

**Newcastle Partnership
Economy Delivery Partnership**

9th April 2009, 9.00 a.m. to 10.30 a.m.

**Venue : Newcastle Partnership, Anderson House,
Market Street, Newcastle**

Agenda

1. Welcome and Introductions
2. Minutes of the last meeting
3. Comprehensive Area Assessment (Richard Elliott)
4. 14 to 19 Reform (Seth Pearson)
5. Economic Performance
6. Risk Management
7. AOB

**Newcastle Partnership
Economy Delivery Partnership**

12th March 2009, 9.00 a.m. to 10.30 a.m.

Minutes

Present

Rob Hamilton (chair), Ken Thompson, Melanie Bear, Sandy Ogilvie, Howard Forrest, Barrie Irving, Karen Marshall, Elaine Easton, Roger Mould, Janet Hunter, Gillian Hewitson, Seth Pearson

Apologies

Dan Brophy

Minutes of the last meeting

The minutes were agreed as a true record

BENE Presentation – Rachel Ford

Power point presentation attached.

Points to note:

- BENE are on course to hit their targets
- Business Support Simplification: Business Link affirmed as primary access but strong emphasis on working in partnership

Economic Resilience package includes

- health checks
- access to sustainable funding
- package of workshops
- 'weather the storm' events (attracted 300 attendees)
- Rapid response support

A specific event was planned to promote support for the 3rd sector.

Business Survey was repeated between 2nd and 6th March with a focus on access to Government support. Only 2% of respondents had taken advantage of the Government's Enterprise Finance Guarantee Scheme

Sandy O commented that the low take up could be a reflection of businesses' reluctance to invest at this time.

Rob Hamilton advised that Newcastle City Council could help inform businesses about the support available through Business link via the distribution of rates bills to businesses and the Chief Executive's news letter.

There was general support for the Business Support Simplification exercise as there appeared to be a confusing myriad of schemes. The partnership agreed good communication was essential.

Action: partnership members to contact Seth if they identify ways support measures could be communicated more effectively in Newcastle.

Action: NCVS to talk with BENE to discuss what support was available for the voluntary sector

Barrie I outlined the LSC's changes in light of the economic downturn. In addition to providing support to the rapid response to redundancies, the LSC has been reviewing its funds and introduced greater flexibilities allowing greater access to its programmes. The National Apprenticeship Service will be launched on April 1st. A core element of the service is a sophisticated model for accessing leads to companies interested in creating apprenticeships which uses national and local information and links with Job Centre Plus and Business Link.

Action: voluntary sector reps contacting LSC to ensure that voluntary sector was fully briefed on these opportunities

Resource Centres proposal

Seth P spoke to the paper circulated. It was explained that the initiative was in line with the gap analysis carried out by the Regional Skills and Employment Response Group (SERG). It is intended as a short term response which will build on existing services and address other issues including debt and mental health. The Council will underpin the proposal financially but this will be a multi agency initiative and has significant investment from partner agencies in terms of staffing and other resources.

Sandy O advised that evaluation should be built in from the start and that it would be important that the service quickly adapts in light of experiences learnt through work with the first customers. With that the group expressed support for the initiative.

Action: partnership members to contact Seth if they wish to contribute to the resource centres

Newcastle Economic Downturn – Collective Response

Rob H explained that on behalf of the Council he would be pulling together a document which outlined the collective agency response in Newcastle to the recession. The purposes of the exercise would be to a) judge if the range of support was right b) identification and spread of best practice c) PR.

The headings that this would cover include:

- Capital expenditure (i.e. fiscal stimulus to economy)
- Support for those made redundant, or who are unable to find work
- Debt and housing advice
- Apprenticeships and work placements

- business support
- payments to suppliers
- procurement support
- cultural events and promotion of Newcastle
- asks from Government
- other

Action: All partnership members that would like to contribute to contact Rob by 31st March, with details of the offer of their institution in any of the above categories – or with any queries.

Risk Management (Mark Hedley)

Mark spoke to the risk assessment as completed so far. Members of the partnership were asked to forward comments **Action: a further workshop would be held to complete**

Forward Plan

The proposed list of items for future agendas was considered and agreed. It was discussed that the partnership should identify a limited number of priorities for the forthcoming year

Action - Partnership members to forward suggestions to Seth, who will collate a contribution for the next meeting

Topic	Action	Status
Business Support	NCVS to talk with BENE to discuss what support was available for the voluntary sector	
Business Support Communication	partnership members to contact Seth if they identify ways support measures could be communicated more effectively in Newcastle	
LSC activity	voluntary sector reps contacting LSC to ensure that voluntary sector was fully briefed on these opportunities	
Resource Centres	partnership members to contact Seth if they wish to contribute to the resource centres	
Newcastle Economic Downturn – Collective Response	All partnership members that would like to contribute to contact Rob by 31 st March, with details of the offer of their institution in any of the above categories – or with any queries.	
Risk Management	a further workshop would be held to complete	
Forward Plan	Partnership members to forward suggestions to Seth, who will collate a contribution for the next meeting	

Economy Delivery Partnership

8 April 2009

Comprehensive Area Assessment – Briefing Note on the Final Framework

1. Background

- 1.1 The final version of the Comprehensive Area Assessment (CAA) framework, the successor to Comprehensive Performance Assessment (CPA) was published on 10 February 2009 and comes into effect on 1 April 2009. As widely expected, it does not differ materially from the consultation proposals published in July 2008, although a number of areas of uncertainty have been clarified. It should be emphasised that CAA nevertheless represents a fundamental change from CPA.
- 1.2 This note briefly summarises the key features of CAA, the ways in which it differs from CPA, how we expect the process to operate in Newcastle and its implications for the Council and the Newcastle Partnership.

2. Key Features of CAA

2.1 Objectives and Scope

CAA intends to continue the momentum for improvement that was established by the initial introduction of CPA in 2002, and which had slowed somewhat as CPA ran its course. To achieve this, it acknowledges that improvements in outcomes for people of any area are rarely if ever now delivered by individual agencies acting alone. Later iterations of CPA moved towards a greater focus on partnership working and outcomes; CAA completes this move by focusing its most significant attention on areas rather than organisations, looking at how the agencies led by the LSP are identifying the issues facing their area and working with the people who live and work there to address them. For the first time, a regulatory framework will comment directly on the performance of all agencies involved in serving an area, with a very clear focus on outcomes as opposed to processes and structures.

To address this scope, the regulatory agencies involved will work much

more closely together than previously, with the Audit Commission CAA Leads taking on a coordinating role.

Clearly the performance of individual agencies has an impact on their ability to deliver shared priority outcomes, so CAA continues to fulfil the need to hold them to account through organisational assessments of the major public agencies (Councils, PCTs, Police and Fire and Rescue Services).

CAA is intended to replace many of the current regulatory frameworks which impact on the Council, although some of these seem likely to survive as a result of CAA's focus on protecting the vulnerable. It seeks to reduce the burden of regulation, partly by reducing the number of inspections and partly by adopting a different approach to arriving at its judgements.

2.2 Area Assessment

The area assessment takes as its starting point the priorities set out in the Sustainable Community Strategy (SCS) and Local Area Agreement (LAA) and is based around three fundamental questions:

1. How well do local priorities express community needs and aspirations?
2. How well are outcomes and improvements needed being delivered?
3. What are the prospects for future improvement?

The emphasis will be on the forward-looking third question; the framework is clear that the first question does not seek to question politically-determined priorities negotiated with Government Office, but to ensure that they are based on sound evidence, engagement and consultation. CAA also has a clear focus on sustainability, equality, protection of the vulnerable and value for money; these themes will underpin the three basic questions.

2.3 Organisational Assessment

The organisational dimension of CAA is more recognisable as a development of CPA in its structure. It looks at use of resources and managing performance, albeit with a more rounded definition of resources extending beyond the "traditional" financial resources to cover information, workforce and natural resources. The differences from CPA lie in the approach to the assessment as described in section 3.

2.4 Scoring and Reporting

Here CAA departs dramatically from CPA. The organisational assessment is scored on the normal 1 to 4 basis, with the combination

of scores from both use of resources and managing performance contributing to the overall result.

The area assessment is not scored, on the grounds that its focus on the priorities for each area means that a like for like comparison with the performance of other areas is neither possible nor useful. Instead, it will be reported as a web-based narrative assessment focusing on the future prospects for the area, with a system of red and green flags to highlight key issues.

Red and green flags are not the opposite of each other, and not the equivalents of red and green in traffic light reports. A red flag does not simply highlight underperformance, it denotes an area of activity where performance either is significantly below what is required, or appears likely to become so in the near future, and the partnership is not taking adequate action to address the issue. A green flag highlights an area of activity where the performance is exceptional or where improvements are outstanding, and in both cases appear sustainable in the longer term and valuable for others to learn from. The Inspectorates do not expect to report more than a small handful of red or green flags for any area. Each flag will be reviewed annually.

It is entirely possible that an area assessment might not feature any flags of either colour.

2.5 Inspection

CPA was characterised by fixed programmes of large-scale inspections on annual and triennial bases; the Council also undergoes annual performance assessments of Children's and Adult Services.

With the exception of specific regimes designed to ensure that vulnerable and potentially vulnerable groups (primarily children and young people and adults served by social care) are properly protected, there are no set programmes of inspection under CAA. Inspection or other intervention activity will generally only take place where there are major performance problems. As well as inspection, other potential interventions include local improvement planning, peer review and sector led improvement. In any case where intervention appears to be required, the most appropriate level will be selected.

3. Key Differences from CPA

3.1 Continuous Assessment

Instead of the inspection programmes of CPA, CAA judgements will be arrived at by an open and iterative continuous assessment approach. This will involve the Council and our partners sharing performance and other management information with inspectorates as it becomes

available, and inspectorates sharing their opinions and conclusions as they emerge, with discussion to move towards a shared understanding of any issues in each area of activity. Clearly this will be a major culture change on both sides of the relationship, and will probably require some time to adjust to.

The only fixed point in the CAA calendar will be the publication of annual reports in November each year.

3.2 Self-Evaluation and Use of Management Information

The intention is that CAA will not require Councils or LSPs to produce specific self-assessment documents that have no other purpose as was the case under CPA. Instead, as noted above, the inspectorates will try as far as possible to use the information that we are using ourselves to manage and improve our services.

This means that wherever possible we should shape our management information and some set-piece report and plans (such as the annual LAA refresh and the Corporate Plan) to be able to function as self evaluation documents as well, with clear focus on outcomes and self-aware analysis of our own performance and that of our partnerships.

3.3 Relationship Management

Rather than dealing with each inspectorate separately as has been the case in the past, under CAA we will deal with the Audit Commission's CAA Lead (David Jennings), who is responsible for co-ordinating the process. Obviously officers in particular services will continue to have direct contact with Ofsted, HMIC, the Care Quality Commission etc, but programmes of work and reporting will be addressed via the CAAL.

Informally, if the continuous assessment approach and the iterative means of arriving at shared conclusions are to work effectively, it will be vital that we can establish and maintain a positive relationship with our key contacts, particularly the CAAL and his direct team. We will need to be able to supply them with relatively "raw" management information with the confidence that it will not translate directly into unfavourable conclusions on our performance, and they will need to be able to share with us their developing understanding of our performance without causing an overly negative reaction if information has not been understood as we would have expected.

4. **Process to the First Reports in November 2009**

4.1 Area Assessment

The production of the Area Assessment will be managed through the Newcastle Partnership Delivery Board. The meeting on 28 April will

receive an initial view from the inspectorates, the main purpose of which will be to identify the areas of activity where further work is needed to achieve a proper joint understanding of the position. The inspectorates will conduct further field work in May and June, very likely to include dialogue with delivery partnerships, to address the areas of further work.

This process will continue at the meetings in June and September, with a decreasing number of areas where agreement has not yet been reached. The September version will include an initial view of where any green or red flags might appear. The meeting on 20 October will sign off the final report for approval by Strategic Board.

4.2 Organisational Assessment

The precise process here will differ for the main public sector partners. For the Council, much of the underlying information is the same as what has previously been required for use of Resources and Direction of Travel under CPA, with the obvious exception of those areas of activity not covered before. The means of reaching the final judgement will be similar to theta used for Area Assessment, with an initial view on which areas already have a shared understanding of our level of performance and which require further work. This further work will need to be done at an earlier stage than for CPA to enable reporting in November each year.

5. Implications

5.1 Outcomes

Under CAA, outcomes are everything. This means that whenever we are producing reports or other pieces of management information that might feed into the CAA process, we should ensure that we emphasise the impact on priority outcomes that the activity in question will have. This may seem obvious, but can be easy to overlook.

5.2 Openness

Perhaps more significantly, the Council and the Newcastle Partnership will need to acclimatise itself to a much more open relationship with inspectorates than has previously been the case, working with them across the year rather than at specific set pieces, and accepting their presence at many meetings they would not previously attended and on many circulation lists. This may seem daunting at first, but the benefit will be a much smoother and less resource intensive regulation process, and judgements that are a more accurate reflection of our actual position and much more useful to us in helping drive improvement.

The framework document itself is available at <http://www.audit-commission.gov.uk/caa/framework.asp>. Please note before printing that it is 66 pages.

Risk Register:

Date:

Owner:

Reference and Date Raised	Source/Driver	Risk Description (Opportunity or Threat)	Risk Category	Responsibility	Current Controls	Effectiveness of Current Controls	Likelihood	Impact	Current Risk Priority	Target Risk Priority	Actions Required	Action Owner	Due Date	Date Completed	Review information/notes	Risk Status
Date - Abbreviation - Risk Number Ref: EP/00-00/00/000	A link to the relevant partnership objective	Risk: Cause: Impact:	Cause of Risk (See Risk Categories Tab)	Officer responsible for managing risk, ensuring actions are implemented on time and progress reported	How is the risk currently being managed? What is in place and working to reduce the likelihood of the risk occurring or mitigate the impacts if it happens? What evidence/assurance do you have that these are working as required?	How effective are the current controls?	Given the effectiveness of the current controls, how likely is it that the risk will happen?	Given the effectiveness of the current controls, what would the impact of the risk be if it did happen?	Refer to Risk Priority Matrix	What level of risk is the organisation prepared to tolerate? Is this different to the Current Risk Priority?	If the current risk priority is acceptable, give clear reasons why If the current risk priority is not acceptable, what actions are required to reduce the likelihood of the risk and/or to mitigate the impacts of the risk if it does occur? What about exploiting it or maximising any positive effects? Do you need a contingency plan? Consider cost/benefit How and when will the risk be monitored / how will you know if it's improving or getting worse? Does the risk need to be reported or communicated?	Officers responsible for completing the actions	Date by which actions must be completed	Date actions were actually completed	General progress notes. Reasons for any slippage. Reasons for closure Reasons for escalation, de-escalation or reporting	Current / Proposed / Closed / Escalate / De-escalate / Accept

RISKS DISCUSSED BY SUB-GROUP OF ECONOMY PARTNERSHIP ON 10 FEBRUARY 2009

EP/13-01-09/Draft	Benefit Claimant Rates Child Poverty	Role and Remit of Employment and Skills Bodies at Region and City-Region Level / Relationship with Economy Partnership Lack of clarity over role and remit of the Employment and Skills bodies at Region, City-Region and their relationship with the Economy Partnership <u>due to poor delimitation or agreement (risk is that structure is imposed that is not fit for purpose).</u> <u>Potential Impacts could be:</u> Potential for duplication and gaps Lack of clarity over funding streams into agency organisations Regional activity in conflict with local needs Regional policy is set that cannot be effectively implemented The Employment and Skills bodies accept roles and remits that are not informed by the appropriate evidence base or are not set up with the capacity to appropriately perform Lost opportunities to identify and determine wider employability and skills activity in the City	Policy/Dir	Partnership cannot influence risk or identify responsibility at this level - to be escalated to Delivery Board	Agency representation at officer level on various structures within City-Region Partnership Interim Employment and Skills Board and associated representation from Local Authorities North Tyneside Council is Lead Authority Partnership has a remit consulted on to some extent	Poor	High	High	Red (16)	Green (4)	Action Plan Co-ordinator = Seth Pearson Current risk level not acceptable but risk not under control or influence of Economy Partnership. Cannot identify responsibility for managing the risk within the partnership Escalate and report risk within Newcastle Partnership and Newcastle City Council Address member / officer representation and engagement at City Region level Higher Risk to Council and to Partnership (not all partners though) - to be communicated by Seth within NCC and Partnership					Proposed	
EP/13-01-09/Draft		Impact of Economic Downturn on Delivery of LAA Targets Partners unable to deliver LAA targets <u>due to current economic climate</u> resulting in inability to deliver short term and longer term SCS and LAA aspirations: Main Targets at Risk: NI152, 153 and 116	Performance		LSP: Economy, Work, Skills and Learning Partnership monitoring situation and provides links with other key agencies (Business Link, JC+, New Futures etc). Standing Agenda Item at partnership meetings - information on current national / local situation and impacts is considered LAA Targets being refreshed based on estimate of likely impact of economy on employment rate and benefit claimant rate	Limited	High	High	Red (16)	Limited ability to control	Communication on available options and assistance to be improved Opportunities within current environment (e.g. apprenticeships) Partnership needs to review effectiveness of its actions in light of recession - "Recession Review" at each partnership meeting List interventions and actions and enable partnership response against their effectiveness Surge Analysis at next meeting Recession Plan for partnership						Proposed

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EP/13-01-09/Draft		Evidence Bases for Decision Making Failure to ensure appropriate, local, accurate and timely data sets/intelligence to support policy and decision making will have an impact on partnership's performance and will introduce further risks when planning corrective actions. <u>(Causes: information gathering needs to take place at regional level and therefore agreed not to invest locally, some of the information is poor, some information involves a considerable time lag)</u>	Performance	Risk to partnership - allocated to Seth Pearson to take forward	LAA Targets annually refreshed All Partners contribute to SCS and LAA and provide information on their main data sets (NCC Policy Team ensures all partners feed in) Local information gathering done by individual agencies Newcastle City Council Economic and Urban Policy Team intelligence gathering and analysis	Average	Low	Low	Low (4)	Low (4)	No action plan needed based on assessment of overall impact as low.					Proposed
DRAFT RISKS																
EP/13-01-09/Draft		Economy Partnership not effectively engaged in regeneration development within the City due to poor communications and a lack of agreed remit and protocols with Science City and the City Development Company resulting in limited economic benefits of regeneration activity	Comms		Co-ordination responsibility of Newcastle City Council Chief Executives Directorate Group is chaired by NCC ACX with representation from Science City	Average	Medium	Low	Low (3)	Low (2)	Partnership needs to be engaged and a structure agreed Engagement approach needs to be discussed and agreed with Mr Rubenstein (ACX)					Proposed
EP/13-01-09/Draft		Economy Partnership not effectively engaged with employers in the City due to poor communications and a lack of agreed remit and protocols resulting in limited economic benefits of the City and its stakeholders, reputational damage and potentially businesses that wish to expand doing so outside of the City.	Ext Mkt		Entrust/PNE/BENE all contribute to partnership	Average	Medium	Medium	Medium (9)	Low (6)	Discuss at group meeting with a view to developing an action plan					Proposed
EP/13-01-09/Draft		Lack of clarity on the LSP's governance structure and mechanisms including how to effectively communicate / engage with the other delivery partnerships and the Delivery Board resulting in silo working, missed opportunities and a lack of effective co-ordination on common issues and dependencies (particular issue is relationship between Delivery Board and sub-structures beneath delivery partnerships)	Partnerships	Escalate to NP		Limited	High	Low	Medium (8)	Low (6)	Action Plan to be co-ordinated by Seth Pearson Establish meetings for all Delivery Board Partnership Co-ordinators Joint work needed with: - Environment and Housing - Children and Young People (e.g. jobs and training for young people)					Proposed
EP/13-01-09/Draft		Unforeseen change in economic conditions results in a need to change priorities and refocus activity which the Economy Partnership is not prepared for due a lack of forward planning or inability of individual agencies to change requirements in light of central direction, resulting in untimely or ineffectual response	Performance		Continued economic analysis by NCC and presented to Delivery Board.	Good	Low	High	Medium (8)	Low (6)	Make economic assessments a standing agenda item for all groups. This will help establish priorities and future direction.					Proposed
EP/13-01-09/Draft		Agreeing targets through the LAA process over which we have little or no control leading to a failure to meet targets, potentially leading to misdirected resources and criticism through the MAA process	Performance		LAA is widely consulted upon Liaison between GONE and NCC	Average	High	High	High (16)	High (12)	Raise issue with Delivery Board Discuss with other local authorities to determine a stance on target setting.					Proposed
EP/13-01-09/Draft		Partnership fails to deliver its LAA targets because of restructure or change of priorities of one or more its partners.	Partnerships			Poor	High	Medium	High (12)	Medium (9)	React in a timely manner to national updates (review impact on targets)					Proposed

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EP/13-01-09/Draft Incorporated within risk "Evidence Bases for Decision Making"		Failure to ensure there is a robust / co-ordinated evidence base for policies, plans and key decisions due to lack of investment in evidence gathering resulting in poorly focused ineffectual policy limiting impact	Performance		Newcastle City Council Economic and Urban Policy Team intelligence gathering and analysis											
EP/13-01-09/Draft		A continuation of the economic decline and its negative impacts results in social unrest, increased incidence in crime, disenfranchised youth, deskilled workforce	Ext Mkt													
EP/13-01-09/Draft		Failure to identify and capitalise on opportunities which may exist within the current economy due to poor information resulting in limited ability to support the economy	Performance													
CLOSED RISKS																