

	<p style="text-align: center;"><b>Overview and Scrutiny Committee</b>  <b>6<sup>th</sup> February 2008</b></p> <p style="text-align: center;"><b>Report from the Director of Policy and  Regeneration</b></p>
<p>For Action</p>	
<p style="text-align: center;"><b>Report Title: Local Area Agreement – Proposals 2008</b></p>	

1. **Introduction**

- 1.1 This covering report up-dates the Overview and Scrutiny Committee on the progress made developing Brent's new Local Area Agreement (LAA) for 2008-2011. It details the process to date, the initial feed back from GOL and government departmental leads on the draft set of 35 improvement priorities and the process for detailed negotiations during the early part of 2008. It also outlines the proposed treatment of Area Based Grant (ABG) allocations for 2008 and subsequent years.
- 1.2 This report is accompanied by the Brent Evidence Base, the detailed statistical analysis of the social and demographic factors underpinning the selection of LAA priorities and the Brent Story which sets out the policy context and selection of proposed improvement priorities for inclusion in the LAA.

2. **Recommendations**

Members of the Overview and Scrutiny Committee are recommended to:-

- 2.1 Consider and comment on the draft selection of priorities and headline measures for inclusion within the LAA continued within the attached story document.
- 2.2 Note the process for further detailed negotiation on the headline measures and targets for inclusion within the LAA.

### 3. **Detail**

3.1 New Local Area Agreements are now being negotiated by all councils for the period 2008-2011. They will come into force from June 2008. The new agreements will differ from the LAAs currently in place in several key ways:

- The new agreements will be set around 35 improvement priorities and 18 statutory education targets taken from the national indicator set of 198. These will be selected to best match the local priorities identified in the LAA. This is in contrast to the current LAA where 12 'stretch targets' were the core of the agreement, with over 100 additional indicators in the outcomes framework;
- At this stage there is no further information from CLG on possible new performance reward grant within the agreement although they will honour the existing stretch targets. We will not receive one-off 'pump priming' funds to kick start projects to deliver against our key priorities;
- The LAA grant will no longer be a pool of select grants linked to priorities but a delivery vehicle for most Area Based Grants, with their ring fencing removed, thereby allowing the council to fundamentally reconsider how that grant money is being spent and how it could best be used.
- The need to ensure negotiation and delivery of the LAA fully involves partners has been strengthened by the duty to co-operate detailed in the Local Government and Public Involvement in Health Act 2007 which strengthens the role of the Local Strategic Partnership in decision making. The duty to co-operate applies to all public sector partners.

#### *Progress to date*

3.2 Over the past six months the LSP Executive has led the process for designing our LAA through a programme of consultation, evaluation of evidence and challenge. Each of the strategic partnerships has been responsible for consultation within their sector on the proposed improvement priorities and submitting detailed evidence on their nominated suggestions. All suggestions have been the subject of a cross partnership scrutiny during a series of challenge workshops. These workshops were attended by a range of service providers including council services, community representatives and the voluntary sector. Proposals were then evaluated against the strategic principles and cross-cutting themes agreed by the LSP Executive.

3.3 We have built on the experience gained over the past 18 months of LAA working in the principles and process used to develop the local priorities proposed within our new LAA. Many of the community issues addressed within our first LAA remain current and relevant, but we are seeking to tackle them in a more integrated manner viewing our LAA as a coherent package of initiatives, with mutually reinforcing benefits. The priorities we have identified are inter-related with strong cross-

cutting linkages and outcomes. In developing our LAA the LSP agreed a number of principles to inform the selection of our priorities. These were:-

- To focus on the preventative agenda.
- Achieving greater efficiency in the delivery of public services.
- Promoting inclusion and tackling inequality experience by the most vulnerable communities in Brent
- Promoting community cohesion

3.4 In addition there are four strong cross cutting themes which unite the LAA priorities and address the most pressing community concerns within the borough. These are:-

- Tacking crime and the fear of crime.
- Supporting children and young people to achieve their potential.
- Regeneration and creating prosperity
- Promoting environmental sustainability.

3.5 The draft list of priorities and the associated headline measure have been shared with the Government Office for London (GOL). They have complimented us on the detailed evidence used to support the selection of priorities and the process conducted to engage partners and the wider community in the formulation of the LAA.

*Feed back from GOL*

3.6 Feed back from GOL and initial assessments from the relevant department theme leads has been positive. They have endorsed the broad policy priorities of the LAA and the linkages made to the evidence base and the cross cutting themes that underpin the strategic structure of the package. At present of the 35 headline measures proposed by Brent and drawn from the 198 national indicators, GOL is reporting 20 of the measures match with their assessment.

3.7 The process of matching the right headline measure to the improvement priority is a technical process requiring careful judgement. While GOL are not disagreeing within the overall priority identified there are a number of indicators for each issue which could be selected to assess delivery. At this point we have 15 indicators that will need to be the subject of further discussion to ensure that we have selected the most appropriate measure.

3.8 We have also received from GOL a number of additional suggestions for inclusion. As our draft list already contains 35 improvement priorities, the maximum number, any inclusion of GOL suggestions will require the removal of an existing proposal. We have managed to include a number of the GOL suggested indicators through bi-lateral discussions with departments particularly Children and Families and Housing. These priorities and measures now appear within the attached 'Story' document. For the remaining 15 there will now be a

process of bi-lateral discussions between service area representatives and GOL theme leads on the selection of the most appropriate measure to assess the delivery of the priority. The current set of 35 improvement priorities are detailed in the attached Brent Story document.

*The process for further negotiation with GOL*

- 3.9 Theme leads from GOL will be contacting departmental and partner agencies during the rest of February to undertake detailed discussions on the selection of their priorities and headline measures. While this process of bi-lateral discussion is clearly necessary it is also critical that the overall balance, structure and deliverability of the LAA is not distorted by agreements made at an individual priority level. Our main LAA lead at GOL will be provided with feed back on each theme meeting. It is also imperative that the Policy and Regeneration Unit is informed of these meetings and is kept in the loop about proposed changes to the selection of LAA priorities or measures. Any final agreement will be reached corporately with GOL. We will also support service areas where requested or when necessary.
- 3.10 Following consideration of the draft LAA by the Overview and Scrutiny Committee the Local Strategic Partnership will consider the LAA priorities at their meeting on 13<sup>th</sup> February 2008. Final agreement of the Local Area Agreement priorities will be made by the Executive later in the year.
- 3.10 Once final agreement has been reached between GOL and the Council on the headline measures, there will be a period of negotiation on the detailed targets for each of the 35 indicators. CLG will be issuing guidance on target setting, although it is recognised that a number of the new national indicators do not have baseline data and this will influence the target setting process.
- 3.11 Brent has chosen for the first year of the new LAA to retain the existing 12 stretch targets with PRG attached within the package of 35 improvement priorities. Some of these may continue to be improvement priorities post April 2009. However once the stretch has been achieved there will be the opportunity to remove them from the LAA and include other priorities as part of the annual refresh process.

4. **Financial Implications**

- 4.1 Government have made it clear that it is expected the delivery of LAA priorities will be supported by the reconfiguration of the now un-ring fenced Area Based Grants (ABG). Although this does not preclude the inclusion of an improvement priority that is part of main stream service delivery being within the LAA. Brent has an allocation of approximately £15.7m of ABG for 2008/09.

- 4.2 Given the compressed timetable set down by Government for negotiating the LAA it is not appropriate to undertake significant re-allocation of these ABG funding during 2008/09. However it is expected that within the existing funding envelop managers should be reconfiguring their services to focus on the delivery of their agreed LAA priority during this financial year.
- 4.3 Whilst the ABG allocations are being passported to the previous recipients of the individual grants for 2008/09 this will not necessarily be the case for 2009/10. With this in mind, service areas should not make commitments for expenditure dependent on this income beyond 31st March 2009 in relation to staffing, services or premises. Where grants have been used to fund mainstream services / client costs in the past, the extent that these areas are funded from grant should be reduced in year where possible, moving these costs to mainstream funding and using the grant to fund isolated projects. Spend against grants pooled into the ABG will be monitored in year to establish exactly what the grant is being used to fund in terms of outcomes and services and this will feed into the reallocation process for 2009/10.

5. **Legal Implications**

There are no detailed legal implications at this stage of the LAA process to be considered.

6. **Diversity Implications**

- 6.1 Brent's proposed Local Area Agreement 2008-2011 and the Community Strategy on which it is based both have addressing inequality as a central theme. The Community Strategy 2006-2010 was the subject of an equality impact assessment and we will be undertaking a further equality impact assessment on the new LAA for 2008-2011 once final agreement has been reached on the headline measures.

7. **Staffing Implications**

- 7.1 There are no staffing implications arising directly from this report

8. **Background information**

- 8.1 Anyone requiring further information of the LAA can contact:-

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