



**Report to: Cabinet**

**Subject: Nottinghamshire Local Area Agreement**

**Date: 2 November 2006**

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1. **PURPOSE OF REPORT**

- 1.1. To seek approval for the Council to enter into the Nottinghamshire Local Area Agreement (“LAA”).

2. **BACKGROUND**

- 2.1. The Nottinghamshire LAA is a Partnership Agreement between the County Council, the District Councils, the PCT’s, the Probation Service, Learning Skills Council, Voluntary Organisations, Employment Organisations, Business Link Nottinghamshire, County Drug and Alcohol Team, the Rural Community Council and the Police and Fire Authority.
- 2.2. Cabinet has previously approved the Council entering into a Memorandum of Understanding. This memorandum acknowledged the parties commitment to working together to deliver the objectives of the LAA and to work towards the conclusion of a legal agreement confirming the Partnership. The LAA is the finalised legal agreement which is now to be considered for approval.
- 2.3. The County Council has drafted the agreement with input from all the proposed parties and all parties who contribute or receive pooled funds are required to sign the LAA.
- 2.4. The LAA does not supersede the Nottinghamshire Partnership which will continue as a forum for ideas and the raising of issues.

## **2. THE LAA**

- 3.1. The LAA is not a formal Partnership Agreement and the parties agree that they will act in good faith towards the others. In particular, no party must seek to increase its profit, or reduce its loss, at the expense of the others, nor shall any party be required to act in a way that is contrary to its own, or any other party's, interest.
- 3.2. The County Council is the accountable body and, as such, is responsible for the financial management of the LAA under guidance from the Strategic Board and Management Group. The attached Appendix sets out the composition of the Board and the Group. Members should note the proposal that one person represents all the District Councils on the Strategic Board. The decisions of the County Council, as accountable body and the other parties acting together on the Board and/or Group are final and binding in all matters relating to the finances of the LAA.
- 3.3. The parties agree that the Funding Streams are applied in accordance with the directions of the Board and the Group (although any decision with regard to specific Aligned Funding will always remain with the party who has dedicated that Aligned Funding).
- 3.4. A party may leave the partnership on giving nine months notice, expiring at the end of a financial year, provided that such exit does not reduce the number of parties below 6. A party exiting will still be required to contribute to any overspend accruing in the year and will have to bear the costs resulting from the exit.

## **4. OPERATIONAL ARRANGEMENTS**

### **4.1. Strategic Board**

- 4.2. The Board will make strategic and policy decisions or recommendations on major issues relating to the provision of the LAA and other areas of the Partnership's work taking into account the requirements of the parties.

It will in particular:

- oversee the use of funding flexibilities between the parties;
- oversee the planning of services
- monitor progress of projects and targets
- monitor delivery of the Blocks;

- develop the management of the funding streams;
- determine the allocation of pump priming and reward grants to the partners.

4.3. The Board is comprised of one nominee from:

- District Councils
- County Council
- Police Authority
- Fire Authority
- PCT's
- Voluntary and Community Sectors
- Learning and Skills Council
- Private Sector

4.4. The person nominated to present the Districts is expected to be the Leader of or Chief Executive of one of the District Councils.

4.5. The representative on the Board will have delegated authority to make binding decisions on behalf of the organisations that he/she represents.

4.6. The Board may change the number of Board Members and any new Partner will be entitled to nominate a representative. The Board will be chaired by the County Council nominee.

4.7. A decision on the reallocation of pooled funding will require a unanimous decision of the Board, other decisions require only a 75% majority of votes cast at the meeting. A quorum consists of 75% of Board Members.

## **5. MANAGEMENT GROUP**

5.1. This group co-ordinates and provides the operational management for the LAA. Within the parameters set by the Board the Group will manage:

- overall programmes of work, projects and resourcing;
- overseeing and co-ordinating work arising from the Block Partnership;

- overseeing financial management;
  - agreeing projects;
  - overseeing performance;
- 5.2. The Group consists of nominees from the Partners as before except that each District Council may nominate one member each. Each representative is to have the necessary delegated authority to make binding decisions on behalf of the organisation that he/she represents.
- 5.3. Decisions will be taken by a 75% majority of votes cast at the meeting and a quorum of 50% of members. The Group will appoint its own Chair and Vice-Chair.

## **6. BLOCK PARTNERSHIPS**

- 6.1. There are 4 Block Partnerships
- Safer and Stronger Communities
  - Healthier Communities and Older People
  - Children and Young People
  - Economic Development and Enterprise
- 6.2. The initial membership of each Block is approved at the first meeting of the Management Group, although this may be changed by unanimous agreement of the Block membership.

## **7. AREA SPECIFIC FUNDS**

- 7.1. All funding for area specific funds was pooled as from 1 April 2006. The arrangements for these funds are not changed.

## **8. LOCAL AUTHORITIES STEERING GROUP**

- 8.1. The District Councils will form the Steering Group. The intention is that this Group will meet prior to each Board meeting to discuss the agenda to reach a common approach. This approach would then be taken to the Board by the District Council representative.

## **9. RECOMMENDATION**

- 9.1. Cabinet is asked to consider whether the Council should enter into the Local Area Agreement and, if so, authorise the Chief Executive to sign the Agreement on behalf of the Council.