

Roles and responsibilities in the local performance framework

The purpose of this note is to support you in making the most of the new local performance framework and signpost key guidance and other documents that have recently been published. This note is not statutory or technical guidance and does not replace published or consultation documents.

delivering better outcomes for local people

On 30 June the Government signed 150 Local Area Agreements (LAAs) with local councils and their partners – 150 unique pledges to local people to improve public services and the quality of life for people living and working in the area concerned.

As a planned and shared commitment between central government and local authorities, and their partners, LAAs provide a basis for taking the next steps in the improvement of public services – in community safety, fire, healthcare and well being, children’s services – including education, economic development, the environment and beyond. They reflect real prioritisation and greater coordination at a local level.

Delivering these improvements in the face of considerable environmental, economic and social challenges, rising public expectations and slowed growth in public spending will require new levels of efficiency, innovation and improvement. It will involve councils and their local partners in taking a wider governing role in their localities, leading the changes in behaviours that are needed to address key local challenges such as economic development, public health, climate change and social cohesion. It will require a new relationship between central and local government, in which all parts of the delivery system are involved and engaged in ensuring successful delivery, responsive to the specific local circumstances with effective and transparent arrangements for performance management and monitoring¹.

¹ The terms performance management and performance monitoring are often used interchangeably and this can cause confusion about roles and responsibilities. Performance monitoring involves tracking performance, analysing data and performance against a baseline to recognise whether performance is strong or otherwise. This is the chief function of central government and one of the functions of local government. Performance assessments undertaken by inspectorates give an independent perspective to performance monitoring and are designed to be of main value to the public and people using services, but are of assistance to both central and local government. Performance management involves taking action to address any risks of underperformance, for which local government is chiefly responsible.

This document aims to increase understanding of the implications of changes that are taking place and provide some context to the developing arrangements for Comprehensive Area Assessment. This document is based on the following principles that have informed the development of the local performance framework which covers the delivery of services and outcomes by local authorities either alone or in partnership with others. More information about these can be found in *An introduction to the local performance framework – delivering better outcomes for local people*:

- **Creating a shared endeavour** – between central and local government, and local and regional delivery partners;
- **A focus on improving outcomes** – for local people and communities (including local businesses), rather than an emphasis on processes, institutions and inputs;
- **Reducing bureaucracy while ensuring rigorous performance management** – focusing on a smaller number of indicators than in the past, with a particular focus on driving ambitious improvement through the LAA. Information about progress should be available in a transparent, accessible way with much greater provision of up-to-date data at the local level;
- **Building confidence of local people in public services** – the performance framework focuses more on looking outwards to local people and not just upwards to Government. The way in which the framework operates needs to enable people to become more engaged in getting their priorities reflected in the way in which public services are designed and delivered locally;
- **Effective partnership** – being clear that councils and their partners are responsible for managing and monitoring their own performance, driving their own improvement and holding each other to account for the work that they undertake in partnership in delivering public service outcomes. And expecting central Government departments to co-operate effectively together in delivering the new cross-cutting Public Service Agreements (PSA) outcomes;
- **Making the best use of resources** – focusing monetary and other resources on the priorities that matter most in particular places;
- **Encouraging innovation** – by reducing central prescription and allowing more space for local authority partnerships and public sector professionals to respond to local needs, facilitate citizen input to the design and delivery of services and through a commitment to the sharing of good practice across delivery partners;

- **Recognising success** – Central Government’s arrangements for performance management should be lighter touch for those organisations and partnerships that are performing well and focus more rigorously on those, which have problems or are underperforming.

Great progress is being made in putting these principles into practice – in particular through the development of the new national indicator set and negotiation of LAAs. In moving from a development phase to a delivery phase there is a need to ensure the roles and responsibilities of councils and their partners, central Government departments and inspectorates are understood. Other performance frameworks will continue to exist, e.g. for Primary Care Trusts (PCTs) and the police, but these are being aligned with the local performance framework so that there is a common set of indicators used where Government expects local authorities and other public service agencies to work together on issues. This will help delivery of targets which have been agreed with councils and their partners, reduce burdens, achieve efficiencies and create a single performance assessment experience for outcomes delivered by councils alone or in partnership.

A national workshop held in London on 19th June 2008 drew together some representatives from local partnerships, Regional Improvement and Efficiency Partnerships (RIEPs), the Local Government Association (LGA), inspectorates, Government Offices (GOs) and central Government departments to discuss roles and various performance scenarios. These discussions have been used to give a practical illustration of roles in this document. We are grateful to all those who participated.

section 2: roles and responsibilities

Creating a shared endeavour

The local performance framework creates a fundamentally new set of relationships between Government, councils, their partners and their communities, including local employers. Success relies heavily on effective leadership in central and local government and a commitment to involving citizens. Over the course of the Comprehensive Spending Review period (2008 – 2011), the emphasis should shift towards ownership of solutions by councils and their partners locally, and on the local government sector in driving excellence. The creation of RIEPs and Comprehensive Area Assessment (CAA) means the way some things happen locally will change. The implications of these changes for the work of Government Offices, inspectorates and RIEPs can be summarised as follows:

- Councils have more freedom and flexibility to focus on improving public services and lead their localities on behalf of their citizens in a way that meets local circumstances, managing their performance to achieve these and ensuring effective performance management arrangements are in place and driving improvement;
- Regional Improvement and Efficiency Partnerships (working with local government's national improvement bodies) will support councils and their partners by sharing best practice with councils, offering sector-led support and solutions to areas that need it and work closely with the GO and others to ensure support offers to councils and partners are co-ordinated;

- Government Offices will manage the relationship with partnerships and RIEPs locally on behalf of central Government departments and agencies, promote good practice across central Government departments, challenge poor performance, make available appropriate support and co-ordinate government-led improvement action where necessary;
- Inspectorates will continue to provide independent and public assessment of how well outcomes and public services are being delivered and the prospects for improvement in the future.

In order for the changes to bed in effectively, there needs to be sufficient flexibility for everyone to learn what works best in developing relationships between councils, their partners, GOs, RIEPs, inspectorates, central government departments and the national improvement support bodies.

How these new arrangements will feel to councils and partners across the Local Strategic Partnership (LSP) is likely to depend on the quality of the local working relationships and on the openness of the discussions between the council and partners with RIEPs, GOs, inspectorates and national improvement support bodies. The following principles will be used by RIEPs, GOs and inspectorates to guide their work with councils locally.

They will:

- build on existing working relationships;
- review, further develop and clarify respective roles in the light of experience, to ensure there is a shared understanding, and no confusion about their complementary contributions;
- share appropriate information, data and intelligence to ensure evidence is available to enable them to fulfil their respective roles in the most coherent and efficient ways;
- maintain a 'no surprises' approach to sharing information across partnerships, GOs, inspectorates and RIEP partners, while recognising each others' need for confidentiality as each works through the issues concerned;
- co-ordinate and forward plan as far as possible the activities and engagement of RIEPS, GOs and inspectorates;

- where appropriate, identify the most effective means of accessing information and evidence to inform all aspects of the local performance framework and identify those best placed to liaise with the partnership, depending on the local context and issues;
- seek to come to shared interpretations of the evidence, to avoid confusion about what story the local information is telling and what it means e.g. in terms of local priorities, current performance and future prospects;
- manage any overlap in their analysis of evidence, activities and roles to eliminate unnecessary duplication and provide coherent, co-ordinated improvement planning² in each area.

The degree of involvement and engagement of the Audit Commission CAA Lead, inspectorates, RIEPs and GOs will vary from place to place depending on local circumstances. But in all places:

- The GO is likely to have more direct contact with LSPs – the CAA Lead and representatives of the other inspectorates are unlikely to routinely attend LSP meetings;
- The inspectorates will engage with councils and other local organisations, as necessary and in a proportionate way, to gather evidence and undertake assessments and inspections;
- CAA will provide evidence and conclusions to inform the LAA annual reviews (arrangements for the first LAA annual review in 2009 will be different) and GOs will fully utilise the CAA findings to avoid any unnecessary duplication.

The following summarise **in general terms** the contribution that each of the organisations involved in the local performance framework will make:

² By 'improvement planning' we mean activity undertaken by councils and partners and local public-sector organisations to address concerns, risks and deliver improvement, sector-led support (including the RIEPs), government intervention where needed, and risk-based planning by the inspectorates.

Councils and their partners

Councils are responsible for delivering best possible public services on behalf of their citizens, for monitoring and managing their own performance and for ensuring effective arrangements are in place across the LSP to support the achievement of outcomes as reflected in performance against the national indicator set and ambitious LAA targets and for driving improvement.

They will do this by:

- Managing and monitoring their own performance in achieving LAA targets and priorities in the Sustainable Community Strategy;
- Using local data against the set of 198 national indicators to know what progress is being made on performance against these;
- Using their leadership role as the ‘responsible authority’ in the LSP to ensure the LSP has agreed effective performance management arrangements which identify which partners have responsibility for delivery of LAA targets; review the likelihood of delivery against each LAA target and enable plans to be adapted as necessary to drive further improvement and identify and manage risks effectively;
- Putting the duty to have regard to LAA targets at the heart of their individual organisations’ business and budgetary planning;
- Using the new scrutiny powers in relation to partners;
- Initiating changes to the LAA in response to developments in the locality, or issues identified in the CAA and agreed as part of the LAA annual review with Government Offices;
- Seeking to prevent problems occurring and, where they do, tackling them quickly; and
- Exemplifying and promoting a culture of innovation and learning from others.

Fire and Rescue Authorities have the same responsibilities for managing their performance as councils. They have a statutory duty to co-operate with the responsible local authority for each LAA in setting the LAA targets and are required to have regard to the targets which relate to them. While many LAAs may not include a target against one or both of the fire specific indicators, the work Fire and Rescue Authorities do on a range of programmes and in partnership with others, will contribute directly to achievement of a range of other indicators .

The Regional Improvement and Efficiency Partnerships (RIEPs)

RIEPs are responsible for supporting councils and their partners to deliver the highest quality and value public services in a region. Each are at different stages in their development and the way they work with others will therefore differ from region to region but all RIEPs aim to:

- Act as a 'hub' for improvement activity within the region in collaboration with other regional and sub-regional improvement agencies and local government's national improvement bodies;
- Act as a mechanism for sharing best practice and for providing peer review and support within the region;
- Focus resources on supporting innovation and efficiency as a means of delivering excellent LAAs;
- Establish clear governance arrangements that support strong leadership and engagement by local councillors in the RIEP and ownership of the strategy by all councillors in the region;
- Base their regional improvement and efficiency strategy on robust analysis of need across the region, using both data and consultation to develop the strategy;
- Work in partnership with GOs, inspectorates RDAs, other Regional Bodies and other bodies supporting local government improvement;
- Report annually to councils and partnerships in the region and the LGA/Government governance structure, accounting for the distribution and use of funding and progress against priorities, and providing reassurance that these minimum standards are being met;
- Implement the National Improvement and Efficiency Strategy framework for the investment of £185m by local government-led Regional Improvement and Efficiency Partnerships over the 3 years of the CSR period;
- Provide support to build capacity within partnerships focussed on the delivery of those LAA targets that featured strongly in each region;
- Work with councils, GOs, and local government's national improvement bodies to determine and put in place any agreed improvement activity arising from CAA; and
- Support councils and partnerships in difficulty, challenging where necessary, and focussing resources towards prevention and support.

The Government Office of the Region (GOs)

GOs are responsible for ensuring that the highest quality and value public services are delivered in a region on behalf of Government.

They do this by:

- Maintaining the principal Government relationship with councils and their partnerships, including in particular regular attendance at county and unitary level LSP and other partnership meetings and their relevant board or executive meetings;
- Resolving issues raised by councils to make sure lines of accountability for LAA targets with named partners are clear as part of the 'duty to co-operate' and 'duty to have regard to targets', including any necessary involvement from regional and central Government bodies and agencies;
- Ensuring Executive Agencies and NDPBs with a duty to co-operate with LAAs have flexibility to respond to LAA priorities and to local scrutiny;
- Helping to provide assurance to central Government departments about progress on the delivery of national Public Service Agreements (PSAs) by monitoring progress on achieving LAA targets and national priorities against the 198 national indicators as appropriate providing both a support and challenge function;
- Working with RIEPs to provide support to partnerships as set out in *Prospectus 2008: the guide to improvement and efficiency support* advise on any performance concerns for partnerships raised by central Government departments and provide a Government response to proposals for sector-led support (in order not to blur lines of accountability, GOs will not be formal members of RIEPs but will attend board meetings in an advisory capacity);
- Offering expert advice and support to councils and to local and regional partnerships on Government policy;
- Sharing their intelligence about performance issues with inspectorates as appropriate; and
- Carrying out an annual review of the LAA and negotiations on behalf of Government to refresh or modify the LAA, drawing on evidence from the CAA and other sources as appropriate. The review will also involve working with Strategic Health Authorities who will support GOs by engaging Primary Care Trusts (PCTs) and their NHS partners.

The inspectorates

The Inspectorates include the Audit Commission, Commission for Social Care Inspection, Healthcare Commission, Care Quality Commission (from April 2009, the new Care Quality Commission will take over the functions of the Healthcare Commission, the Commission for Social Care Inspection and the Mental Health Commission), HM Inspectorate of Constabulary, HM Inspectorate of Prisons, HM Inspectorate of Probation and Ofsted. Inspectorates, through CAA, will provide a joint assessment of the delivery of better outcomes for people in an area, a forward look at prospects for sustainable improvement in the future together with assessments of organisational effectiveness of councils and their partners and fire and rescue authorities.

They propose to do this, subject to consultation on CAA, by:

- Providing an assessment of an area focussing on three main headings:
 - How well do local priorities express community needs and aspirations?
 - How well are the outcomes and improvements needed being delivered?
 - What are the prospects for future improvement?
- Providing an organisational assessment of councils and fire and rescue authorities that focuses on each organisation's effectiveness by looking at how well it delivers value for money in using its resources and how well it manages performance;
- Jointly planning and co-ordinating inspection of services;
- Undertaking risk-triggered inspection in response to unsatisfactory/declining performance, service/outcome or service user groups identified as being subject to significant risk, and in response to ministerial direction;
- Focussing on notable and innovative practice as well as assisting those responsible for local services to identify where something more or different needs to be done to improve the quality of people's lives; and
- Ensuring that CAA draws on other inspection evidence about the quality of all local services, including nationally managed institutions in the area such as prisons and young offender institutions.

Other improvement support bodies

There are other organisations which have responsibilities for providing support for improvement. They are involved in associated improvement activity on behalf of Government. In addition the IDeA, LACORs, 4ps, LGE and the Leadership Centre – local government’s national improvement bodies – work at national level to support improvement, linking closely with and complementing support provided at national, regional and local level. More details about the organisations that provide support for improvement, and what they do can be found in *Prospectus 2008: the guide to improvement and efficiency support*.

In keeping with the spirit of the *National Improvement and Efficiency Strategy*, local authorities and RIEPs will be working with the LGA and IDeA to further improve the effectiveness and reach of local government-led support and clarify the respective roles of different parts of the local government-led architecture and how it relates to government and the inspectorates.

Other improvement support bodies do this by:

- Building effective working arrangements with councils and partners to embed change; and
- Working closely with GOs and RIEPs to establish priority areas and appropriate improvement activity (including regularly sharing performance information).

Central Government departments

Government is responsible for setting national policy that accurately reflects the needs of local areas and improves the lives of citizens and for intervening where it is necessary to respond to significant or enduring service failure. It has announced a number of Public Service Agreements (PSAs) setting out its objectives on a range of national priorities for the three years of the Comprehensive Spending Review period, including national targets.

It will do this by, amongst other things:

- Using local intelligence provided by the GOs and inspectorates to shape future policy or amend existing policy where appropriate;
- Twice a year, in the autumn and spring, reviewing progress in delivering PSA outcomes across Government;
- Where appropriate, provide improvement support through GOs so that it is provided in an appropriate form and at the right time; and
- Retaining powers with the appropriate Secretary of State(s) to intervene in cases where there is significant or enduring under-performance.

data collection and intelligence gathering for central and local government

The local performance framework places less emphasis on set-piece performance reviews and more emphasis on an ongoing relationship between councils, the LSP and other local partnerships, GOs, and inspectorates to understand what is affecting progress on meeting local priorities and what needs to happen as a consequence of this. They will all have access to the same indicator data through a new reporting system which has been established to ensure that data only needs to be collected once. This reporting system is the Data Interchange Hub – ‘The Hub’ which will provide a one-stop location for indicator data. The Hub has been introduced with two main aims:

- To reduce the burden on local authorities of reporting data for performance management.
- To ensure that local authorities have all the information that they need to gauge their own performance against the National Indicators and compare performance with others.

The Hub will gather information on most indicators from central Government departments via their existing data collections, with only a small number collected directly from councils. The new structure for data reporting will aid analysis and policy making, facilitate benchmarking and reduce unnecessary repetitive data inputting.

The statistical data in the Hub can be used by councils and their partners as part of their performance management arrangements. The Improvement and Development Agency (IDeA) has developed a self-assessment tool for councils to use to review the effectiveness of the local arrangements put in place, including the way in which the council and partnerships monitor and respond to this data.

In addition the new powers of scrutiny for councils of LAA targets and partners in the Local Government and Public Involvement in Health Act 2007 have an important contribution to make to performance management. Scrutiny provides for robust democratic input, ensuring a wider range of councillors are engaged with the LAA. It also facilitates community involvement in analysing the complex social problems which underpin many LAA targets, and this process can contribute to improvement and innovation in identifying appropriate responses. Many councils already have experience of scrutiny of LAAs. There will need to be dialogue between the council and other partners on the LSP to ensure the role of scrutiny is clear and adds value.

The relationships built by LSPs, other partnerships and GOs during LAA negotiations continue to be extremely effective in developing a shared understanding of local priorities between central and local government, enabling central Government departments and others to make the read across to national priorities, particularly where more cross-cutting approaches are taken.

The aim is to continue with this approach to managing discussions about performance between central Government departments, councils, LSPs and other local partnerships. GOs will not seek to collect additional performance data from councils and partners than that which they get from the Hub and their regular discussions with partnerships to provide central Government departments with an understanding about performance issues in local areas; inform the national PSA monitoring framework and national policy development; respond to concerns raised by central departments about performance issues and to highlight innovation. These discussions, as is the case now, may take a number of forms and take place at a number of levels in a partnership depending on the degree of complexity and technical, subject specific nature of the issue.

The GO will wish to understand to what extent local partners understand their roles and responsibilities in delivering LAA outcomes, how programmes and actions are likely to add up to the agreed LAA outcomes, what support and capacity issues are needed and how the partnership is responding to any emerging risks to deliver the LAA target. The intelligence gained by the GO in their regular discussions with partnerships together with the data provided on the national indicators should provide enough information for central departments to assess the risk to delivery of the PSA. In the case of particularly complex issues, the GO may offer expertise to councils and partners where this could facilitate a deeper analysis which may be necessary to understand the nature of the risk and appropriate mitigation measures. They will share their information with the CAA Lead and individual inspectorates directly where appropriate.

recognising success and sharing good practice

CAA will encourage innovation and recognise exceptional achievement. The inspectorates will recognise successes of local partnerships, particularly where others might benefit from sharing identified good or innovative practice. Recognising positive outcomes in this way should promote ambition and innovation more widely. Government Offices and RIEPs will want to analyse the causes of good or innovative performance to identify trends together and share good practice. Government Offices will use this analysis in discussions with central Government departments to highlight best practice in the national PSA monitoring arrangements and to inform policy development. The Improvement and Development Agency (IDeA) and the RIEP Programme Office will work closely with RIEPs to disseminate good practice across the sector.

responding to under- performance

Sometimes, there may be concerns regarding the performance of a local partnership or an organisation or service within it, or there may be insufficient focus on achieving the required change in outcomes in an area. Concerns may include very complex problems that will take time to address, e.g. health inequalities, worklessness and poverty. The council working with its local partners has the main responsibility for getting things back on track. The emphasis will be on making available locally determined and co-ordinated support that they can draw on. There are various existing mechanisms for doing this which has led to different offers being made to individual authorities in an uncoordinated way – this has not helped to accelerate improvement where there are a more complex set of issues to resolve. New arrangements set out in *Prospectus 2008: the guide to improvement and efficiency support*. are designed to provide tailored support for councils and partners in a more effective, efficient and co-ordinated manner. Local government and partners recognise their increasing responsibility for eliminating poor performance, where it remains, and their objective is to move beyond just achieving competence. This will require strong improvement arrangements led by councils and partners.

Where the council or partners require support, the RIEP and the GO will want to ensure they have a good understanding of the underlying performance issues, difficulties in improving outcomes and the resilience of the council's proposed approach to improvement planning. Sometimes, the main element of the support package may be provided by central Government departments as explained in *Prospectus 2008: the guide to improvement and efficiency support*. Where this is the case, the GO will work closely with the council and its partners, and the RIEP. The inspectorates are committed to ensuring that inspection planning is co-ordinated, and will want to understand the proposed approach to improvement as this will inform the approach of the inspectorates to subsequent assessments.

GOs have the key role in providing assurance to Ministers that the council and its partners are addressing performance concerns. Central Government departments will want to be clear about the nature of the challenges and effectiveness of actions being taken to address them. GOs and central Government departments will want their discussions to be informed by the views of inspectorates.

The Local Government Association (LGA) will establish and maintain processes to keep in close touch with local authority improvement and performance issues and, where appropriate, mobilise national political pressure from leading LGA members on authorities where political blockages to improvement exist or where councils are not accepting the mechanisms available to drive improvement (e.g. mentoring, peer support and challenge from IDeA).

Government will want to intervene in the best interests of local people and will retain powers to do so, where there is significant or enduring under-performance. Where appropriate, action will focus on sector-owned and driven activity. GOs will play a key role in working with bodies that have a role in challenging and supporting improvement to ensure appropriate action is taken. Interventions can range from improvement notices to statutory action, though the appropriate steps will vary depending on the situation.

comprehensive Area Assessment

The inspectorates are consulting on their proposals for delivering CAA. CAA will put comprehensive and independent assessments about local services in the hands of citizens, service users and tax payers. Combining the perspectives of the inspectorates, CAA will provide a joint assessment of outcomes for people in an area and a forward look at prospects for sustainable improvement. In looking at outcomes, inspectorates will pay particular attention to those at most risk of disadvantage or inequality including those whose circumstances make them vulnerable.

In CAA, the inspectorates will make maximum use of the performance management capacity of local public services and draw as far as possible on the information providers already use to self-assess and manage those services. Local public service providers will be held to account for their impact on better local outcomes. The focus of the inspectorates will be on highlighting barriers to improvement and identifying successful approaches from which others can learn.

The inspectorates will report the area assessment and organisational assessment findings annually. They plan to publish the first CAA reports in November 2009 enabling their findings to be taken into account in subsequent reviews of the LAA and to inform local processes for setting budgets. Because CAA is based on ongoing engagement and synthesis of evidence, inspections and inspection planning will take place throughout the year.

implications for inspection

2008-09 will be the final year for Comprehensive Performance Assessment (CPA) and other existing inspection and assessment programmes including Joint Area Reviews and Annual Performance Assessments of Children's Services. CPA 2008 judgements will be published in February 2009, and will contribute to the evidence base for the new CAA.

From 2009/10 rolling programmes of inspection will be the exception. There are currently two proposed programmes of rolling inspection of services for people whose circumstances make them vulnerable. Ofsted will lead a new programme of inspection of children in public care and of safeguarding. This will be carried out in each area once every three years. HMI Probation are proposing to lead a programme of inspections of youth offending teams, with each being inspected once in a three year cycle, this is subject to Government agreement. Any other inspection activity for councils will be informed and triggered by the emerging findings from the CAA, and /or any assessments under other performance frameworks reported in late 2008 or early 2009. Inspections will be undertaken by individual inspectorates or as a partnership of two or more inspectorates, depending on the scope of the inspection. As noted in the Local Government White Paper, *Strong and Prosperous Communities*, the proposed changes do not impact on regulatory inspection (for example of care homes), inspection of institutions (for example of schools or prisons), and inspection of the corporative effectiveness of public sector bodies other than councils and fire and rescue authorities.

An inspection could be triggered at any point during the year because CAA will rely more on continual evidence gathering. Triggered inspection is one of a number of potential responses to under-performance. The inspectorates will determine when the inspection should take place. In practice it is likely that most inspections will be scheduled following the initial synthesis of the CAA evidence or following the completion of assessments. Although this will not be delayed through protracted discussions with others, GOs and other inspectorates will be informed.

The Audit Commission's CAA Lead will draw on discussions with GOs, the new RIEPs and the Joint Improvement Partnerships to help coordinate inspection planning with wider improvement planning, including any plans for sector led support in the locality. The intention is that all key agencies in each area with a role in driving and shaping improvement will liaise to develop a coordinated and coherent approach to improvement planning – including triggered inspection.

the annual performance cycle

There are points in the year which are of particular importance to the local performance framework and the thematic discussions which take place within other performance frameworks that are used by public sector agencies such as the police and PCT. The main performance frameworks and their relationship with LAAs are

- **The statutory education and early years targets** – each year the National Strategies lead on the review and negotiation of the statutory local authority and school-level targets. This process begins in September and targets are agreed for submission to DCSF at the end of January. In considering the appropriate target levels, the National Strategies will hold discussions with GOs and local authorities to ensure the LAA and statutory targets complement each other so that they are a single suite of targets for the area which meet the particular needs and concerns of local people. The GO Directors of Children and Learners (DCL) will arrange a discussion with the council's Director of Children's Services and Lead Member ahead of the LAA annual review meeting, to focus on the LAA targets relating to children and young people and wider children's priorities in the context of the five Every Child Matters Outcomes. Among other issues, they will agree matters arising from school improvement and standards discussions that might have implications for the LAA indicators and targets or other rolling inspections related to children's safeguarding, etc.
- **The NHS performance framework** – The NHS Operating Framework sets out the specific business and financial arrangements for the coming year including the priorities, planning and performance management arrangements. The 2008/09 Operating Framework sets out the process for developing the 3 year operational plans including the opportunity for PCTs to revise their plans in the winter of 2008/09 and 2009/10. PCTs will be discussing with the LSP where any revisions have implications for LAA targets.

- **The Assessments of Policing and Community Safety** – is the new assessment framework for the police working alone or in partnership with others which went live in April 2008. The Statutory Performance Indicators (SPIs) used in APACS are set after tripartite consultation and published in the New Year. For those outcomes delivered by the police and local authorities together, the SPIs in APACS and in the local performance framework are the same. For 2008/09, around half of the APACS indicators were also within the National Indicator Set for England. When conducting their strategic assessments to identify crime reduction and community safety priorities for their area Crime and Disorder Reduction Partnerships (CDRPs) and police forces/authorities should draw on information from APACS. This process should take place at a point during the year which enables the strategic assessment and subsequent partnership plan to inform the effective review (and potential amendment) of LAAs and policing plans – both of which must be completed before the beginning of each financial year. Police Authorities should therefore work with CDRPs and LSPs during the Annual Review process to ensure the targets in policing plans and the targets in LAAs take account of each other.

The performance cycle illustrating how these activities relate to each other during 2008/09 is at Annex A, and in future years at Annex B.

Twice a year, in the autumn and spring, progress in delivering the PSAs will be reviewed across Government. This exercise will ensure a fair and consistent approach is being taken across the PSA set; collate and share good practice and detect any common barriers to delivery. As part of these reviews, central Government departments will want to consider not just progress against the LAAs and national indicators but also the extent to which councils and partners are involved in delivery arrangements and the extent to which citizens have services personalised to their needs. The GO will provide information for central Government departments to carry out these reviews effectively drawing on their regular discussions with councils, their partners and inspectorates.

following-up issues from sign- off of LAAs

Central Government departments will work with GOs to resolve issues which were identified at the sign-off of the LAA as requiring further work. In addition work to refine and develop LAA targets will continue to ensure there are technical definitions and baselines for a small number of national indicators, including the thirteen national indicators which have been deferred for introduction until April 2009. Councils, their partners and GOs will negotiate targets as technical information becomes available. All the unresolved targets will be signed-off as part of the refresh of the LAA that forms part of the 2009 LAA Annual Review.

the LAA annual review

The GO will use information from the 2008 APA/JAR judgements, which will be the last to take place, the latest information from the CPA (including direction of travel assessments) and issues emerging from the police, adult social care and NHS performance frameworks, and discussions with central Government departments to agree with partnerships what issues to include in the annual review discussion. This will help partnerships to identify what information to provide to the GO in December 08 as set out in the LAA Operational Guidance 2007 *'Development of the new LAA framework'*. The inspectorates will assist with this and will have an interest in the outcome of this review to inform their on-going review and update of evidence (knowledge/intelligence) and data. In future years the LAA annual review will build on the CAA findings.

The LAA annual review is due to take place each autumn/winter. The CAA findings will enable Government, the council and partners to consider performance issues. The review will not involve a separate judgement or assessment of performance arising from the review – rather it will be an opportunity to agree how best to take forward delivery. The first year is different because of the need to deal with things that could not be resolved during the LAA negotiations and because it will be without the input of the new CAA. Guidance about the arrangements for the first review will be published in the autumn.

Each review will be tailored to the particular circumstances of the local authority and partners and the LAA – the GO will consult central Government departments following preliminary discussions with the CAA Lead, RIEP and partnership to scope the issues for the review. The GO will then agree arrangements with the partnership and agree what information may be needed to support discussions. There will be common themes in each review including:

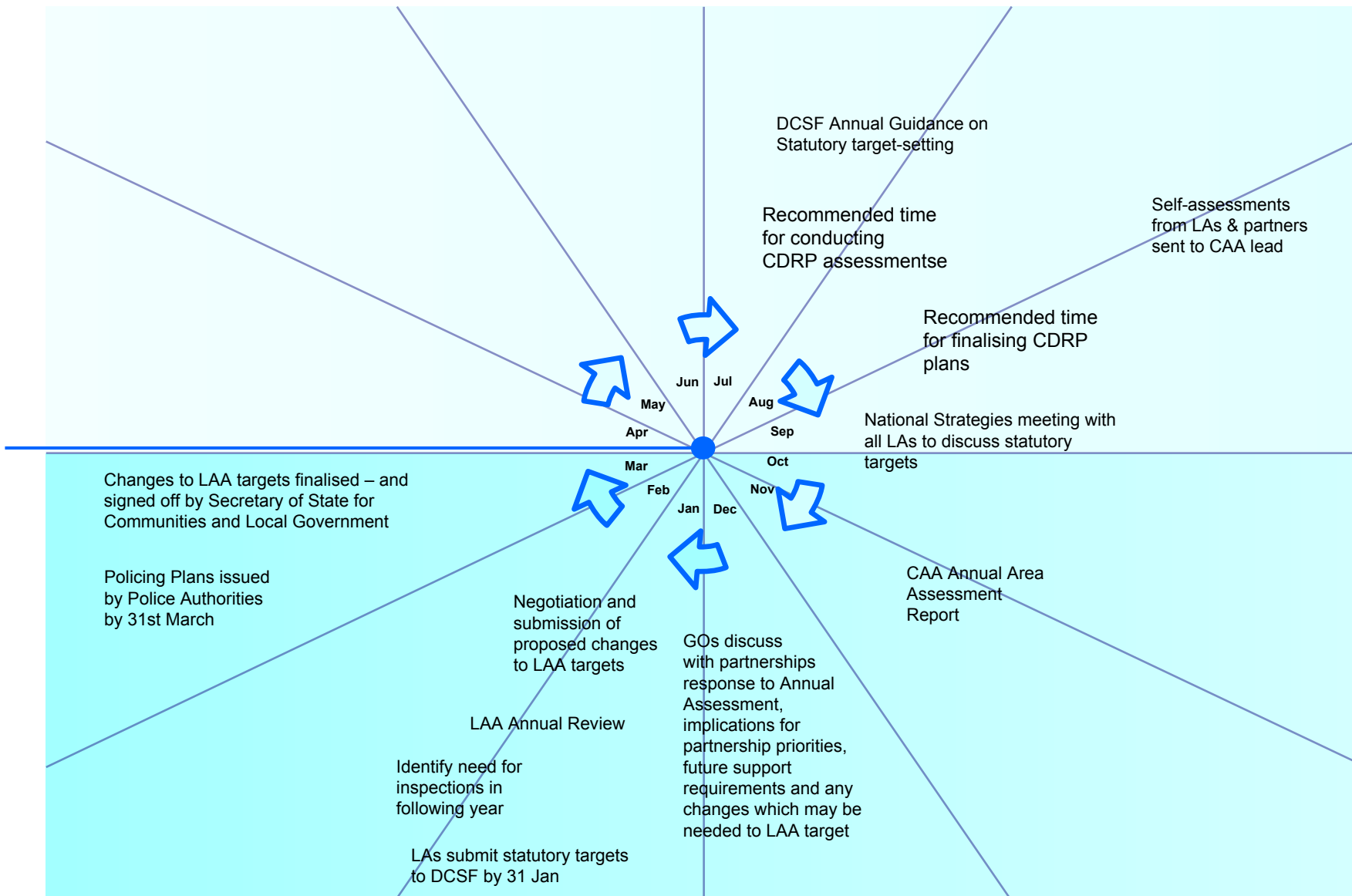
- Implications of the CAA and latest progress based on Data Interchange Hub data for LAA targets;
- Improvement priorities for the coming year;
- Highlighting innovation and good practice.

Negotiations to amend the LAA (this includes any changes to previously agreed targets or the selection of indicators by exception) will need to be concluded in early March in order to achieve agreement by the start of the new financial year. However, it is anticipated that the majority of targets will not be renegotiated during the lifetime of the LAA unless there are compelling reasons for this. In such cases the Secretary of State for Communities and Local Government will invite local authorities to submit a revised LAA as set out in the Local Government and Public Involvement in Health Act 2007 and will confirm the timetable for handling changes in October prior to the CAA annual reporting. This will enable GOs and councils and their partners can make the necessary arrangements. These include practical arrangements for the meeting, ensuring the appropriate partners are consulted and that Executive approval is scheduled into the council agenda. GOs will need to ensure consultations with central Government departments as well as inspectorates and RIEPs where appropriate.

multi-area agreements and sub-regional working

In some places, it is clear that to deliver improvements in economic prosperity, issues need to be tackled at a spatial level beyond that of the LAA. Multi-Area Agreements (MAAs) provide a framework for areas to work together on common issues affecting their sub-region. The first MAAs have been agreed and more are expected next year. In addition, the Government's Sub-National Review (SNR) identifies the need for strong regional and sub-regional arrangements in order to take forward economic development. There is therefore clearly a need in the performance cycle to review and assess progress on MAAs and other sub-regional working. CAA will take into account the potential benefits of a sub-regional approach to help drive outcomes such as transport, housing, employment and skills. GOs will have a key role in helping to ensure integration between MAAs and LAAs, including during the LAA annual review process, identifying the linkages with any MAA and common performance issues.

Annex B: The Annual Performance Cycle 2009/10





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