

The future of Local Area Agreements

16

April 2007

Local Area Agreements so far

- Introduced 2005
- 21 pilots and first 3 year LAAs are coming up for renewal
- All local authorities to have LAAs by April 2007
- National experience variable to date - LAAs have improved partnership working in some areas, helped to join up cross cutting activity, but few new “freedoms and flexibilities” and no reduced bureaucracy

Current Plans and reporting

- LAA and Community Plan
- LPSA2 – brings financial reward
- Performance indicators for services – estimated 1200 – including BVPI, PAF etc
- Corporate Plan – has a mix of national and local targets
- Cabinet Member Strategic Plans
- Various returns to government departments

Local Strategic Partnership

- The White Paper said the LSP should be:
 - the overarching strategic partnership
 - the main vehicle for developing a vision for transforming a place and tackling hard cross cutting social problems
- The LA should play a leading role on LSPs and is expected to agree - or provide - the Chair
- Portfolio holders to play a key role on thematic partnerships
- New statutory partnership for health & well being
- LSP will remain a voluntary partnership focused on agreeing and delivering agreed targets laid out in LAA

Community Plan

- The White Paper said:
 - Community Plan becomes Sustainable Community Strategy
 - LA has duty to prepare this
 - LAs to draw up comprehensive engagement strategy for the Sustainable Community Strategy, Local Area Agreement and Local Development Framework
 - Local Development Framework Core Strategy to be integrated with Sustainable Community Strategy
- New amendment to Local Government Bill requires LA and PCT to produce a strategic assessment of the health and social care needs of the local area

Local Area Agreements

- White Paper said:
 - LAA to be delivery plan for the Sustainable Community Strategy – LA must prepare it
 - LAA to be the central delivery contract between central government and local government and its partners
 - LAAs to include targets based on risk assessment from new Comprehensive Area Assessment by Audit Commission
 - Duty to co-operate to agree LAA targets placed on Councils, police, health, LSC, JC+, HSE, Fire Authorities, PTAs, Highways Agency, Environment Agency, RDAs
- NHS trusts likely to be added to this list, but not RSLs and schools

Latest guidance on LAAs - 1

- LAAs to become the main delivery agreement between central government and a local area
- LAAs will consist of
 - base set of pre-existing statutory educational and early years targets (presently 18)
 - up to 35 nationally negotiated targets drawn from a new national indicator set of approximately 200 indicators
 - may also include purely locally-agreed targets
- Local authority, in consultation with other LSP partners, must produce LAA and reach agreement with central government on the targets set out in it.

Latest guidance on LAAs - 2

- Local targets do not need to be agreed or reported to national government but fall within duty to co-operate
- Inclusion of local improvement targets ensures that there is a *single* set of priorities for an area
- LAs responsible for ensuring effective partnership mechanisms and performance management, but will not be able to impose targets on named partners
- Voluntary, community and private sector and citizens must be consulted on LAA
- LAA likely to be for three year period

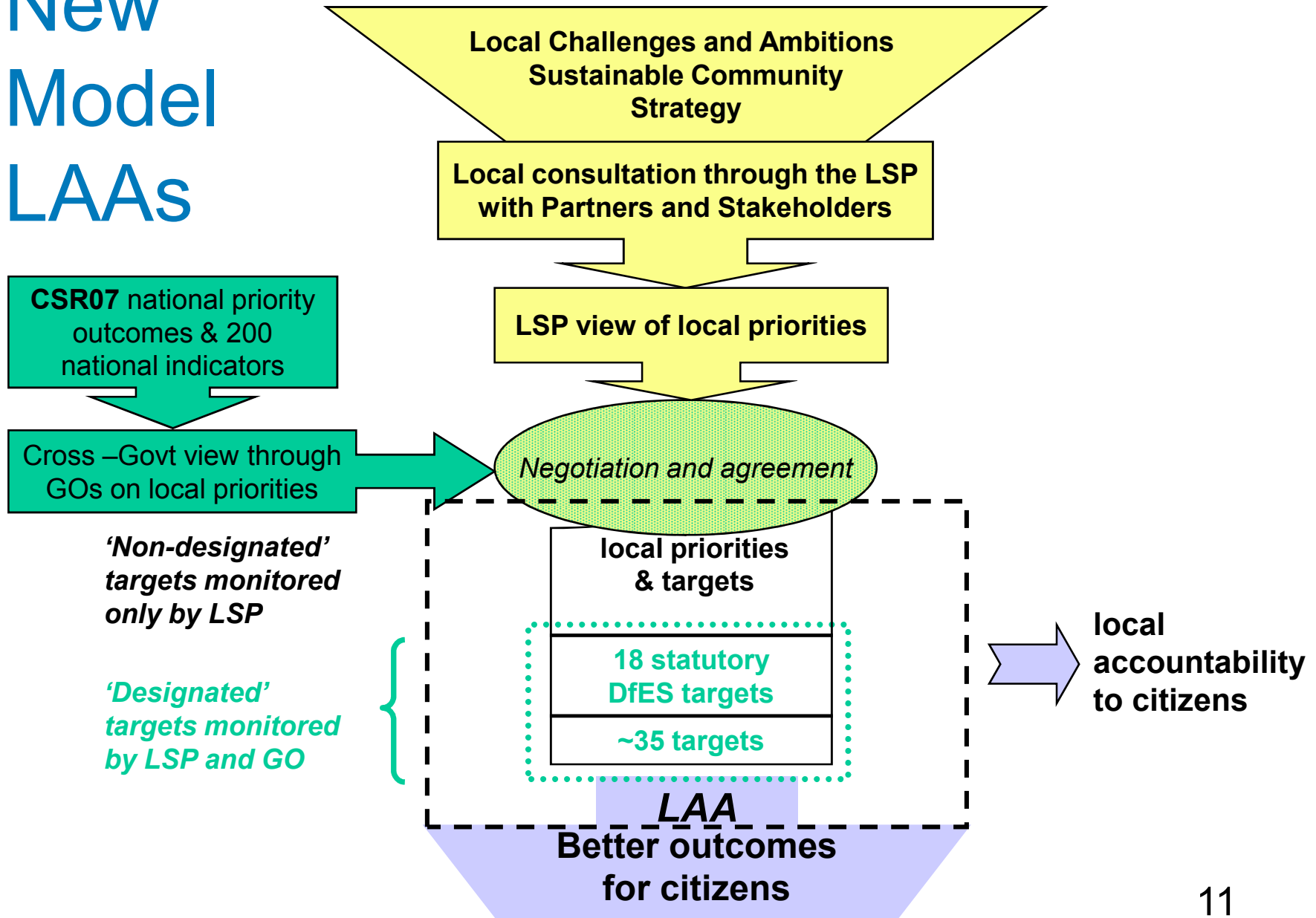
National Indicator Set

- New set of about 200 national priority outcomes for local authorities, working alone or in partnership, was to be published with Comprehensive Spending Review
- Only some of these now expected to be ready then
- LAs to report on all of these at specified intervals
- LAA targets no longer based on what funding streams are being pooled, but are based on an assessment of performance and need, assessed against the new National Indicator Set

Moving (Rushing?) ahead

- The White Paper moves LAAs “from the margins to the mainstream”
- Government wants to secure the benefits of this new approach in all areas as soon as possible, including alignment with Spending Review cycles
- As much change as practicably possible to be introduced in all areas in April 2008
- All of the new performance framework in place by April 2009.
- LAAs will be the only place where targets are agreed with government on outcomes delivered by local government on its own or in partnership

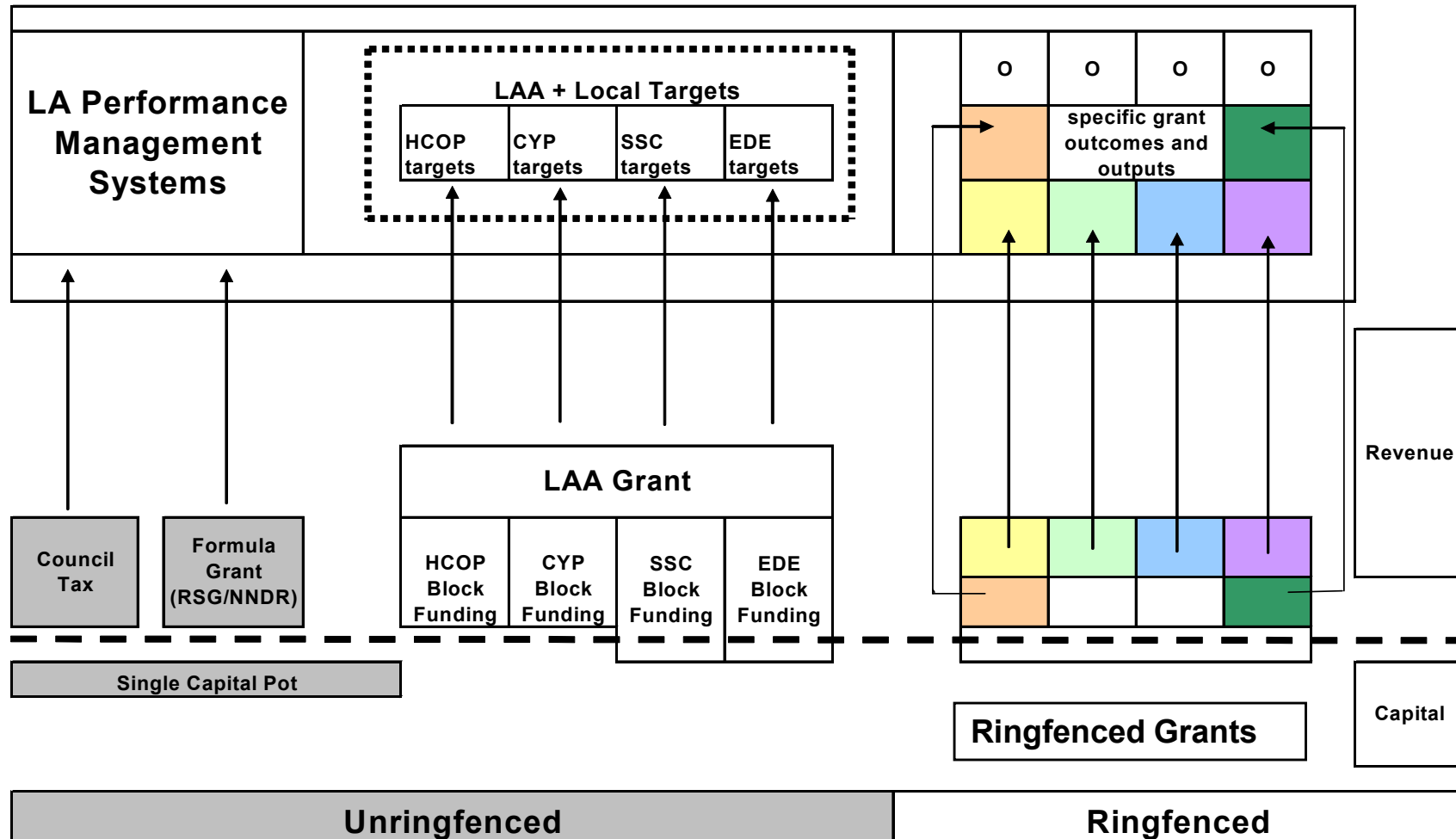
New Model LAAs



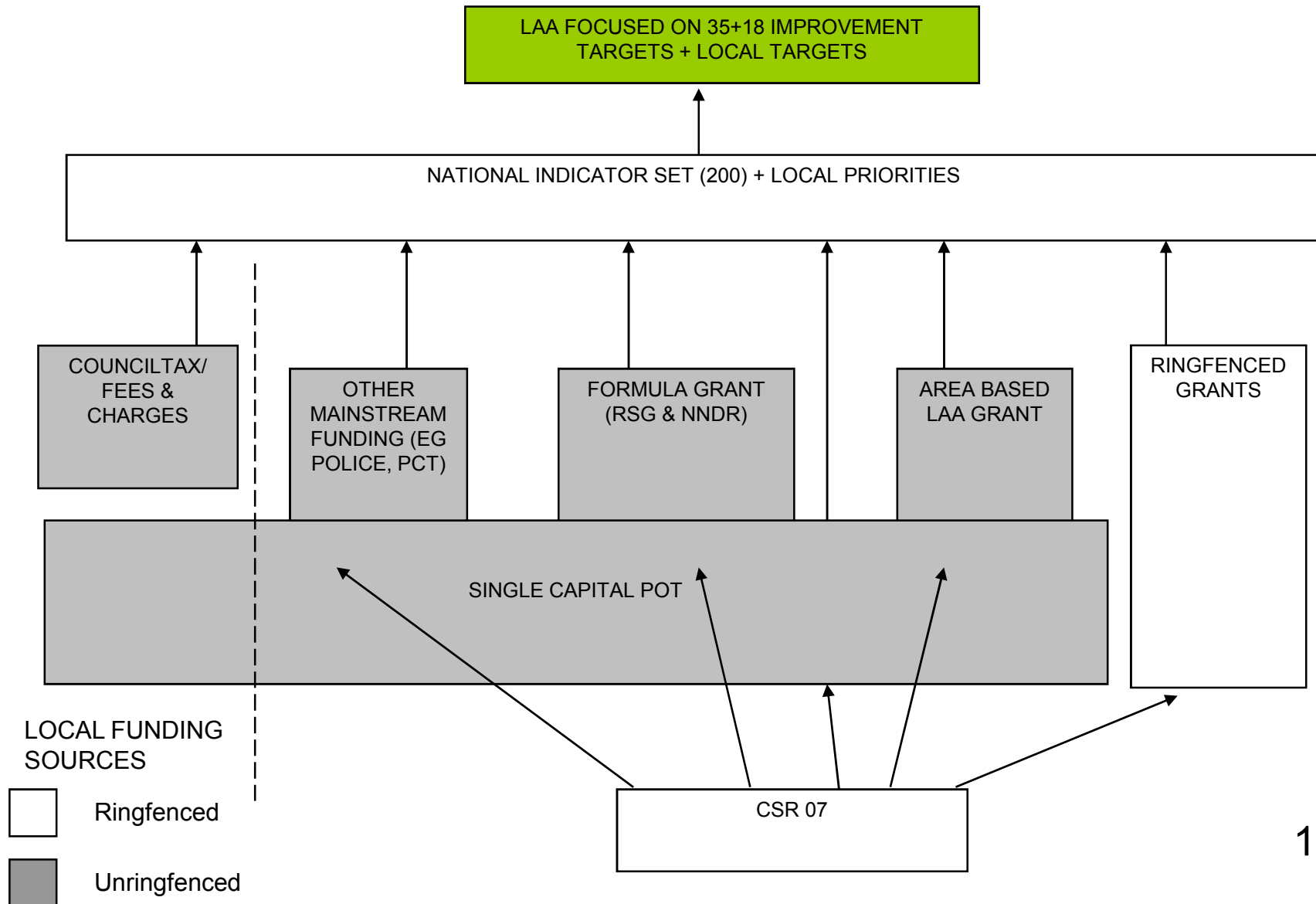
The new LAA model – Key Milestones

From now ...	Local partners to review Sustainable Communities Strategies & build partnership capacity to prepare for new LAAs
Now – early summer	Joint development of detailed plans for handling the implementation of new LAAs & the 2008/09 year, including changes to inspection arrangements
April – July 07	Feasibility testing in a few areas: <ul style="list-style-type: none"> • key stages/success criteria for LAs & partners to agree 35 targets • getting cross-Government view of how national priorities impact locally • the negotiating framework for getting central-local agreement to the LAA
Summer	Transitional reviews of current LAAs – to make room for negotiation of new LAAs
From summer ...	Leadership Centre, LGA, IDeA & Audit Commission aiming to provide tailored capacity building available to all 150 areas specifically to help prepare for new LAAs
Summer	CSR announcement – funding, national outcomes & (partial) set of 200 national indicators
Summer	LAA operational guidance – building on the lessons from the feasibility testing
Autumn 07 – March 08	Negotiation of new LAAs in all 150 areas.

Funding for current LAAs



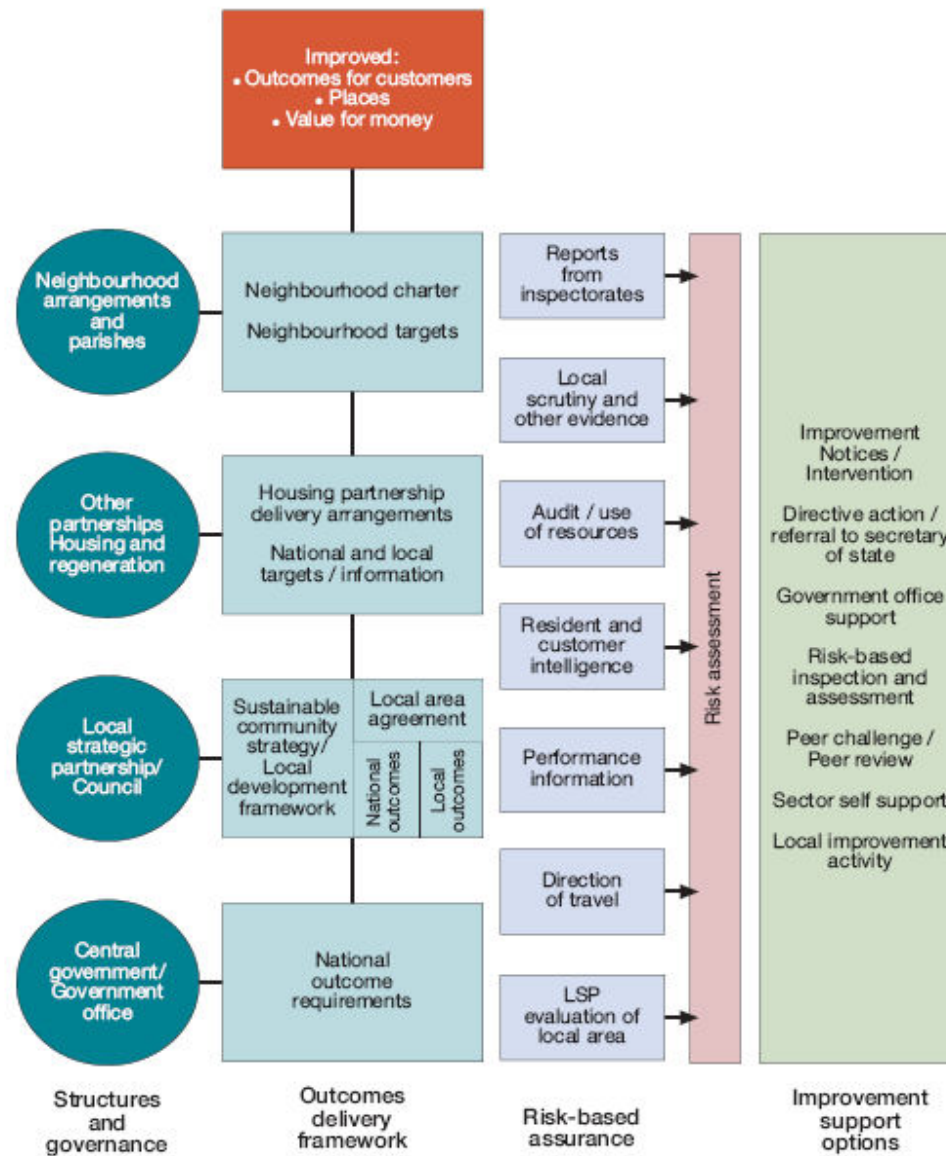
Funding the new LAAs



Comprehensive Area Assessment

- Replaces CPA, JAR, APA and CSCI star ratings with a single annual assessment of key risks to outcomes or delivery for each area
- Forward-looking rather than reporting on past performance
- A scored use of resources judgement for local public sector bodies
- A scored direction of travel judgement for the local authority, including performance against national indicators

Comprehensive Area Assessment – the new strategic framework



Other issues to be addressed

- Stronger performance management of LAA
- CPA comments on a long term vision that is more specific about what the Council, residents and partners want the County to be in fifteen or twenty years
- White Paper calls for LAs to plan better and publish three-year council tax projections
- New roles for overview and scrutiny committees enabling committees to review specific actions of public bodies
- Need for increased efficiency and effectiveness

A Local Public Service Board?

- Now well established elsewhere
- A meeting of senior level representatives from all public sector bodies in the city
- Chaired by Council Leader or Chief Executive
- Would report directly to WiSP
- Not a decision making body as such – actions proposed would need agreement of parent body
- How does it fit with existing structures?

What would the LPSB do?

- Manage performance and spend on the LAA
- Ensure effective delivery of the Community Strategy
- Oversee the use of all public expenditure in the County, ensuring best value for money and providing an integrated forum to negotiate with Government Office.
- Bring about efficiencies across the wider public sector in the County - including possibilities for sharing back-office functions and accommodation, establishing one stop shops, and integrating key functions at a neighbourhood level.

A new planning framework

- A single vision for the County
- A more detailed statement of aims for next 20 years
- Bringing the LAA and the Council Corporate Plan together
- Strengthened performance management and less duplication

A New Framework

Sustainable Community Strategy

Single vision statement for the County
20 year strategic aims
Includes LDF core strategy

Local Authority
Duty to produce
LAA

Audit Commission produces
annual risk assessment in CAA

Named Partners
with a duty
to co-operate

Local Area Agreement

3 year Delivery plan for SCS Partnership actions
Performance managed by LPSB

Local Authority Scrutiny of Health
and partnerships

County Council Corporate Plan

LAA targets plus management objectives
3 year plan with Council Tax projections
Performance managed by Cabinet

Other Partners' Plans

LAA Targets plus own objectives
Performance managed by Partners