

LOCAL AREA AGREEMENTS: OUTLINE PROPOSALS

PORTFOLIO RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

30TH MARCH, 2006

Wards Affected

No Wards are affected

Purpose

To advise Cabinet of the successful negotiation of the Local Area Agreement (LAA), and to outline the next stage of the process.

Key Decision

This is not a Key Decision.

Recommendation

THAT Cabinet approve the Local Area Agreement, and endorse the actions required for the next stage of the process.

Reasons

On the 19th May 2005 Cabinet gave consent for interest to be registered with GOWM in obtaining an LAA. Herefordshire Council duly registered interest in being one of the second round LAAs. On 22nd June 2005 Herefordshire Council was advised that it had been successful in securing an LAA, and that Herefordshire was to be one of thirteen areas to have a Single Pot LAA.

On the 22nd September 2005 Cabinet approved outline LAA proposals, which were submitted to GOWM on 30th September, 2005. On the 17th November 2005 Cabinet gave approval to our first draft LAA, which was submitted to GOWM, on the 25th November, 2005.

On the 26th January 2006 Cabinet gave approval to submit the penultimate draft LAA on the 3rd February 2006, and the final draft was submitted on the 21st February 2006. All of the timetable deadlines imposed by GOWM were met.

Considerations

1. The LAA has now been approved by Government Ministers, and will run for three years from the 1st April 2006.
2. The LAA has been subject to a number of revisions, as a result of negotiations with GOWM. Some of these have been accommodated without too much difficulty, but other changes have been imposed, rather than negotiated. This largely relates to the inclusion of a mandatory outcome and performance indicators for the nationally launched Respect Action Plan. The ODPM has still to agree the detail of the

Further information on the subject of this report is available from
Steve Martin, Corporate Policy and Research Manager on 01432 261877

proposed indicator around the requirement for "Provision of an intensive family support project." This is a national issue, rather than a concern for Herefordshire alone, and will be finalised in the next few weeks.

3. Few of our Freedoms and Flexibilities requests have been agreed by Central Government, and nationally over 90% of business cases have been refused. GOWM have advised us that we should continue to make the case for Freedoms and Flexibilities during the lifetime of the LAA. The ODPM has now published "Local Area Agreements - Enabling Measures", which provides detailed information on which Freedoms and Flexibilities have been agreed or denied in the first round of LAA pilots. This will be updated with data from the LAA second round in due course. We have been asked to formally revisit our Freedoms and Flexibilities requests at the six monthly review meetings and, at what is termed, the annual LAA Refresh discussions.
4. Where necessary, we have secured agreement to alter the wording of LAA to reflect the new Herefordshire Community Strategy, including the revised Herefordshire Community Strategy vision. However there will inevitably be some changes to the LAA during its lifetime, but before the next Community Strategy is produced.
5. We have been able to considerably reduce the number of outcomes and key performance indicators from our initial submissions. In time this should lead to a reduction in bureaucracy, in terms of supplying monitoring information to Central Government Departments.
6. The LAA has been jointly signed off by the Chair of the Herefordshire Partnership and the Leader of Herefordshire Council. David Miliband, Minister of Communities and Local Government, will sign on behalf of Central Government. There will be a formal signing ceremony in London on the 23rd March 2006 for successful LAAs.
7. The LAA now incorporates the LPSA2, which will, in future, be described as the reward element of the LAA.
8. £1,208,352 has been identified for the Single Pot in the first year. The Primary Care Trust has provided the larger part of this funding. £21,523,140 of funding has also been aligned for 2006/2007. These sums will rise substantially in future years. First year funding is adequate to implement the new LAA funding and reimbursement procedures, and to establish robust accountability and audit processes.
9. The performance management of the LAA will be dealt with as part of the wider performance management arrangements for the Herefordshire Community Strategy Action Plan. The Herefordshire Partnership has established a Performance Management Group, which has representation from all the partner organisations. There will be regular monitoring reports on the LAA Action Plan presented to Cabinet.
10. The tight timescales prescribed for producing the LAA has meant that full consultation with partner bodies and stakeholders has not been possible. We need to embark on a programme of systematic engagement as soon as possible, to ensure that the LAA is fully embedded.
11. We will also work with Shropshire and Worcestershire on a range of areas of common interest. This will cover affordable housing, homelessness, secure accommodation, Anti-Social Behaviour Orders, Contact Centres, and diversity. This list may be extended as a result of further collaboration.

Alternative Options

There are no realistic alternative options.

Risk Management

The negotiation of the LAA has involved substantial time and effort, but the implementation phase will require capacity to be created, in particular to deal with Performance Management, Governance and LAA engagement with partner organisations. Failure to deliver the LAA (including the LPSA2 element) will mean poorer outcomes for Herefordshire residents and risk the loss of reward funding.

Consultees

GOWM, AWM, Partners in the Herefordshire Partnership, Shropshire and Worcestershire County Councils

Background Papers

Local Area Agreement