

Agenda 9**Warwickshire Public Service Board Meeting****25th September 2007****MID YEAR REVIEW AND DEVELOPMENT OF THE NEW LAA****Recommendation:**

The Board:

- a. Notes the contents of the Report
- b. Agrees the processes and timescales described for undertaking the mid year review of the LAA and the preparation of the new LAA
- c. Requests Block Leaders and partners to commence the mid year review immediately and to use the opportunity given by the review to begin the process of considering the new LAA

1. Introduction

- 1.1 The Government Office West Midlands (GOWM) will undertake a mid year review of the LAA with reference to half year performance outputs. The review should commence in October 2007 once the Quarter 2 performance information is available and should be completed by the end of November 2007.
- 1.2 The expectation is that there will be no formal end of year 'review and refresh' process but that this will become the negotiation of the 'new LAA'. The mid year review therefore presents the opportunity to start the process of considering the new LAA for 2008.
- 1.3 This report brings together issues relating to both the mid year review and the new LAA. In particular:
 - Paragraphs 2 -3 of the report describes the processes and timescales required to be followed for the mid year review
 - Appendix A sets out a proposed template for the mid year review of each of the six LAA Blocks
 - Appendix B sets out an outline format for the mid year review self assessment report
 - Paragraphs 4-5 of the report describes the processes and timescales to be followed for the production of 'the new LAA'
 - Appendix C sets out a template to be followed to be considered by the Block Leaders in initially considering the priorities for the new LAA.
 - Appendix D sets out a timetable for both the mid year review and the production of the new LAA

- 1.4 The report is largely informed by the work of our NRA Adviser (Rachel Mann) and results from research undertaken by her and discussions that she has had with GOWM

2. Mid Year Review

- 2.1 This is the first 6 month review of the Warwickshire Local Area Agreement (LAA). The purpose of the review is to assess whether we are on track to deliver the outcomes we set out to achieve through the vehicle of the LAA and its partnership arrangements. The review should take the form of a rigorous self-assessment undertaken through the Block Theme Groups, with partners and via the Public Service Board and its Advisory Forum, leading to a submission to GOWM.
- 2.2 This self assessment should aim to address a number of key objectives for the review process, as outlined by the Government. This will involve:
- Assessing the latest progress towards the individual outcomes in LAA
 - Addressing any gaps in outcomes, indicators, baselines, targets, milestones and data and any actions needed to address under-performance
- and
- Highlighting good practice and identifying what difference the introduction of the LAA has made to date.
- 2.3 It should be noted that many indicators are measured annually - true indicators of performance will not therefore be evident until at least the end of the first full year. Reporting for others (such as Key Stage results) does not necessarily coincide with LAA reporting time frames and in some cases performance across the year is erratic. Regular performance monitoring will improve trend analysis to provide a more robust and substantive assessment of performance.
- 2.4 In addition to the formal external review process with the Government Office, the six month review provides a timely opportunity for the partnership to reflect on progress and to use the outcome of the self assessment process to inform the development of Warwickshire's new LAA under the government's development of new LAAs from 2008.

3. Approach to the Mid Year Review

- 3.1 GOWM have indicated that they will use the approach recommended by CLG and informed by 6 monthly reviews to date from previous round LAAs. It is worth noting what GOWM will be required to report on to central government. In brief this will be:
- Outcomes at risk of not being achieved
 - Significant gaps in indicators, targets, trajectories or data – **and** unclear how/when gaps to be addressed
 - Excellent results

3.2 The following points are relevant:

- The mid year review should be clearly recognised as being a Partnership review, not simply a review by the County Council as the accountable body. It is therefore important that partnership boards/County theme groups are part of self-assessment process
- The 6 monthly review should not be seen as an additional workload for theme groups or the PSB, it should be part of the LAA's routine performance management
- Many of the targets will have no meaningful 6 monthly data (e.g. those derived from annual surveys), block leads will therefore need to consider how to assess risk of achievement and direction of travel against these. Assessment of progress should not just be where have we got to in 6 months but what is the end of year prediction
- The review provides a timely opportunity to inform the priorities for new style 2008 LAA and start the process of thinking about the priorities to be included

3.3 Chairs and block leads for each countywide theme group should be given as much notice as possible of the requirements of the 6 month review and their responsibilities to provide the performance information and narrative for their block. The theme groups have begun to set schedules of meetings for the year – where these do not coincide with the timetable for the 6 month review chairs and block leads need to determine how they will engage partners in the review

3.4 Chairs and block leads should at the same time be asked to ensure that their theme groups consider how the 6 month review can kick-start the process of determining the new priorities which will form the new style LAA in 2008

3.5 The format for Blocks / The Groups conducting the Review should:

a) Take the form of a table showing for each outcome the

- i. Indicators
- ii. Baselines
- iii. Targets
- iv. Milestones
- v. Most recent performance data
or where these are missing clear but brief explanation of why and what will be done, by when, to remedy this
- vi. self assessment of level of risk to achieving the targets
- vii. direction of travel – simple arrow system

b) Include a narrative overview containing:

- i. Any further necessary explanation of the self-assessment
- ii. Clear explanation of what is being done to address 'red risks' and assessment of residual risk after this action is taken. This should be as clear as possible about where the key risks to achieving outcomes lie, especially outcomes of key importance to the partnership and mandatory ones, and what is being done to mitigate these risks and improve performance

- iii. Any other issues to raise with GO or for GO to raise with central government, such as continuing barriers to achievement of targets that GO or central government might be able to address

3.6 Taking all of this into account, the Board is asked to consider and comment on:

- The proposed format for each of the Blocks to follow - Appendix A to this report.
- An outline of the proposed format for the overall self-assessment report - Appendix B to this Report
- The template for completion by each of the Blocks in order to enable them to start the process of considering the New LAA. – Appendix C to this Report

4. The new LAA

4.1 The White Paper *“Strong and Prosperous Communities”* published last October proposes a more significant role for LAAs as the key to a new relationship with Central Government. In consequence, there will be some significant changes to the form of LAAs. The Government has subsequently announced that it wishes to see new LAAs across the whole country from July 2008, thus connecting LAAs to the cycle of Comprehensive Spending Reviews.

4.2 The core of the new LAA will be a set of no more than 35 improvement targets, together with 18 statutory educational and early years targets, covering the period 2008-2011. These targets will be drawn from a new set of approximately 200 national indicators (yet to be published) This national indicator set is to be based on the national priorities that are being developed as part of the Comprehensive Spending Review.

4.3 The 200 indicators are intended to cover all requirements for reporting to Government on the delivery of services by local authorities, either alone or in partnership with others, and are a considerable reduction in the current reporting requirements (through Best Value Performance Indicators and all sorts of other indicators). However, the full set of national indicators will probably not be known until some time later in the year (latest information on this is that the indicator list will be published at the same time as the Comprehensive Spending Review)

4.4 The selection and negotiation of the 35 indicators in the new LAA will be based on the local partners’ assessment of priorities, GOWMs local knowledge of the county, and Central Government direction.

4.5 The present LAA contains many more than 35 indicators, so the selection of 35 implies a considerable slimming down. However, new LAAs can also include local targets that are agreed between the partners, but are not agreed with and reported to Central Government.

4.6 Nothing in these changes affects the existing “reward element” targets which are fixed for the three years 2006-2009. However, we do not know yet

whether there will be a reward element in the new LAAs and, if so, what form it will take.

4.7 According to CLG Guidance:

- **Place Shaping** - Local Area Agreements are about 'what sort of place you want to live in'. They are about setting the strategic direction and focusing on the priorities that will make your town, city or community a better place to be. They are about place-shaping. LAAs will continue to be three-year agreements with priorities agreed between all the main public sector agencies working in the area and with central Government. This will mean everyone working together to have the right evidence to know what these priorities are. But these should not just be decided between public sector agencies. Everyone should have the opportunity to say what matter most to them.
- **There should be more emphasis on area based service delivery** - a package of measures which mean stronger partnership working, alignment of local government performance management arrangements with that of partner agencies and replacement of authority-based inspection with an area-based assessment of risks to service delivery (The Comprehensive Area Assessment);
- **There should be more freedom in spending decisions** - the local authority will be able to make decisions about spending priorities with partners locally without these being conditioned by centrally imposed targets. The presumption will be against ringfencing grants unless there are strong reasons for doing so and these will be made public.

4.8 In addition the passage of the Local Government and Public Involvement in Health Bill will place a statutory requirement on the local authority to develop an LAA and duties on named partners to co-operate with the authority. Councils will also be able to agree local targets with partners that will not need to be reported to central government but which will have the same status as targets negotiated with central government.

4.9 The following points have been collated from a range of sources including: discussion with GO; review of guidance to date from CLG; review of web-published information from pilot feasibility testing authorities; conversation with one of the County feasibility testing pilots; discussion with Neighbourhood renewal unit.

- Elected Members need to be actively engaged in leading the improvement debate – developing the priorities should not be just an officer led activity
- There needs to be a balance between long term ambition for the area and addressing current performance issues – this means that the selection of targets should be based on performance and priority (you can't just drop a target/indicator because you haven't performed well on it!)
- LAAs should not be constrained by current blocks and themes – cross cutting themes must be built more strongly into the LAA (particularly economic development, housing and deprivation)
- Agreeing the 35 priorities will not be easy and time must be allowed
- There is no need to wait for the guidance to develop the process

- This is an opportunity to consider 'what do you want to keep – what do you want to throw out – what do you want to add in'? This should provide the opportunity to negotiate out of any LAA mandatory indicators that are not relevant to the area
- Evidence will need to be given for why these are our 35(+) priorities and why others are not
- Priorities and targets included will need to be baselined
- Although the emphasis is away from blocks in terms of determining priorities, there is no indication that we will have to undo our governance/delivery structures

5. Issues for consideration/discussion for development of the new LAA

- Block leads could consult, as part of the mid year review on what partners would like to keep in, would like to throw out, would like to add in to the new LAA. This could then feed into a number of events/discussions both within and across the current blocks
 - Elected Members are now becoming more actively involved in the LAA particularly as chairs and members of the county theme groups, LSPs and district theme groups – an event could be held for all of these elected members to discuss the new LAA and seek their views on priorities
 - A desk top review of the LAA could be undertaken to identify any outcomes from different blocks that could be combined into a single priority in the new LAA (for example one of the feasibility testing pilots instead of having an anti-social behaviour target within a formal 'safer and stronger communities' block, will have a target on support for young people)
 - The narrowing the gap work that is planned will feed very well into the development of the new LAA (depending on timescales) and fit well with maintaining the emphasis in the LAA on narrowing the gap and focussing on vulnerable communities

6. Timetable for the mid year review and New LAA

A proposed timetable is attached as Appendix D to this report

Nick Gower Johnson
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Warwickshire County Council
14th September 2007

Appendix A

**TEMPLATE FOR THE WARWICKSHIRE LAA 6 MONTH REVIEW
APRIL – SEPTEMBER 2007**

BLOCK NAME (Insert eg Children and Young People)				
<p>Summary of progress to date Please include a general commentary on the delivery of the outcomes within the block. The summary should focus on delivery, not on infrastructure or process but on achievement of the delivery plan.</p> <p>This summary should also highlight good practice and innovation that has been a result of the LAA</p>				
<p>Key performance issues (<i>this section is intended to be an exception report outlining areas of concern from the quarter 2 performance data ie the indicators failing to achieve targets and/or those that have a deteriorating direction of travel</i>)</p>				
Outcome reference	Measure/indicator	Performance	Issues/milestone analysis	Improvement plan
Eg CYP 1	From the LAA	<p>From the summary of Q2 – ie risk rating and direction of travel This will show:</p> <p><u>Performance</u></p> <ul style="list-style-type: none"> • Below performance <p>And/or</p> <p><u>Direction of travel</u></p> <ul style="list-style-type: none"> • Improving • Deteriorating • Static 	Please provide a commentary on the key issues that are affecting performance and delivery. This should include an analysis of key milestones included in the delivery plan and progress towards them.	<p>Please indicate actions and plans that are in place to correct performance and achieve targets and milestones.</p> <p>Please include a year end prediction of whether the target will be back on track.</p>
CYP 5				
Add extra rows as necessary				

Appendix B

WARWICKSHIRE LOCAL AREA AGREEMENT - 6 MONTH REVIEW APRIL- SEPTEMBER 2007

Proposed format for the self assessment report

Suggested headings:

1 Introduction

2 What is the Partnership trying to achieve?

3 What is the capacity of the partnership to deliver what it is trying to achieve?

4 What has been achieved?

4.1 Summary of performance

Suggest a summary table showing overall position with indicators

Table summarising number of indicators in the Warwickshire LAA against quarter 2 performance

Block	Number of indicators		How many can be reported this quarter	Number performing above/within target	Number performing below target	Number with data unavailable for Q2
C&YP	LAA	xx	xx	x measures y milestones	x measures y milestones	x
	LPSA	xx	xx			
HCOP	LAA	xx	xx			
	LPSA					
etc	LAA					
	LPSA					
etc						
total						

Some commentary about overall position.

4.2 Detailed performance

Templates for each section: 6 blocks

Appendix: Performance data. This will be the full Q2 performance data for all indicators. This should show risk rating shown by a symbol/colour (on target,

exceeding target, below target), and the other a progress column – shown by arrows (improving: up, static: straight, deteriorating: down)

4.2 Cross cutting issues

4.3 Narrowing the gap –

5. Financial summary

Appendix C

DEVELOPING THE NEW LAA FOR WARWICKSHIRE

There will be no formal 'refresh' process for the current LAA as this will now become the negotiation of the new LAA for 2008. The mid year review therefore presents the opportunity to start the process of considering the new LAA.

Bearing in mind the following comments please give thoughts from your block/partnerships in the table. These views should represent partners collectively.

- The new LAAs should have a strong sense of place – based on need and engagement
- There needs to be a balance between long term ambition for the area and addressing current performance issues – this means that the selection of targets should be based on performance and priority - targets/indicators cannot be dropped simply because performance is not good
- The new LAA should not be constrained by current blocks and themes – so please include views across all blocks
- Evidence will need to be given for why the priorities were chosen and why others were not
- Priorities and targets included will need to be baselined, with evidence of what is being done

What are the key priorities/outcomes in the current LAA that you would like to keep in the new LAA?	<u>Keep in</u>	Please give a brief explanation why
What are the key priorities/outcomes in the current LAA that you would like throw out?	<u>Throw out</u>	Please give a brief explanation why
What are the key priorities/outcomes in the current LAA that you would like to add in to the new LAA?	<u>Add in</u>	Please give a brief explanation why

Appendix D

Timetable for 6 month review and development of new LAA for Warwickshire

	September	October	November	December	January/ February	March	April/May	June
Review of current LAA	Self-assessment template issued to blocks PSB initial discussion re new LAA	Quarter 2 performance analysis and completion of template. Block meetings to confirm self assessment 200 national indicators issued	PSB meeting considers Q2 performance, 6 month review self-assessment and first draft of 35 priorities	Meeting with Government Office re review				
Development of new LAA	Questions for new LAA issued to blocks/partnerships	Consideration of new LAA priorities including: <ul style="list-style-type: none"> • Responses from blocks & partnerships • Event for elected Members • Advisory forum 		Refinement of 35 priorities, baselining, targets. Start negotiation stage with GO	Final drafts, detailed negotiation and refinement	Agreement between Warwickshire and GO	GO submits and clears with government departments	Sign off by Ministers