



Report of the Chief Officer (Executive Support)

Meeting: Executive Board

Date: 9 February 2007

Subject: Leeds Local Area Agreement: Mid – Year Review and Refresh

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

Leeds signed its first local area agreement (LAA) with government in March 2006. Since then a number of developments have taken place. New guidance has been issued broadening the range of outcomes and funding streams to be considered as part of a local area agreement. The Local Government White Paper has proposed a broader role for LAAs in public sector delivery and a move from a voluntary to a statutory basis. This report covers three aspects. Firstly, to inform Members of the key findings and outcome of the six-month review required by government. Secondly, Members are asked to endorse amendments from April 2007 reflecting the implementation of government guidance. Finally, it summarises the changes affecting LAAs outlined in the Local Government White Paper that will broaden the future role of the LAA in the city.

1.0 Purpose of This Report

- 1.1 This report informs Members about the key findings and outcome of the review of the LAA for the period 1 April 2006 to 30 September 2006. It also requests Members to endorse amendments to the LAA from April 2007. Finally, it highlights anticipated future changes to the role of LAAs in public sector delivery.

2.0 Mid-Year Review of Leeds Local Area Agreement

- 2.1 Leeds signed its three year agreement with central government in March 2006. The primary objective of LAAs is “to work together in a different way to deliver genuinely sustainable communities through the delivery of better outcomes for local people”. Leeds’ LAA has focused on issues that impact most on the quality of life for individuals, families and communities in the city, primarily, but not exclusively, in areas of deepest deprivation. The Vision for Leeds and the Leeds Regeneration Plan provide the consultation base for the agreement and it builds on these by:

- accelerating delivery of key priorities and programmes of change in these plans and strategies, and;
- developing multi-agency work to deliver more lasting changes where individuals, families and communities face particular obstacles that prevent them from living lives that are happy, healthy, safe, successful and free from poverty.

- 2.2 This is the first review for the Leeds LAA and covers the period 1 April to 30 September 2006. The primary objectives of the review, conducted by the Government Office for Yorkshire and Humberside (GOYH), were to:

- a) assess whether the LAA is on track to deliver the agreed outcomes; identify whether there are any key risks to delivery, and; assess action proposed to address any such risks;
- b) address any gaps in outcomes, indicators, baselines, targets, milestones and data;
- c) highlight good practice and any available evidence of what difference the introduction of the LAA has made;
- d) benefit from constructive challenge from the GOYH, and;
- e) report to central government the information it requires and any issues that the local partnership wants to raise to inform central government’s policy and activity;

- 2.3 A comprehensive self assessment document was submitted by the LAA Programme Management Board to GOYH on 1 November 2006.

- 2.4 A highlight mid-year review report was agreed with GOYH on 19 January 2007. A brief summary of key findings of this report and the LAA’s own self assessment are outlined below.

2.5 Overall Progress

- 2.5.1 Of the 97 performance targets with baseline assessment, 78 (80%) are performing at or ahead of trajectory and 19 (20%) are below target. The remaining targets (38 in total) relate to data that is either collected annually or is not yet available.
- 2.5.2 The mandatory outcome on reducing crime is currently performing below trajectory. Leeds has set an ambitious 35% reduction target for the comparator crime indicator, the main indicator for crime reduction. Positive progress is being made in reducing crime in our priority Super Output Areas (SOAs), however, overall crime has risen by 2% overall over the first six months of the agreement. This is one of our Public Service Agreement (PSA) Floor Targets that must be achieved by April 2008.
- 2.5.3 The fact that we are currently below expectations on reaching our ambitious crime target has meant that under the current national assessment approach, the LAA overall has been given an 'amber' rating by GOYH. The LAA Strategy Group, chaired by the Chief Executive, have written expressing concerns about the rating process currently being used for LAA assessment which currently results in one underperforming mandatory indicator affecting the overall assessment, despite good and positive progress in all other mandatory areas.

2.6 Direction of Travel.

- 2.6.1 On all targets, Leeds has strong partnership action in place to consider and address under-performance. One key example of this is action being taken in relation to addressing current concerns in relation to crime. For example, Leeds is:
- carrying out a review of partnership structures, particularly how strategy is being turned into delivery, including how area community safety teams and neighbourhood policing teams relate to management and district partnerships;
 - focusing resources on reducing domestic burglary as this continues to be a local priority;
 - implementing a criminal damage plan that has now been agreed and examining how wider neighbourhood management structures and environmental action might contribute to criminal damage reductions;
 - using the opportunity of the Home Office re-launch of the Prolific and Priority Offender Scheme (PPO) and Drug Intervention Scheme /PPO alignment to review the effectiveness of local schemes and establish a focus on offender management;
 - monitoring the effectiveness of recently introduced multi-agency risk assessment conference scheme (MARACS) to reduce repeat domestic violence victimisation.
- 2.6.2 Leeds has demonstrated both strong and forward looking partner engagement, making a considerable number of strategic achievements in the first six months. These have included:
- Engagement of all key partners in structures that are both fit for purpose for managing the commitments of the current agreement (LAA Programme Management Board) whilst remaining sufficiently dynamic to secure further

development linked to changes in Local Strategic Partnership arrangements and other partner structures (e.g. the LAA Strategy Group).

- Assisting in the development of a revised strategic approach to multi-agency delivery in the City. This embraces the need for hard-edged multi-agency partnerships for commissioning services as well as softer partnerships enabling wider engagement, involvement and influence.
- Strengthening the robustness of the LAA approach to enable it to confidently handle an increasing range of funding streams and performance management responsibilities and accountabilities. A Memorandum of Understanding between partners has now been agreed supported by a number of detailed codes.

2.6.3 The GOYH has given the LAA a 'green' rating for its direction of travel.

2.7 **Impact of the LAA and strong performance**

2.7.1 Leeds' LAA has a range of areas of strong performance. Examples include:

- A narrowing of the gap between the 30 most deprived SOAs and the rest of the city as well as an absolute crime reduction in those SOAs. This is ascribed to neighbourhood policing working closely with area management and the impact of additional funding to area management teams to address environmental and social issues in those areas.
- Rapid progress in setting up an innovative partnership programme to target those with musculo-skeletal and/or mental health issues on incapacity benefit and leading to employability.
- Financial Inclusion has been promoted through the expansion of the Credit Union network and Leeds' success is reflected in being shortlisted for a further Beacon award. Closer partnership working within the LAA has identified the need and opportunity to improve data sharing especially in areas such as worklessness.
- The Local Enterprise and Growth Initiative Bid (LEGI), that has attracted £15.9 million of investment to the city over three years, is also part of Leeds' LAA.
- Seven hundred young people and their families have been identified in the 31 most deprived SOAs and a multi-agency menu of opportunities is being developed to meet their needs and aspirations. It is hoped that school attendance, reduction of exclusions and standards will be improved by approaching the position of these Year 9 pupils in this holistic manner.

2.8 **Impact of the LAA and Cross-Cutting Principles**

2.8.1 Voluntary, Community and Faith Sector (VCF) - The LAA has initially elevated the status of the VCF creating a feeling of equal partnership and providing more opportunities to be involved in the regeneration and quality of life improvements for residents in Leeds.

2.8.2 Equality, Diversity and Social Cohesion -The LAA has identified some common gaps for partners to address collectively in relation to equalities data to inform service activity and community engagement and to set targets and monitor progress in disadvantaged communities in the city.

2.8.3 Culture -The profile of culture has been raised through recognition that it is an invaluable tool to achieve social and community cohesion by engaging different groups and communities in new and imaginative ways, particularly for those who might be at risk of exclusion through existing channels. It can also provide a cost effective means of involving people to complement physical regeneration.

3.0 Refresh of the Leeds Local Area Agreement from April 2007.

3.1 Government Guidance issued on 31 March 2006 identified a number of new areas that they wished local areas to include in their LAAs. A full 'refresh template' of these changes is available on request. A brief outline is provided below.

3.2 New/Modified Mandatory Outcomes/Indicators - There are nineteen new or modified mandatory outcomes or indicators to be included in the LAA from 2007-8 onwards. These affect targets in all the four blocks of the LAA: Children and Young People; Safer and Stronger Communities; Healthier Communities and Older People; and, Economic Development and Enterprise'.

3.3 Newly 'pooled' funding streams - From 2007-8, the number of funding streams automatically pooled into the LAA will increase to twenty-nine. In addition, partners can locally pool other funding streams, subject to the agreement with GOYH. The Leeds Children's Fund is opting to pool its funding for 2007/08. Outcomes, indicators and linked baselines and targets have now been incorporated into the LAA to reflect the work being undertaken in relation to these newly pooled funding streams.

3.4 Self Assessment Process - The self-assessment process of the mid-term review has also led to some refining of existing indicators in all the four LAA blocks to ensure they appropriately capture performance progress or the correct community perception data. It has also led to the strengthening of action in the area of equality and community cohesion.

4.0 Local Government White Paper Direction of Travel

4.1 A new Local Government White Paper entitled, 'Strong and Prosperous Communities' was issued at the end of October 2006. The LAA is identified as a key mechanism in this White Paper and a generic performance management tool for holistic public sector improvement. In brief, the White Paper proposes:

- Local Area Agreements to become the delivery plan for the Sustainable Community Strategy (the Vision for Leeds);
- The Local Authority to have a leadership role in preparing the LAA and for negotiation of targets;
- Partners to have a 'duty' to cooperate in drawing up a LAA and to have regard to targets included in it;
- A single set of 35 improvement targets to be negotiated for an area;
- The scope of scrutiny to be extended to cover the activities of partners contributing to the development or delivery of LAAs and scrutiny committees to be given powers to require evidence from such partners, and to require them to respond to scrutiny recommendations;

- Regional Plans to have regard to LAA plans and priorities and vice versa and clear links between key local plans e.g. the Local Development Framework;
- Four themes to replace a four block approach with greater flexibility to transfer funding between themes;
- Expansion of the Economic and Enterprise block to the Economic Development and Environment theme;
- Local Strategic Partnerships to be the overarching strategic partnership for an area and encouraging Members to take leading roles within these partnerships;

4.2 It is anticipated that a number of the proposals of the White Paper, if fully enacted in legislation, will come into effect from April 2008 onwards, whilst others are expected to be introduced by April 2009.

5.0 Implications for Council Policy and Governance

5.1 The GOYH Mid-Year Review Report is presented to government. This report stage has no other implications that are likely to have an influence on Council Policy or Governance.

5.2 The LAA aspects of the Local Government White Paper will have implications for Council Policy and Governance when they are fully enacted. Further information is provided in 4.0.

6.0 Legal and Resource Implications

6.1 Key aspects of the legislative framework for LAAs were presented to Parliament in the Local Government and Public Involvement in Health Bill in December 2006. Once agreed by the parliamentary process this will move the LAA from its present voluntary status to a statutory one.

6.2 The LAA will have £37 million pooled under the agreement in 2007/08. The Memorandum of Understanding, adopted by all partners, establishes principles to ensure the activities of the LAA are legal, efficient, transparent, open and accountable and is supported by a number of detailed codes covering specific finance and audit issues, performance management, conduct and governance, dispute resolution and consultation.

6.3 Financial Guidance issued in respect of the Local Area Agreement has been translated into a short, clear protocol on financial governance contained in the Memorandum of Understanding. For 2007-08, it has been agreed that pooled funds, other than the Neighbourhood Renewal Fund (NRF), should be allocated to the same partners and service areas as would have been the case outside the LAA. This is subject to block leads being satisfied that each fund is making a full contribution to LAA priorities. The NRF element has been determined by firstly, rolling forward existing projects where they are performing and contributing towards mandatory LAA targets and secondly, commissioning through block leads to address gaps to achieve the mandatory targets. It is envisaged that funding for future years will be determined following a clear, robust and transparent commissioning process. Leeds Initiative arrangements will need to be considered in light of these requirements.

7.0 Conclusions

- 7.1 Leeds has made an excellent start in using the LAA as an effective tool to strengthen its partnership action to improve service delivery in the city. The scope of the LAA will grow considerably in 2007/08 due to the inclusion of more mandatory outcomes and pooled funding streams. A revised LAA will be required from April 2008 reflecting partnership agreement about the 35 most important improvement priorities for the city.

8.0 Recommendations

- 8.1 It is recommended that Members of Executive Board:
- 8.1.1 Note progress to date on delivering against Leeds' LAA;
 - 8.1.2 Endorse the revisions of the LAA to be implemented from April 2007 onwards, and;
 - 8.1.3 Receive a further report in due course outlining plans for the development of a revised LAA to be implemented from April 2008.