

Harrow Strategic Partnership Board

Thursday 4 August 2005

Development of Harrow's Local Area Agreement

Purpose of Report

The purpose of this report is to:

1. Outline the key elements of a Local Area Agreement (LAA)
2. Highlight the process for the development of Harrow's LAA by 28 February 2006
3. Outline the lead officers for each of the 4 blocks of the local area agreement
4. Seek approval of the LAA Project Plan.

The HSP Board is requested to note:

1. The key elements of a Local Area Agreement
2. The process for the development of Harrow's LAA by 28 February 2006
3. Note the lead officers for each of the 4 blocks of the local area agreement will be:

Block	Lead Officer
Children and Young People	
	Lorraine O'Reilly Executive Director, People First, Harrow Council
	Paul Clark Director of Children's Services, Harrow Council
	Jean Bradlow Director of Public Health and Health Strategy, Harrow PCT
Safe and Stronger Communities	
	Bob Carr Borough Commander, Harrow Police
	Julia Smith Chief Executive, HAVS
	Paul Najsarek Director, Organisational Performance, Harrow Council
Healthier Communities and Older People	
	Shikha Sharma

	Head of Health Promotion, Harrow PCT
	Penny Furness-Smith Director of Community Care, Harrow Council
Economic Development and Enterprise	
	Anna Robinson Director of Strategy, Urban Living, Harrow Council
	Javed Khan Director of Learning and Community Development, Harrow Council
	Penny Furness-Smith Director of Community Care, Harrow Council

The HSP Board is requested to agree:

1. The LAA Project Plan outlined in Appendix 1.



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Background

Central Government signed LAAs with 20 pilot areas in March 2005. The intention to have a 'second phase' of agreements was announced in January 2005. All areas that were not currently an LAA pilot were eligible to apply to participate in the second phase of LAAs. In April 2005, the Harrow Strategic Partnership (HSP) Board agreed that Harrow should submit an expression of interest to participate in the second phase of LAAs.

Harrow was notified on 22 June that its expression of interest was successful and it will be able to negotiate an agreement with Government Office for London. This agreement must be negotiated by 28 February 2006 and will come into operation on 1 April 2006.

Discussion

Key Elements of a Local Area Agreement

The scope of a LAA

A LAA is a three year agreement that sets out the priorities for a local area agreed between central government, represented by the Government Office, and a local area, represented by the local authority, Local Strategic Partnership and other key partners at the local level.

Harrow's LAA will need to be signed off by Harrow Council and the HSP Board.

The LAA will cover national, regional and local priorities in Harrow and will allow Harrow Council and its partners to use Government funding in different ways to improve public services.

The LAA will be refreshed annually which will enable changes in national, regional and local priorities to be reflected (for example the outcomes of the government's Spending Review in 2006).

The LAA will allow Harrow Council its partners increased freedoms and flexibilities to find local solutions to local problems and to prioritise spending to achieve the outcomes identifies in Harrow's LAA.

The agreement will be made up of outcomes, indicators and targets aimed at delivering a better quality of life for people in Harrow through improving

performance on the priorities set in the LAA. The priorities will need to be grouped around 4 blocks: Children and Young People, Safer and Stronger Communities, Healthier Communities and Older People, and Economic Development and Enterprise. However, there is also scope to consider issues that cut across all 4 blocks (for example transport, community engagement, community cohesion, culture and sport) and include these issues in the LAA. As part of the flexibility offered by the LAA, there is opportunity to give emphasis to particular blocks – this may be in terms of the numbers of outcomes, indicators and targets within a block and the funding that flows into a block.

The LAA provides an opportunity to tackle some of the key long-term challenges that are faced by Harrow.

The LAA should reflect the key strategies and plans within Harrow, in particular the Harrow Community Strategy. The Harrow Community Strategy 2004 was due to be refreshed in 2005, in order to update the local initiatives both HSP would deliver over the next three years. In light of the LAA negotiation, it now seems logical to draw the community strategy refresh and development of the LAA together – with the community strategy setting out the longer term vision for Harrow – and the LAA – the practical expression of the community strategy.

Harrow Council was due to begin negotiating its second generation Local Public Service Agreement (LPSAs). Second generation LPSAs stretch performance in priority areas and have a reasonable amount of reward grant associated with successful implementation. Harrow will be able to negotiate the LPSA as part of the LAA and this will become the reward element of the LAA. Whilst LAAs are not about stretch targets, rather better outcomes as a result of increase local discretion and reduced bureaucracy, the reward element targets will continue to stretch targets with a reward grant payable upon achievement of the target, as was the case for LPSA. For Harrow this will involve approximately £1m in pump priming and £5m in reward grants.

In summary, the LAA has 3 practical components:

- Agreeing what the key outcomes for the borough will be over 3 years
- Pooling or aligning funding streams that currently come into the borough to target these key outcomes
- Identifying indicators and targets for each of the key outcomes. Some of these targets should be stretched targets. Achievement of these stretched targets will result in a reward payment.

Negotiation of what is included in the blocks

Children and Young People's Block

The core of the Children and Young People's Block is the *Every Child Matters: Change for Children* framework. This supports the Government's aim for every child, whatever their background or their circumstances, to have the support they need to – be healthy, stay safe, enjoy and achieve through learning, make a positive contribution to society and achieve economic well

being. It should be noted that there is likely to be less discretion in this block than the other blocks because of the national framework.

Government guidance states that the LAA and the Children and Young People's Plan (CYPP) should inform each other. The LAA will contain the priorities for children and young people and associated outcomes and targets to be achieved. The LAA should reflect all of the priorities for children and young people in the area, not only those priorities that related to the funding streams being pooled.

Safer and Stronger Communities Block

The core of the Safer and Stronger Communities block will be Harrow's Safer and Stronger Communities Fund (SSCF) agreement, which has already been negotiated with central Government. This is because all of the SSCF funding streams are included in the scope of a LAA. The arrangements made for the SSCF will need to be reviewed within the wider LAA framework and to take account of the partners who were not involved in the SSCF. Some issues to consider include:

- Are there any further funding streams to be included in the block?
- Are there any shifts in the priorities identified in SSCF negotiations when considered in the context of the wide LAA?
- Do any of the neighbourhood service improvement or community engagement targets sit more comfortably in the other blocks?
- Does it make more sense to apply the community engagement outcomes as a crosscutting theme?

There is likely to be less discretion within the 'safer' component of this block, but more discretion within the 'stronger' component, due to the targets and emphasis on 'safer' communities at the national level.

Healthier Communities and Older People

Feedback from the 20 pilot LAAs suggests that this was the most challenging block in terms of deciding what to cover. *Choosing Health* should provide a good starting point for determining targets for healthier communities and practical action. *Choosing Health* sets out the Government's proposed new roles for PCTs and local authorities, and local partnership bodies, in achieving a more integrated response to public health issues. *Choosing Health* aims to: increase quality of life and life expectancy, reduce inequalities in health, improve the chances people have to engage in healthy choices, encourage healthy lifestyles.

Central Government has advised that the Department of Health is currently developing outcome measures and indicators that may also be of assistance for the development of the LAA. The Department of Work and Pensions is also developing a guiding set of indicators that could be used as a tool to measure progress towards outcomes on the quality of life of older people.

One of the challenges for this block will be arguing with central Government that there should be greater freedom and flexibility around the mainstream funding for health that comes into the borough.

Economic Development and Enterprise

A starting point for development of this block is the Regional Economic Strategy and sub-regional partnership economic development strategies. This block could cover issues such as job creation, skill development, business creation and growth, land-use planning. This is a new block in the second phase LAAs and provides an opportunity for Harrow to be creative about what is included in the block. There are currently a number of regeneration projects that are being developed around social inclusion and the Wealdstone area. These potentially may be included in the LAA.

Process for developing the LAA

Roles and Responsibilities

Guidance from the ODPM also states that the Local Authority will be the overall accountable body for the LAA.

However, the experience of the 20 pilot LAAs suggests that those agreements that relied on effective partnership working were the easiest to reach. Guidance from ODPM suggests the development of the LAA must involve all members of the Harrow Strategic Partnership including the council, statutory partners, the business and voluntary and community sectors. PPS will consider whether or not there are any partners that are not currently on the HSP that need to be brought into the development, negotiation and delivery of the LAA. If any are identified this will be raised with the HSP Board as soon as possible.

There is a clear expectation by central Government that the LAAs will be developed with the involvement of relevant stakeholders including in particular the Voluntary and Community Sector (VCS) and local people themselves. It is expected that this engagement will be based on the Compact principles. The LAA must include a statement of the involvement of the VCS and local people in the design and delivery of the agreement.

The HSP Executive will do much of the practical working and thinking behind the development of the LAA, with oversight of the work done by the LAA Project Team (see below). The final sign off of the LAA will be through a joint management board of the HSP Board and Harrow Council's Cabinet.

Development of a Project Plan

The Policy and Partnership Service (PPS) has drafted a detailed project plan for the development of the LAA (Appendix 1). In summary, the project plan includes:

1. Identification of leads for each block with support from other specialists as required. These leads will need to consult widely within the council and with our partners. It is these leads will be:

Block	Lead Officer
Children and Young People	
	Lorraine O'Reilly Executive Director, People First, Harrow Council
	Paul Clark Director of Children's Services, Harrow Council
	Jean Bradlow Director of Public Health and Health Strategy, Harrow PCT
Safe and Stronger Communities	
	Bob Carr Borough Commander, Harrow Police
	Julia Smith Chief Executive, HAVS
	Paul Najsarek Director, Organisational Performance, Harrow Council
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	Javed Khan Director of Learning and Community Development, Harrow Council
	Penny Furness-Smith Director of Community Care, Harrow Council

- Establishment of a LAA Project Team drawing together the leads from each block, a representative from Finance within Harrow Council, a representative from Communications within Harrow Council and a representative with performance management expertise. The project team will be lead by an officer from the Policy and Partnership Service. The Project Team will drive the development of the LAA. A separate HSP Performance Management Working Group will be established to develop a performance management framework for the HSP and the delivery of the LAA. The work of this group will be feed into the work of

the LAA project group via the Performance Management representative.

3. Development of a communications strategy to agree a regular flow of information between the partners.
4. Early gathering (and analysing) of evidence across agencies to inform discussion about what the local priorities will be. This has already been largely achieved through the Harrow Vitality Profile and the recently conducted MORI Quality of Life survey.
5. Summit to be held with Government Office for London (15 August 2005)
6. Refinement of outcomes and development of supporting activities to be delivered – this will largely be facilitated by the HSP Summit – 8 September.
7. Submission of high-level outcomes to Government Office for London (end September 2005).
8. Identification of freedoms and flexibilities, and funding streams necessary to support outcomes.
9. Development of indicators and targets (including those identified for the reward element).
10. Draft LAA submission for consultation with central Government and partners (end November 2005).
11. Clearance of freedoms, flexibilities and funding streams.
12. Clearance of targets/performance (including those identified for the reward element).
13. Redrafting.
14. Submission of LAA to Government Office for London by 28 February 2006.
15. Minister sign off on agreement – March 2006.
16. Agreement comes into operation 1 April 2006.
17. An emphasis on keeping partners involved throughout the process.

Once approved by the HSP Board, Policy and Partnership Services will consult with Government Office for London to ensure that the timeframes specified within the plan meet central Government requirements.

Paul Najsarek, Director of Organisational Performance
26 July 2005