

Report of the Director of City Strategy

PROGRESS WITH THE REVIEW OF THE LOCAL AREA AGREEMENT FOR YORK

Summary

1. The report sets out background information on progress with the review of the Local Area Agreement (LAA) for York, and seeks comments from the Board on this matter.

Background

2. There is a new requirement under the Local Government and Public Involvement in Health Act, 2007 to move the existing LAA (period 2007/08 – to 2009/10) to a ‘new’ LAA (period 2008/09 – to 2010/11).
3. In the introduction to ‘Development of the new LAA framework – Operational Guidance 2007’ from the Department for Communities and Local Government, the principles and aspirations underpinning these changes are encapsulated in the following quote from Simon Milton of the Local Government Association:
“New Local Area Agreements form the heart of the new local performance framework. They will help deliver the ambitions for the place and its people, set out in the Sustainable Community Strategy; they are ‘contracts’ between central government and local authorities and their partners to improve services and the quality of life in a place. This guidance covers some of the practical issues which will be necessary to establish and implement new Local Area Agreements. But beyond that is a more fundamental idea of partnership which is being put into effect. The new framework for Local Area Agreements brings some major changes which are very welcome – much greater clarity about the relationship of national and local priorities, a reduction and rationalisation of national performance monitoring, and greater financial flexibility. We are confident that councils and partner organisations locally will seize the opportunities this brings to work more effectively, and with a clearer focus on local priorities”
4. From 2008/09 the ‘new’ LAA needs to include up to 35 indicators from a new national indicator set of 198 and 16 statutory indicators on educational attainment and early years (which are included in the new national set). There will be no other way of setting targets with central government. There is a statutory duty for specified partners to cooperate in the delivery of these indicators.

- In addition, the 'new' LAA can also include local indicators (selected from the new national set or otherwise) to reflect local priorities. Partners are also required to co-operate on the delivery of these outcomes.

Implications for York

- A key message is that there needs to be a reduction and rationalisation of the current LAA to meet the requirements of legislation and the national performance framework.
- The current LAA contains:

Block	Outcomes	Indicators
Children & Young People	18	68
Economic Development & Enterprise	7	43
Healthier Communities and Older People	10	31
Safer and Stronger Communities	15	63
<i>Total</i>	<i>50</i>	<i>205</i>

Without Walls (WOW) needs to negotiate with Government Office Yorkshire and Humberside (GOYH) which 35 indicators from the national set should be included in the new LAA and have targets set against them. WOW can also agree to include any other additional indicators and targets (either from the 200 or otherwise) in the LAA as local priorities for implementation of the Sustainable Community Strategy (SCS).

- Clearly, the new style LAA should take account of any new directions which emerge during the review of the Community Strategy. This has been made clear to GOYH who understand that any negotiations that take place prior to WOW approving the SCS will not be binding upon us.
- The partnership steering group that has been formed for the refresh of the SCS has also taken on the role of coordinating the development of the 'new' LAA.

Selection of LAA indicators for the 'new' LAA

- The thematic partnerships and other organisations represented on the steering group were asked to submit a maximum of ten indicators for inclusion in the 'new' LAA. Partners were asked to base their selection on a mixture of 'things that are important to focus on' and 'things where improvement is required'.
- Partners were asked to concentrate on the 198 national indicators and only to suggest local indicators if they felt an important local issue was not reflected in the 198. It was also stressed that any indicator offered for consideration needed to be capable of being supported by reference to a robust evidence base to justify why it is important and should be included in the new LAA.

13. The steering group has developed a selection criteria that has been used to prioritise indicators for inclusion in the 'new' LAA . The WOW Partnership are asked to endorse the criteria listed below. For an indicator to be included in the 'new' LAA it should:
- Link clearly to the Sustainable Community Strategy;
 - Be locally important/support existing strategies and priorities;
 - Be challenging and stretch ambition;
 - Stimulate partnership working (help lever funds);
 - Be cross-cutting and have multiple impact;
 - Be supported by robust data (hard and 'soft').
14. The steering group has also considered priorities identified by the WOW Executive Delivery Board and the Government Office for Yorkshire and the Humber when selecting indicators.
15. The draft list of indicators that have been submitted to Government Office are detailed below. This list has been submitted as a very early draft with the caveat that it may be subject to change as the refresh of the Sustainable Community Strategy takes shape. Suggestions for the up to 35 indicators related to the Economic Development Partnership Board are:

National and Local Performance Indicators:	National PI Ref:
Working age people on out of work benefits or working age people claiming out of work benefits in the worst performing neighbourhoods – AWAITING FURTHER ADVICE FROM DWP	NI152/NI153
Working population qualified to at least NVQ Level 4	NI165
Average earning of employees in the area	NI166
VAT registration rate	NI171
LOCAL – Skills gap in the current workforce as reported by employers	NI174
LOCAL – maintain the percentage difference between York and Regional median and 25 percentile figures for residents pay (average gross weekly earnings)	Current LAA EDE 1.4

16. It is proposed to monitor other key indicators of performance through regular reports to this Board and the Without Walls Executive Delivery Board. These will be based on current indicators in order to provide an indication of longitudinal changes to the local economy (whereas the LAA will focus on change over a 3 year period) related to economic strategic objectives.

Consultation

17. Consultation has been undertaken over the summer and autumn through the Festival of Ideas 2 initiative with respect to the Future York Group report, the Sustainable Community Strategy and the Local Development Framework.

Options

18. The LAA indicators should be based on the National set of 198 indicators. The Above have been chosen to best reflect actions against the strategic objectives for the economic development of the City over the next 3 years.

Analysis

19. Detailed analysis of the local economy has been undertaken in connection with the preparation of the Future York group report. The LAA indicators take account of the draft “Thriving City” chapter featured elsewhere on the agenda of this Board meeting.

Corporate Priorities

20. Current corporate priorities that link with the focus on improving economic prosperity are:
 - Increase peoples skills and knowledge to improve future employment prospects.
 - Improve the economic prosperity of the people of York with a focus on minimising income differentials.
 - Increase the use of public and other environmentally friendly modes of transport.

Implications

21. Financial: none directly from this report although the Council’s economic development budget will contribute to the achievement of the strategic aims and objectives set out in the “Thriving City” theme of the Sustainable Community Strategy. There may be some small reward element attached to the LAA but there are no details on this available as yet.
22. Human resources: None directly from this report.
23. Equalities: None
24. Legal: None
25. Crime and Disorder: None
26. Information Technology: None
27. Property: None

Risk Management

28. In compliance with the council’s risk management strategy.

Recommendation

29. That the Board notes the progress with the preparation of the Local Area Agreement and comments on the proposed draft indicators which are still to be agreed with the Government.

Reason: To help shape the effectiveness of future action.

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**Report
Approved**



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Specialist Implications Officer(s)

Financial – Patrick Looker
Others – Report Author

Wards Affected:

All

For further information please contact the author of the report

Background Papers: None

Annexes: None