

**IMPLEMENTATION EXECUTIVE
11 FEBURARY 2009**

LOCAL AREA AGREEMENT ANNUAL REFRESH & REVIEW 2008/09**Executive Summary**

The Local Area Agreement (LAA) was agreed in June 2008 with Government and included provision to “refresh” some of the targets later in the year when more information became available. This report describes Government’s 2008/09 “Review and Refresh” process for LAAs and provides information about those LAA targets being refreshed.

Government’s deadline for submission of the refreshed LAA is 2 March 2009. Negotiations are likely to continue up to that date and approval will be sought from County Council to delegate authority to the Leader of the Council to make any necessary changes to the refreshed LAA before it is submitted to the Government Office South West (GOSW). This is a similar arrangement to that used for the LAA in June 2008.

Proposal

That the Implementation Executive approve the latest position on the refreshed LAA targets and to recommend to County Council to also approve the latest position and to delegate authority to the Leader to finalise the refreshed Local Area Agreement.

Reason for Proposal

To keep members informed about progress in negotiating a “refreshed” LAA and to seek delegated authority for the Leader of the Council to agree the final version of the refreshed LAA targets for submission of the refreshed LAA by the Government deadline of 2 March 2009.

Sharon Britton

Service Director, Performance & Risk

LOCAL AREA AGREEMENT ANNUAL REFRESH & REVIEW 2008/09

Purpose of Report

1. The Local Area Agreement (LAA) was agreed with Government in June 2008 and included provision to refresh some of the targets later in the year when more information became available. This report describes the Government's 2008/09 "Review and Refresh" process for LAAs and provides information about those LAA targets being refreshed.
2. The Government's deadline for submission of the refreshed LAA is 2 March 2009. Negotiations are likely to continue up to that date and approval is sought from Council for the Leader of the Council to have delegated authority to make any necessary changes to the refreshed LAA before it is submitted to Government Office South West (GOSW). This is a similar arrangement to that used for the LAA agreement in June 2008.

Background

3. The LAA is an agreement signed with central Government that sets three year targets for local Government and the work it does with its partners. Wiltshire has 28 indicators within its LAA.
4. When the LAA was signed in June 2008, targets could not be agreed for all the indicators because not all the necessary information was available at that time – for example, some targets required data being collected from the Place (satisfaction) Survey to be run in autumn 2008. Some targets were set provisionally because of the economic situation or because other baseline data was estimated and would be firmed up during the year. Targets for these indicators are being refreshed are summarised at Annex A.
5. The Government's LAA regime plans to review and refresh LAAs each year. In future years, this will focus on reviewing the contribution LAAs are making, and considering where changed circumstances might lead to revised (refreshed) targets. This first review and refresh is different for two reasons:
 - i. LAAs have only been in place since June so the review is minimal – it has used our monitoring reports to Cabinet (December 2008).
 - ii. The refresh includes more indicators this year because of "unfinished business" due to the unavailability of information when LAAs were agreed in June. Some targets required data from the national Place (satisfaction) Survey that was planned for the autumn. Others relied on data that would be updated during the year. A few were identified as susceptible to the changing economic situation and so highlighted by us for inclusion in the refresh.
6. The aim was that all outstanding targets will be resolved ready for year two of the LAA from 1 April 2009. This determines the Government's deadline for submission of 2 March 2009.

Main Considerations for the Implementation Executive

Indicators Needing Refresh

7. Of the 28 indicators in the LAA, 15 were identified for refresh. Details of these are outlined in Annex A. These include three targets to be based on 2008/09 surveys, four that had estimated baselines, four potentially affected by the economic downturn, and four new indicators, one of which had no agreed definition in June.
8. Discussions have been held between Wiltshire organisations and GOSW representatives to agree the refreshed targets. On 29 January 2009, two of the 15 refreshed targets have been agreed.

The Impact of the Economic Downturn on the LAA

9. The pace of the economic downturn accelerated after the LAA was signed in June 2008. At that time several indicators were already noted as having the potential to be affected by the national economic climate. In November 2008 Government guidance was issued that suggests we will need robust local evidence to support proposed changes to agreed targets because of the economic situation. The work on the credit crunch will help support our negotiation with Government.
10. Wiltshire's LAA was developed in a considered, inclusive and well evidenced manner. This has meant that it has not been knocked off course by the economic downturn – what was important when the LAA was signed in summer 2008 remains important for Wiltshire in spring 2009. The refresh of targets has been an opportunity to reflect the new economic climate without the need to radically overhaul the LAA.
11. Further Government guidance was received on 30 January 2009 that may have implications for the refresh. We are seeking clarification on this from the GOSW.

Environmental Impact of the Proposal

12. The LAA reflects Wiltshire's ambitions to 'Tackle climate change and promote a high quality, natural environment that enriches the lives of people'. There is no specific impact on the environment from this proposal.

Equalities Impact of the Proposal

13. The LAA sits within the LAW which identifies the "people and places" that are intended to benefit from particular action. There is no specific impact on equalities from this proposal.

Risk Assessment

14. A risk register is maintained by the County Council. New risks, if any, identified during the review and refresh process will be added to this register.

Financial Implications

15. The 2008-2011 LAA regime does not include any additional or pooled funding. The LAA actions are resourced from partners' mainstream resources. There are no financial implications arising from this report.
16. However, the Government has consulted on Performance Reward Grant that it intends to bring in from 2009. The key points to note of the proposed scheme were
 - i. The total amount of the Reward Grant available is considerably lower than previous reward grant regimes (approximate maximum for Wiltshire is £3.5m).
 - ii. Reward entitlement starts when 60% of improvement is achieved (in line with previous reward schemes) but a new sliding scale means that grant does not reflect the extent of improvement.

The publication of the final scheme is awaited. When negotiating refreshed targets, we have been mindful of the approach of the draft reward scheme and will look carefully at the final scheme when available.

Legal Implications

17. The County Council is currently the accountable body for the LAA. It has a statutory duty to lead and manage the performance framework for the LAA and manage the annual review/refresh.

Options Considered

18. The annual Review and Refresh is conducted under national guidance and no other options were considered.

Conclusion

19. The LAA has been reviewed and is being refreshed. The refresh process gives us the opportunity to update targets for new information and to consider the impact of the economic situation. Negotiations on these targets continue, and as the Government's timescale is tight, Council is asked to delegate authority to the Leader to agree the final changes to refreshed LAA targets.

Author: Annie Child, Performance Manager, anniechild@wiltshire.gov.uk, 07919 111200

Background Papers

The following unpublished documents have been relied on in the preparation of this report: None

Annex: LAA indicators and targets to be refreshed.