

Item No.	Classification: Open	Date: 17/03/09	Meeting Name: Executive
Report title:		Local Area Agreement Refresh	
Ward(s) or groups affected:		All	
From:		Deputy Chief Executive	

RECOMMENDATION(S)

1. To endorse the positions regarding individual indicators within the Local Area Agreement set out in Appendix 1.

BACKGROUND INFORMATION

3. The Local Area Agreement (LAA) is subject to an annual review, which is conducted by the Local Strategic Partnership and the Government Office for London. Formally, the local authority, rather than the LSP, is the signatory to the LAA and, consequently, any amendments made at the annual review need to be agreed by the council. In Southwark, responsibility for the adoption and membership of the LAA has been delegated to the Executive.
4. The annual review provides an opportunity to revise, by exception, particular targets to reflect changes in local circumstances or national priorities. For 'designated' (i.e. national) indicators, the main points to note are as follows:
 - targets within an LAA may be revised either at the initiation of the responsible authority (i.e. the Council) or at the initiation of the Secretary of State.
 - a 'revision' may involve changing or removing an existing designated target.
 - the revision proposal must outline the changes that are being proposed and to whom the revised target is to relate (i.e. the bodies that have consented to help deliver the target).
 - the responsible local authority must consult each partner authority and any other persons who appear appropriate.
 - the same duty of cooperation in agreeing changes to, or the removal of, targets, also applies, as does the requirement on the responsible local authority to have regard to its Sustainable Community Strategy and the requirement on the responsible local authority and partners to have regard to any guidance issued by the Secretary of State. (The Executive is asked to note that any additional amendments will, therefore, need to be referenced to partners and government for further negotiations.)
5. Once the revision proposal has been submitted to the Secretary of State, s/he may then either:
 - approve the revision proposal
 - reject the revision proposal

- request it be revised further (though only if s/he had originally directed the revision)
6. 'Non-designated' local improvement targets within the approved LAA may be amended or removed from the LAA by the responsible authority (i.e. the council). However, it must have the consent of each partner authority to whom the target relates before amending or removing a local improvement target and must also consult any other persons to whom the target relates.
 7. At its 10 December 2008 meeting, the Southwark Alliance submitted initial proposals to the Government office for London relating to a number of indicators within the LAA. In several cases, required changes to indicators in the LAA were noted, but no proposal was made. (This was generally in cases where baseline information was not available, and it was, consequently, not possible to propose a target.)
 8. The Government has been slow to respond to the borough's initial proposals, but has not changed the initial timetable for the refresh process, which included the stipulation that local areas should submit refreshed LAA to their Government Office by 2 March 2009. (At this point LAAs were expected to be in final or near-final form, though possibly not yet formally adopted.)
 9. In addition to the LAA *per se*, 16 statutory (i.e. mandatory) national indicators concerned with educational and early years attainment and attendance were specified in legislation. The Government regards LAA targets - both designated and local - and the statutory DCSF targets as a single suite of targets, which will enable key partners - including schools - to deliver on shared priorities. Therefore, the latter are included within the present report.
 10. The mandatory education and early years targets are set through a statutory process with the Department for Children, Schools and Families (DCSF). They are submitted by the end of January each year and look two years ahead. Therefore, the present report includes new targets for 2010-11. The statutory requirement for these falls to schools in the first instance. They must set targets based on individual pupil data. The local authority provides schools with a range of information to help this process. It then collects the targets, which are signed off by school governors, and uses these to aggregate to authority level. When setting LA targets, the council uses a range of predictive tools and trajectories to look at challenging but realistic targets. Proposals are then discussed with DCSF national strategies. Attainment targets for children looked after is looked at by pupil and set within the local authority.
 11. When setting the mandatory children and young people's targets, the council has to follow a number of criteria. Target levels should be realistic and stretching and they need to be rooted in improvement that is sustainable year on year. The 2010 targets must be greater than the 2008 results. The 2010 targets should in most cases be greater than 2009 targets. (NB Performance relating to schools is usually reported by academic year. For example the financial year 2008-09 would report schools attainment for the summer 2008, which would be reported as 2007-08 academic year.) These negotiations have now taken place and targets for 2010-11 have been confirmed.

KEY ISSUES FOR CONSIDERATION

12. Where changes to the LAA are proposed, the indicators fall into three main categories:
 - indicators where no baseline was available at the time the LAA was agreed, with the consequence that targets need to be set at the present refresh
 - indicators which are considered to be directly affected by the economic downturn, and where an alleviation of previously agreed targets is proposed
 - indicators where targets are considered to be unrealistically high, and where reductions are proposed.
13. Appendix 1 sets out the current position for each indicator, and, where appropriate, includes a recommendation, which the Executive is invited to endorse. The Executive is advised that it will possible to renegotiate targets in 2010 for certain indicators in the LAA that are deemed to be particularly susceptible to the economic downturn - notably those concerned with Worklessness and Housing -, and these would be used to determine the allocation of Performance Reward Grant. In most cases, however, targets will be 'locked down' after the present refresh process.
14. 2010-11 targets for each of the mandatory children and young people indicators are shown at the bottom of Appendix 1. The Executive is asked to note that, with the abolition of Standard Assessment Tests (SATs) at Key Stage 3 in October 1998, the following mandatory indicators ceased to exist: NI 74, NI 83, NI 95, NI 96, NI 97, NI 98.
15. Due to the late response from the Government to the initial proposals put forward by the Southwark Alliance, combined with the late publication of data in a number of further instances, it is not possible to bring a complete package of proposals to the present meeting. Where firm proposals are not included in Appendix 1, the current position is summarised.
16. It is important that there is clear accountability for the delivery of each of the LAA targets. This is particularly true, given that many of them are cross-cutting in nature and affect more than one organization - and, indeed, more than one thematic partnership. The LAA agreed in 2008 (with unamended targets), which is attached as Appendix 2, shows the lead organisation(s) and, where appropriate, the lead thematic partnership for each indicator, together with a schedule of easy to understand definitions.

Community Impact Statement

17. The Local Area Agreement drew on extensive consultation that took place in the development of Southwark 2016, the Sustainable Community Strategy. As such, it reflects the priorities established during that process. Key among these is the commitment to closing the gap by improving the life chances of Southwark's most deprived communities. Southwark 2016 and the borough's other key strategies that will deliver against the LAA priorities have been subject to Equality Impact Assessments. The proposed changes do not fundamentally change the LAA.

Resource implications

18. The LAA needs to be delivered within the existing resources of the council and its partner organisations. Any financial implications of specific decisions taken by

the council regarding the delivery of the LAA will be part of the Council's broader policy and resources strategy and budget process.

Consultation

19. The LAA Refresh draws on the previous consultations on Southwark 2016 and Southwark's first LAA. There has also been a series of meetings with lead officers from relevant departments and thematic partnerships. External partners have been consulted on, and are in accord with, any proposals for which they will be responsible. As noted above, the Southwark Alliance Board has also considered the LAA Refresh proposals. Negotiations will continue with council departments, partners and the government over the coming weeks.
20. Under Section 113 of the Local Government and Public Involvement in Health Act 2007, there is a duty to the duty to publish information about local area agreements, and, in particular, the responsible local authority must LAA is modified. This will be posted on the council and Southwark Alliance web sites when the negotiations are concluded.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Legal and Democratic Services

21. The Council Assembly has delegated the functions concerning the LSP and the formulation of the LAA to the executive.

Finance Director

22. The council's contribution to the LAA partnerships will be subject to the Council's existing financial and commissioning arrangements. The delivery of targets must be achieved within the constraints of the Council's broader policy and resources strategy and budget process.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Development of the new LAA framework - Operational Guidance 2007, HM Government	West House, Town Hall, Peckham Road, London SE5 8UB	Steve Tennison 020 7525 7557 Lsp.co-ordinator@southwark.gov.uk
LAA Annual Review 2008/09, HM Government	As above	As above

APPENDICES

No.	Title
Appendix 1	LAA Refresh 2008-11 Position Statement
Appendix 2	Southwark's Local Area Agreement (unamended) and easy to understand definitions

AUDIT TRAIL

Lead Officer	Eleanor Kelly, Deputy Chief Executive	
Report Author	Steve Tennison, Partnership Manager, Southwark Alliance	
Version	(Final)	
Dated	9 March 2009	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director for Legal and Democratic Services	Yes	Yes
Finance Director	Yes	Yes
List other officers here		
Executive Member	Yes	Yes
Date final report sent to Constitutional/Community Council/Scrutiny Team	9/3/2009	