

## OVERVIEW AND SCRUTINY COMMITTEE (EXTERNAL)

1<sup>st</sup> NOVEMBER 2007

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PRESENT	Councillor Mrs. Lee (Chair) Councillors Anderson, V. Shuttleworth and Mrs. Todd and Ward
APOLOGIES	Councillor Buckham
ADVISERS	R. Bowman, Scrutiny Manager and Michael Laing, Chief Executive, Wear Valley District Council

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**07. To progress the Local Area Agreement (LAA) review – interview with Michael Laing, Chief Executive, Wear Valley District Council**

The Chair thanked the Chief Executive for his attendance.

**Q1. What is your role in the LAA?**

To exercise judgement in relation to the needs of Wear Valley District Council, and to act as a conduit between it and the LAA. Working in partnership with the Leader of Wear Valley District Council, the Chief Executive helps to develop a Wear Valley view to put to the LAA Board. There is also the need to ensure that work is not duplicated. Members questioned whether the LAA had been successful in stopping duplication. The Chief Executive replied that duplication was an issue with the LAA. Other issues with the LAA were highlighted, including governance, decision-making and communications. The Chief Executive was questioned on whether a dedicated monitoring system was in place. The Chief Executive replied that most performance data is gathered by the statutory bodies. The LAA had stated a desire to develop a whole new system of performance management, even though an adoption of Durham County Councils framework would suffice. Existing targets had not been moderated and 'reality checked' by speaking to the people who they concern.

**Q2. Can you describe the current distribution of power within the LAA; is it an equal partnership?**

There is no overall control on the LAA Board and decisions are consensual. Durham County Council retains financial accountability for the money allocated to the LAA. It was questioned whether the loudest voice wins in the competition for LAA funding. The Chief Executive stated that in some cases this was true. He contrasted the clear decision making process of a local authority with that of the LAA. LAA decision making was often a considerable change of culture for local authority representatives.

Given the technical deliberations regularly taking place, often decisions were guided heavily by officers and those with expertise in the topic. This combined with the often vast agendas at meetings meant that accountability suffered.

**Q3. How much influence does Wear Valley District Council currently have on the LAA, and how can it improve its influence?**

Wear Valley is currently one of the best local authorities in terms of attendance and influence. Wear Valley District Council has to continue to engage and fight the corner of the district. Bureaucratic processes in the LAA need to be streamlined.

**Q4. To what extent does Wear Valley gain from the activities of the LAA?**

The Chief Executive stated that he was unsure whether what had been achieved to date would not have been achieved anyway by the Wear Valley Local Strategic Partnership.

**Q5. Can you describe how the LAA Board is currently held to account?**

The LAA is accountable to Durham County Council for its finances. Ultimately the LAA is accountable to Communities and Local Government (CLG) through the Government Office for the North East (GONE).

**Q6. How can the LAA be more effectively held to account?**

There is a democratic deficit in the LAA which would be improved by greater scrutiny and member involvement. Local people also need to be involved on a far more regular and substantive basis.

**Q7. Can you summarise the main problems with the LAA?**

The main problems are its complexity and a lack of understanding of it. Financial commitments are slow to be made and money itself is not spent quickly enough. The LAA is not an answer to every need of the voluntary sector, despite what some organisations and individuals have been allowed to believe. There is a lack of connection to the LSPs, which have been working fairly well recently and would be in a reasonably good position to champion their local areas. Government policies have also created problems, as on the one hand power is supposedly devolved to localities, whilst a centrally determined performance management regime is imposed.

Members posed a supplementary question to the Chief Executive:

**Q8. Would the LAA be better run top down or bottom up?**

The Chief Executive responded that government direction meant that the LAA was a top down body. He also stated that the LAA would benefit from a much more business-like approach, both in terms of financial management and governance.

The Chair thanked the Chief Executive for his contribution.

**CHAIR**

Meeting concluded at 3:50pm

DRAFT