

**BUSINESS SUPPORT
OVERVIEW AND SCRUTINY COMMITTEE**

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**LOCAL AREA AGREEMENT 2008 – 2011 (LAA2)
ANNUAL REVIEW AND REFRESH**

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Summary

This report seeks to inform members of the Business Support Overview and Scrutiny Committee of the progress towards reporting performance against Medway's local area agreement (LAA) and re-freshing the LAA. In addition, members of the Committee are invited to inform the LAA2 refresh by ensuring it continues to reflect ambitions for the local area, particularly in light of the potential impact of the 'global credit crunch'.

1. Budget and Policy Framework

- 1.1 The priorities for the local area agreement (LAA) flow from and are consistent with Medway's community plan, adopted as part of the policy framework in November 2006.
- 1.2 The full council formally approved the LAA 2008 – 2011, including specific target levels to be achieved in May 2008. This is attached at appendix 1 for members' reference. The refresh of the LAA is a matter for Council.

2. Background

- 2.1 Although the Local Area Agreement 2008 – 2011 (LAA2) was only signed by the Secretary of State for Communities and Local Government in July 2008, in line with published guidance a formal Annual Review / Refresh must now be carried out. The council has a responsibility to lead the annual performance review and refresh.

2.2 In this first year the review is focused more on a partnership's 'capacity to deliver' rather than on performance against LAA targets. The scope of this first annual review is different because:

- It is starting only *four months* after being signed
- The baselines and targets for a number of LAA2 indicators were unable to be included in the signed original agreement as in many cases this was dependent upon the new *Place Survey*, carried out for the first time, in December 2008
- The review will be conducted in advance of the first Comprehensive Area Assessment taking place which in future years, will provide evidence to inform the LAA review

2.3 There are three elements to the review process:

- The submission of a '**Performance Report**' to the Government Office for the South East (GOSE) in November 2008, setting out Medway's own assessment of progress on LAA2 to date
- '**Refresh**' of the Medway LAA2, agreeing outstanding baselines and targets that could not be included in the version of LAA2 submitted in June. *In addition*, there may be scope for re-negotiating certain targets including those which are directly affected by the impact of the 'global credit crunch'; also for the inclusion of additional National Improvement Indicators (NIs) (there is provision for *up to* 35 indicators in the LAA. In the current LAA2, there is space for the addition of one more indicator, which if filled would bring the total number to 51, (35 + the 16 early years and educational attainment targets)
- Discussion with the Government Office on specific issues

2.4 The timetable for the LAA review and refresh is very challenging; the refreshed LAA2 must be approved by the full council prior to submission to government by 26 March 2009. A Full Council meeting will be held on 25 March 2009 (Party Groups Leaders and Whips have agreed this will involve only the number of Councillors required to achieve a quorum for the meeting).

2.5 To date, the review and re-fresh aspects have involved:

- Engaging a wide range of partners in a review of progress against the agreed actions to deliver the LAA ambitions
- Timetabling a programme of meetings for each of the LSP five thematic partnership groups and the LSP Operational Group to ensure evaluation and validation of information on progress towards meeting LAA targets
- Formal meeting with GOSE officials to support the completion of a GOSE assessment document on Medway's progress
- Co-ordination of information from GOSE and Government departments to support the negotiation of LAA targets ('re-fresh' will encompass in the region of around 14 of the original 50 indicators)
- Relevant support to the officers responsible for the individual indicators and lead officers for each of the five LAA theme areas
- Enabling communications with Council Members and the assembly of feedback

- Facilitating completion of the process to accommodate the submission of the refreshed LAA2 by 26 March 2009.
- 2.6 The timetable was always going to be tight given the reliance on Place Survey data, which is not confirmed by the Audit Commission until 9 March. Delays by government in releasing so-called target negotiation briefs have added further delay. This means that a finalized LAA refresh is not yet available for members' consideration. Every effort is being made by council and lead partner staff to complete the refresh for LSP Board consideration on 24 March and Full Council on 25 March.

3. LAA Annual Review Issues

3.1 Following a full assessment of progress by the Local Strategic Partnership Board at its meeting on 17 November a performance report was submitted to GOSE. This covered:

- Delivery arrangements
- Accountabilities and Governance
- Risks to delivery, with mitigating actions
- Performance management arrangements
- Citizen engagement and involvement
- Evidence of progress, including best practice to share
- Exception reporting on progress against designated targets and
- Flagging up consideration being given to incorporate a further target, NI130 (social care clients receiving self-directed support) into the LAA at refresh.

3.2 At the time of drafting the report for GOSE in November, data was not available for all LAA targets because information for a wide range of targets is collected annually or is subject to the results of the *Place Survey*, which took place in late 2008. Of the 14 indicators where information was available 57.1% are rated green, 14.3% amber and 28.6% red. Four targets were identified as being 'red' rated:

- NI 113 - Percentage of 15-24 year olds accepting a test/screening for Chlamydia
- NI 15 - Serious violent crime rate
- NI 47 - People killed or seriously injured in road traffic accidents (calendar year)
- NI 87 - Secondary school persistent absence rate

Appendix 2 outlines Medway's own assessment of performance against LAA indicators at November 2008.

3.3 GOSE met with a group of officers from the council and lead partners (members of the LSP Operational Group and others responsible for leading on the areas, which were highlighted as Red or Amber rated) on 7 January 2009 to explore issues and challenges relating to the indicators deemed 'off track' and understand what steps were in place to mitigate risks to meeting targets. GOSE published a report on

Medway's LAA performance, which summarised *their view* of Medway's position as follows:

3.3.1 Medway LAA has **34** designated targets. Of these:

- **14** are on track to meet or exceed the levels of ambition as agreed in the signed LAA
- **1** is currently off trajectory, but is expected to improve over the period and to meet expectation
- **7** are at risk of missing agreed levels of ambition.
- **12** have no data yet on which to evidence progress.

3.3.2 GOSE expressed the view that "Medway has made some progress with developing and bedding down delivery arrangements across key designated targets. There is an emerging performance culture, and some evidence of innovative practice. Only 22 targets have performance data that can be reviewed. While progress in some areas is faster than in others, there is a good understanding of the need to bring the rest up to the standard of the best. However, capacity continues to present a challenge to Medway Council, which makes partnership working all the more critical." GOSE's report on Medway's performance against the LAA is attached for information as Appendix 3

3.4 The LSP Board meeting on 20 January 2009 took the view that the comments expressed by GOSE, represent a fair assessment of progress made to date. The main lead thematic partnerships have been encouraged to continue their efforts to implement the LAA indicators, focusing not only on meeting targets, but working towards achieving the overarching outcomes. In addition, the Board has noted further positive developments aimed at strengthening the effectiveness of the Community Safety Partnership and establishing the shadow Children's Trust Board arrangements, which includes a strong emphasis on delivery of the related LAA indicators.

4. LAA Refresh Issues

4.1 LAA indicators directly subject to the impact of the 'global credit crunch'

4.1.1 At the start of the LAA review / re-refresh process GOSE indicated that the LSP could consider re-negotiation of target levels for indicators included in the current LAA, which are subject to the direct impact of the global credit crunch. This included **NI 152** Working age people on out of work benefits; **NI 154** Net additional homes provided and **NI 155** Number of affordable homes delivered gross.

4.1.2 As a result, the LSP Operational Group took steps to develop robust background information to support decisions on whether to enter into such re-negotiation, including hosting a special event to review the implications for local business, jobs and training.

4.1.3 The Strategic Housing Group, which reports on housing issues into the Medway Renaissance Partnership, considered LAA Housing targets in

relation to the credit crunch, how it is affecting Medway and potential responses.

4.1.4 However, the GOSE position has now changed and the LSP has been advised that re-negotiation of targets is now being discouraged because of the difficulties involved in setting new targets in the current climate of uncertainty. GOSE has indicated that they will want to re-assess the target levels again in December / January 2009/2010.

4.2 Review of baselines and setting of targets

4.2.1 There are 15 indicators in the current LAA where baselines and / or targets need to be set – a number of these are subject to the results of the new Place Survey carried out in late 2008. The provisional Place Survey information has just been released by the Audit Commission and together with *Target Negotiation Briefs* being developed by central government departments, form the basis for negotiations with GOSE.

4.2.2 GOSE has stated that current delays in the issuing of the Target Negotiation Briefs will inevitably hamper the timeliness of concluding discussion on the targets subject to re-refresh. However GOSE is not relaxing its timetable.

4.2.3 Where Place Survey information and Target Negotiation Briefs are available, these have been distributed to the relevant lead facilitating officers for the LAA indicators for consideration with supporting delivery partners to enable target setting.

4.3 Recommendation to include additional/substitute NIs into LAA at refresh

4.3.1 As outlined in section 2.3 of the report, there is provision for *up to* 35 indicators in the LAA. In the current LAA2, there is space for the addition of one more indicator, which if filled would bring the total number to 51, (35 + the 16 early years and educational attainment targets) It has been proposed by the Health Partnership Board (which acts as the LSP's main lead thematic partnership for health, well being and older people) to include NI 130 Social Care Clients Receiving Self Directed Support (Direct Payments and Individualised Budgets) into the LAA during refresh

4.3.2 The rationale for its inclusion is that this is a major new public policy area which will offer positive opportunities for local service users to exercise control over the character of the care and support they require. In addition, this indicator will assist in aligning social care and health policy agendas. Within the current LAA, there are no indicators, which address important social care concerns. It is one of a very small number of improvement areas in adult's social care identified following CSCI 2008 inspection work.

4.3.3 As at the end of December 2008 301 people were in receipt of a direct payment (DP). Nobody is, as yet, in receipt of an Individual Budget (IB) in Medway but arrangements for implementing these in 2009/10 are well advanced.

4.3.4 An initial target has been proposed for the LAA of 2835 people who need to either be in receipt of a DP or IB, or who have been assessed for one but who have chosen alternative means of receiving their services, by 31 March 2010. This figure represents 30% of those 9450 people currently in receipt of adult social care services. The target for 31 March 2011 is 100% of those in receipt of adult social care services. These targets are still subject to negotiation with Government office of the South East before being finalised. These targets are challenging and the size of the task cannot be underestimated, however the Local Authority has a dedicated team to work with the rest of adult social care services to achieve this. A high-level delivery action plan has been drafted, in line with the LSP requirements. In addition, NHS Medway is examining the requirements of "High Quality Care for All" and will be considering how to implement individual health budgets in Medway. It will also be looking at how to align and/or integrate these with individual budgets for social care.

4.3.5 The LSP Board meeting on 20 January 2009 endorsed the inclusion of NI 130.

4.3.6 A further proposal is under consideration to replace NI 17 'Perceptions of anti-social behaviour' with NI 21 'Dealing with concerns about anti social behaviour and crime by the local council and police'. The inclusion of *this* indicator would ensure effective alignment with Police 'force – wide' targets and enable a single measure of public confidence in services provided by the Police in partnership with the Council to tackle local concerns about anti social behaviour. Officers in the council and the Police are working together to evaluate the interim Place Survey results relating to NI 17 and NI 21 so that a clear understanding of current performance against both these indicators and likely future prospects can be developed. In addition a detailed Delivery Plan for NI 21 is being drafted which will set out the respective actions to clearly identify actions to be undertaken by the police and council individually and together.

4.4 The table below, sets out the current position in relation to all the indicators subject to re-refresh:

Table 1: LAA Refresh Indicators – Current Position

Designated Target and lead partner	Issue	Action to be taken /	Status of Negotiation
Medway Council NI1 % of people who believe people from different backgrounds get on well together in their local area	Target setting reliant on place survey data	Targets to be agreed	Target Negotiation Brief and Place Survey results published and shared with Delivery Partners Formal negotiations with GOSE at early stage

Medway Council for Voluntary Services (CVS) NI 4 % of people who feel they can influence decisions in their locality	Target setting reliant on place survey data	Targets to be agreed	Target Negotiation Brief and Place Survey results published and shared with Delivery Partners Formal negotiations with GOSE just started
Police NI 15 Serious violent crime rate	Baseline to be set during 08/9.	Interim proxy baseline used in first year.	New methodology for measuring violent crime – Medway results currently being moderated and outcome will influence baseline and target setting.
Police NI 16 Serious acquisitive crime rate	Baseline not available at sign off.	Update baseline	Baseline and targets agreed for all three years of the current LAA to stand
Police NI 17 Perceptions of anti-social behaviour	Target setting reliant on place survey data	Targets to be agreed - interim proxy baseline used in first year.	Place Survey results published and shared with Delivery Partners

YOT NI 19 Rate of proven re-offending by young offenders	Baseline information not previously available, targets for 2009/10 and 2010/11 to be agreed	Set baseline and negotiate targets	Baseline and targets agreed
Kent Probation NI 30 Re-offending rate of prolific and other priority offenders	Baseline to be set during 08/9. Report received from HO on 26th August setting out the figurative target reduction. 27% reduction equates to a reduction of 47 convictions from a baseline of 173 therefore target is 126.	Target to be reviewed in the light of conviction data when this is available. Review ability/capacity of scheme to achieve in light of confirmed figurative target	Initial meeting with GOSE, proposed target which is under consideration by Delivery partners:
Police NI 32 Repeat incidents of domestic violence	Baseline figures to be collated by Medway MARAC in year 1.	Target to be set at refresh for years 2 and 3.	As Medway has a newly established MARAC it is proposed that the Medway measures are based on the average rate of repeats for a mature MARAC. A rate of no higher than 28% has been calculated by the Home Office based on the mature MARACs of 24 months
NHS Medway (Primary Care Trust) NI 39 Rate of hospital admission per 100,000 for alcohol related harm	Inclusion agreed based on further review of trend data at refresh	Review targets when 06/07 data published	Agreement reached with GOSE on new baseline of 1,346/100,000. Current LAA targets retained as follows: 1,529 (2008/9); 1,613 (2009/10). Main reason for the refresh is there is a new methodology for calculating the indicator.
NHS Medway (Primary Care Trust) NI 51 Effectiveness of child and adolescent mental health (CAMHs) services	Targets need to be reviewed at refresh	Targets to be reviewed, to ensure alignment with Vital Signs targets that PCT and Strategic health Authority	Discussions with GOSE not yet concluded

		agree	
<u>NHS Medway (Primary Care Trust)</u> <u>NI 113</u> Percentage of 15-24 year olds accepting a test/screening for Chlamydia	Target needs to be reviewed at refresh	Screening levels need to increase year on year.	Revised target provisionally agreed
<u>NHS Medway (Primary Care Trust)</u> <u>NI 124</u> People with a long-term condition supported to be independent and in control of their condition	Baseline to be set in year 1.	Targets for years 2 and 3 to be set at refresh.	Baseline level and Targets proposed. Discussions with GOSE underway
<u>Learning & Skills Council</u> <u>NI 161</u> Learners achieving a Level 1 qualification in literacy. PSA 2	Improved accuracy in measurement of baseline data	Target to be set following availability of accurate baseline data	Baseline data and Targets provisionally agreed
<u>Business Link, Medway Council</u> <u>NI 171</u> New business registration rate	Baseline to be set in year 1.	Target to be set at refresh for years 2 and 3.	Target Negotiation Brief published. Negotiation with GOSE underway.
<u>Medway Council</u> <u>NI 191</u> Kg of residual household waste per household	Agreed to review year 2/3 figures at refresh.	Targets for year 2 and 3 to be agreed.	The current waste contract is due to change at the end of September 2009. At this time food waste collections mixed with the garden waste will be introduced, it is predicted that Medway's overall recycling/composting rate will increase as a result over the next couple of years. Discussions are ongoing to finalise the timetable for future service developments. Discussions re potential changes to the year 2 and year 3 targets are underway.

5. Risk Analysis

- 5.1 The LAA continues to provide a new focus from government on the measurable improvement to transform local areas. Each of the LAA indicator Delivery Plans highlight anticipated or actual risks and set out actions to mitigate these. Ongoing evaluation of these risks and actions to address / mitigate these remain at the forefront, particularly in light of the broad economic and social implications of the 'global credit crunch'.
- 5.2 The council is expected to play a leading role in the LAA implementation and the Local Strategic Partnership, including scrutinising progress of the LAA and holding the LSP and the 'named partners' (who will now be under a duty to cooperate in the development and implementation of the LAA) to account. The new arrangements for scrutiny of the LAA targets are intended to provide an

'independent' focus on progress. These arrangements must ensure effective review and scrutiny of the work being done in partnership with local stakeholders to make a real difference to local people. Work is currently underway to develop a range of ways to promote the LAA2 ambitions and highlight the actions being taken to implement the LAA indicators. This work will include re-vamping the LSP presence on the council's web site.

- 5.3 The timescale imposed by government is incredibly tight. Cabinet review is an important stage of the process to inform refresh and re-negotiation of target performance levels.

6. Consultation

- 6.1 The Local Strategic Partnership Board has made a full assessment of progress to date towards meeting LAA2 targets following consultation with the five main lead thematic partnerships.

- 6.2 The LSP Plenary conference held in December 2008 offered an opportunity for community and other interest groups to participate in a series of workshops reflecting on progress towards the LAA2 outcomes.

- 6.3 Medway Matters magazine is currently running a series of 2 page specials on the targets included in the LAA2, this has generated some interest in the priority issues highlighted in the LAA.

- 6.4 This report is going to Cabinet on 10 March 2009 and their comments will be circulated to this committee in an addendum report after that meeting.

- 6.5 The LSP Board will be considering LAA2 at its meeting on 24 March 2009 and its views will be reported to Council.

7. Financial and legal implications

- 7.1 The Council has a duty under the Local Government and Public Involvement in Health Act 2007 and government guidance issued pursuant to the 2007 Act to submit an annual review of the Local Area Agreement. The body of the report sets out the government's timetable and expectations for this year's review. There are no direct financial implications arising out of this report. Activities and programmes to implement the refreshed LAA2 will be undertaken within the current financial arrangements of the council.

8. Recommendations

- 8.1 The Overview and Scrutiny Committee is being asked to formally consider the progress made so far and to contribute towards the LAA refresh in terms of ensuring it reflects the broader vision for the area; the ambitions for improving local services and enhancing opportunities for Medway's communities by:

- Reviewing the early information on progress towards achieving targets
- Supporting the LSP Board recommendation to include NI 130 in the list of 'up to 35' national indicators
- Supporting the proposal to replace NI 17 with NI 21 (Dealing with concerns about anti social behaviour and crime by the local council and police)

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Background papers

LAA2 2008 –2011 Annual Performance Report

GO Network LAA Annual Review Report: 2008/2009

LSP Board Meeting Papers 17 November 2008 and 20 January 2009