

WIRRAL COUNCIL

CABINET - 9th APRIL 2009

REPORT OF THE DEPUTY CHIEF EXECUTIVE / DIRECTOR OF CORPORATE SERVICES

WIRRAL'S 2008/11 LOCAL AREA AGREEMENT – 2009/10 REFRESH

1 Executive summary

- 1.1 The purpose of this report is to provide Cabinet with the final position of the refresh negotiations for Wirral's 2008/11 Local Area Agreement (LAA) and confirm the eligible performance reward grant available for successful achievement of the LAA improvement targets.

2 Background

- 2.1 In May 2008, Wirral submitted a 2008/11 Local Area Agreement which features designated targets drawn from a rationalised national indicator set, plus statutory indicators from the Department for Children, Families and Schools (DCFS) and local targets which reflect Wirral's local partnership priorities. Wirral's designated targets have been negotiated with Government Office North West (GONW) on behalf of Central Government.
- 2.2 Wirral's LSP Executive Board (formerly the LAA Programme Board) have managed the negotiation of Wirral's 2008/11 LAA with regular reports provided to Cabinet as Wirral Council is the accountable body. The Executive Board agreed the priority areas for improvement targets to be negotiated; these were agreed based on detailed and robust evidence bases, and consideration of the people and places within the borough which the improvement target should focus upon.

3 Annual Review and Refresh

- 3.1 Wirral's Local Area Agreement is subject to an annual review by Government Office, Central Government departments, Comprehensive Area Assessment leads and Regional Innovation and Efficiency Partnerships.
- 3.2 The purpose of the review is to identify and address any issues around delivery, including risks and good practice, and to help assess and benchmark progress over the three year span of LAAs. Government Office for the North West (GONW) have acknowledged that the 2008/09 annual reviews took place in the context of limited delivery data and needed to focus on local capacity and delivery arrangements of improvement targets, for example partnership working, performance management arrangements, joint commissioning and citizen engagement. Wirral's performance report for the annual review covered the following:

- Delivery arrangements for designated LAA targets

- Wherever possible, an assessment of the risks to the achievement of designated LAA targets, together with brief explanations of mitigating actions and residual risks
- Exception reporting on progress against designated targets or other national indicators
- Where appropriate, information on baseline data not available at the time of sign off.

3.3 The findings from Wirral's first annual review have been positive with feedback from GONW advising that overall, good progress had been made and some excellent examples of good practice identified. These include Wirral's Story of Place, performance on the community safety agenda, the leadership and strategy developed on under-18 conceptions, and the approach taken to use of Working Neighbourhoods Fund. GONW also praised Wirral for the commitment and resource invested in Wirral's LAA and commended the strong performance management framework that has been embedded with reporting significantly improved.

3.4 In terms of development areas, GONW were keen to better understand how Wirral is responding to the scale of the economic downturn and how the partnership were demonstrating its ambition and commitment to learning from best practice.

4 Wirral's 2008/11 refreshed Local Area Agreement

4.1 The 2008/09 review had a distinct 'refresh' element due to the number of targets which had not been finalised for the May 2008 submission. Bilateral discussions have now been concluded between Government Office North West (GONW) theme leads and Wirral's LAA block leads to agree the refresh of the targets within the 2008/11 LAA.

Appendix one of this report provides Cabinet with the refreshed version of Wirral's 2008/11 LAA.

4.2 The comprehensive spending review announced a third round of reward grant to ensure the new approach to LAAs is properly embedded. It is confirmed that Wirral will be eligible to claim, if all targets are met by 2010-2011, the amount of £2,281,175.95.

5 LAA indicators affected by the economic downturn

5.1 The following guidance has been provided from central government to clarify the refresh position for LAA improvement targets affected by the economic downturn:

LAA indicators are intended to reflect outcomes that local partners influence through service delivery but as these outcomes are not under the complete control of public services, external factors will play a part. An economic downturn and credit crisis are likely to make it more difficult to achieve certain targets, for example around increasing the housing supply and reducing worklessness. Equally there are targets which might become easier to achieve due to the same external factors, for example reducing traffic congestion, and CO2 emissions.

Where local economic circumstances change and where there is uncertainty about future economic conditions, Government's priority for local delivery is that local partnerships respond flexibly to support local communities and businesses. Local partners need to remain focussed on delivery of positive outcomes locally. There is a risk that protracted discussions about the levels of targets at this stage would detract from timely, effective action on the ground.

- 5.2 The final framework for comprehensive area assessment guidance also provides the following extract regarding the impact of the economic downturn:

It is important to note that a deteriorating outcome will not necessarily trigger a red flag. For example, if in our view a local partnership is taking effective action to mitigate the impact of the economic downturn (perhaps helping to keep the local increase in worklessness below the level being experienced in similar places elsewhere); a red flag would not be reported.

- 5.3 The LAA refresh has effectively 'locked down' targets for reward grant purposes. Central government have advised that those indicators which are most severely affected by the economic downturn will be removed from 'lock down' for the 2008/9 review and refresh process, and will now be included in the 2009/10 review and refresh process which will be completed by March 2010 where the targets will be 'locked down' for reward purposes.

- 5.4 For Wirral's LAA this includes the following indicators:

- NI 151 - Overall employment rate
- NI 153 - Working age people claiming out of work benefits in the worst performing neighbourhoods
- NI 154 - Net additional homes provided
- NI 155 - Number of affordable homes delivered (gross)
- NI 171 - New business registration rate

6 Financial implications

- 6.1 The financial implications are set out in 4.2 of this report. Failure to fully achieve the 2010/11 targets within Wirral's LAA will impact on the performance reward grant claim at the end of the LAA period.

7 Staffing implications

- 7.1 There are no staffing implications arising from this report.

8 Equal Opportunities implications

- 8.1 There are no equal opportunities implications arising directly from this report.

9 Community Safety implications

9.1 Community safety is a key theme which will be addressed through Wirral's 2008/11 LAA and associated improvement targets.

10 Local Agenda 21 implications

10.1 The environment is a key theme which will be addressed through Wirral's 2008/11 LAA and associated improvement targets.

11 Planning implications

11.1 There are no planning implications arising directly from this report.

12 Anti-poverty implications

12.1 Anti-poverty will be addressed through the Wirral's 2008/11 LAA and associated improvement targets.

13 Human Rights implications

13.1 There are no human rights implications arising from this report.

14 Social Inclusion implications

14.1 Social inclusion is a key theme which will be addressed through Wirral's 2008/11 LAA and associated improvement targets.

15 Local Member Support implications

15.1 There are no local member support implications arising directly from this report.

16 Background Papers

16.1 Cabinet report, 22nd May 2008: 2008/11 Local Area Agreement

17 Recommendations

17.1 Cabinet are recommended to note the report and Wirral's refreshed Local Area Agreement.

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This report was prepared by Lucy Beed, who can be contacted on 0151 691 8006.