

# DEVELOPMENT OF THE LOCAL AREA AGREEMENT

## PORTFOLIO RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

10 APRIL 2008

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### Wards Affected

County-wide

### Purpose

To agree the Performance Indicators to be included in the final Local Area Agreement (LAA) super refresh document.

### Key Decision

This is a key decision because it is likely to result in the Council incurring expenditure above agreed budgets for the service or function (shown as a line in the budget book) to which the decision relates but allowing for virements between budget heads and savings within budget heads of up to £500,000.

The LAA will be the only place where Central Government sets and monitors targets for the local area. Alongside this the Area Based Grant (currently estimated to be in the region of £8.88million for 2008/9), a Reward Grant (as yet unspecified) and other Regional Funding Streams could be focussed on the priorities and performance indicators identified in the LAA in the future.

It was included in the Forward Plan.

### Recommendation

**THAT: the proposed list of Indicators included in the LAA be supported.**

### Reasons

To ensure that Cabinet is included in the LAA super refresh process, and has the opportunity to contribute to its development, agree the Story of Place, Priorities and Performance Indicators. Herefordshire Council is the accountable body for the LAA and will have a key leadership role in ensuring its successful delivery. The LAA will also be an essential feature in the Comprehensive Area Assessment. The new Area Based Grant (expected to be in the region of £8.88m in 2008/09) will be paid to Herefordshire Council as the accountable body, with decision making processes and performance monitoring going through the Local Strategic Partnership (The Herefordshire Partnership), and relevant statutory/themed Partnerships as specified in National Guidance. There is an indication that there maybe a Reward Grant paid at the end of the 3 years based on achievements against targets.

### Considerations

1. The LAA consists of the Story of Place, a set of priorities that reflect the key issues for

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Further information on the subject of this report is available from  
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the County, and performance indicators which will be the means by which progress towards achievement of the priorities is measured. There will be up to 35 indicators drawn from the National Indicator Set, which will form the basis of the LAA and will be performance managed Central Government. Local Indicators can be included as appropriate, but these will be monitored locally, and possibly as part of the Comprehensive Area Assessment.

2. Only the Priorities and Indicators are submitted to Central Government as part of the LAA, but the Story of Place is equally important. At the Cabinet Meeting on 21<sup>st</sup> February 2008, Cabinet considered and agreed the Story of Place and considered progress towards identifying the draft set of Performance Indicators. Work has continued since this Cabinet meeting on negotiating those Indicators, including taking views from Corporate Management Board and respective Performance Improvement Managers, specialist Officers, Partner agencies as appropriate and relevant Partnerships, such as the Children's Trust, Herefordshire Community Safety Partnership etc. This has culminated in a reduction in the number of potential Indicators to 31.
3. The technical guidance for the Performance Indicators is now available for 138 of the Indicators, and the proposed Performance Indicators have been assessed against these. This has led to a number of changes and a number of Performance Indicators being withdrawn where the technical specification does not work positively for Herefordshire, the specification could be difficult to manage or does not fully support the priority.
4. Feedback on the current version of the LAA from Government Office has been broadly positive, and ongoing negotiations are being held. These will continue until the indicators and targets have been agreed with National Government.
5. The conclusion of this further work on Performance Indicators was brought to the Herefordshire Partnership Performance Management Group meeting on 29<sup>th</sup> February 2008. The Performance Management Group debated each of the Performance Indicators, made a number of changes, and recommended this list to the Herefordshire Partnership Chief Executives' Group. The Chief Executives' Group met on 14<sup>th</sup> March 2008, and discussed and supported the set of Performance Indicators attached in Appendix 1 as a basis to bring to Cabinet for support.
6. NI175 is 'Access to Services and Facilities by Public Transport, Walking or Cycling'. This is defined by reference to people being able to travel to the city or market towns. It is not concerned with the provision of access to facilities in rural areas and therefore would not be impacted by the Council and Herefordshire Partnership's emphasis on delivering services more locally for example through shared facilities. Achievement of access measured in this way is already high and it is difficult to see how this can be significantly improved over the course of the LAA. It is proposed that the indicator is replaced with a locally defined one which more accurately reflects the local priority of access within rural communities. However access to services is a national priority and GOWM is indicating that it will not sign off the LAA without a national indicator in this category.
7. Cabinet is asked to consider all the indicators currently proposed in the LAA including a locally defined indicator for access.
8. On the basis of support from Cabinet and resolving the issues around NI 175, Government Office would be recommending this set of indicators to National Government. The Council may yet receive requests from National Government Departments regarding indicators in our LAA, and there may be a request for Cabinet's view on these over the coming months.

9. The next steps in this process will be to set targets against the Performance Indicators. Work is ongoing with Corporate Management Board and Partner agencies to identify Lead Officers, and to work with these specialist Lead Officers and relevant Partnerships to identify improvement targets that are achievable over a three-year period, to make sure the Council have buy-in from all the agencies that contribute to achieving this improvement target. The target should be challenging enough to really make a difference to the local area, but does need to be realistic and achievable within the three-year timescale of the LAA. Some targets where a baseline is not available will be the subject of a data collection exercise before targets are agreed. Lead Officers have been requested to produce the first cut of targets by 11<sup>th</sup> April 2008, and these will go to Joint Management Team on 12<sup>th</sup> May 2008 for support and final comment. It is expected that the final version of the LAA with these targets will come to Cabinet on 29<sup>th</sup> May 2008 and will also be considered by the Herefordshire Partnership Chief Executives' Group on 30<sup>th</sup> May 2008. The final version of the LAA will then be sent to Government Office on 30<sup>th</sup> May 2008.

## **Financial Implications**

The new Area Based Grant is expected to be in the region of £8.88m in 2008/09, and will be paid to Herefordshire Council as the accountable body with decision making processes and performance monitoring through the Local Strategic Partnership (Herefordshire Partnership), and relevant statutory/theme Partnerships as specified in National Guidance. The Area Based Grant will be routed through relevant themed Partnerships for 2008-09 (such as the Children's Trust), to ensure co-ordination and to consider efficiencies alongside similar activity. A broader discussion around the most appropriate way to manage Area Based Grant Funding in 2009 onwards will also be held over the coming months. There is an indication that there may be an Award Grant paid at the end of the next three years based on achievements against targets.

It should be noted that the £8.88m is made up of existing grants. As such there is an expectation that some of these will need to continue to be used for their current purpose in 2008/09 as there may be no exit strategy in place.

## **Risk Management**

1. Without the commitment and support of all partners in the development of the LAA, the Council risks submitting a document that will not have the ownership and buy-in from those who will be delivering the activity, thus making it impossible to optimise the benefit to the people of Herefordshire. Through a considered approach, the support of Herefordshire Council and by involving partners at every stage of the LAA's development the Council can mitigate this risk.
2. If the indicators are not clearly linked with the LAA priorities and if they prove impossible to measure and monitor the Council and its partners will not be able to prove progress towards achievement of the targets. This will undermine the potential impact of the LAA and minimise the potential to achieve the reward grant. This risk has been mitigated by ensuring the full involvement of the Herefordshire Council Research Team and the Herefordshire Partnership during the development process of the LAA.
3. There is a clear financial risk around the diversion of some of 2007/08 specific grants into an overall area based grant. It is important that the holders of the grants in 2007/08 are communicated with to ensure there is a full understanding of the need to manage any risks and justify the expenditure more clearly in future.

## **Alternative Options**

There are no Alternative Options as the Council will not be able to access the £8.8m available through the LAA. There is also a legal requirement that all Councils enter into LAA's to identify priorities and objectives for delivery and benefit of the people of Herefordshire.

## **Consultees**

Key Partners of Herefordshire Partnership through the Board, Chief Executives' Group and Performance Management Group, this includes:

Chamber of Commerce Herefordshire and Worcestershire  
Herefordshire Association of Local Councils  
Herefordshire Primary Care Trust  
Herefordshire Council (including checks with CMB. Lead Officers and Directorate Management Teams)  
The Learning and Skills Council  
Voluntary and Community Organisations  
West Mercia Constabulary  
Herefordshire and Worcestershire Fire and Rescue Service Appendices  
Advantage West Midlands  
Government Office for the West Midlands  
Partnership Groups  
Herefordshire residents through public consultation, newsletters, attendance at workshops and events  
Herefordshire Council Councillors

Appendix 1 – List of Performance Indicators

## **Background Papers**

None identified.

# HEREFORDSHIRE LOCAL AREA AGREEMENT

## INDICATORS FOR THE LAA 2008-2011

Total numbers of indicators: ## (including local)

Proposals for LAA from National Indicator Set: **31** (ones in bold)

National Indicators we would like to use locally: 7

## Indicators proposed to be within the Local Area Agreement

1	% of people who believe people from different backgrounds get on well together in their local area
4	% of people who feel they can influence decisions in their locality
6	Participation in regular volunteering
9	Use of public libraries
17	Perceptions of anti-social behaviour
19	Rate of proven re-offending by young offenders
30	Re-offending rate of prolific and priority offenders
40	Number of drug users recorded as being in effective treatment
47	People killed or seriously injured in road traffic accidents
51	Effectiveness of child and adolescent mental health (CAMHs) services
56	Obesity among primary school age children in Year 6
57	Children and young people's participation in high-quality PE and sport
110	Young people's participation in positive activities
117	16 to 18 year olds who are not in education, training or employment (NEET)
121	Mortality rate from all circulatory diseases at ages under 75
123	Stopping smoking
130	Social Care clients receiving Self Directed Support (Direct Payments and Individual Budgets) per 100,000 population
135	Carers receiving needs assessment or review and a specific carer's service, or advice and information
136	People supported to live independently through social services (all adults)

142	<b>Percentage of vulnerable people who are supported to maintain independent living</b>
152	<b>Working age people on out of work benefits</b>
155	<b>Number of affordable homes delivered (gross)</b>
156	<b>Number of households living in temporary accommodation</b>
163	<b>Proportion of the population aged 19-64 for males and 19-59 for females qualified to at least Level 2 or higher</b>
167	<b>Congestion - average journey time per mile during the morning peak</b>
168	<b>Principal roads where maintenance should be considered</b>
169	<b>Non-principal roads where maintenance should be considered</b>
171	<b>New business registration rate</b>
186	<b>Per capita reduction in CO2 emissions in the LA area (will be in 35 depending on being able to set achievable milestone targets)</b>
191	<b>Residual household waste per household</b>
197	<b>Improved local biodiversity – proportion of local sites where positive conservation management has been or is being implemented</b>

### **National Indicators that are proposed as local indicators**

11	Engagement in the Arts
13	Migrants English language skills and knowledge
37	Awareness of civil protection arrangements in the local area – using a local definition so not directly comparable with national indicator
39	Alcohol-harm related hospital admission rates
69	Children who have experienced bullying - using a local definition so not directly comparable with national indicator
115	Substance misuse by young people - using a local definition so not directly comparable with national indicator
187	Tackling fuel poverty - people receiving income based benefits living in homes with a low energy efficiency rating - using a local definition so not directly comparable with national indicator

