

Report to: **District Council of Easington**
Date: **6 April 2006**
Report of: **Assistant Chief Executive**
Subject: **County Durham Local Area Agreement**
Ward: **All**

1.0 **Purpose of the Report**

1.1 To seek formal sign-up to the Local Area Agreement for County Durham which has been developed during 2005/6.

2.0 **Consultation**

2.1 The Local Area Agreement (LAA) has been developed in partnership. A number of representatives from the Council have been engaged in the development process in various roles, including the Leader and Deputy Leader, Chief Executive, Assistant Chief Executive, Director of Regeneration, Director of Community Services, Principal Corporate Development Officer and Neighbourhood Management Pathfinder Manager.

2.2 The Council decided to engage in the LAA following wide debate, and presentations have been given to the Council and to the Local Strategic Partnership (LSP) at various stages during the development of the Agreement. Easington has also been well represented at consultation events.

3.0 **Background**

3.1 Local Area Agreements are a key strand of the Government's Local Vision agenda. Launched as pilots in 2004/5, by the end of 2006/7 all areas will be covered by LAAs.

3.2 LAAs are three year, negotiated contracts between central & local government (top tier councils with their partners). They provide an interface between national and local priorities, and are based on a series of three year outcomes and targets. They incorporate the "stretch" targets previously included in Local Public Service Agreements; these targets are particularly demanding and attract a performance reward grant if they are met.

3.3 Government's aspirations for LAAs are:

- To improve central / local relations
- To improve service delivery
- To improve efficiency
- To improve partnership working
- To enable local authorities to provide better leadership

3.4 A key strand of the aim to improve efficiency is to assign a single amount of agreed funding to each LAA, so that many of the additional funding streams that came down through different Government Departments to different partners, will in future come down as one stream to the County Council (the Accountable Body for the LAA). Organisations are encouraged to pool or align budgets with the LAA.

3.5 Although LAAs are agreements between Government and top tier Councils, they must engage LSPs, communities, District and Parish/Town Councils and other stakeholders.

4.0 **The County Durham Local Area Agreement**

4.1 Copies of the County Durham Local Area Agreement are available in the Members Room. The Agreement consists of a series of outcomes within 4 blocks: Children and Young People, Health and Older People, Stronger, Safer Communities and Economic Development. These outcomes have been agreed by partners and are based on an understanding of the issues facing people in different parts of County Durham, as set out in local Community Strategies. The Stretch targets within the document have also been negotiated with Government departments.

4.2 Several of the outcomes and targets are about narrowing the gap in terms of deprivation.

4.3 The document also contains the agreed governance model for the LAA. This has been the subject of considerable debate and is based on three principles:

- Subsidiarity - Decision making devolved to the most appropriate level
- Services commissioned at the most efficient or effective level
- Any partner or group are not precluded from strategic actions outside the County

4.4 The detail of the governance arrangements is still under development. However, the Council and its partners are represented in all parts of the model: at the strategic Board level, the coordinating level and through the LSP. We will continue to engage in discussion about the governance arrangements with a view to ensuring they represent added value for Easington people.

4.5 Further discussion will take place in 2006/7 on the role of the LAA in relation to funding. The Council and its partners will need to be fully engaged in this discussion.

4.6 The Council has taken a very active role in the development of this Agreement, and this engagement in a new form of partnership working was recognised as positive by the Audit Commission's pilot CPA inspectors.

5 **Implications**

5.1 **Financial Implications**

The report has no direct financial implications; however the Local Area Agreement is linked to how Government will pay funding streams in the future.

During 2005/6 the development of the LAA caused some uncertainty about the continued funding path of projects already funded externally, where the funding streams are due to be paid through the LAA (notably the Stronger, Safer Communities Fund). The LAA Board took a decision that for 2006/7 all funding streams will be passported to the relevant agencies or partnerships; there will be full discussion of future arrangements during the coming year.

The LSP decided in January 2006 not to pool Neighbourhood Renewal Funding into the LAA for the coming year. This decision echoes that of other LSPs across the County.

5.2 **Legal Implications**

The LAA is not a legal contract. It confers Accountable Body status on Durham County Council.

5.3 **Policy Implications**

The LAA is a commitment to work together to achieve agreed outcomes, and these outcomes reflect the priorities of Easington as expressed in the Community Strategy and in some cases, those of the Council as set out in the Corporate Plan (for example, the BVPI around litter and detritus is a LAA target as well as being a target for this Council). As such the LAA does not directly influence Council policy.

5.4 **Risk Implications**

The risks associated with entering into a LAA were considered in 2005 as part of the decision to take part. These were felt to be within the Council's appetite.

5.5 **Communications**

There has been regular communication with partners through the LSP as the Local Area Agreement has been developed. The Council may wish to consider how it wishes to communicate the Agreement with residents.

6.0 **Corporate Implications**

6.1 **Corporate Plan and Priorities**

The LAA does not impact on the corporate priorities other than to provide additional partnership opportunities for delivering them.

6.2 **Service Plans**

Some of the targets in the LAA relate to the work of Council departments and will need to be incorporated into service plans.

6.3 **Performance Management and Scrutiny**

Performance management arrangements for the LAA are still under development. There will need to be monitoring of the whole LAA at the countywide level, but there is also the need for ownership of specific targets at the local level, and it is expected that the LSP makes links to the LAA in the development of its performance management framework. The Council will need to take account of this in developing its targets for the coming years.

Scrutiny of the LAA is also still under development and we will need to be fully involved in this discussion.

6.4 **Sustainability**

Many of the targets and outcomes within the LAA are related to developing sustainable communities in the widest sense.

6.5 **Human Resource Implications**

The LAA has no direct HR implications. The Council has invested significant time in the development of the LAA which has impact on other work. It is considered that this level of engagement will continue for the next six months but diminish thereafter as the LAA becomes more about delivery.

6.6 **Information Technology**

The County Durham E Government Partnership, of which the Council is part, is engaged with the LAA in terms of how e government can be used in its delivery.

6.7 **Equality and Diversity**

The LAA aims to improve service delivery across all parts of the community.

6.8 **Crime and Disorder**

The Stronger, Safer Communities block of the LAA is directly concerned with improving community safety. The targets within the LAA reflect issues and targets within the local Crime and Disorder Reduction Strategy.

6.9 **Human Rights**

There are no human rights implications.

6.10 **Social Inclusion**

Several of the outcomes and targets relate to inclusion and tackling deprivation.

6.11 **Procurement**

There are no procurement implications.

7 **Recommendations**

Members are recommended to agree the Local Area Agreement and empower officers to engage in the further development of the Agreement in terms of governance, funding and performance.

Background Papers

Local Vision presentation and documents, April 2005
Local Area Agreement discussion papers and presentations

