

# DEVELOPMENT OF THE LOCAL AREA AGREEMENT

## PORTFOLIO RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

21 FEBRUARY 2008

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### Wards Affected

County-wide

### Purpose

To note the progress of the Local Area Agreement (LAA) 'super refresh', including the Story of Place, list of key priorities and the provisional list of indicators to be included in the final document.

### Key Decision

This is not a Key Decision.

### Recommendation(s)

**THAT:**

- (a) the LAA super refresh process be noted;**
- (b) the Story of Place and list of key priorities be approved; and**
- (c) it be noted that the provisional list of indicators be included in the LAA.**

### Reasons

To ensure that Cabinet is central to the LAA 'super refresh' process and has the opportunity to contribute to its development, agree the Story of Place, priorities and indicators. Herefordshire Council is the accountable body for the LAA and will have a key leadership role in ensuring its successful delivery. The LAA is expected to be a central feature of the Comprehensive Area Assessment. The new Area Based Grant, expected to be in the region of £8.88 million in 2008/09, will be paid to Herefordshire Council as the accountable body with decision-making processes, and monitoring going through the Local Strategic Partnership (Herefordshire Partnership) and relevant statutory/themed partnerships, as specified in National guidance. There is an indication that there may be a reward grant paid at the end of the three years, based on achievements against targets.

### Considerations

1. The LAA consists of a Story of Place, a list of priorities which reflect the key issues for the county and indicators which will be the means by which progress towards achievement of the priorities is measured. There will be up to 35 indicators, drawn from the national indicator set, which will form the basis of the LAA and will be monitored by central government. Local indicators can be included as appropriate but these will be monitored locally, and will not be in scope for any reward grant.

2. Only the priorities and indicators are submitted to central government as part of the LAA but the Story of Place is equally important as it gives Government Office, who will recommend the LAA to ministers, the context and background to the priorities.
3. The development of the Story of Place, priorities and indicators has been informed by local statistics, policy developments and substantial and widespread consultation. This has included input from officers in partner organisations, the voluntary and community sector, councillors and members of the community. There have, at all stages, been opportunities for engagement and communications including newsletters, formal and informal presentations open access events and workshops. This included a Workshop for Councillors in October 2007.
4. The next steps will be to agree the Performance Indicators and agree targets for these. Some, which will be new indicators and which may not have baselines will need to be developed in line with the national technical guidance which has recently been consulted on. The results of this consultation are expected in February.
5. Feedback on the current version of the LAA is expected from Government Office in mid February with the final version needing to be submitted once it has been approved through the Herefordshire Council and Partnership governance arrangements. This process is expected to be completed by the end of March 2008.

## **Financial Implications**

6. The new Area Based Grant, expected to be in the region of £8.88 million in 2008/09, will be paid to Herefordshire Council as the accountable body with decision-making processes, and monitoring through the Local Strategic Partnership (Herefordshire Partnership) and relevant statutory/themed partnerships, as specified in National guidance. The Area Based Grant will be routed through relevant themed Partnerships for 2008/09 (such as the Childrens Trust), to ensure co-ordination and consider efficiencies alongside other similar activity. A broader discussion about the most appropriate way to manage Area Based funding in 2009 onwards will also be held. There is an indication that there may be a reward grant paid at the end of the three years, based on achievements against targets.

## **Risk Management**

7. Without the commitment and support of all partners in the development of the LAA the Council risks submitting a document that will not have the ownership and buy-in from those who will be delivering the activity, thus making it impossible to optimise the benefit to the people of Herefordshire. Through a considered approach, the support of Herefordshire Council and by involving partners at every stage of the LAA's development the Council can mitigate this risk.
8. If the indicators are not clearly linked with the LAA priorities and if they prove impossible to measure and monitor the Council and its partners will not be able to prove progress towards achievement of the targets. This will undermine the potential impact of the LAA and minimise the potential to achieve the reward grant. This risk has been mitigated by ensuring the full involvement of the Herefordshire Council Research Team and the Herefordshire Partnership during the development process of the LAA.

## **Alternative Options**

There are no Alternative Options as the Council will not be able to access the £8.8 million pounds available through the LAA. There is also a legal requirement that all Councils enter into LAA's to identify priorities and objectives for delivery and benefit of the people of Herefordshire.

## **Consultees**

Key Partners of Herefordshire Partnership through the Board, Chief Executive Group and Performance Management Group, this includes:

Chamber of Commerce Herefordshire and Worcestershire

Herefordshire Association of Local Councils

The Primary Care Trust

Herefordshire Council (including checks with lead officers and management teams)

The Learning and Skills Council

Voluntary and Community Organisations

West Mercia Constabulary

Herefordshire and Worcestershire Fire and Rescue Service

Advantage West Midlands

Government Office for the West Midlands

Partnership Groups

Herefordshire residents through public consultation, newsletters, attendance at workshops and events.

Herefordshire Council Councillors

## **Appendices**

Appendix 1 – Story of Place and key priorities submission to GOWM as at 21<sup>st</sup> January 2008

Appendix 2 – Indicators – 1<sup>st</sup> draft submitted to GOWM as at 21<sup>st</sup> January 2008

Appendix 3 – Current proposed Indicators as at 5<sup>th</sup> February (note: these are subject to change)

## **Background Papers**

None identified.