Subject to sub-paragraph (4) of this condition and to paragraph 4 above (carryover), if a local authority does not spend the whole of the grant monies in the financial year 2005/2006, then the local authority shall repay to the Secretary of State an amount equal to such part of the grant monies as the local authority has not spent in the financial year 2005/2006. Such sum shall become repayable to the Secretary of State on 31st December 2006 or such later date, if any, as the Secretary of State may determine.

(4) Where, on or before 31st December 2005, a local authority is of the view that it is unlikely to spend the whole of the grant monies in the financial year 2005/2006 in accordance with paragraph 3, the authority must accordingly notify the Secretary of State on a form<sup>12</sup> provided by him which shall indicate the amount of the surplus grant monies.

(5) In sub-paragraph (4), “surplus grant monies” means an amount equal to such part of the grant monies as the authority considers it will not spend in the financial year 2005/2006.

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<sup>12</sup> See: Form ref: MHG 1 which can be found at Appendix B.

## APPENDIX B

### **MENTAL HEALTH GRANT FORMS**

**This annex contains all of the forms, which CSSRs will require for the administration of the Mental Health Grant in 2005/2006.**

#### **2005/06**

MHG 1	FORECAST OF FINAL OUTTURN OF EXPENDITURE FOR THE MENTAL HEALTH GRANT 2005/2006- includes option to bid for UNDERSPEND ( <b>Deadline 19/12/05</b> )
MHG EXP 3	MENTAL HEALTH GRANT STATEMENT OF EXPENDITURE FOR FINANCIAL YEAR 2005/06 ( <b>Deadline for pre-certification 02/10/06 and certified form 02/01/07</b> )

#### **2004/05**

MHG 1

**MENTAL HEALTH GRANT 2005/2006**

**FORECAST OF FINAL OUTTURN (as at 19 December 2005)**

**Name of CSSR .....**

**(CPA) rating .....**

**Star rating .....**

The purpose of this form is to identify each CSSRs forecast outturn against their 2005/2006 Mental Health Grant, to give each CSSR an opportunity formally to release any surplus Grant to the Department of Health, and to bid for underspend funds. The form should be completed and returned by **19th December 2005**, to *Dorothy Francis, Department of Health, Rm 313, Wellington House, 135-155 Waterloo Rd, London, SE1 8UG*

**A. ALLOCATION DETAILS FOR 2005/2006**

1. Total MHG allocation £.....

**B. FORECAST EXPENDITURE FOR 2005/2006**

1. Forecast expenditure of MHG allocation £.....

2. Forecast underspend on MHG (A 1. minus B 1.) £.....

**C. END OF YEAR FLEXIBILITY**

1. Do you intend to carry over any of your MHG?

Y/N (delete as appropriate)

2. If so how much: £.....

1. Do you wish to surrender any MHG to the Department now?

Y/N (delete as appropriate)

2. If so, how much: £.....

*continued ....*

**D. BIDS FOR UNDERSPEND**

D.1. Successful bids must be used by the end of March 2006.

D.2. Do you wish to submit bid(s) for underspend?

Y/N (delete as appropriate)

If your answer is yes then please continue with all of the form. If no, please skip sections E.1- E.3 and go straight to section E.4.

E.1.

Name of CSSR .....
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E.2.

Total Amount of MHG underspend requested.....
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E.3.

Brief description of the project (bids must meet the same criteria as ordinary MHG expenditure) <b>BIDS MUST BE IN PRIORITY ORDER</b> Additional page may be inserted here if necessary	Amount of MHG requesting (£s)

continued ....

E.4. Signed ..... Date.....

Name in Capitals .....

Official Position .....

This form must be signed by either the Director of Finance or Social Services or the Assistant Director in either of those departments who have responsibility for their CSSR's MHG.

**E.5.**

Please contact the following person in my department if you have any queries about this claim:

<b>Name:</b> _____
<b>Tel:</b> _____
<b>E-mail:</b> _____

NOTES:

1. This form should not be used for claims for payments of grant allocations.
2. CSSRs which release any of their grant through this process should consider their allocations reduced by the amount released.
3. Regardless of completing this form, CSSRs should inform the Department immediately as soon as they anticipate an underspend in their grant award at any time during the year.

This form should now be forwarded to Dorothy Francis, Department of Health, Rm 313, Wellington House, 135-155 Waterloo Rd, London, SE1 8UG.

Telephone: 0207 9724678

E-mail: [dorothy.francis@dh.gsi.gov.uk](mailto:dorothy.francis@dh.gsi.gov.uk)

**MENTAL HEALTH GRANT****STATEMENT OF EXPENDITURE FOR FINANCIAL YEAR 2004/05**

CSSRs should read the notes overleaf and then complete this form and forward the original to the auditor appointed by the Audit Commission and a copy to *Dorothy Francis, Department of Health, Rm 313, Wellington House, 135-155 Waterloo Rd, London, SE1 8UG*

It must be returned no later than **3<sup>rd</sup> October 2005**. The audited forms should be sent by the auditor to Dorothy Francis at the above address no later than **3<sup>rd</sup> January 2006**.

**Name of CSSR**.....


**Core Grant (paid at 100%)**

1. TOTAL AUTHORISED ALLOCATION FROM THE DH
  - (i) Original allocation (see note 1) £ .....
  - (ii) Balance of unspent allocation brought forward from 2003-04 £ .....
  - (iii) Supplementary allocation(s) awarded in year £ .....
  - (iv) Allocation(s) surrendered in year £ .....
  - (v) Total allocation of (i) +(ii) + (iii) – (iv) £ .....
2. TOTAL REVENUE EXPENDITURE SERVICES ELIGIBLE FOR SUPPORT FROM 100% MHG £ .....
3. GRANT ENTITLEMENT FOR 2004/05 (lower of line 1(v) and line 2) £ .....
4. BALANCE OF UNSPENT ALLOCATION CARRIED FORWARD FROM 2004/05 TO 2005/6 (the lower of [line 1(v) minus line 3] and [25% (two star) or 5% (zero or one star) of line 1(v)]) £ .....
5. AMOUNT OF GRANT PAID IN RESPECT OF 2004/2005
  - (i) Amount of grant actually paid (including supplementary allocation if applicable) £ .....
  - (ii) Amount(s) deducted from 2004/2005 payments in respect of any overclaim(s) in previous year(s) £ .....
  - (iii) Total of 5 (i) + (ii) £ .....
6. BALANCE (line 3 +4 minus line 5(iii)) (See notes 2 and 3) £ .....

CHIEF FINANCIAL OFFICER'S CERTIFICATE

I hereby certify that the expenditure stated at (2) has been incurred under the terms and conditions of the Mental Health Grant Scheme as set out in the Mental Health Grant Guidance 2004/05.

Chief Financial Officer.....Date.....

	
Certificate of the auditor appointed by the Audit Commission	
The Statement of Responsibilities of grant-paying bodies, authorities, the Audit Commission and appointed auditors in relation to claims and returns, issued by the Audit Commission, sets out the respective responsibilities of these parties, and the limitations of our responsibilities as appointed auditors.	
I/We have examined the entries in this form (which replaces or amends the original submitted to me/us by the authority dated _____)* and the related accounts and records of the authority in accordance with Certification Instruction A01 and I/we have:	
<i>For claims and returns above de minimis and up to the threshold#</i>	
<ul style="list-style-type: none"><li>carried out Part A tests in Certification Instruction number HC08 and obtained such evidence and explanations as I/we consider necessary.</li></ul>	
(Except for the matters raised in the attached qualification letter dated _____)* I/we have concluded that the claim or return is in accordance with the underlying records.	
<i>For claims and returns over the threshold#</i>	
<ul style="list-style-type: none"><li>assessed the control environment for the preparation of this claim or return in accordance with Certification Instruction A01 and, on the basis of my/our assessment, carried out Part A/Parts A and B* tests in Certification Instruction number HC08 and obtained such evidence and explanations as I/we consider necessary.</li></ul>	
(Except for the matters raised in the attached qualification letter dated _____)* I/we have concluded that the claim or return is:	
<ul style="list-style-type: none"><li>- fairly stated; and</li><li>- in accordance with the relevant terms and conditions.</li></ul>	
Signature _____	Name (block capitals) _____
Date _____	on behalf of the Audit Commission
*Delete as necessary # Delete non-applicable certificate	

**NOTES:**

- 1. Overclaims (a negative balance at (6)) will be deducted from payments of grant in 2005/2006.**
- 2. Where a CSSR underestimates entitlement or underclaims (a positive balance at (6)) the shortfall will not be made up by the Department.**
- 3. The fourth instalment of MHG 2005/2006 will NOT be made until the Department of Health has received this form duly completed.**

**MENTAL HEALTH GRANT****STATEMENT OF EXPENDITURE FOR FINANCIAL YEAR 2005/06**

CSSRs should read the notes overleaf and then complete this form and forward the original to the auditor appointed by the Audit Commission and a copy to *Dorothy Francis, Department of Health, Rm 313, Wellington House, 135-155 Waterloo Rd, London, SE1 8UG*.

It must be returned no later than **2<sup>nd</sup> October 2006** The audited forms should be sent by the auditor to Dorothy Francis at the above address no later than **2<sup>nd</sup> January 2007**.

**Name of CSSR**.....

**Core Grant (paid at 100%)**

1. TOTAL AUTHORISED ALLOCATION FROM THE DH
 

(i)	Original allocation (see note 1)	£ .....
(ii)	Balance of unspent allocation brought forward from 2004-05	£ .....
(iii)	Supplementary allocation(s) awarded in year	£ .....
(iv)	Allocation(s) surrendered in year	£ .....
(v)	Total allocation of (i) +(ii) + (iii) – (iv)	£ .....
  
2. TOTAL REVENUE EXPENDITURE SERVICES ELIGIBLE FOR SUPPORT FROM 100% MHG £ .....
  
3. GRANT ENTITLEMENT FOR 2005/06 (lower of line 1(v) and line 2) £ .....
  
4. BALANCE OF UNSPENT ALLOCATION CARRIED FORWARD FROM 2005/06 TO 2006/7 (the lower of [line 1(v) minus line 3] and [25% (two star) or 5% (zero or one star) of line 1(v)]) £ .....
  
5. AMOUNT OF GRANT PAID IN RESPECT OF 2005/2006
 

(i)	Amount of grant <u>actually</u> paid (including supplementary allocation if applicable)	£ .....
(ii)	Amount(s) deducted from 2005/2006 payments in respect of any overclaim(s) in previous year(s)	£ .....
(iii)	Total of 5 (i) + (ii)	£ .....
  
6. BALANCE (line 3 +4 minus line 5(iii)) (See notes 2 and 3) £ .....

CHIEF FINANCIAL OFFICER'S CERTIFICATE

I hereby certify that the expenditure stated at (2) has been incurred under the terms and conditions of the Mental Health Grant Scheme as set out in the Mental Health Grant Guidance 2005/06.

Chief Financial Officer.....Date.....

	<b>Certificate of the auditor appointed by the Audit Commission</b>
<p>The Statement of Responsibilities of grant-paying bodies, authorities, the Audit Commission and appointed auditors in relation to claims and returns, issued by the Audit Commission, sets out the respective responsibilities of these parties, and the limitations of our responsibilities as appointed auditors.</p>	
<p>I/We have examined the entries in this form (which replaces or amends the original submitted to me/us by the authority dated _____)* and the related accounts and records of the authority in accordance with Certification Instruction A01 and I/we have:</p>	
<p><i>For claims and returns above de minimis and up to the threshold#</i></p>	
<ul style="list-style-type: none"><li>carried out Part A tests in Certification Instruction number HC08 and obtained such evidence and explanations as I/we consider necessary.</li></ul>	
<p>(Except for the matters raised in the attached qualification letter dated _____)* I/we have concluded that the claim or return is in accordance with the underlying records.</p>	
<p><i>For claims and returns over the threshold#</i></p>	
<ul style="list-style-type: none"><li>assessed the control environment for the preparation of this claim or return in accordance with Certification Instruction A01 and, on the basis of my/our assessment, carried out Part A/Parts A and B* tests in Certification Instruction number HC08 and obtained such evidence and explanations as I/we consider necessary.</li></ul>	
<p>(Except for the matters raised in the attached qualification letter dated _____)* I/we have concluded that the claim or return is:</p>	
<ul style="list-style-type: none"><li>- fairly stated; and</li><li>- in accordance with the relevant terms and conditions.</li></ul>	
Signature _____	Name (block capitals) _____ on behalf of the Audit Commission
Date _____	
<p><i>*Delete as necessary</i> <i># Delete non-applicable certificate</i></p>	

**NOTES:**

- 4. Overclaims (a negative balance at (6)) will be deducted from payments of grant in 2006/2007.**
- 5. Where a CSSR underestimates entitlement or underclaims (a positive balance at (6)) the shortfall will not be made up by the Department.**
- 6. The fourth instalment of MHG 2006/2007 will NOT be made until the Department of Health has received this form duly completed.**

