

LOCAL PUBLIC SERVICE AGREEMENT UPDATE

PROGRAMME AREA RESPONSIBILITY – CORPORATE STRATEGY AND FINANCE

CABINET

13TH JANUARY 2005

Wards Affected

No wards are affected.

Purpose

To notify Cabinet on progress towards developing the second Local Public Service Agreement (LPSA2) with the Government.

Key Decision

This is not a Key Decision.

Recommendation

That members agree the revised timetable as set out in paragraph 5 and comment on:

- (a) The feedback to the original draft submission from the Office of the Deputy Prime Minister (ODPM) in Appendix 1; and**
- (b) The updated draft priority outcomes and performance measurements in Appendix 2.**

Reasons

Cabinet members need to agree the timetable in developing LPSA2 and ratify the current draft proposals being put forward for stretching performance across services in Herefordshire.

Considerations

1. The second LPSA commences on 1st April 2005, and like the current agreement will last for three years. Cabinet members have been sent the original draft submission to the Office of the Deputy Prime Minister (ODPM) outlining the Council's approach to LPSA 2 and the service priorities within the county. The response to this submission has only just been received from the ODPM and the Council is required to reply to these proposals before a more detailed submission is made.

Further information on the subject of this report is available from
Andrew Tanner, Assistant County Treasurer on 01432 260162

2. The letter from the ODPM is attached as Appendix 1 to this report and the main points are summarised below:

- The Council's approach to Partnership working is seen as highly beneficial and ministers are keen on this being strengthened for LPSA 2.
- There are some service omissions, however, highlighted within the draft and a significant amount of work needs to be carried out on establishing outcome focused targets.

More specifically:

- An indicator around reducing the earnings gap between Herefordshire and the national average is likely to be too problematical.
- Better outcome measures need to be developed for the 'improving the quality of life for older people target'. Signposting to local services and increasing the number of direct payments are not acceptable outcome measures.
- Two omissions identified within the Social Care area are reducing the number of falls (within LPSA 1) and helping people with learning disabilities to live at home.
- Greater clarity is required between the alcohol related crime and anti-social behaviour targets.
- Greater clarity in regard to the transport and environmental targets in terms of outcomes. The ODPM has noted the omission of the non-principal road maintenance score as an area for improvement.
- The discussions on LPSA2 early drafts with ODPM did not include the need for a Children's Services target. Herefordshire considers that this is essential to local priorities for delivering the national "Change for Children" agenda and supporting its introduction locally, alongside assessment of areas for improvement. This view has been supported by the ODPM feedback letter.

3. Many of the points raised by the Government departments have already been addressed by the Steering Group of officers across organisations within Herefordshire. These include the focus on outcomes, the addition of targets relating to looked after children and a realisation that an earnings related target is likely to be unachievable under the LPSA timescales. There are some new points, however, which will require a response and these specifically relate to the highlighted omissions around road maintenance, learning disabilities, preventing falls for older people and the wider educational attainment target at GCSE. An officer response to these will be tabled at Cabinet.

4. Appendix 2 provides a detailed update of how the Steering Group has developed its thinking against the draft submission. Considerable progress will need to be made in January in agreeing targets which are outcome focused and which also tie in with the risk based approach the Council needs to adopt. These are both important in securing an LPSA which will ultimately be successful both in terms of financial reward but also in converging with Herefordshire Plan priorities.

5. The draft timetable in the previous Cabinet report had planned for a government response by 22 October 2004. The development of the detailed targets would,

therefore, follow on from this date so Cabinet members need to note considerable slippage in the timetable. The proposed revised timetable, which will need to be agreed with the ODPM, is as follows:

13th January	Cabinet receive LPSA2 update and consider officer responses to the ODPM feedback
14 January	Formal response made to ODPM on revised priority areas
21 January	Update provided to Herefordshire Partnership Board.
28 January	Completion by steering group of draft agreement for negotiation with ODPM
Early February	Cabinet and Herefordshire Partnership Board approval of draft agreement
February	Detailed negotiation of draft agreement with government departments
Late March	Cabinet and Herefordshire Partnership Board approval of LPSA 2

6. Cabinet Members are reminded that it was originally intended for Performance Reward Grant for LPSA 1 to be rolled forward into pump priming LPSA 2. It has been prudently estimated that this will amount to at least £1.5 million with an additional £950,000 as a direct grant for LPSA 2 from Government. The latter grant is not reliant on performance.

Alternative Options

Not applicable.

Risk Management

Failure to negotiate achievable stretched targets will result in the loss of potentially significant Performance Reward Grant for the Council. Additionally, failure to focus on priorities within the Herefordshire and Corporate Plans may have a detrimental impact on future commitment to the LPSA from all organisations. This will not only affect the Council financially but also in corporate performance assessments.

Consultees

There are no consultees.

Background Papers

PSA Report to Cabinet on 14th October 2004

PSA Report to Cabinet on 18th March 2004.