

	Cabinet Report
Date:	2 nd June 2008
Subject:	The Local Area Agreement 2008-11

Summary

The Local Government and Public Involvement in Health Act 2007 requires every local authority, directed by the Secretary of State, to prepare and submit a Local Area Agreement (LAA). A Local Area Agreement can have up to 35 indicators as well as 16 mandatory indicators prescribed by the Department for Children, Skills and Families. The indicators must be drawn from the 199 indicators in the National Indicator Set (NIS) which are used by central government to monitor local authority performance. The LAA will be the only place where improvement priorities and targets are agreed for the local area between central and local government.

As a high performing Local Strategic Partnership the City Council was invited by the Department for Communities and Local Government to be a pilot authority for the new LAA in June 2007. This provided the Westminster City Partnership with an early opportunity to develop 19 Improvement Priorities, which will be measured by a mixture of national and local indicators. Although the LAA can contain up to 35 indicators from the national indicator set, the Council's draft LAA has 19 complemented by 15 local indicators. In terms of national indicators this is one of the lowest in the country reflecting the Council's ambition to reduce the bureaucratic burden. The Westminster City Partnership, following extensive consultation, has endorsed the Improvement Priorities and indicators. Partners are fully committed to working in partnership to deliver the targets. This will assist the Council and partners in preparation for the new Comprehensive Area Assessment.

The Cabinet, on behalf of the Council, are required to agree and submit an LAA which will be signed-off by the Secretary of State for Communities and Local Government by the end of June 2008.

Recommendations

That in preparation for the LAA submission to the Secretary of State for Communities and Local Government Cabinet approve the:

1. LAA improvement priorities, indicators and targets (Appendix A).
2. List of partners who have agreed to deliver each LAA target;
3. Time period of the LAA from June 2008 to March 2011; and
4. Director of Policy and Performance to have delegated authority to amend the LAA targets, in consultation with the Leader, should any changes be required before submission to the Secretary of State in June.



City of Westminster

Cabinet Report

Item No:	
Date:	2 nd June 2008
Classification:	For publication
Title of Report:	Westminster's Local Area Agreement 2008-2011
Report of:	Fran Beasley Director of Policy and Performance
Wards involved:	All
Policy context:	The new Local Area Agreement (LAA) is a statutory requirement. The Improvement Priorities reflect the One City vision and the City Plan. The LAA will be central to the Comprehensive Area Assessment and how the Council and partners are risk assessed.
Financial summary:	<p>The LAA will be delivered through partners' mainstream resources and a small Partnership Fund, which is made up of elements from the Area Based Grant. Following the withdrawal of the Working Neighbourhoods Fund the Westminster City Partnership (WCP) will receive transitional neighbourhood renewal funding in 2008-2010; £2.1m in 2008/09 and £0.9m in 2009/10, and nothing thereafter. At this stage around £2.2m of the Partnership Fund has been committed to fund existing management structures and projects in 2008/09. Future funding arrangements will be discussed at the WCP summer workshop.</p> <p>The Council will also be eligible for a share of a £340m reward grant nationally should the targets be successfully achieved, which will be paid during 2011/12 and 2012/13.</p>
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1. Background

- 1.1 The Strong and Prosperous Communities White Paper published in October 2006 paved the way for an improved system for agreeing targets and monitoring performance, with an increased focus on “place” rather than individual service providers. As a result central government has reduced the reporting burden and developed a single set of outcome based indicators – the National Indicator Set - that will be backed by a three-year funding settlement as set out in the Comprehensive Spending Review (CSR) 2007.
- 1.2 The Local Government and Public Health Involvement Act 2007 requires every local authority, directed by the Secretary of State, to prepare and submit a new Local Area Agreement (LAA). The LAA will be integral to the new Comprehensive Area Assessment (CAA) and will provide the framework in which partners will work. The LAA will be the only place where central and local government agree on the priorities and targets for the City of Westminster.
- 1.3 An LAA can have up to 35 indicators, which must be drawn from the 199 indicators in the National Indicator Set (NIS) which are used by central government to monitor local authority performance, as well as 16 mandatory indicators prescribed by the Department for Children, Skills and Families and a composite of local indicators. All national indicators, including those in the LAA, will be reported to the Audit Commission on an annual basis. The City Council will not be required to report on local indicators to the Audit Commission. The new LAA will replace the Council's existing LAA, although the Council will still continue to be monitored on the current 12 stretch targets until the end of 2008/09.

2. Agreement of the new Local Area Agreement

- 2.1 The City Council was invited by the Department for Communities and Local Government to be a pilot authority for the new LAA in June 2007. The Westminster City Partnership (WCP) Summer Workshop in July 2007 was the basis for developing the new LAA Improvement Priorities and indicators. The One City vision and programme have guided the shape of the final selection of Improvement Priorities. The indicators have been selected on the basis that they are in need of improvement and that partners can ensure the targets are realistic and achievable. Consultation has been carried out with Cabinet Members, the Audit and Performance Committee, the LAA Partnership Board and Westminster City Partnership thematic networks. The Westminster City Partnership has endorsed the Improvement Priorities and indicators and all partners are committed to delivering against the targets.
- 2.2 The template in Appendix A sets out the improvement priorities, indicators, targets and the partners who have agreed to deliver each LAA target. The targets have been negotiated with Government Office for London and the majority have been agreed by relevant Whitehall departments. There are some exceptions to this, and these have been detailed in the template. Where an indicator is new and data will be collected for the first time in 2008/09 it will be termed a ‘placeholder’. In December 2008 there will be a review of the LAA placeholders and existing targets, and where appropriate targets will either be

developed or revised. The City Council will use this opportunity to robustly challenge any unrealistic targets proposed by central government.

3. Financial Implications

- 3.1 The LAA 2006-2008 was funded using a ring-fenced LAA Pooled Grant that comprised the Neighbourhood Renewal Fund and a number of themed funding streams. The Area Based Grant (new with CSR 07) means there is no longer a ring-fenced LAA Fund. Partners are expected to achieve the LAA targets using both mainstream resources and the Area Based Grant.
- 3.2 In December 2007 CLG announced the City Council would receive £10m Working Neighbourhoods Fund, this was profiled for spend on LAA targets. On 31 January 2008, CLG notified the City Council that Westminster no longer qualifies for the Working Neighbourhoods Fund (WNF) due to a technical error on their part. CLG propose instead that Westminster will receive transitional funding for 2008/09 (£2.1 million), 2009/10 (£855k) and nothing thereafter. Effectively this decision would mean a reduction in funding of £7m over the next three years compared to the original announcement made in December. The City Council has challenged this decision and is awaiting a response.
- 3.3 In light of these changes plans are in place to review the funding needed to continue delivery of neighbourhood renewal in the City of Westminster.
- 3.4 If partners successfully deliver the new LAA targets, they will be eligible for a share of the £340m reward grant available to all local authorities. Further details of the reward model and allocations to each local authority will be announced by the Department of Communities and Local Government (CLG) later this year.

4. Legal Implications

- 4.1 The Council has a duty to prepare an LAA with partners.
- 4.2 It was agreed at full Council on the 7th May 2008 that Cabinet will be responsible for preparation, submission and modification of the LAA.
- 4.3 To ensure the LAA is submitted within the challenging timeframe required by CLG this report has been presented to the Cabinet Urgency Committee.
- 4.4 In preparing its LAA the Council must submit a draft specifying:
 - i. local improvement targets for the improvement of the economic, social or environmental well being of the City,
 - ii. in relation to each local improvement target, to whom the target is to relate; and
 - iii. the period for which the LAA is to have effect.
- 4.5 The Local Government and Public Involvement in Health Act 2007, Section 108, requires that that all lead partners and named partners will be under a duty to have regard to all targets which relate to them.
- 4.6 This LAA has been prepared in full accordance with the Local Government and Public Involvement in Health Act 2007 and guidance issued by the Department for Communities and Local Government. This includes requirements as to

consultation and co-operation with partners, and having regard to the City Council's community strategy (the City Plan) and Government guidance.

5. Staffing Implications

5.1 There are no staffing implications for this report.

6. Business Plan Implications

6.1 All LAA indicators and targets will be taken into account when the Council and partners develop their business plans. The LAA targets are already reflected in the Primary Care Trust's Operational Plan and the Safer Westminster Partnership Plan reflects the targets set out in the Metropolitan Police's Control Strategy.

7. Outstanding Issues

7.1 There are no outstanding issues.

8. Consultation

8.1 The LAA has been developed in consultation with Cabinet Members and the development of indicators and targets has been reported to the Audit and Performance Committee. Partnership thematic networks and Local Area Renewal Partnerships have also been kept informed of the development of the improvement priorities and indicators.

9. Crime and Disorder Act 1998

9.1 The LAA will support the Crime and Disorder Act, section 17 whereby a Local Authority has a duty "to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all it reasonably can to prevent, crime and disorder in its area

10. Health and Safety Issues

10.1 There are no health and safety issues for this report.

11. Human Rights Act 1998

11.1 There are no negative human rights implications for this report.

12. Reason(s) for Decision(s)

12.1 The City Council has been directed by the Secretary of State, to prepare and submit a Local Area Agreement for 2008-2011.

12.1 Agreement of the LAA indicators and targets will ensure partners can continue to work together to achieve improved outcomes for local residents. The successful achievement of the LAA targets will also result in partners receiving LAA Reward Grant in 2012.

If you have any queries about this report or wish to inspect one of the background papers please contact Helen Wilson, Policy Manager on 020 7641 3096 or email hwilson@westminster.gov.uk.