

## **Cabinet – 23 March 2005**

### **Developing a Local Public Service Agreement (LPSA) for Walsall**

**Portfolio:** Councillor John O'Hare – Deputy Leader

**Service Area:** Performance Management

**Wards:** All

**Forward Plan:** Yes

#### **Summary of report**

To provide an update on Walsall MBC's participation in the second generation (2G) of LPSAs. This offers Walsall MBC an opportunity to agree stretched performance targets, through the Local Strategic Partnership (LSP) framework for key identifiable local priorities. A pump priming grant is made available to kick start this process and performance reward grants (PRG) are offered for reaching stretched performance targets over a 3 year period.

#### **Recommendations**

- (1) That the Executive Director (Finance Law & Performance) be delegated authority to prepare and submit Walsall's first stage submission for LPSA to ODPM in April 2005.
- (2) To note Walsall's final LPSA agreement will be presented to cabinet in October before submission to ODPM in December 2005 for formal approval.

#### **Resource and legal considerations**

Once an LPSA has been agreed the government agrees to:

- Provide a pump-priming grant (PPG) of £ 750k plus £1 per head of population as a contribution to enable the council to achieve the targets (estimated c £1m for Walsall).
- Offers a PRG of 2.5% of a year's overall net budget for achieving the stretch targets in full, which based upon Walsall's 03/04 budget would be £8,032,825 (pro rata grant to performance paid if 60% of target or above achieved).
- Provides scope for additional borrowing in the form of unsupported credit approvals.

The council and its partners also have an opportunity to supplement the Government's pump priming fund for the LPSA.

#### **Citizen impact**

The council's commitment to improving services impacts on all borough residents. This agreement will enable the council and its key partners to target further improvement to up to 12 key local priorities which really matter to local residents.

### **Community safety**

Improvement targets around community safety issues can be part of this agreement.

### **Environmental impact**

Improvement targets around environmental issues can be part of this agreement.

### **Performance and risk management issues**

Once the priorities are agreed with Government, up to 12 specific and measurable targets will be negotiated which are designed to deliver the priority outcomes. These stretched targets must be closely monitored through the established performance management frameworks of the LSP and council to ensure all targets are delivered. The PRG offered for each target is only paid in full if the agreed stretched target is reached or exceeded at the end of the LPSA agreement. The PRG is paid pro rata for targets where 60% or more of the target has been achieved. Any targets achieving performance below the 60% threshold receive no PRG. It is therefore critical that all potential targets have a robust risk assessment undertaken to mitigate the risk of targets not being achieved.

### **Equality implications**

None directly applicable.

### **Consultation**

All services and key partners are being consulted to identify potential targets for the first stage submission for April 2005.

### **Vision 2008**

Any council targets identified will have to clearly demonstrate their alignment to the council's vision and its strategic priorities.

### **Background papers**

LPSA 2G: Building On Success - ODPM Dec 2003

**Contact officers:**

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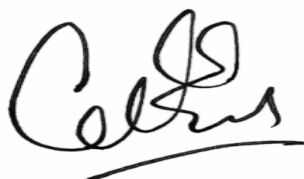
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**Signed:** .....

**Executive Director:** Carole Evans

**Date:** 14.03.05



**Signed:** .....

**Portfolio holder:** Cllr J.G. O'Hare

**Date:** 14.03.05

## **Further Information on 2G LPSA**

Walsall MBC has accepted the offer to negotiate an LPSA within batch 5 of the second generation along with 11 other councils (Bedfordshire, Bristol, Bromley, Harrow, Isle Of Wight, Islington, Knowsley, Luton, Oxfordshire, Rochdale, St Helens and Swindon).

The 2G LPSAs will focus upon local priorities for improvement for Walsall. Unlike the first round of LPSAs, there is no longer any requirement to include national targets. There is a clear opportunity to make sure that the LPSA is focused on those areas that have been identified as local priorities for improvement by Walsall residents.

The priority areas do not need to be based around responsibilities which fall solely to the Council. The aim is to reach a shared view of the priorities for improvement locally in public services, and the ways in which all the bodies providing these services could collaborate to achieve greater improvements. Once these priorities have been identified evidence will need to be submitted to the Government to demonstrate that they are the right priorities for Walsall.

2G LPSA seeks to build on the success of the first round and represents a new partnership framework which has the following key features:

- The primary focus on improving outcomes on the ground.
- 2G LPSA's are expected to focus on "shared priorities" identified in the community strategy, CPA improvement plan, neighbourhood renewal floor targets or addressing poorly performing PI's.
- A more strategic approach to priorities and a focus on community leadership. Local authority leaders are expected to lead all key local players.
- Greater flexibility in the choice of targets:
  - Scope for wide area and cross cutting
  - Priorities can be focussed on particular wards where justified - i.e. high priority and/or contributing to improvement of a whole area target.
- Whilst targets are generally geared towards three year outcomes, this is open to negotiation in 2G LPSAs. This is particularly relevant if capital projects are being considered.
- Whilst some priorities may be measured by a single PI, it is equally as acceptable to have a basket of PIs or a set of operational PIs underpinning the main priority.

## **Support available for the development of LPSA**

The LGA is responsible for agreeing the schedule of negotiations (batches) with authorities and ODPM. LGA provided a package of support to authorities in the first generation of LPSAs. This is currently being reviewed, but it consisted of:

- Collective discussion for each "batch" of authorities
- Visits to authorities prior to submission
- Progress meetings during the negotiation period;
- Advice and support as required.

## **Timeline for Negotiation of LPSA**

The development and agreement of an LPSA involves a lengthy negotiation period with the Government. The timescales for the LPSA project are set out in **appendix 1**. The key milestones expected are as follows:

- Consult with local partners Jan - April 2005
- Submit stage 1 submission to ODPM April 2005
- Submit stage 2 submission detailing performance measures to be used Aug 05
- Cabinet approval for final submission Oct 05
- Final submission to ODPM Oct 05
- Sign up to LPSA Dec 05
- End of LPSA 2009
- Distribution of PRG 2009

## **Project Management of LPSA**

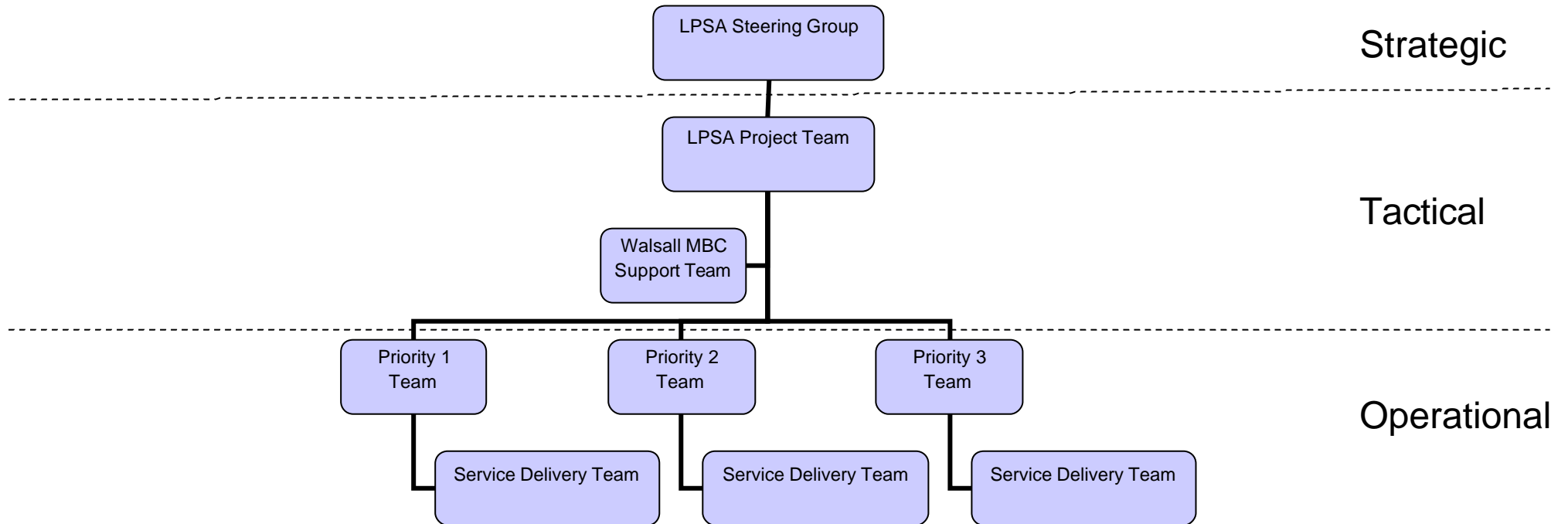
A steering group has been established to coordinate this project. This group will ensure that all key partners are engaged and interlocked into this process. This group is supported by a project team that is undertaking the detailed work to prepare the first stage submission. As this project moves through to the second stage where further detailed work will be required to prepare the second stage submission these two groups will be supplemented by specialist project teams for each priority identified to undertake the detailed analysis required. A support team has also been established which has members with specialist skills such as finance, risk management, audit etc. Members of this team are available to provide support for the project as and when required. **Appendix 2** provides further details on the membership of these groups and their terms of reference.

## Appendix 1

### LPSA Approval Stages

Stage	Approx Date	Approval
Forum One: Agree priorities, identify potential outcomes	14 Mar 05	Steering Group/Commissioning Executive
Decision on additional pump priming from council and/or partners	March 05	EMT/Partner equivalents
Proposals for distribution of reward grant	March 05	EMT/Partner equivalents
Forum Two: Present business cases for targets	4 Apr 05	Steering Group
Forum Three: Agree draft targets and possible measures	15 Apr 05	Steering Group
PI Team produce draft stage one submission	13 May 05	Steering Group/EMT/Commissioning Executive
Stage one submission	23 May 05	Steering Group
Stage two submission including detailed specification of indicators (not including performance figures)	19 Aug 05	Steering Group
If additional pump priming, agree allocation (£s and targets)	September 05	EMT/Partner equivalents
Draft agreement submission including performance figures	21 Oct 05	Steering Group/EMT/Cabinet/Commissioning Executive
Agreement passed to Ministers to approve it for signing.	9 Dec 05?	Scrutiny/WBSP Board
Performance reports	Quarterly wef April 05	Steering Group/Scrutiny
Re-allocation of resources/Corrective actions	Six monthly	Who will hold the budget/contingency fund?
End of agreement review	2009	Steering Group//EMT/Cabinet/Commissioning Executive
Distribution of PRG	2009	EMT/Cabinet

# Team Structure



## **Steering Group**

<b>Name</b>	<b>Title</b>	<b>Area</b>	<b>Role</b>
Cllr O Hare	Deputy Leader	Walsall MBC	Member Champion
Carole Evans	Executive Director	Finance Legal and Performance WMBC	EMT Champion
David Blacker	Chief Internal Auditor	Audit Services WMBC	Auditing arrangements
Karen Adderley	Head of Corporate Support	Corporate Services WMBC	Policy Liaison
Rob Flinter	Head of Corporate Performance Management	Corporate Performance Management WMBC	Project Champion/Liaison
Roberta Smith	Director Walsall Borough Strategic Partnership	Walsall Borough Strategic Partnership	LSP Champion
Richard Bubb	Chair	Environment Forum	LSP Representation
Bruce Gilbert	Chief Superintendent	West Midlands Police	LSP Representation
Keith Stanley	Chamber Director	Black Country Chamber	Business sector Representation
TBC	TBC	Health Authority	LSP Representation



## **Project Team**

<b>Name</b>	<b>Title</b>	<b>Area</b>	<b>Role</b>
Dave Stockton	Performance Improvement Manager	Performance Improvement WMBC	Project Leader
Kam Mavi	Senior Performance Improvement Officer	Performance Improvement WMBC	Deputy Project Leader
Justin Humphreys	Head of Quality/Performance Improvement SC&SH	Social Care and Supported Housing WMBC	Directorate Representative
Julie Ball	Head of Neighbourhood Management	Neighbourhood Management	LNP Representative
Tim Challans	Assistant Director – Leisure and Culture	Leisure and Culture WMBC	Directorate Representative
Robert Blower	Head of Communications	Corporate Services WMBC	Communications Leader
Vanessa Holding	Service Improvement Officer	RHBE	Directorate Representative
Michael Tomlinson	Finance Rep	Finance Legal and Performance WMBC	Finance Representative
Jo Lowndes	Principal Partnership Officer	Walsall Borough Strategic Partnership	LSP Project Leader
Suzanne Peace	Clerical Assistant	Performance Improvement Team WMBC	Administrative Support
TBC	LSP Representative	Walsall Housing Partnership	LSP Representative
Brian Holland	LSP Representative	Safer Walsall Borough Partnership	LSP Representative
Daryl Harman	LSP Representative	Health and Social Care Partnership Board	LSP Representative
Bob Taylor	LSP Representative	Walsall Economic Forum	LSP Representative
Tim German	LSP Representative	Learning Executive	LSP Representative
Jon Lord	LSP Representative	Walsall Environment Forum	LSP Representative
Steve Lewis	LSP Representative	Walsall Environment Forum	LSP Representative
Ian Willetts	LSP Representative	Community Engagement Partnership/Community Empowerment Network	LSP Representative

## **Walsall Support Team**

<b>Name</b>	<b>Title</b>	<b>Area</b>	<b>Role</b>
Andy Burns	Assistant Director - Finance	Finance Legal and Performance WMBC	Advisor
Matt Spilsbury	Performance Information Officer	Performance Improvement WMBC	Performance information
TBC	Auditor	Audit Services WMBC	PI Audit
Ann Johnson	Corporate Risk Manager	Risk Management WMBC	Project risk assessment/advice
Andrew Mellors	Senior Policy Officer	Policy WMBC	Citizens Panel Rep
Mari Davis	LGA Lead Officer for LPSAs	LGA	Advisory
Chris Collins	ODPM Business Manager	ODPM	Business Manager
TBC	IDEA Advisor	IDEA Support	Support
TBC	IDEA Research Consultant	LPSA Net Plus	Research (20 hours)
Emma Pearson	SPIR Manager	SPIR WMBC	Information

## **LPSA Steering Group: Terms of Reference**

- Provide strategic direction and guidance to project team.
- Provides help to the project team if difficulties are encountered and removes 'blockages'.
- Explain and agree the project remit with the Project Leader.
- Act as a critical friend.
- Interface between project team and Partners/EMT/Cabinet.
- Approves draft targets prior to being submitted to EMT/Cabinet/ODPM.
- Approves LPSA with performance targets prior to being submitted to EMT/Cabinet/ODPM.
- Ensure strategic fit and synergies to other plans and agreements including; Community Plan; WSBP Improvement Plan; Partners Plans; Council's Improvement Plan; Council's Performance Plan; Local Area Agreements etc
- To monitor and review project plan.
- To contribute towards corrective action plans if project plan is not being delivered.

## **LPSA Project Team: Terms of Reference**

- To manage the LPSA process ensuring that all critical deadlines are met.
- To review priorities that arise from the consultation process.
- To identify 18 possible targets for inclusion within the agreement.
- To identify service initiatives to drive improvement in priorities identified.
- To produce a business case for each target.
- To negotiate the draft agreement.
- To negotiate freedoms and flexibilities as applicable.
- To identify and define performance indicators for each target.
- To negotiate levels of stretch.
- To recommend allocation of PPGs and PRGs.
- To negotiate the terms of the final LPSA agreement.
- To monitor performance during the LPSA and report to the steering group.
- To provide regular feedback to Steering Group on progress of project plans and related activities.
- To identify corrective action required and negotiate additional resource requirements as applicable.
- Interact with Steering Group