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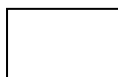
Report of the Assistant Chief Executive (Planning Policy and Improvement)

Corporate Governance and Audit Committee

Date: 19 March 2008

Subject: Responsibility for approving Local Area Agreement

Electoral Wards Affected:



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

Functions under the Local Government and Public Involvement in Health Act 2007 which relate to local area agreements will become local choice functions under regulations due to come into force on 1 April 2008. The Corporate Governance and Audit Committee are asked to consider whether functions relating to local area agreements should be the responsibility of the executive or full council, and make appropriate recommendations to full council.

The local area agreement in Leeds is incorporated into the Leeds Strategic Plan 2008 -11. The Leeds Strategic Plan is part of the Budget and Policy Framework and subject to pre scrutiny and approval by Full Council. The local area agreement targets flow from the strategic outcomes and improvement priorities that will be approved in the Leeds Strategic Plan. They are subject to additional negotiations with central government to a tight timescale.

It is recommended that the functions relating to local area agreements should be an executive responsibility.

LATE ITEM

1.0 Purpose Of This Report

- 1.1 This report is presented to the Corporate Governance and Audit Committee as a late report due to the recent notification from government of new regulations. The regulations allow local authorities to choose how to allocate responsibility for the approval of local area agreements.
- 1.2 The regulations which were originally published on 3 March 2008 contained an error, in that they specified that the functions relating to local area agreements were to be local choice functions **and** inserted into the budget and policy framework. For this reason the report was not available for dispatch with the agenda.
- 1.3 The Department of Communities and Local Government have now acknowledged the error, and confirmed that amending regulations will shortly be issued, which will confirm that these functions are to be local choice functions.
- 1.4 As elements of the local area agreement are in the final stages of negotiation it is therefore necessary to have clarity over where authority for approval lies.
- 1.5 The report needs to be considered at this meeting, in order that the authority can comply with the timescales for approving the local area agreement and referring it to the Secretary of State.
- 1.6 The Corporate Governance and Audit Committee are asked to consider whether functions relating to local area agreements should be the responsibility of the Executive or Full Council, and make appropriate recommendations to Full Council.

2.0 Background Information

- 2.1 The authority has to decide whether certain specified functions known as “local choice” functions are the responsibility of the executive or council. These functions currently include arrangements for education appeals, and the appointment of individuals to an office outside the authority.
- 2.2. Section 1 Part 3 of the constitution sets out how responsibility for each local choice function has been allocated. The decision to allocate responsibility for a local choice function rests with Full Council, and will result in Section 1 Part 3 of the Constitution being amended. Article 15 of the constitution requires the Corporate Governance and Audit Committee to consider amendments to Part 3 which are the responsibility of Full Council.
- 2.3. Functions under the Local Government and Public Involvement in Health Act 2007 (which relate to local area agreements) will become local choice functions under regulations due to come into force on 1 April 2008.
- 2.4. A local area agreement sets out the local improvement targets for an area. The council is required to submit its proposed local area agreement to the Secretary of State for approval on or before 30 May 2008.

LATE ITEM

- 2.5. The authority is required (amongst other things) to have regard to its Sustainable Community Strategy (SCS) when preparing its draft local area agreement¹. The SCS for Leeds is the Vision for Leeds 2004-11. This is listed in Article 4 of the Constitution and as such is part of the council's Budget and Policy Framework. This document was approved by Full Council in 2004.
- 2.6. The Leeds Strategic Plan (LSP) 2008-11 is the key delivery plan for the Vision for Leeds 2004-11 and importantly incorporates the requirements of the local area agreement for Leeds, the functions of which are the subject of this report. The LSP is also listed in Article 4 of the Constitution as being part of the council's Budget and Policy Framework. This is currently undergoing the process of scrutiny and has yet to be approved by full council.

3.0 Main Issues

- 3.1. The functions now listed as local choice functions are:
- the duty to prepare and submit a draft of a local area agreement (section 106);
 - the revision and addition of targets (section 110)
 - designated targets: revision proposals (section 111); and
 - duty to publish information about the local area agreement (section 113).
- 3.2. The authority therefore now needs to decide responsibility for these functions.
- 3.3. The timing for approval of the various elements of the Leeds Strategic Plan 2008-11 (and the allocation of responsibility for the functions re the LAA) present the Council with a number of challenges, particularly with regard to the timing of the approval of the final document.
- 3.4. As identified in paragraph 2.6, the strategic plan incorporates the Local Area Agreement. The agreement, and the associated targets, are subject to further negotiation with central government in April 2008 at the conclusion of which the local area agreement will be submitted to the Secretary of State for approval (on or before 30 May 2008)
- 3.5. In tandem Members will be aware the Leeds Strategic Plan 2008-11 has been prepared following a extensive consultation process during the autumn 2007 that included all Elected Members, through Area Committees and Scrutiny; the public, private and voluntary, community and faith sector partners; focus groups of local residents; and Leeds City Council employees. Further the Executive Board, on March 12th 2008, endorsed the strategic outcomes and improvement priorities that have been identified as a result of the consultation exercise.
- 3.6. The Leeds Strategic Plan 2008-11 is scheduled to be presented to Full Council (at the conclusion of the LAA negotiations) in June 2008. To facilitate the negotiation of the LAA components of the plan the Assistant Chief Executive (Planning, Policy and Improvement) recommends that the functions relating to local agreements should be the responsibility of the Executive.

¹ Section 106(2)(c)(ii) LGPIAct 2007

LATE ITEM

4.0 Implications For Council Policy And Governance

4.1 The committee is required to consider this issue, and make recommendations to full council on it, in accordance with Article 15 of the constitution.

5.0 Legal And Resource Implications

5.1 The authority has to determine the responsibility for local choice functions, in accordance with the provisions of the Local Government Act 2000.

6.0 Recommendations

6.1 The Committee is asked to recommend to council that council approve an amendment to Section 1 of Part 3 of the constitution, to allocate the following functions under the Local Government and Public Involvement in Health Act 2007 which relate to local area agreements, to the Executive Board:

- the duty to prepare and submit a draft of a local area agreement (section 106);
- the revision and addition of targets (section 110)
- designated targets: revision proposals (section 111); and
- duty to publish information about the local area agreement (section 113).