

REPORT TO: Executive Board

DATE: 21 September 2006

REPORTING OFFICER: Strategic Director - Corporate & Policy

SUBJECT: Local Area Agreements

WARDS: Boroughwide

1. PURPOSE OF REPORT

A Local Area Agreement (LAA) is a 3-year protocol that sets out the priorities for a local area. This must be agreed between central government and the area itself, as represented by the lead local authority and other key partners through Local Strategic Partnership. Government has stipulated that Halton will be in Round 3 of the programme. This means that an Agreement must be negotiated by next April. The purpose of this report is to update the Board on the process and progress to date.

2. RECOMMENDATION:

It is recommended that the Board:

Endorse the draft agreement and agree its submission to Government Office by the 30 September deadline.

Agree that the Leader and Chief Executive be given delegated powers to make any necessary drafting amendments to the submission following Executive Board.

3. SUPPORTING INFORMATION

LAAs are meant to join up, focus and simplify the administration of neighbourhood renewal activity which utilises external funding. They provide a framework for partnerships to grow and develop and are a tool for driving efficiency. Whilst currently limited in scope, there is every indication that Government would like to extend LAAs in the future to cover elements of mainstream and statutory activity. Normally, LAAs are based upon four blocks established around the shared priorities for Government:

- Enterprise & Economic Development
- Healthier communities, and older people
- Safer and stronger communities
- Children and young people

The concept of an LAA is that it will spell out the priorities and targets for local well being, based on outcomes which reflect local and national priorities. These then form the basis of an agreement between an LSP and government departments that sets out the aims and funding requirements for activities that lie outside mainstream services – the special initiatives. This approach acts as the

basis for a negotiated settlement between an LSP and government on the overall level and pattern of 'additional' spending in an area over three years. Overall they reduce the complexity of funding arrangements by allowing more flexibility in the use of government monies and streamlining bureaucracy. As a starting point the Government has set out in its guidance a range of key mandatory outcomes and targets that every LAA must include. It is then for local discretion what other outcomes should be pursued in pursuit of local goals, which should derive from the Community Strategy. The Board will be aware that the priorities agreed in the Community Strategy largely mirror the four blocks, with the addition of Urban Renewal. Government allow local flexibility in how LAAs are structured. Therefore, the starting point for the Halton LAA is that it is being framed around our agreed five priorities rather than the four blocks.

LAAs do not carry with them extra funding, apart from a reward element. However, this is merely a rebranding of the financial rewards of local public service agreements (LPSA 2). Halton has already negotiated its LPSA2 and agreed its targets and arrangements for dividing pump-priming monies. Therefore, the LPSA2 will be incorporated into the LAA.

Government has set out a fairly specific timetable for the process leading to the adoption of an LAA. This is as follows:

- By end **September** - areas submit first draft LAAs to GONW. These must include outcomes, indicators and indicative targets, funding streams, the business case for Enabling Measures, a draft Statement of Community Involvement, and partnership arrangements.
- By **December**, final drafts must be received by GONW. Ministerial sign-off will be during February 2007, with LAAs being implemented from April 2007.

It is clear that we have in place many of the building blocks in Halton that will enable a strong and robust LAA to be put in place. These include established governance framework for the Halton Strategic Partnership. The Priorities Process, our strategic planning process is complete, and we have a new Community Strategy framed around the LAA structure. The LSP has the task of managing the process forward and shaping the agreement. The following key steps and milestones to help trace the path for the rest of the year:

- Halton Strategic Partnership Board consider LAA 13 September
- Executive Board Endorse Draft LAA 21 September
- Submit draft LAA to GONW 29 September
- Negotiation Process Oct/Nov
- Exec Board/LSP Formal Endorsement to Final LAA (Dec)
- Final Submission – Xmas

This is obviously only a skeleton of the process and overlays a great deal of activity. There was a major partnership event in July to consider the framework for the agreement. Partners have put in a great deal of work over the summer to draw up the first draft of the LAA. Attached as an Annex to this report is the initial draft of the Agreement. Executive Board is asked to agree this prior to its submission to Government Office by the end of the month. The core of the submission is the Outcomes Framework (Appendix B). This re-presents the outcomes and targets from the agreed Community Strategy in the format demanded by Government for the LAA. Hence the Halton approach is to largely view the LAA as the implementation plan for the Community Strategy.

Underpinning the outcomes framework is an attempt to “prioritise the priorities” by articulating a small number of transformational issues that demonstrate the crosscutting and joined up approach to achieving the Halton vision. These four issues – liveability, anti-social behaviour, alcohol harm, and employment and skills – are largely self selecting based on expressed community needs, the State of halton Report and the recent LSP review. By focussing on these many of the overall outcomes and targets would be achieved. The LAA would look to provide a greater focus on these areas, particularly given the impact they have across all priorities. The overall objective would be to push harder in those issues that we know will have a positive impact across the priorities in the Community Strategy.

It will be understood that the draft is very much a work in progress. Any changes that have arisen from partnership meetings or comments from Government colleagues since its circulation to the Board will be reported at the meeting.

4. POLICY IMPLICATIONS

A Local Area Agreement (LAA) is a 3 year agreement that sets out the priorities for a local area, agreed between central government and a local area, represented by the lead local authority and other key partners through Local Strategic Partnerships. Halton will negotiate an appropriate Agreement to come into force by next April. The LAA provides a service improvement tool for helping to implement Halton’s adopted Community Strategy.

5. OTHER IMPLICATIONS

None.

6. RISK ANALYSIS

The final LAA will include proposals for a robust risk management process. This will focus attention and resources on critical areas, provide more robust action plans and better-informed decision-making.

7. EQUALITY AND DIVERSITY ISSUES

The LAA will be based on the same values that underpin the Community Strategy, of which a commitment to equality and diversity is paramount. The LAA reinforces this value-driven system of partnership working.

8. LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None