



Report to Cabinet

Subject: Local Area Agreement “Refresh”

Date: 5 February 2009

Author: Head of Strategy and Performance

1. Purpose of the Report

- To inform members of arrangements for the “refresh” of the Nottinghamshire Local Area Agreement, and issues arising from it.
- To seek delegated authority to the Chief Executive and Portfolio Holder for Leisure and Youth (as Chair of the Gedling Partnership) to agree any revised Borough Council targets at relevant Nottinghamshire Partnership meetings.

2. Background

The Nottinghamshire Local Area Agreement (LAA) was signed off in Spring 2008.

Arrangements for LAAs allow for an annual “refresh”, through negotiation between the lead authority (in our case Nottinghamshire County Council) and the relevant Government Office (in our case Government Officer East Midlands – GOEM).

This refresh process is intended to be “an opportunity to deal mainly with unfinished business from the negotiations earlier this year as well as capture initial evidence of delivery¹.” It is not intended to reopen the entire LAA.

The timetable for the refresh process is very tight, with limited opportunity for engagement through formal local authority decision making processes. Emphasis is placed on Nottinghamshire Partnership engagement, reflecting that Partnership’s lead role in development and delivery of the LAA. Gedling BC, along with other Nottinghamshire districts is a member of the partnership and is

¹ Letter from Communities and Local Government – 22 Sept 2008

represented at Board meetings by the Portfolio Holder for Leisure and Youth (in her capacity as Gedling Partnership Chair), supported by the Chief Executive.

Technically, all targets included in the Nottinghamshire LAA are at county level. The formal relationship for performance management is between the Nottinghamshire Partnership and GOEM, with GOEM holding the partnership to account for performance across the county.

But a number of measures relate directly to district level services and responsibilities and, in these cases, the county-level target is built up from district performance. Here, each district is held to account for its contribution to delivery of the LAA target by the Nottinghamshire Partnership.

Gedling BC targets for relevant measures have been integrated into the Council's performance management systems, and performance against these targets is managed through these systems.

Any changes to these targets are usually agreed by Cabinet and Council as part of Budget and Service Plan annual reviews. Due to the tight timescales associated with the LAA, it would be helpful if the Council's representatives at the Nottinghamshire Partnership had delegated authority to agree any new targets for the Borough Council for the indicators affected. These would still be subject to formal Cabinet and Council confirmation later in the year.

The economic downturn, and steps the Council is taking to address its effect, may impact on its ability to deliver some or all of these targets. While the Council will do all it can to deliver these key priority issues, it is hoped that GOEM and the Nottinghamshire Partnership will have regard to these economic circumstances, which are affecting most if not all local authorities, when the LAA refresh is negotiated. The key issues arising are set out below.

3. Indicators potentially affected

National Indicator 8 – Adult Participation in Sport

Reduced use of leisure facilities as residents "tighten their belts" has the potential to impact on performance against this measure.

National Indicator 186 – Reduction in CO2 emissions

The new post of Carbon Reduction Officer, agreed in 2008, has been frozen as part of budget proposals to fill the Council's budget gap. This may impact on the Council's ability to progress as many initiatives as it may have wished to address this agenda. However, it may not impact on the LAA target as there is a two year delay in reporting.

National Indicator 187 – Fuel Poverty

Funding for the initial survey for this measure has been found from within existing budgets. Once results have been received, activity will be needed around providing those households in fuel poverty with the relevant information about

what grants are available. Action to address the issue requires funding – while external funding opportunities are available, needs factors mean that this (particularly from the Regional Improvement and Efficiency Partnership) is likely to focus on other districts in greater need than Gedling. There is therefore a risk to progress in this area.

National Indicator 154 – Net additional homes provided

The target itself is due for renegotiation to reflect figures set out in the Regional Spatial Strategy. However, there is compelling evidence that the economic downturn is having profound effects on housing completions locally as well as nationally – 98 completions were recorded in the Borough between April and September 2008, compared with 208 for the same period last year. Moreover, evidence also suggests that housing starts have slowed and the trajectory for the next two years suggests starts are set to plummet². This obviously impacts significantly on the three years of the LAA.

The Council is doing all it can to facilitate new build, through its statutory responsibilities to ensure an appropriate supply of land for development. Letters have also been sent to all developers with non or part implemented planning permissions to try to establish when developers intend to start or continue these developments. The Council is working closely with *emda*, Homes and Communities Agency (HaCA) and other partners to progress its most “difficult” large site (Gedling Colliery/Chase Farm). The issue is not directly affected by budgetary decisions the Council is considering.

The Council remains committed to delivering longer-term house building targets. However, it is clear that the next two/three years are going to be very difficult in this area and an LAA that does not reflect that is likely to have reduced credibility. It is hoped that GOEM will adopt a realistic approach to this issue in particular in the refresh negotiations.

National Indicator 196 – Fly Tipping

There is a potential danger that the incidents of flytipping will increase due to recession, though this is not linked to any budgetary changes the Council is considering.

National Indicator 192 - Recycling

There is some evidence of reduced tonnages of waste being collected, but this is affecting both recyclable and non-recyclable waste, so recycling percentages are not affected. There is also evidence of a decline in the market for recycled waste, but the risk associated with this is borne by Veolia as part of the contract with the County Council as Waste Disposal Authority. The rate payable to Waste Collection Authorities is guaranteed for recyclables taken to the Materials Recycling Facility.

² Hometrack figures suggest a drop in starts nationally from around 140,000 in 2008 (itself down on 180,000 in 2005) to around 90,000 in 2009, with only a modest recovery in 2010

4. Wider implications

Outside the LAA, the Council has set targets against other performance indicators relating to its priorities, and including all relevant National Indicators. Some of those targets may need to be reviewed as budgets are set to reflect changing external circumstances and available resource.

This will be considered when targets are reviewed in Spring 2009.

5. Resource Implications

The issue is itself underpinned by overall resource requirements and their availability in the current economic climate.

Though significant reward grant was attached to the first LAA, that attached to the current LAA is relatively modest. Therefore the risk of losing reward grant for the non-achievement of targets is low. There is however a potential reputational risk associated with any failure to deliver against Nottinghamshire Partnership/LAA priority measures.

6. Recommendation

Members are **recommended**: -

- To note the report
- To delegate to the Portfolio Holder for Leisure and Youth (as the Chair of Gedling Partnership) authority to agree amended targets for Gedling Borough Council against relevant LAA indicators as part of the LAA refresh.