

Meeting: Haringey Strategic Partnership
Date: 26 February 2009
Report Title: Local Area Agreement Refresh
Report of: Sharon Kemp Assistant Chief Executive PPP&C

Purpose

This report provides information on the year one Refresh of Haringey's 2008/09-2010/11 Local Area Agreement.

Summary

This report sets out the process for Refresh and details the list of designated national indicators and local targets within Haringey's LAA that require resolution or renegotiation with government departments.

Local areas are required to submit their final refreshed LAAs to Government Office on 2 March 2009.

Recommendations

- i. That the content of this report be noted and the decisions taken by PMG on behalf of partnership regarding the points set out below be endorsed:
 - The inclusion of additional safeguarding targets within the LAA as detailed;
 - To revert the Stretch Target of 'number of people on Incapacity Benefit helped into sustained work to a local indicator;
 - The removal of Local Target NI 127.
- ii. To note the timescales for completing the LAA refresh, authorising the Leader (and Chair of the Haringey Strategic Partnership) to agree any final revisions required by Government Office for London after the report has been approved by the council's Cabinet on 24 February 2009 and endorsed by HSP on 26 February 2009.

Chief Financial Officer comments

The annual refresh of the LAA is a requirement set out in CLG documents. It does not in itself create any financial implications for the authority or the Partnership, however, if the re-negotiation of some of the key indicators set out in the appendix is unsuccessful this will impact on any eventual performance reward grant.

Legal Comment

There are no specific legal implications beyond those identified in the body of the report.

For more information contact:

Name Louisa Aubeeluck
Title Local Area Agreement Manager
Tel: 020 489 4533
Email address Louisa.aubeeluck@haringey.gov.uk

1. INTRODUCTION

1.1 Haringey's Local Area Agreement is subject to annual review; with a distinct 'refresh' element this year to conclude 'unfinished business' from the initial negotiations and some limited revisions to targets where new evidence is available. Local areas are required to submit their final refreshed LAAs to Government Office on 2nd March 2009.

2. BACKGROUND INFORMATION

2.1 Haringey's 2008/9-2010/11 LAA was formally signed off by Cabinet and the HSP in July 2008 and by government ministers in July 2008. The LAA is now the only vehicle for agreeing targets between local government, their delivery partners and central government.

2.2 As set out in Strong and prosperous Communities (2006) and subsequent LAA Operational Guidance, local area agreements are subject to annual review. The purpose of the review is to identify and address issues around delivery, including risks and good practice; and to help assess and benchmark progress over the three year span of the LAA. This year there is a distinct 'refresh' element to the annual review to conclude 'unfinished business' from the initial negotiations and some limited revisions to targets where new evidence is available.

2.3 Guidance issued for the LAA review and refresh suggests that *any revisions to the LAA need to be approved in accordance with local arrangements put in place by the responsible authority*. Paragraph 7.1 of this report confirms the decision making route.

2.4 Target Negotiation Briefs for a number of deferred and revised national indicators are still outstanding and as such local areas cannot progress target setting in these instants until confirmed briefs are received.

2.5 Guidance on the Performance Reward Grant (PRG) is delayed, however, the draft guidance suggests that target levels agreed as part of the LAA will be used as a benchmark for calculating entitlement to the PRG.

3. CURRENT POSITION

3.1 For government purposes, the 'refresh' is primarily concerned with designated indicators (the 35 improvement indicators), however, it remains opportune for the partnership to consider resolving any unfinished business for its local targets at this time also, or to remove them where data measurement and collection issues prevent targets from being set or performance managed.

3.2 The targets within Haringey's LAA that require resolution or revision are identified in Appendix 1 LAA Outcomes Framework. These include:

- 22 designated national indicators: NI 1, NI 4, NI 6, NI 15, NI 21, NI 39, NI 40, NI 111, NI 112, NI 116, NI 121, NI 123, NI 125, NI 126, NI 135, NI 140, NI 149, NI 153, NI 154, NI 171, NI 186, NI 187;
- 16 attainment targets for academic year 2009/10: NI 72, NI 73, NI 74, NI 75, NI 83, NI 87, NI 92, NI 93, NI 94 NI 95, NI 96, NI 97, NI 98, NI 99, NI 100, NI 101; and
- 12 local targets: NI 7, NI 119, NI 127 (see paragraph 3.6), NI 155, NI 158, NI 175, DV repeat victimisation stretch target, victim support services for young people, adults achieving a skills for life qualification, adults achieving level two qualification, Haringey guarantee participants with better off calculation, number of people on IB helped into sustain work stretch target (see paragraph 3.9).

3.3 Following on from the recent Joint Area Review the Council is working with Haringey Teaching Primary Care Trust and the Police to improve services to support children and young people locally. The Improvement Plan is focused on the quality of practice, performance management, supervision, effective leadership and management oversight. The Community Strategy progress report reaffirms our commitment with a new priority - 'Safeguard children and adults from abuse and neglect wherever possible and deal with it appropriately and effectively if it does occur'. Within the Local Area Agreement NI 60 'core assessments for children's social care' is already a designated target. The partnership is therefore taking the opportunity provided by the LAA refresh to include additional safeguarding indicators as follows:

- NI 59 initial assessments for children's social care, to be included as a designated indicator within the 35 improvement targets, and
- NI 61 stability of looked after children adopted following an agency decision; NI 62 stability of placements of looked after children – number of moves; and NI 67 child protection cases which were reviewed within the required timescales are to be included as local targets.

LAA's may include a maximum of 35 designated improvement targets and an unlimited amount of local targets. In order to include NI 59 as a designated target, Haringey is required to drop one in its place. It is therefore propose that:

- NI 1 % of residents, who believe people from different backgrounds get on well together, is replaced with NI 59 but retained as a local target.

3.4 The Secretary of State announced on 14 October 2008 that Key Stage 3 (KS3) National Curriculum tests will not take place from 2009 onwards. As such Government Office for London confirmed on 27/1/09 that 6 KS3 attainment targets: NI 74, NI 83, NI 95, NI 96, NI 97 and NI 98 have been deleted and are to be removed from Haringey's LAA.

3.5 Government Office for London provided advanced notice to local areas on 29/1/09 that Ministers have agreed to apply a greater flexibility around a limited set of indicators particularly impacted by the economic down turn. These are referred to as 'frozen' indicators and of these NI 116, NI 153, NI 154, NI 155, and NI 171 are within Haringey's LAA. It is acknowledged that this is because economic and financial uncertainty makes it very difficult and or there may be insufficient data, to finalise ambitious but realistic targets in 2009, for the period up to the end of 2010-11, using

these indicators. As such targets based upon these indicators will not be 'locked down' for reward purposes until the final LAA review late in 2009-10.

- 3.6 NI 127 self reported measure of social care users is a local target within Haringey's LAA. This national indicator is deferred until 2009/10. The measurement of this target is based on an annual survey whereby the question and client group for the survey will change yearly. Performance and target leads have suggested that this will make this target difficult to pre-empt and performance manage as the targets set may not reflect the annual changing circumstances. On this basis the HSP Performance Management Group at its meeting on 3rd December 2008 agreed the removal of this target from the Local Area Agreement.
- 3.7 A number of national indicators are reliant on 'survey data' from Government Agencies which is outstanding. These include: NI 187.
- 3.8 NI 125, NI 126 and NI 149 have outstanding baseline data which GOL has advised will not be available until after the refresh period. Confirmation from GOL is awaited on how to progress these targets with regard to the reward position.
- 3.9 Haringey currently has 13 stretch targets within the Local Area Agreement, negotiated as part of the 2007/08-2009/10 LAA. If the required stretch is achieved across the 13, a potential reward of £9.6m is awardable. Haringey is requesting to drop its stretch target on the 'number of long term incapacity benefit claimants assisted into sustained work' as it is unachievable. This target will be retained as a local target. Communities and Local Government has advised that the decision to drop this lies with Haringey. According to the rules on the performance reward grant this will mean that the council will not be entitled to any reward attached to this target. The maximum amount that could have been awarded is £704,419, but only if the target were to be met.

This stretch target has proved to be significantly challenging and to date only 12 long-term IB claimants have been supported into sustained employment out of a target of 180. Haringey is unlikely to achieve this target. This challenge is compounded by the current economic climate, which is acknowledged by the Government. Other London boroughs, including Bromley and Islington, are also struggling with their respective IB stretch targets.

4 Financial Implications

- 4.1 £340 million of Performance Reward Grant (PRG) funding is available nationwide. PRG guidance is expected in February 2009, however, draft guidance suggests that:
- PRG will provide a flexible fund to sit alongside ABG in 2011-13 for successful areas.
 - PRG will be calculated based upon average performance across the (up to) 35 LAA improvement targets. These do not include the statutory attainment targets.
 - Reward will not be payable if an area's average performance is below a minimum level (60%).
 - The baselines and target levels used to calculate reward grant will be confirmed in March 2009 for most indicators.
 - Claims are payable in two instalments during 2011-12 and 2012-13, each with a 28% capital element.
 - Each area will be allocated a share of the £340m fund, based on an area's share of local government funding (Area's will receive approx. 0.54% of their 2006/07 Net Budget Requirement (NBR) plus Dedicated Schools Grant less any parish precepts).

4.2 The refresh process 'locks down' targets for PRG purposes, if the government and local area agree that a target cannot be finalised until the 2010 refresh then this target will not be included when calculating reward entitlement. 'Frozen' indicators will be excluded from this process.

4.3 The annual refresh of the LAA does not in itself create any financial implications for the authority or Partnership; however, should the re-negotiation of some of the key targets be unsuccessful this will impact on any eventual performance reward grant.

4.4 In addition to PRG, the Working Neighbourhoods Fund reward scheme of £50m nationwide will also be available to WNF areas only. Locally areas will be advised of the terms of this proposed scheme separately from the PRG scheme.

5. Legal Implications

5.1 The Council and each partner organisation are under a legal duty to have regard to every relevant local improvement target under the Local Area Agreement when exercising their functions. The duty to develop the draft LAA and to submit it to the DCLG arises under section 106 of the Local Government and Public Involvement in Health Act 2007. In accordance with the legislation in force at the time, the LAA was approved by the Cabinet, and referred to full Council for noting and endorsement, before submission to the Government Office for London.

6. Policy Implications

6.1 The Local Government and Public Involvement in Health Act 2007 required local strategic partnerships to have in place the new style Local Area Agreement by June 2008. These include up to 35 improvement targets negotiated with Government, attainment targets for the academic year 2008/09 and unlimited local indicators as targets for these are not negotiated with Central Government, and there is no formal reporting requirement. Haringey's 2008/9-2010/11 was formally signed off by Cabinet in July 2008 and by government ministers in July 2008.

6.2 The Local Area Agreement (LAA) facilitates the delivery of the ambitions for Haringey and its residents as set out in the sustainable community strategy. The LAA is now the only vehicle for agreeing targets between local government, their delivery partners and central government.

6.3 The new LAAs incorporate a duty for named partners to cooperate, a duty to engage and inform residents and an enhanced role for scrutiny. The statutory duty to cooperate for named agencies requires them to respond to council scrutiny.

7. List the proposed routing for the report through the formal decision making process

7.1 It is proposed that the LAA refresh is taken through the following decision making process:

- 3rd December 2008 report to Performance Management Group
- 20th January 2009; updated report to Performance Management Group
- 18th February 2009; updated report to Performance Management Group
- 24th February 2009; report to council's CABINET
- 26th February 2009; report to Haringey Strategic Partnership
- Any further amendments post 24/2/09 to be signed off by the Leader of the Council on behalf of the partnership

