

## KENSINGTON AND CHELSEA PARTNERSHIP

January 16<sup>th</sup> 2008

### NEW LOCAL AREA AGREEMENT PROPOSALS

The Steering Group is invited to note and discuss the current position regarding the development of a new LAA for the borough, and to agree the way forward.

**For decision**

## 1. INTRODUCTION

1.1. The Steering Group will recall the new legal duty on local authorities and other public service organisations to develop a three-year agreement (a Local Area Agreement, LAA) containing targets agreed between local partners to improve local areas. Government expects these agreements to be in place across the country by June 2008.

1.2. One component of such agreements is a set of up to 35 "designated targets" that have been negotiated with Government and which address local and national policy priorities. Reward grant is available from Government if these targets are met (but there is no pump-priming grant).

1.3. Designated targets have to be set using performance indicators drawn from the 200 or so indicators contained in a new "national indicator set" (NIS). The NIS is currently being consulted upon. Some of the proposed indicators are likely to be heavily criticised. An announcement on the final form of the NIS is expected in February.

1.4. LSPs have discretion over how many other targets are included in their LAA, and which PIs to use in order to set them. Public service bodies have a statutory duty to have regard to LAA targets that apply to them when planning and delivering their services.

1.5. In addition, all areas are required to set targets in relation to 16 statutory children and young people's indicators, which Government will endorse. This is effectively a continuation of an existing requirement, and concerns well-established indicators e.g. on exam performance.

## **2. THE KCP'S APPROACH**

2.1. Following discussions by the KCP Steering Group the Chairman wrote to the Secretary of State for Communities and Local Government on 30 November 2007 setting out the Partnership's preferred approach to the development of the new LAA (the letter is reproduced at Annex A). In essence this was to:

- defer the introduction of a full-blown new three-year LAA until 2009/10, by which time the existing LAA will have ended and the third community strategy will have been developed;
- develop an interim LAA comprising one year designated targets based upon indicators contained in the current LAA.

2.2. The Government is expected to reject the request to set one-year targets and insist upon an Agreement containing three-year targets commencing in 2008/09. GO-L has also indicated that it would want to see new priorities addressed, such as those identified in the mid-term review of the community strategy (i.e. child poverty, worklessness and climate change).

2.3. If, as expected, the Government rejects the Partnership's preferred approach, then the Steering Group needs to agree on an alternative approach to the LAA. Officer advice to the Partnership is that

- the arguments set out in the Chairman's letter for deferring the development of a full version of the new LAA remain strong;
- Government is unlikely to bow to any further pressure to set interim one-year targets;
- the Community Strategy has been amended to recognise the new priorities that emerged during the mid-term review (climate change, worklessness and child poverty), and all of these are likely also to feature in the third community strategy;
- the Partnership should therefore proceed on its preferred course of developing an interim LAA for the first year, focusing on targets transferred from the existing LAA, supplemented by new targets addressing climate change, worklessness and child poverty
- these targets should be set for three years rather than one, but Government should be pressed to agree to a revision of these as necessary during the annual LAA refreshment process next autumn/winter.

2.4. If this approach is followed then the policy areas addressed by the interim LAA would be:

- Community Safety
- Community Empowerment
- Childhood obesity
- Healthy weaning
- Young people not in education, employment or training
- Worklessness
- Climate change
- Child poverty

2.5. The Government stricture that designated targets must be drawn from PIs contained in the NIS means that the targets that could be transferred from the existing LAA, or be used to set targets for the new priorities, would be limited to those listed in Annex B. Most indicators in the current LAA would not transfer across to the new one, because the PIs used have not been included in the NIS. For the final year of the current LAA Kensington and Chelsea would therefore have two LAAs running alongside one another.

### **3. NEXT STEPS**

3.1. If the KCP Steering Group agrees the approach recommended in paragraph 2.3, the next steps to develop the new LAA would be

- at the **end of January 2008**, notify GO-L of the policy areas in which the KCP intends to negotiate designated targets
- assuming this is accepted, between **February and May 2008** prepare three year targets against the PIs listed in Annex B, and negotiate these with Government for incorporation into a new (but interim) LAA by **June 2008**
- between **October 2008 and March 2009** develop a full set of LAA targets, including as many local targets as we wish and a revised set of designated targets negotiated as necessary with Government, to run for two years to March 2011.

3.2. Government (through the MPS) has set annual targets for borough Police Forces for many years. Discussions between the MPS and local police and Council officers on targets for 2008/09 are now underway. It is not clear at this stage whether these will be expected by Government to form part of the suite of "designated targets" in the new LAA, replacing (or adding to) the community safety indicators transferred from the existing LAA.

3.3. The development of new LAAs is highly experimental from Government's viewpoint and it remains to be seen whether the first round of efforts to establish the new Agreements will be regarded by Government as a success. If it is not then a significant round of Government-inspired renegotiation can be expected during the first annual refresh process in autumn/winter 2008/09.

3.4. The statutory responsibility for preparing a Local Area Agreement rests with the Council. Cabinet members will not get a collective opportunity to discuss the LAA until 7 February. The KCP's proposals regarding the LAA (as expressed to GO-L at the end of January) will therefore need to remain provisional until this discussion has taken place.

3.5. We await proposals from Government about how the allocation of reward grant under the new LAA should work. It may be necessary to revisit the recommended approach when these proposals are known.

#### **4. LONGER-TERM ISSUES**

4.1. In order to prevent future dissonances between the LAA and community strategy timetables, the period of the third community strategy would need to be five years i.e. it would run to 2013/2014. A mid-term review would be needed to set targets for the second statutory LAA (which would run for three years from 2011/12). The preparation of the fourth statutory community strategy would then coincide with the development of the third LAA, with both commencing in 2014/15.

#### **5. CONCLUSION**

5.1. The Steering Group is invited to note and discuss the current state of play with the LAA and to agree the KCP's approach to its further development.

**Tony Redpath**  
**Director of Strategy and Service Improvement**

**Annex B: Proposed National Indicators that are used in the current LAA or cover new priorities**

Priorities	NIS	Performance indicator
Existing LAA		
Community Safety		
NI 18	Adult re-offending rates for those under probation supervision	
NI 19	Rate of proven re-offending by young offenders	
NI 30	Re-offending rate of prolific and priority offenders	
NI 40	Drug users in effective treatment	
NI 42	Perceptions of drug use or drug dealing as a problem	
Community Empowerment		
NI 22	Perceptions of parents taking responsibility for the behaviour of their children in the area	
NI 23	Perceptions that people in the area treat one another with respect and dignity	
NI 17	Perceptions of anti-social behaviour	
NI 4	% of people who feel they can influence decisions in their locality	
NI 6	Participation in regular volunteering	
Childhood obesity		
NI 55	Obesity among primary school age children in Reception Year	
NI 56	Obesity among primary school age children in Year 6	
Healthy weaning		
NI 53	Prevalence of breastfeeding at 6 – 8 weeks from birth	
Young people not in education, employment or training		
NI 117	16 to 18 year olds who are not in education, training or employment (NEET)	

NI 45	Young offenders engagement in suitable education, employment or training
NI 148	Care leavers in employment, education or training
<b>New priorities</b>	
<b>Worklessness</b>	
NI 151	Overall employment rate
NI 152	Working age people on out of work benefits
<b>Climate change</b>	
NI 185	CO2 reduction from Local Authority operations
NI 186	Per capita CO2 emissions in the LA area
<b>Child poverty</b>	
NI 116	Proportion of children in poverty