

Communities of Cheshire Partnership – Fit for Purpose Review

Introduction

Members of the Communities of Cheshire Partnership agreed at their meeting on 13 June 2006 that the terms of reference and membership of the group would be reviewed after the first twelve months of operation in line with the Constitution. This decision was in response to the appointment of additional members to the partnership

Summary

Officers from the LAA Group have retained this issue in their work programme with the intention of bringing some thoughts on the review to this meeting.

However, three recent developments will have a substantial impact on any partnership review and these are:

- New narrative guidance for Local Area Agreements issued by DCLG in February 2007 changes the structure of the LAA (and now includes the environment);
- The letter received from Government Office North West outlining a revised timeframe for the Comprehensive Spending Review and implications for the roll-out of the new style LAA; and
- The future shape of Local Government in Cheshire.

New Narrative Guidance

The narrative guidance outlines how the new LAA arrangements and performance management framework contained in the Local Government White Paper 2006 might be implemented.

The paper suggests that:

- LAAs will change the way Central Government does business with Local Authorities.
- The LAA will be the only place where Central Government will agree targets with Local Authorities and their partners (through the LSP).
- A new national indicator set of 200 indicators will be created.
- The Audit Commission will risk assess these indicators in an area and suggest those for negotiation from a Government perspective (improvement

targets where a risk has been identified). Where there are less than 35 for improvement, localities can include local targets from their Sustainable Community Plan. Where there are more, prioritisation will be negotiated to achieve the 35.

- All resources in an area must then contribute to the achievement of the 35 improvement targets (plus 18 statutory education/early years targets) negotiated with Government.
- The LAA will have no more than 53 targets. These will be taken from the Sustainable Community Strategy for the area and other national targets from the indicator set as identified above.
- A new un-ringfenced area based 'LAA' grant will contain all area based funding.
- The Comprehensive Area Assessment will replace the Comprehensive Performance Assessment from 2009.
- A new 'list' of publicly funded organisations with a statutory duty to help deliver the LAA targets is included in the document. This list is currently being further developed but presently includes:
 - Unitary and county authorities
 - District authorities
 - The Environment Agency
 - Natural England
 - Fire and rescue authorities
 - Jobcentre Plus
 - The Health and Safety Executive
 - The Broads Authority
 - National Park Authorities
 - Youth Offending Teams
 - Police authorities
 - Chief Officer of Police
 - Local Probation Boards
 - Primary Care Trusts
 - Joint Waste Disposal Authorities
 - Regional Development Agencies
 - The Learning and Skills Council
 - Sport England
 - English Heritage
 - Highways Agency
 - Metropolitan Passenger Transport Authorities
- Lead Local Authorities will be under a statutory duty to produce an LAA, with partners and be responsible for ensuring effective partnership and performance management mechanisms

In future there will be four LAA **themes**. These will mirror the existing content of national policies within the four LAA blocks with the exception of 'economic development' which will become '**economic development and environment**' and also **include cultural issues**. It is understood that 'environment' in this context refers to the wider physical environment and will include for example: climate change, transport infrastructure, LDF, etc. rather than the cleaner greener agenda

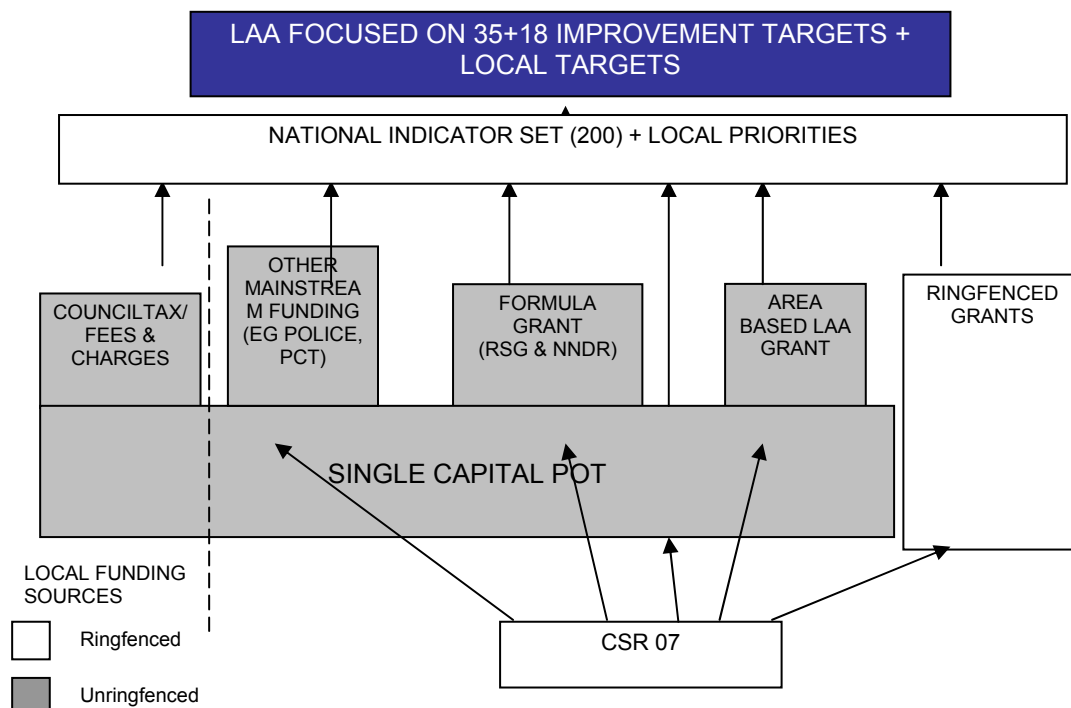
which is covered in the Safer Stronger Communities block. The inclusion of this new area in the LAA will close a major gap and link to the Government's desire in the White Paper to see the LDF as almost the delivery plan for the physical context of the Sustainable Community Strategy for an area.

The purpose of the block structure was to develop limitations on pooled funding arrangements. This will not now be the case with the LAA themes. The purpose of the themes as set out in the White Paper is to facilitate central/local discussions and monitoring arrangements. There is currently a well established structure around the LAA blocks which supports negotiations and performance reviews between Government Offices and local authorities and their partners, and discussions between Government Offices and central departments. Government wishes to retain this framework and ensure that the process for setting targets has taken account of the full range of priorities reflected within themes and developed locally by the relevant partnership e.g. the Children's Trust and Children and Young People's Plan and the CDRP. The Government also intends to amend the **Local Government and Public Involvement in Health Bill to require LAs and PCTs to produce a joint strategic needs assessment**. The Sustainable Community Strategy and subsequent targets in the LAA should take account of the findings of this assessment.

The funding arrangements for the Local Area Agreement are set out in the table below. This will have major implications for how a number of partners and partnerships allocate funding in future.

DCLG will be working with a small number of Local Authorities to further test the thinking in this paper.

Funding the LAA



Letter from Government Office North West

CCP partners can see from the letter below that the delay in the Comprehensive Spending Review 2007 will impact on the timeframe for the negotiation and delivery of the 'new' style LAA.

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To Chief Executives

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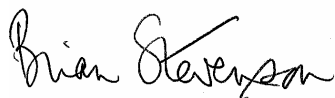
Dear colleague

As you will be aware, the government has indicated that the results of the Comprehensive Spending Review will not now be available until the Autumn. Clearly this impacts on (among other things) the move to 'new model' Local Area Agreements.

We will be reviewing the implementation timetable for LAAs with all the stakeholders in light of this Budget announcement. We wish to give local authorities and partners sufficient time to negotiate robust agreements for 2008/09 and to take advantage of the opportunity of a longer period to develop local capacity, refine local strategies and priorities and test out the new negotiating arrangements. You will doubtless be aware that two North West authorities, Oldham MBC and Cumbria County Council, will be part of the national group of councils which will be involved in the feasibility testing work.

We are now minded to aim for sign-off by the summer in 2008, while seeking to reach broad agreement on priorities in time to feed into local partners financial and business plans for 2008/09. We expect to make an announcement shortly once we have agreed the detailed process with stakeholders.

Kind regards



Brian Stevenson
Head of Local Government Practice

The Future Shape of Local Government in Cheshire

Government announced on 27 March 2007 that it will consult on two unitary proposals for Local Government in Cheshire. It is understood that the consultation period will run from now to 22 June 2007.

Either option will have a significant impact on the shape of any future LSP/LSPs for the area.

Next Steps

As reported above, the current landscape for partnership working and delivery is very unclear. Government is 'road testing' the new style LAA at present in line with the narrative guidance set out above and in advance of any Comprehensive Spending Review implications.

It is therefore suggested that the Communities of Cheshire Partnership delays its 'fit for purpose review' for six months. This will enable a clearer view of the expectations, roles and responsibilities for LSPs now and into the future.

Recommendations

That the Communities of Cheshire Partnership:

- (i) note the contents of this report; and**
- (ii) agree that the 'fit for purpose review' of the Partnership should be delayed until September 2007.**

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