

Report of the Director of City Strategy

Local Area Agreement Refresh 2009/10

Background

1. The Local Government and Public Involvement in Health Bill received royal assent in October 2007. This introduced a statutory duty for all top tier local authorities to produce a Local Area Agreement (LAA) covering the period 2008/09 – to 2010/11.
2. York's first LAA was produced to cover the period 2007/08-2009/10. This was not a statutory requirement and consequently the scope for selecting indicators and agreeing targets was far greater than under the statutory arrangements introduced with effect from 2008/09.
3. The term refresh means completing unfinished business from the previously approved LAA. Therefore it takes the previously selected and approved indicators and updates them by finalising baselines and agreeing targets for the remainder of the LAA. This only applies to indicators that were not 'locked down' as part of the previous refresh process. These are indicators that have been identified by central government as being directly affected by the economic recession.

Purpose of Report

4. The purpose of this report is approve the refreshed LAA prior to submission to central government.
5. Two versions of the refreshed LAA are presented for Member approval:
 - The official version, which complies with the requirements of central government in terms of format and presentation. This version shows both the previously agreed indicators and the refreshed position. (Annex A)
 - A version that seeks to present the LAA in a more accessible and meaningful format that can be used locally and is consistent with the style and approach adopted for the CYC Corporate Strategy. (Annex B)

LAA Refresh Process

6. The 2009/10 LAA refresh process will only apply to the following designated indicators:
 - NI 116 – Proportion of Children in Poverty
 - NI 152 – Working age people on out of work benefits
 - NI 155 – Number of affordable homes delivered (gross)
 - NI 166 – Average Earnings of employees in the area
 - NI 171 – VAT registration rates
7. All other indicators have previously been agreed and 'locked down' with central government and cannot be re-opened for negotiation.
8. For indicators about the economy the guidance from central government is that the targets York are currently committed to, as part of the LAA refresh for 2008/09 will not be regarded as 'locked down' for the purposes of reward grant. It now wishes to finalise these for lock down as part of the refresh process for 2009/10.
9. Discussions and negotiations with GOYH have nearly concluded, the latest position for each of the indicators affected is as follows:
10. **NI 116 – Proportion of Children in Poverty** – York is already committed to a target of 11.2% by March 2010/11. However central government are seeking to change the definition for this indicator and the basis on which it is calculated. As yet no official negotiating brief or data has been published.
11. **NI 152 – Working age people on out of work benefits** – York is currently committed to a target of 6.4% by March 2010/11. The target was previously based on a trajectory showing a continuing decline in people in receipt of benefit in the City. This was set prior to the current economic recession, The Government have now indicated that the basis of this target can be altered to reflect the relative position against a national rate. We have reviewed our performance to date; discussions are on-going with GOYH with a view that the figure should be to maintain a 4.3 percentage points gap below the national figure by March 2010/2011.
12. **NI 155 – Number of affordable homes delivered (gross)** – York has agreed to reduce its target levels for all years of the LAA as the economic recession considers to exert pressure on the housing market. This means that the target figure for March 2010/11 has been changed from 350 to 252. Over the three year life of the LAA the number of affordable homes target has reduced from 795 to 549. This figure is subject to final negotiation and agreement with GOYH.
13. **NI 166 – Average Earnings of employees in the area** – This is measured by comparing York's position with the national average. Our current commitment is to be at the national average by March 2011. Latest figures and estimates suggest that this is still a reasonable target although this is now based on much lower levels of economic activity than previously.

14. **NI 171 – VAT registration rates** – York is currently committed to a figure of 44.5 per 10,000 working age population – a figure of approximately 500 registrations per year. Latest figures suggest that this target remains realistic and should be finalised with GOYH.
15. The formal refresh process does not apply to York’s local LAA indicators. However the local indicators have also been updated where required for the final year of the LAA:
 - NI 54 Services for Disabled Children – This measure is based on a survey of parents of disabled children and is an area of excellence for York. The local targets have been projected forward on this basis.
 - NI 57 Children’s participation in sport – This measures the percentage of children and young people (aged 5-16) participating in at least 2 hours of high quality PE in school which is forecast to be 86% by the end of the LAA.
 - LI 5 Adult participation in physical activity – This has been updated based on the Talk About Results to achieve an increase of 1% per annum. The Just 30 Physical Activity Campaign will support achievement of this target.

Corporate Priorities

16. All LAA indicators and targets are an integral part of York’s Sustainable Community Strategy. City of York Council’s Corporate Strategy has been fully aligned with the Sustainable Community Strategy. The indicators to be refreshed and locked down directly relate to the Thriving City theme.
17. The LAA indicators are performance managed and reported via the CYC Corporate Performance Management system. In addition the WOW Executive Delivery Board closely monitor performance and delivery and report to the wider WOW Partnership on a regular basis.

Implications

18. **Financial** - LAA Operational Guidance states that ‘in agreeing targets for inclusion in LAAs, partnerships will want to consider how they will resource delivery of these priorities. Individual partners may wish to pool their mainstream resources, where this is possible. It also acknowledges that the Local Government and Public Involvement in Health Act, 2007 emphasises the need for cooperation, including the possibility of shared commissioning across the different public service providers to better meet the expectations of citizens.
19. **Equalities** – There are specific implications for LAAs in relation to the six Equality strands i.e. gender, race, disability, age, sexual orientation, and religion and belief. All bodies involved in LAAs have **General Duties** under the Race Relations (Amendment) Act 2000, the Disability Discrimination Equality Act 2006, and the Equality Act 2006. Further, the Equality Standard for the public sector, requires public sector partners to monitor the impact of improvement activities in relation to all six Equality strands. In the context of the LAA, partners need to consider how the delivery of LAA outcomes is impacting on each of the six strands.

20. **Legal** – The Local Government and Public Involvement in Health Act placed a statutory requirement on the local authority to develop a Sustainable Community Strategy and an LAA. It also created duty on named partners to co-operate with the authority.
21. **Crime and Disorder** – The LAA contains specific indicators in respect of: serious acquisitive crime rate, perceptions of anti-social behaviour, rate of proven re-offending by young offenders, re-offending rate of prolific and priority offenders, drug-related (Class A) offending rate.
22. **Human Resources / Information Technology / Property** – There are no implications in these areas.

Risk Management

23. Failure to approve the refreshed LAA would result in the Council missing national LAA Ministerial sign-off, which could damage the image and reputation of the council.

Recommendation

24. The Executive is recommended to approve the refreshed Local Area Agreement presented at Annex A in order for it to receive formal council approval on 4 February 2010 and WOW endorsement 11 February 2010 and comply with the central government timetable.

Reason: In order to meet the statutory requirement to refresh the LAA and meet central government deadlines.

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Report Approved

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Specialist Implications Officer(s)

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Wards Affected:

All

For further information please contact the author of the report

Annexes

A – Refreshed Local Area Agreement 2008 - 2011

B – York focused Local Area Agreement