

Report of: Neighbourhood Renewal Business Manager

To: Executive Board

Date: 17th July 2006

Item No:

Title of Report : 'Working Together for a Better Oxfordshire' - Oxfordshire's Local Area Agreement (LAA) 2006-09

Summary and Recommendations

Purpose of report: To update members on the final version of the Oxfordshire Local Area Agreements and to provide information on the resource implications for the City Council.

Key decision: No

Portfolio Holder: Councillor John Goddard, Leader of the Council

Scrutiny Responsibility: Finance, Environmental and Community Scrutiny Committees

Ward(s) affected: All

Report Approved by: Councillor Goddard, Caroline Bull - Chief Executive, Sharon Cosgrove - Strategic Director, Jeremy Thomas – Legal, Andy Collett - Finance

Policy Framework:

Oxford Plan through meeting the following key priorities: reducing inequalities and social exclusion; improve the quality of our environment; reduce crime and anti-social behaviour, ensure more efficient and improved services, be an open, intelligent and responsive organisation.

Community Strategy through meeting the following key priorities: creating a vibrant and inclusive economy; safer communities; a better living environment; opportunities for life and active and healthy communities

Recommendation(s)

- a) to endorse the priorities set out in the Agreement ;
- b) to note the potential resource implications for the City Council, as set out in paragraphs 11-15 of the report, in relation to the alignment of some of Oxford City Council budgets, none of which will be 'pooled'. No new resources of staff and budgets are currently required.

Introduction

1. The Local Area Agreement is set out in the document 'Working Together for a Better Oxfordshire. A copy can be found on the County Council Web site: <<http://www.oxfordshirepartnership.org.uk>. This site will also be used to provide updated information on the programme. A hard copy can be obtained by telephoning the County Council on 01865 816077. A copy of the Agreement is also available in the Members Room.
2. On 20th February 2006 the Executive Board received a report providing information on the draft Agreement. It was agreed to:
 - a) endorse the principles contained within it;
 - b) delegate the power to the Chief Executive, after consultation with the Leader of the Council, to agree the outstanding areas and final targets;
 - c) take decisions as to the extent that the Council was involved in the projects outlined in the report; and
 - d) negotiate the division of the reward funding.
3. Members also requested a further report setting out the final stretch targets and the resource implications for the City Council in delivering the Agreement.

Key Themes

4. The Agreement was agreed on 23rd March 2006. There are four main themed blocks in the Agreement. These are:
 - Children and Young People
 - Healthier communities and older people
 - Safer and stronger communities
 - Economic development and enterprise

Key Priorities

5. Within these key themes the Agreement sets out 9 key priorities upon which the Public Service Board will focus upon over the next 3 years. These are as follows:
 - a) **A new Economic Strategy by 2006:** The existing county-wide economic strategy will be developed to include skills delivery, tourism and other initiatives which will aim to maximise the potential of the economy and of local people. Specific targets are listed in the 'Economic and Enterprise block of the Agreement.
 - b) **Increasing the supply of affordable homes:** During 2006 develop a delivery strategy to increase the supply of affordable homes.
 - c) **A cleaner and greener county by 2009:** Action to improve the street scene in urban and rural areas will be a priority in the next 3 years. Specific targets are set out in the 'Safer and Stronger Communities block of the Agreement.
 - d) **Children and Young People's Plan:** To deliver the commitments within the Plan including higher levels of educational attainment by 2009. Specific targets are listed in the Children and Young People's block of the Agreement.

- e) **Reduced crime and anti-social behaviour by 2009:** To reduce crime, the harm caused by dealing drugs and to reassure the public, reducing the fear of crime and to build respect in communities and reduce anti-social behaviour. Specific targets are set out in the Safer and Stronger Communities block of the Agreement.
- f) **Better waste management through the integration of waste management by 2009:** A more integrated approach to waste management that will increase recycling, reduce landfill and reduce public costs. Specific targets are set out in the Safer and Stronger Communities block of the Agreement.
- g) **A Rural Strategy to be developed:** During 2006 to initiate the development of a new strategy in the context of the Government's Rural and Social Communities programme which aims to support the rural economy and sustain local communities.
- h) **A county-wide Public Health Strategy to be implemented by 2007-8:** This will build on existing joint strategies with local authorities and respond to the Government's Public Health agenda.
- i) **A real-time, transparent and robust performance management system by 2008-09:** This will provide Local Area Agreement performance information for all partners.

Stretch Targets

6. The Agreement includes a substantial number of targets and some stretch targets. If the stretch targets are achieved at the end of 3 years the government will provide an award grant (see paragraph 20). The 3 year period started on 1st April 2006 and will conclude on 31st March 2009. Details of the stretch targets are provided in Annex 1.
7. At the time of writing the previous report there was still one outstanding stretch target to be agreed and discussions were taking place as to whether this should be on affordable housing, waste management, Key Stage 2 educational achievement or reducing arson. At the Public Service Board held on 19th June 2006 it was agreed that the additional target should be on Affordable Housing and a proposal has gone forward to be agreed by the Government. This stretch target, if agreed, will also have to be met by 31st March 2009
8. If the stretch targets are not met, in general this will result in the receipt of a proportion of the Award Grant being awarded for the level of achievement over and above the 'base line target' i.e. achievement over and above what would have been achieved without the Local Area Agreement. Otherwise there are no specific penalties for not meeting the stretch targets or non-stretch targets. However, the achievement of targets, or failure to achieve, is likely to be considered as a part of the Corporate Performance Assessment process.
9. The quarterly performance monitoring, overseen by the Public Service Board and reported to Government, is robust and is aimed at identifying areas where the targets are not being achieved and putting in place remedial action. On average Councils obtain between 50-80% of their targets.

Performance Management Framework

10. The Public Service Board has agreed a methodology to achieve an effective performance management framework. This includes the following components:
 - Ensuring the Local Area Agreement is embedded in partner organisations with a high level of membership from key partner agencies, allocating clear roles, establishing links to key plans and sharing intelligence openly.
 - Ensuring the outcomes, indicators and targets are high quality, utilising performance management expertise and seeking external evaluation of outcomes.
 - Ensuring strong mechanisms are in place for monitoring, reviewing and taking appropriate action through mapping processes already used in partner organisations, putting in place high level monitoring by the Partnership Board, identifying mechanisms for information flows and coordinating how reporting is implemented.
 - Ensuring information underpinning the Local Area Agreement is robust through mapping data sources, seeking shared mechanisms for collecting data developing an integrated performance monitoring mechanism.

Funding streams

11. The Local Area Agreement will begin implementation with partners providing existing services from current budgets to contribute towards meeting the LAA targets, rather than pooling funding (with the exception of the Children's Fund and Safer and Stronger Communities Fund). As the Local Area Agreement progresses and partnership working strengthens there may be a move towards the pooling of budgets where that offers the potential for greater efficiency and more effective service delivery
12. Any future proposal to 'pool' Oxford City Council budgets with other agency budgets will require further Member approval.

Resource implications for Oxford City Council

13. Details of the funding streams are set out in Annex 5 of the Agreement. Specific contributions from the City Council are set out as follows:
14. **Waste Performance and Efficiency Grant (DEFRA).** The current recipients of this grant are the County and District Councils. Depending upon the precise arrangements agreed by the Oxfordshire Waste Partnership it is likely that some new form of financial alignment or possibly pooling will be needed to provide incentive for optional integrated management. This is likely to start in the first place with the Waste Performance Efficiency Grant but it is also possible that a similar approach will be considered for mainstream funding, which totals £29 mil across the authorities. Members would need to agree to this and a further report would be required to the Executive Board on this matter, should it arise.

15. **Disabled Facilities Grant.** This grant will contribute to achieving the targets on supporting people to live at home. The Oxford City aligned budget for this is £200,000 capital funding (an estimation of a contribution from the overall City Council budget).
16. **District Council sports and leisure services budgets.** This budget will contribute towards achieving the targets on promoting /increasing physical activity. The Oxford City Council aligned budget for this is Sport Centre Management £360,000, Sports Centres £2,798,071, Arts and Dance £102,862 and Sports Development £95,000.
17. Oxford City Council staff will need to participate on the Themed Working Groups (details of these are provided in the previous report to the Executive Board in February 2006) and in performance management. These staff resource implications will be met within existing budgets and no additional staff are required.

Pump Priming Grant

18. A total of £1.5m is available for pump priming grant. The Public Service Board has agreed that each target will receive £105,000 and that £105,000 will be put towards performance management.

Reward Grant

19. The Government will provide a reward grant for achievement of the stretch targets. Each stretch target has been given a weighting by the Government and the level of grant award has been allocated to each stretch target based on this weighting (hence in the Oxfordshire Agreement there will be 10 actual stretch targets with the total reward value of 12 stretch targets).
20. In allocating the Reward Grant the principle has been agreed that 50% of each Reward Grant will go to those agencies that have delivered the stretch target and 50% will go to the Public Service Board to invest in the development of new initiatives.
21. At the time of writing this report there are 5 stretch target reward grants still to be agreed. These are Community Safety 3 stretch targets) Waste Management and Home Support.

Enabling Measures

22. The Local Area Agreement includes the opportunity to have 'enabling measurers'. Where there are particular barriers to the delivery of the targets the Government may provide additional powers to help to overcome them. Although a number of 'enabling powers' were proposed as a part of the Oxfordshire Agreement none were agreed by the Government.




Recommendations

23. To endorse the priorities set out in the Local Area Agreement and to note the potential resource implications for the City Council, as set out in paragraphs 11-15 of the report, in relation to the alignment of some of Oxford City Budgets and the impact on existing staff resources. No new budget or staff resources are currently required.

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Background papers:

Working Together for a Better Oxfordshire –Oxfordshire’s Local Area Agreement 2006-07
Executive Board Report ‘ Working Together for a Better Oxfordshire’ Oxfordshire’s Local
a Agreement 2006-07’ February 2006



Annex 1

Summary of Reward Grant Formulae proposals received

No	Block	Reward Target	Value of target
1	Economic Development and Enterprise	720 adults achieve NVQ Level 1 or higher (or equivalent) qualifications	2 Targets
2	Children and Young People	Improve educational attainment, particularly for children looked after and care leavers	2 Targets
3	Safer and Stronger Communities	Reduce youth offending and re-offending	1 Target
4	Safer and Stronger Communities	Reduce domestic violence	1 Target
5	Safer and Stronger Communities	Reduce the rate of re-offending (using convictions resulting from charges for BCS comparator crimes) by adult and juvenile prolific and priority offenders	1 Target
6	Environment	Increase recycling and composting and reduce the amount of waste sent to landfill to improve our local and global environment	0.75 Target
7	Environment	Reduce by 9% the proportion of relevant land and highways assessed as having combined deposits of litter and detritus falling below an acceptable standard, and improve public satisfaction with street cleanliness	1 Target
8	Healthier Communities and Older People	Reduce number of falls within care homes in Oxfordshire by 20%	1 Target
9	Healthier Communities and Older People	Increase the number of people supported intensively to live at home	1 Target