

DEVELOPMENT OF THE LOCAL AREA AGREEMENT

PORTFOLIO RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

29 MAY 2008

Wards Affected

County-wide

Purpose

To agree the final version of the Local Area Agreement for submission to Government Office.

Key Decision

This is a key decision because it is likely to be significant in terms of its effect on communities living or working in Herefordshire in an area comprising one or more wards.

Recommendation

THAT: Herefordshire's Local Area Agreement be agreed for submission to Government Office for ministerial sign off in June 2008.

Reasons

To ensure that Cabinet is aware of the targets and the final submission of the LAA which consists of the Story of Place, Priorities, Performance Indicators and Improvement Targets. 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 element of the Comprehensive Area Assessment and will be one of the most visible indicators of whether Herefordshire Council, together with its partners, is making positive change for the local community. In meeting the targets under the LAA Herefordshire Council and its Partners could gain access to additional Reward Grant.

Considerations

1. The LAA has been developed through a long and robust process which has included significant input from lead officers in all partner organisations, Joint Management Team, Members, Cabinet, partnerships and members of the local community.
2. The past 2 months have seen an ongoing process of negotiation between Herefordshire Partnership and Government Office. The overriding aim of these negotiations was to ensure that the targets were ambitious enough to make a difference to the local area but, at the same time, achievable so that Herefordshire would not be disadvantaged either financially or reputationally during the ongoing monitoring of the LAA.
3. All targets have been negotiated through the Council's Improvement Managers who

have ensured that they have support at all levels of the organisation, particularly with Directors. Emerging targets have been scrutinised by the Joint Management Team at their regular meetings who have been able to input and influence their development.

4. Only the Priorities, Indicators and Improvement Targets are submitted to Central Government as part of the LAA. In addition the Story of Place is equally important as this sets the background to the priorities and will help to ensure that Government Office recommends Herefordshire's LAA to Central Government.
5. The LAA consists of 31 indicators taken from the National indicator Set, together with 4 locally defined indicators where it was felt that the national indicator set did not accurately reflect the issues in Herefordshire or where it was felt that there were specific data related issues which led officers to recommend that it would be better to make a particular indicator into a local one. Only the National Indicators included in the LAA will be in scope for the Reward Grant and will be monitored by Government Office. All indicators within the 198, plus any locally defined indicators will be considered for CAA. A small number of Performance Indicators and Targets are in the final stages of negotiation, and these will be confirmed at the Cabinet Meeting.
6. The final version of the LAA was considered by the Joint Management Team on the 12th May 2008, the Herefordshire Partnership Performance Management Group on 15th May 2008. The final version will be considered by the Chief Executive's Group on the 30th May 2008. It is expected that the LAA will gain ministerial sign off at the end of June 2008.
7. There will be an opportunity at the LAA refresh in October 2008 to make adjustments to indicators and targets where data was not previously available or where the initial proposal, following the first few months of operation, proves to need amending.

Financial Implications

Details of how the LAA Reward Grant will work are still unclear but there has been a commitment that funding will be made available against achievement of agreed targets. It is expected that this funding will be in the region of £2.2 million at the end of the three years and will be awarded against achievement of the LAA overall, not just specific targets. Only national targets within the LAA will be in scope for Reward Grant and local indicators will not be taken into consideration.

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. There is a clear financial risk around achievement of the Reward Grant. If indicators 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. and it is important that all targets are both stretching enough to make a difference but achievable. This risk has been mitigated by the full involvement of the Herefordshire Council Research Team and the Joint management Team throughout the process of identifying indicators and targets.

Alternative Options

There are no Alternative Options as there is a legal requirement that upper tier Councils enter into LAA's to identify priorities and objectives for delivery and benefit of the people of Herefordshire.

Consultees

Herefordshire Council Councillors
Joint Management Team
Directorate Management Teams
Lead Officers
Performance Improvement Managers
Children's Trust
Community Safety and Drugs Partnership
Partnership Groups
Herefordshire residents through public consultation, newsletters, attendance at workshops and events

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
The Learning and Skills Council
Voluntary and Community Organisations
West Mercia Constabulary
Herefordshire and Worcestershire Fire and Rescue Service
Advantage West Midlands
Government Office for the West Midlands

Background Papers

1. Story of Place and Priorities
2. List of Performance Indicators with Targets