

Agenda 8**Warwickshire Public Service Board Meeting****29th November 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 completing the mid year review of the LAA
- c. Agrees the timetable and approach for the preparation of the new LAA
- d. Notes the current position in relation to the Area Based Grant and agrees that further advice and guidance should be made available to the Board following the publication of the Local Government Finance Settlement in December.
- e. Notes the position in relation to the current consultation on the National Indicator Set and supports a combined public sector response to Communities and Local Government.

1. Introduction

- 1.1 At its last meeting held on 25th September 2007, the Board received and agreed a report relating to the six monthly review of the current LAA and the development of the new LAA.
- 1.2 This report aims to:
 - a) Describe the progress made to date in relation to the six monthly review by 7th December 2007 and sets out a process for the completion of the review by 17th December 2007
 - b) Sets out a process and timetable for the development of the new LAA through to June 2008
 - c) Set out the latest position in relation to the Area Based Grant
 - d) Asks the Board to consider the current CLG consultation on the National Indicator Set

2. Six monthly Review

- 2.1 This is the first 6 month review of the Warwickshire Local Area Agreement (LAA).

- 2.2 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.
- 2.3 The review is taking the form of a rigorous and partnership-based self-assessment undertaken through the Block Theme Groups, leading to the production of a draft submission to GOWM in early December 2007.
- 2.2 This self assessment 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 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. 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
- 2.4 In working up to the Review, we have been mindful of the need to avoid further unnecessary bureaucratic requests of the Block Leaders and partners. Accordingly, we have tailored the format of the standard Performance Information requests of Block Leaders to enable us to gather in the information required for the review at the same time. Additionally we have encouraged the Block leaders to carry out the review as part of their regular meeting arrangements with partners as opposed to convening a special event.
- 2.5 At the last meeting of the Board, a format was agreed for the review. At the time of preparing this report, arrangements are in hand for the reviews to be conducted by individual blocks as part of their usual meeting arrangements. These arrangements will conclude with a meeting of the Children and Young People's Strategic Partnership Board on 21st November 2007. Each of the Block Leaders have been asked to return their completed reports by 23rd November with a view to the draft review document being completed by 3rd December 2007 in time for a meeting with GOWM on 7th December.
- 2.6 The review report will not be completed in time for the meeting of the Board on 29th November 2007.

Accordingly, it is suggested that:

- At the meeting on 29th November, Board members raise any issues that they would like taken into account in the review over and above their comments on the Quarter 2 Performance Report – for example in relation to the governance arrangements that have been, by agreement, established to oversee the LAA in Warwickshire.

- The first draft of the review document is distributed electronically to Board members on 3rd December 2007 in order to give them an opportunity to comment prior to the meeting with GOWM four days later.
- Following the meeting with GOWM it is suggested that a further draft is prepared and distributed to Board members for final comment by 17th December 2007.

3. The new LAA

- 3.1 As mentioned in my report to the Board on 25th September, we are facing some significant changes to the form of LAAs with all 150 upper-tier Local Authorities being required to develop new LAAs by June 2008.
- 3.2 Since that meeting, Communities and Local Government has published the new Performance Framework for Local Authorities and Local Authority Partnerships. This sets out the Government's single set of 198 measures that it says should be the national priorities for local government working alone or in partnership over the next 3 years (The National Indicator Set). The National Indicator Set contained 'headlines' of the 198 measures which has subsequently been augmented by the publication on 8th November 2007 of 'National Indicators for Local Authorities and Local Authority Partnerships – A Handbook of Definitions (Draft for Consultation)'. Consultation on this publication continues until 21st December 2007 and will lead to publication of a final 'Handbook' in early January 2008.
- 3.3 The National Indicator Set will be the only measures on which central Government will performance manage outcomes delivered by local government working alone or in partnership and will replace all other existing sets of indicators including Best Value Performance Indicators and Performance Assessment Framework indicators
- 3.3 The core of the new LAA will be a set of up to 35 improvement targets, together with 17 statutory educational and early years targets, covering the period 2008-2011. These targets must be drawn from the National Indicator Set.
- 3.4 In addition to the 'up to 35 plus 17', local targets can be agreed between partners and included within the new LAA – but would not be subject to performance reporting to central government.
- 3.5 The selection and negotiation of the 'up to 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.
- 3.6 The present LAA contains many more than 35 indicators, so the selection of 'up to 35 plus 17' provides a real opportunity to bring a greater sense of focus to our LAA.
- 3.7 We have asked the Block Leaders to 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. As a result, more information will be available from the six monthly review.

- 3.8 Subsequently, it will be necessary for the Block Theme Groups to have considered matters further with a view to making their selection of proposed measures for inclusion within the new LAA by mid January in readiness for the preparation of the first, initial draft of the new LAA by the end of that month for consideration by GOWM and the Board at its meeting on 20th February 2008. Further discussion and refinement should then take place with a view to an advanced draft of the new LAA being considered by the Board at its meeting on 15th April 2008.
- 3.9 In considering this timetable, the Board is also asked to agree that the Block Leads should not only consult within their Theme Groups but also ensure that there is meaningful consultation with each of the five District LSPs. Additionally, they should ensure communicate with each other on a frequent basis through Block Leaders Meetings and otherwise in order to that the new LAA is:
- Developed in a holistic and systemic way to ensure that the linkages between priority areas are understood and maximised
 - Add value to existing activity
 - Promote genuinely new ways of working
- 3.10 In order to assist the Board and the Block Leads it is suggested that clear emphasis should be given to translating as many measures as possible from the current LAA to the new LAA. Additionally, the Board is asked to comment on the following proposed criteria to guide the process of selecting measures for inclusion in the new LAA:
- a) Does the Indicator / Target appear in our current LAA and is it covered by the National Indicator set - if so is our current performance on track and likely to continue to be so?
 - b) Are resources available to Indicator / Target via the proposed funding streams to be included in the Area Based Grant?
 - c) Does the Indicator / Target link directly to our Narrowing the Gap approach?
 - d) Is baseline information available at a county, district and if possible locality level?
 - e) Is the inclusion of the Indicator / Target supported by i) Block Theme groups and ii) District LSPs?
 - f) Is there the potential for the development and achievement of stretch targets – to support the development of Reward Targets?
 - g) In all cases other than the statutory education 17 targets, does the Indicator/Target involve delivery by two or more agencies?
 - h) Would the inclusion of the target be likely to enhance current levels of VCS activity in the LAA?

4. Area Based Grant

- 4.1 From 2008/09 onwards Area Based Grant (ABG) will replace LAA Pooled Grant as the primary source of funding specifically for Local Area Agreements. As part of the Comprehensive Spending Review 2007 the Government announced a significant increase in the number of grants partners currently receive that will in future be part of Area Based Grant. As yet we do not have any definitive information with further changes/updates expected as part of the Local Authority Revenue Support Grant Settlement announcement in early December at the same time as the 3-year Area Based Grant allocations are issued.
- 4.2 From the information currently available it would appear there are grants that are part of LAA Pooled Grant in 2007/08 that will be delivered via Revenue Support Grant directly to individual local authorities from 2008/09 onwards and some specific grants that will, from 2008/09 onwards, be incorporated into Area Based Grant.

Grants no longer pooled

- 4.3 There are two grants – the Children's Services Grant and the Waste Performance and Efficiency Grant (revenue element only at this stage) - that are part of LAA Pooled Grant in 2007/08 that will be included in authorities general Revenue Support Grant from 2008/09 onwards.
- 4.4 In 2007/08 £1,337,109 LAA Pooled Grant was nominally in respect of the former Children's Services Grant. All this resource was allocated to Warwickshire County Council by the PSB.
- 4.5 The revenue element of the Waste Performance and Efficiency Grant will also be part of Revenue Support Grant from 2008/09 onwards. The list below shows the revenue allocations to each partner organisation from the Waste Performance and Efficiency Grant for 2007/08.

North Warwickshire Borough Council	£27,372
Nuneaton and Bedworth Borough Council	£52,711
Rugby Borough Council	£39,872
Stratford on Avon District Council	£51,940
Warwick District Council	£61,272
Warwickshire County Council	£326,047
Total	£559,214

- 4.6 It is not yet known how the capital element of this grant (also £559,214) will be allocated in 2008/09.

Grants to be pooled through the ABG

- 4.7 The Comprehensive Spending Review also gave details of the grants that will in future be delivered through the LAA. **Appendix A** gives a complete list of these grants and includes the amount received by individual partners in 2007/08, where these grants have not already been pooled. The appendix also includes a narrative explaining the current purpose of the grant.

- 4.8 As a summary there are 39 grants listed that will in future be delivered through the area-based grant. Of those grants to be newly pooled, Warwickshire County Council currently receives 18 of these, with funding totalling approximately £13.2 million.
- 4.9 Based on the list currently issued, initial indications are that no grant received by any partner other than the County Council will be pooled automatically from 2008/09 onwards. However, there are suggestions that an additional tranche of pooled grants will be announced as part of the Revenue Support Grant Settlement in early December.

5. Implications of the New Funding Arrangements

- 5.1 The simple position of the increased funding being allocated by Area Based Grant is that the PSB will have significantly more funds to allocate. (Pooled grant is £9.3 million in 2007/08). However, in reality the position is much more complex. Elements of these grants are for statutory functions and all have at least some long term commitments, including staffing funded from these resources.
- 5.2 Given that Area Based Grant can only be allocated to deliver the outcomes selected for inclusion in the new LAA, these pre-existing commitments and the role of the grants in funding core services will have a significant impact on the selection of indicators moving forward. As part of the medium term financial planning framework approved at their last meeting the PSB agreed to adopt a flexible approach to the redirection of resources to the delivery of new priorities/outcomes to ensure:
- Partners have time to plan/manage any redirection of resources.
 - Partners are able to meet pre-existing contractual commitments.
- 5.3 In doing this the PSB implicitly recognised the difficulties that uncertainties around funding would create for partner organisations. Until the PSB have had an opportunity to consider the detail of the Local Government Finance Settlement in early December this uncertainty will remain.

6. Consultation on the new National Indicator Set

- 6.1 The Government is now consulting on the detailed definitions of the National Indicator Set. The consultation seeks views on the methodology, frequency of reporting and data source of each individual indicator. The Government is not seeking views on whether individual indicators should be included in the new set of national indicators, nor is it seeking views on the substance or the balance of outcomes represented by the indicators. The deadline for responses is 21 December. Further and very detailed information: is available via the CLG website <http://www.communities.gov.uk/publications/localgovernment/indicatorsdefinitions>
- 6.2 With the relatively imminent deadline it is likely that individual agencies are already well underway with compiling their own responses. However, if partners felt it useful there may still be scope to produce a collective response on behalf of all partners in the county. As a minimum, it might be beneficial to share responses to ensure there are no significant contradictions.

- 6.3 We have asked LAA Block and Performance Leads for their views on the indicators and would be happy to collate partners' views should the Board conclude that a collective Warwickshire Public Service response to the Government Department would be a useful approach.

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Warwickshire County Council
14th November 2007

Appendix A

CSR 2007 Grants to be allocated through Area Based Grant

Grant	2007/08 Grant £000	Purpose
14-19 Flexible Funding Pot	224	To promote co-ordination between schools, colleges etc. to create greater options for pupils including non academic qualifications.
Adult and Children's Social Care Workforce (formerly HRDS and NTS)	1,222	HRDS: To establish enhanced levels of human resource management practice across the whole of the social care workforce. This will include staff working in both adults and children's services and the private and voluntary sectors. The grant should support workforce planning and the National Minimum Dataset. NTS: To ensure appropriate levels of training and qualification in the whole of the social care workforce. This will include staff working in both adults and children's services and the private and voluntary sectors.
Aggregates Levy Sustainability Fund	0	
Care Matters White Paper	0	
Carers	1,602	To stimulate diversity and flexibility in provision of breaks for carers or direct services to carers to support them in their caring role.
Child and Adolescent Mental Health Services	547	To enable Council's with Social Services Responsibilities to carry forward their joint strategies with the NHS and other agencies to develop CAMHS under S.31 of the Local Government Act 2003 in accordance with local needs & priorities, as set out in local CAMHS Development Strategies. Provided on a 100% basis & targeted at areas with the greatest need. Up to 5% of the grant can be spent on capital projects including the development of IT infrastructure & investment in the built up environment.
Children's Fund	940	To tackle disadvantage among children and young people. The programme aims to identify at an early stage children and young people at risk of social exclusion, and make sure they receive the help and support they need to achieve their potential. Contributes to the local delivery of Every Child Matters.
Choice Advisers	34	To help families optimise their choices using all the information to hand (including over-subscription criteria), plus use of local knowledge of what individual schools have to offer, to ensure parents are more likely to get the best place for their child. Where appropriate, this will include information about schools which might be in different local-authority areas with additional advice covering local authority school-admission regimes and individual schools' admission-criteria.
Cohesion	0	
Connexions		Already pooled in Warwickshire.
Crime Reduction, Drugs Strategy and Anti Social Behaviour		Already pooled in Warwickshire.
Detrunking	0	

Grant	2007/08 Grant £000	Purpose
Extended Schools Start-up Costs	818	To support schools, by providing access to a core set of extended services, in raising standards of pupil motivation, aspiration, achievement and behaviour and contributing to a wide range of other Government targets including childcare, children's services, community cohesion, neighbourhood renewal, adult learning, combating child poverty, health inequalities and crime reduction.
Local Enterprise Growth Initiative	0	
Local Involvement Networks	0	New function that will be the responsibility of upper tier authorities from 1 April 2008. Current estimates are that a grant of £150,000 to £180,000 can be expected.
Mental Capacity Act and Independent Mental Capacity Advocate Service	134	The Mental Capacity Act 2005 became law on 1st April 2007. The Department of Health made resources available to train staff across their Implementation Network to understand the implications of the Act and to act accordingly; to commission an Independent Mental Capacity Advocate (IMCA) service to be in place by 1st April 2007, and to increase the staff time needed for assessments of capacity and best interests decisions.
Mental Health	1,057	For adults of working age where spending proposals are discussed with the Mental Health National Service Framework Local Implementation & agreed by key statutory partnership agencies.
Positive Activities for Young People		Already pooled in Warwickshire.
Preserved Rights	2,800	To assist councils in meeting the costs of residential care for people with preserved rights.
Secondary National Strategy - Behaviour and Attendance		Already pooled in Warwickshire.
Secondary National Strategy - Central Co-ordination		Already pooled in Warwickshire.
Preventing extremism	0	
Primary National Strategy - Central Co-ordination		Already pooled in Warwickshire.
Respect	0	
Road Safety Grant	1,841	To replace the funding provided for safety cameras via the netting off funding arrangement for the National Safety Camera Programme.
Rural Bus Subsidy	1,017	To fund new or enhanced rural bus services, their marketing and administration.
School Development Grant		Already pooled in Warwickshire.
School Improvement Partners	167	To support the management of the SIP function. This includes contracting with SIPs; deploying them; developing SIPs professionally; and managing their performance.
School Intervention Grant	163	To raise standards where a school has received a low OFSTED rating before the school requires special measures.
School Travel Advisors		Already pooled in Warwickshire.
Sea Fisheries Committee	0	
Stronger Safer Communities Fund		Already pooled in Warwickshire.

Grant	2007/08 Grant £000	Purpose
Supporting People Administration	340	To contribute towards the costs of administering the Supporting People programme. This is only expected to be pooled from 2009/10 onwards.
Sustainable Travel General Duty	42	To fund school travel advisers (STAs) helping schools carry out surveys and prepare and implement travel plans.
Teenage Pregnancy	187	To support the implementation of local teenage pregnancy strategies & ensure that robust arrangements are in place for the co-ordination & delivery of agreed local action plan which underpin delivery of the 10 year National Pregnancy Strategy (launched in 1999). Includes allocation to fund teachers on a Continuing Professional Development (CPD) Personal, Social & Health Education (PSHE) certification programme.
Working Neighbourhoods Funds (replaces NRF)	0	