

LOCAL SERVICE AGREEMENTS

1 SUMMARY

- 1.1 This report outlines a proposal put forward by the Leader of Essex County Council, Lord Hanningfield, relating to the possibility of setting up Local Service Agreements between the County Council and one or more District Councils.

2 INTRODUCTION

- 2.1 The Leader of the County Council invited the Leaders of all the District and Borough Councils in Essex to a meeting in June to consider how both tiers could best work together to deliver the social, economic and environmental well-being agenda across the County.
- 2.2 At that meeting Lord Hanningfield presented a paper for all Districts and Boroughs to discuss and consider, the details of which are outlined below. The County Council is looking for a formal response from each District/Borough no later than mid October, although given the matters raised, an earlier indication would be preferable to allow further exploratory talks to take place if and where appropriate.

3 DETAILED CONSIDERATIONS

Context

- 3.1 Over the last year, community wellbeing and community leadership have become a priority for local authorities. All the Essex authorities are now working hard to produce community strategies; engaging with stakeholders is a key part of the process. There is still much which can be done to make the most of resources, maximising the impact of joint activity for the benefit of service users and the wider community.
- 3.2 On 5th February, the Government and Essex County Council signed a Public Service Agreement (PSA) for Essex. The PSA commits the County to achieving stretching outcome targets for quality of life in the county. It lasts until March 2005. If the County hits its targets by then, it will receive up to £26m performance reward grant.

- 3.3 All the District and Borough Councils in Essex have agreed to support the PSA. Subject to finalising its own cost-effectiveness target, each Council will be eligible for a performance reward grant as a result of its support in March 2005, although 'pump priming' monies may be available earlier. The total possible reward grant available for District or Borough Councils amounts to £4m across Essex.
- 3.4 The Local Government White Paper suggests that more funding might be allocated through this sort of mechanism in the future. This provides the context for authorities in Essex to explore a more local bilateral approach along similar lines.
- 3.5 At the same time, the County and District/Borough Councils share responsibility for producing community strategies. Community strategies must promote the economic, social and environmental well being of Essex people in an integrated way. All Essex authorities have made a start on working out how best to share this important task across the two tiers. Community planning has to make a noticeable difference at the end of the day. All authorities will have to secure better quality of life outcomes over which they influence rather than control. That is why partnership and joint working is so important.
- 3.6 In Lord Hanningfield's opinion, the time has come to explore more innovative approaches to partnership and joint working, in order to make a significant difference to the lives of the people of Essex.

Local Service Agreement (LSA)

- 3.7 Lord Hanningfield suggests that a way forward could be for the County Council and each District or Borough Council to negotiate a Local Service Agreement (LSA). Each LSA would be negotiated bilaterally by the two authorities and would reflect local circumstances. The County Council would welcome proposals from District Councils about what the District would want to include in such an agreement.
- 3.8 The LSA would provide the key "contract" governing the working relationship between the two tiers. Its focus would be on:
- performance targets for devolved County services
 - shared community planning goals for quality of life in the locality and
 - outputs of shared developmental projects, such as regeneration initiatives

LSA's would also stimulate improvements in service delivery/target achievement through joint action.

Partners

- 3.9 The key partners in LSA's would be the County and District Councils as community leaders. However, it may be helpful to bring in other players from the local strategic partnerships for some targets, e.g. Police, Health Trust, Voluntary Sector, etc.

Timing

- 3.10 Lord Hanningfield suggests a potential start date of April 2003. This should give enough time to negotiate possible content, and to identify any actions emerging from community strategies. LSA's would also need to be considered in the context of budget setting for 2003/04 and beyond.
- 3.11 It is suggested that a LSA should have a life of three years. If the first round of LSA's began in 2003/04, this would be a year behind the cycle of the Essex PSA. That would help the County to reflect the PSA and LSA, and could provide a source of funding from the PSA reward grant for service enhancement and developmental projects.

Resourcing

- 3.12 Where services are devolved to a District Council as part of the LSA, it is suggested that the County Council would delegate the appropriate funding. Enhancements to existing services and new developmental projects may need some pump-priming at least. Lord Hanningfield has put forward two suggestions on this:
- a) The County Council's budget for 2003/04 includes £100k for pump priming of action programmes around LSA targets. This money, and any other sources of funding that might be accessible, would help to commence new joint programmes, or to be more ambitious with existing programmes.
 - b) The County Cabinet is also willing to consider using some of the County Council's PSA reward grant to finance LSA activity. If, say, the County made 25% of its reward grant available to fund LSA's, this could amount to as much as £6m. This could be used to fund LSA activities in a second round, from 2006/07. The County Council would want to make this funding dependent in some way on how successfully first round LSA targets are met.

Officer Comment

- 3.13 In many ways, this latest suggested initiative by Lord Hanningfield has similarities with those considered at the time of local government re-organisation. Some longstanding Members may recall that the current transportation arrangements, whereby the County's Area Highway Manager reports direct into the District Council's Member structure on a number of local highway matters, stems from that earlier era. **Key to the success of any new agreement will be its resourcing and commitment, and the ability of any contractual arrangement to deliver.** Members have to consider whether there would be merit in approaching the County at this time to secure improved service delivery and joined-up working at the local level in one or more areas.
- 3.14 From an Officer viewpoint, there would be merit in holding exploratory talks to determine what is and is not possible. With a draft of the District's Community Strategy one of the District Council's targets for completion by the Spring 2003, it is likely that several of the actions contained within it will require a County input either solely or in part. To have the County bound into some 'contractual' arrangements and specific targets arising out of that emerging document certainly has its attractions.
- 3.15 At this point in time, one specific area that might be worth pursuing with the County relates to elderly persons. The County Council already has a target within its Public Service Agreement relating to helping older people to live independent lives. The District Council, through its Community Overview & Scrutiny Committee, is currently examining the frail elderly and working up the District Council's policy and action plan in respect of this. There would thus appear to be mutual benefit in considering further whether this area might form the basis of a potential Local Service Agreement.
- 3.16 Another specific area that Officers consider might be worthy of further consideration relates to the delivery of youth services in the District. The Council already works with the Youth Service in a number of areas, e.g. Crime & Disorder Reduction Partnership, and Rochford District Councillors are appointed to the Youth Service Local Strategy Group. Nonetheless, with the District Council's recent appointment of an Arts Development Officer (in addition to the Authority's Sports Development Officer), the work the District does in connection with Holiday Play Schemes and the refurbishment of play areas and new provision, e.g. basketball, 5-a-side, skateboarding, as well as new initiatives in relation to bye-laws on skateboarding for example, there would appear scope for a more corporate approach between the

authorities on this matter e.g. use of school facilities out of hours, holiday times, etc. for your activities.

- 3.17 A third area relates to highways. Whilst developments have already taken place to bring some highway decisions down to the District level, there may be scope to decentralise the current practices and procedures even further. In addition, through the Planning Best Value Review, Members have already agreed to the principle of a Service Level Agreement being negotiated with the County, as highway authority, in relation to response times and areas covered in connection with planning applications. The computerisation of the Council's land charge system is almost complete and it is important that this Council's promotion of 'e-government' in this area is not hampered by County's lack of progress, as highway authority, to respond accordingly.
- 3.18 Finally, Officers consider that there might be merit in discussing with the County Council "back-of-house" services such as recruitment, training and development. Support for capacity building and performance management could also be included. Both the County and District(s) may well benefit from a more collective approach to these areas, in the same way that Essex Health Authority, the strategic body for the whole of Essex, is now attempting to support the Primary Health Care Trusts in terms of performance management, capacity building, recruitment and training.

4 RESOURCE IMPLICATIONS

- 4.1 At this point in time, if Council agree to further discussions with the County around one or more of the areas outlined above, the only resource implications will relate to Member and Senior Officer time.
- 4.2 Before any potential agreement is finalised, the Council would need to consider very carefully any potential resource implications for the Authority.

5 LEGAL IMPLICATIONS

- 5.1 Whilst not required by statute, it is clear that much of the recent local government legislation encourages partnership working and innovation between the tiers.

6 RECOMMENDATION

It is proposed that Council **RESOLVES** that:

- (1) Exploratory talks be held with the County Council in respect of the potential for a local service agreement between Essex County Council and Rochford District Council.
- (2) Subject to (1) above, Council determine which of those areas outlined in the report, or others if so specified, should be covered in those talks.

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Background Papers : Paper from Lord Hanningfield

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