

Subject:	Half year progress summary on the 2008-11 Local Area Agreement (LAA) 2010/11 and Q2-10 Organisational Health Report		
Date of Meeting:	9 December 2010		
Report of:	Strategic Director, Resources		
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Key Decision:	No		
Wards Affected:	All		

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 The report provides Local Area Agreement (LAA) performance information to the end of September 2010. It also provides information regarding the organisational robustness ('health') of some key council operations.
- 1.2 There are two appendices to this report; these contain statistical information pertinent to the Local Area Agreement and the organisational health of the council.
- 1.3 **'Local Area Agreement Summary Report'** (Appendix 1) - The Local Area Agreement forms one strand of a city wide 'contract' which sets priorities for Brighton and Hove and assesses how well we are delivering against these. As this is a partnership agreement the responsibility for some indicators is shared across partner organisation across the city.
- 1.4 **Organisational Health mid year report** - (Appendix 2) Organisational Health Indicators provide monitoring information and report progress about our corporate health, including council tax collection, staff sickness and equality monitoring.

2. RECOMMENDATIONS:

- 2.1 That Cabinet notes progress against the 2008-11 Local Area Agreement and our current organisational health.
- 2.2 That Cabinet notes that changes to National Performance Arrangements have been announced by Government; specifically, that LAA performance will no longer be monitored centrally and that the Performance Reward Grant previously attached to targets has been removed
- 2.3 That Cabinet notes that this will be the final LAA, the burden of which has been removed from local authorities.

- 2.4 That Cabinet Members continue to review areas of poor performance and review progress against related Action Plans in greater detail at their Cabinet Member Meetings.
- 2.5 That Cabinet instructs officers to ensure that the Local Strategic Partnership and Public Service Board (and their thematic partnerships) receive the Delivery Plan detailing indicators that are off track, to ensure that actions are taken to meet targets.

3. RELEVANT BACKGROUND INFORMATION:

- 3.1 After a broad and thorough consultation process in 2007, LAA targets were agreed by the Strategic Partnership as the main performance priorities in Brighton and Hove for 2008/11. During this process public sector partners, in collaboration with the third and private sector, agreed to 35 indicators selected from the National Indicator Set. In addition 22 local targets were selected which were felt to be a priority for the city.
- 3.2 The current LAA was set for a three year period and is based on priorities determined at the time of negotiation. Our LAA was signed off by the Government Office for the South East.
- 3.3 The LAA was reviewed at the end of the second year to ensure that it continued to contain appropriate measures for our aspirations and those of our residents. The aspirations of our residents were determined by the Sustainable Community Strategy.
- 3.3 Currently the delivery of the Sustainable Community Strategy is monitored through our LAA. A family of partnerships, under the Local Strategic Partnership, are responsible for delivery and monitoring of activity. As such the LAA is a city-wide partnership performance agreement. It is also a statement of intent and aspiration. Each partner organisation also continues to monitor its own performance in key areas.
- 3.3 Performance against LAA targets has been positive, but areas of challenge remain. Discussions about current activity and the future alignment of outcomes as set by the Sustainable Community Strategy are imminent.
- 3.4 The LAA is formed in the main from the National Indicator Set introduced in 2008. Some of the indicators are not refreshed annually. Where this is the case the latest available information is provided. In a few cases the national data sources are still unavailable, whilst in others there is a significant time lag (e.g. some of the economic and sustainability indicators). Following the abolition of the 'Place Survey' a number of indicators can no longer be reported on.
- 3.5 Given the council and its partners' plans to move to a commissioning model of service delivery, and that the basis of this commissioning will be a robust evidence base for local needs and aspirations, the future shared performance agreement for the city will be required to shift its focus.
- 3.6 Revised priorities for any future performance agreement will arise from discussions between partners. This process was agreed by the Public Service

Board in April 2010. Any future plans will need to meet national requirements, reduce bureaucracy and effectively support local priorities and joint working.

- 3.7 Cabinet are invited to examine the information at Appendix 1, to check progress and, where necessary, recommend additional action or reporting. Detailed action plans for each target are monitored by the Strategic Partnerships. Colours provide the direction of travel at the time of reporting:

GREEN	Performance is at or better than target
AMBER	Performance is off target and progress against delivery plan milestones unknown or uncertain
RED	Performance is significantly off target
GREY	No judgement possible (targets may be missing or it is the first year for an indicator and so sets the baseline against which future performance will be assessed)

- 3.8 Organisational Health Indicators (Appendix 2) report progress against our corporate health including sickness and equality monitoring.
- 3.9 Organisational Health targets dealing with payment of invoices are managed and reviewed by Finance. Performance on paying invoices to small businesses is subject to improvement work within the council. We are working in partnership with businesses to improve the processes.
- 3.10 Workforce indicators, in particular in relation to employees with disabilities and staff from an ethnic minority receive ongoing close attention. As part of this Human Resources are actively pursuing employment policies and campaigns to increase representation. Please note current changes in HR systems mean progress will be reported later.
- 3.11 The Overview & Scrutiny Commission and its committees play a part in our drive for improvement. Each takes regular reports and review specific areas of poor performance. The Commission and the committees have work plans that take into account areas of poor performance and provide challenge and support to officers and partners to improve performance.

Changes to the Reporting Framework

- 3.12 The performance framework for managing the relationship between Central and Local Government has recently changed substantially. This change is intended to reduce bureaucratic burdens and enable focus on genuine local priorities. All designations of local improvement targets have therefore been revoked and full control of LAA's has been handed to local authorities. The council effectively has the freedom to amend or drop any targets without approval from Government.
- 3.13 LAA performance will no longer be monitored centrally and the 'Performance Reward Grant' has been removed. There will not be a requirement to make a new agreement in 2011.
- 3.14 The National Indicator (NI) set will be replaced in April 2011.

- 3.15 In its place local authorities will be required to report data to individual Government Departments. This will be comprehensive and is likely to be in the region of 1,500 measures; it will include, for example, all financial data, housing, social care and environmental data. Further details will be released by the Department for Communities and Local Government by April 2011.
- 3.16 A process has been agreed by the Public Service Board for beginning to prepare for whatever future requirements are put in place. Any future plans will need to meet national requirements, reduce bureaucracy and effectively support local priorities and joint working.

4. CONSULTATION:

- 4.1 The Local Area Agreement 2008-2011 priorities were set in negotiation with the Local Strategic Partnership and the Government Office South East (GOSE).

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The removal of the performance reward grant associated with 2008-11 LAA improvement targets was confirmed by central government in the letter sent to Leaders by The RT Hon Eric Pickles MP on 10 October 2010. Although the financial incentive has been removed, the partnership working through the LAA and the performance results support the achievement of budget and value for money strategies.

Finance Officer consulted: Anne Silley

Date: 18/11/10

Legal Implications:

- 5.2 The proposals in the report are in line with current requirements. Arrangements for performance reporting will need to be reviewed again to ensure that they comply with the new national reporting requirements, referred to at paragraph 3.15 in the report, when these are available.

Lawyer consulted: Elizabeth Culbert

Date: 25/11/10

Equalities Implications:

- 5.3 The performance management framework aims to incorporate monitoring of progress against equalities and inclusion outcomes in the city.

Sustainability Implications:

- 5.4 The performance management framework aims to incorporate monitoring of progress against sustainability outcomes in the city.

Risk and Opportunity Management Implications:

- 5.5 The management of performance is important and contributes to avoiding the risk that the council's improvement priorities will not be delivered. Progress against

performance indicators informs our risk and opportunity management assessments.

Crime & Disorder Implications:

- 5.6 Reducing crime and disorder is a central theme of the Corporate Plan and the Local Area Agreement and monitoring progress against these outcomes is a key element of the proposed new performance management framework.

Corporate / Citywide Implications:

- 5.7 Cabinet, the Strategic Leadership Board and the Corporate Management Team continue to have regular Performance Focus sessions, this is recognised as good practice and allows for both a regular overview of the organisation performance against the LAA and more spotlighted discussions on areas that require additional discussion. These discussions will feed into the service planning timetable and establishment of a new corporate plan in the future. This is an essential part of the council's performance management framework.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The monitoring of the Local Area Agreement is part of the performance management framework. This framework is a corporately defined process.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The report provides information on progress against the LAA priorities ensuring close monitoring for continuous improvement.

SUPPORTING DOCUMENTATION

Appendices:

- 1. Local Area Agreement Summary Report
- 2. Organisational Health Report

Documents In Members' Rooms

None

Background Documents

None

