

STRATEGIC SENIOR OFFICER GROUP

31 OCTOBER 2007

NEW LAA FRAMEWORK 2008 - 2011 UPDATE

REPORT OF LEICESTERSHIRE COUNTY COUNCIL

Purpose

1. To update SSOG on developments in the new LAA framework and in particular the implications of the Comprehensive Spending Review.

New National Indicator Set

2. This comprises 198 indicators which Leicestershire County Council will report annually in relation to its own operations and work with key partners (see appendix 1). This replaces Best Value Performance Indicators (BVPs) and Performance Assessment Framework (PAF) indicators. The National Indicator Set (NIS) is currently in headline form and Government will be consulting on the specifications shortly.

Area Based Grant (ABG) and Commissioning

3. ABG replaces pooled funding and totals approximately £4.1 billion over three years nationally. Over 40 previously ring-fenced grants are included although not all would ordinarily be received in Leicestershire. Information on those received in 2007-08 is currently being collected to give an idea of how much is involved (appendix 2). Decisions need to be made as soon as possible on the allocation of these funds. There is a presumption that commissioning will provide the main vehicle for organising delivery to meet LAA priorities and consideration needs to be given to the fit between existing service based commissioning arrangements and new arrangements for strategic commissioning.
4. **Action – The Assistant Chief Executive of the County Council working with the Deputy Head of Finance co-ordinates a small task and finish group to focus on the use of ABG and to scope out the implications of the new LAA framework for commissioning approaches. (See appendix 3 for an outline brief)**

The 'Fourth Theme' and Multi Area Agreements

5. Government has proposed that the 'fourth', currently economic, theme contains wider policy areas in the new LAA. It has also asked areas to consider agreeing multi area agreements with geographical neighbours on relevant issues. Item 5 on the agenda outlines the proposals for Leicester Shire.

LAA Negotiation

6. There is confirmation that apart from the 17 indicators from the Department of Children, Schools and Families there are no further mandatory targets. Therefore the negotiation with GOEM will be in relation to up to 35 targets drawn from the NIS. GOEM have provided a very early cut of what they consider to be the priorities for Leicestershire and will subsequently provide the evidence to support these (see appendix 4).

Readiness for LAA Negotiation

7. Capacity is required across partner organisations in order to contribute to the indicator negotiation, identify where data is available locally against the NIS and carry-out a range of other technical preparatory work. Also when negotiation around the indicators begins in earnest (January onwards) partners will need to provide dedicated officer time to support this and the development of the LAA as a performance management framework. (Appendix 5 contains the current SCS/LAA development timetable)
8. **Action – The LAA Policy and Performance Officer at the County Council co-ordinates some preparatory work around the indicators within the NIS and develops a detailed action plan for the remainder of the development of the LAA.**

LAA Delivery in Places

9. To meet with Comprehensive Area Assessment requirements the Sustainable Community Strategy (SCS) and LAA will need to have geographical expression at a place level below County level. The work on the 'Places in Leicestershire' evidence base and links being made to spatial frameworks (i.e. LDF Core Strategies) will progress this in terms of the SCS. In terms of LAA delivery more thinking is required and there are various existing arrangements that need to be considered.
10. **Action – The Assistant Chief Executive of the County Council convenes a cross-partnership task and finish group to focus on co-coordinating the development of strategic delivery and performance management arrangements for the new LAA.**

Risk Assessment

11. The County Council invited the Police and PCT to provide some external challenge to its strategic risk assessment in the Summer. They suggested that an area based risk assessment should be undertaken and this would be consistent with the requirements of the Comprehensive Area Assessment where understanding of risk will be a major factor.

12. **Action – That a area based risk assessment be prepared by Deloitte on behalf of the Partnership to consist of a desk based assessment of the risk assessments of partner organisations and a short workshop to validate the high level risk assessment that emerges.**

Next Report to SSOG

13. SSOG is being asked to endorse several strands of work to support development of the new LAA. Furthermore statutory guidance on the new Local Government Act should be available soon after it achieves royal assent.
14. **Action - Considering the work involved in developing the LAA it is recommended an extra SSOG meeting be arranged for the middle of December to focus on the SCS/LAA and receive updates on the work streams agreed at the October meeting.**

Recommendation

15. **It is recommended that the Group agrees the proposed actions set out in this report and gives initial consideration to the issues raised.**

Officer to contact:

John Wright,
Senior Policy and Performance Officer (LAA)
jpwright@leics.gov.uk
0116 3058015