

Briefing Paper

Local Area Agreements

What is a Local Area Agreement?

A Local Area Agreement is a contract negotiated between a local area, led by the Local Authority; through the Local Strategic Partnership, and central government, through the local Government Office.

A Local Area Agreement sets out a range of aims, '**an outcomes framework**' for improving services to local people, based on local needs and priorities. Although there are some '**mandatory outcomes**' required by government, there is much more flexibility for local areas to negotiate their own set of outcomes, targets and performance indicators, based on local needs.

Local Area Agreements do not generally offer new money to Local Authorities, (except where there is a negotiated 'reward element'), but a range of existing funding streams will be included under Local Area Agreements, including the Safer and Stronger Communities Fund. Local Authorities and their partners can identify other streams of funding that they would like to be included. The LAA should be agreed by the Local Strategic Partnership (LSP) and in most cases will focus around four 'blocks':

- **children and young people;**
- **safer and stronger communities;**
- **healthier communities and older people;**
- **economic development and enterprise.**

What's in a Local Area Agreement?

The LAA for each area will include a timetable setting out:

- The **outcomes** agreed by the area - *e.g. 'Reduce crime'*
- The **indicators** for each outcome - *e.g. 'Reduce the proportion of adults and young offenders who reoffend'*
- The **baseline** for each indicator - *e.g. 'in 05/06 45% of young offenders re-offended within 2 years'*

- The **targets** for each year - e.g. *'in 07/08 the re-offending rate for young offenders within 2 years will reduce to 38%*
- The **lead partner** for that indicator- e.g. *' Youth Offending Team'*

The Local Area Agreement will also include:

- A statement of how local people and the voluntary community and faith sector have been involved (*the Statement of Community Involvement*)
- Details of the funding streams to be included in the Local Area Agreement
- Information on how performance will be managed and the monitoring arrangements
- The roles and responsibilities of each partner.

Reward Element

Some local areas will also be able to negotiate an additional 'reward element'. This will allow the local areas to agree 'stretch targets' - an increased target for some of the work they have set out.

The local area will receive a 'Pump Priming Grant' which can be used to support the achievement of the stretch targets. If they achieve 60% of all stretch targets, they will receive a substantial 'Performance Reward Grant', which can be reinvested in the area - not necessarily related to the stretch targets.

Monitoring and review of Local Area Agreements

In London, Government Office for London is responsible for negotiating, and then the monitoring and review of Local Area Agreements. GOL has a LAA team with a lead officer for each local authority. A list of GOL lead officers for London boroughs is available on the NVSC website.

Once LAA's are agreed they will be reviewed every six months, to check progress, and agree action to be taken to address underperformance.

Voluntary, Community and Faith Sector Involvement

The Voluntary, Community and Faith sector must be involved in the development of the Local Area Agreement. This will initially be through the voluntary sector representation on the Local Strategic Partnership. However, Voluntary, Community and Faith sector involvement should be much wider than this and include involvement of the Voluntary, Community and Faith sector in each 'block' of the LAA. It should also include a broad range of VCFS groups including Black and minority ethnic groups.

Different local areas will have different bodies leading on the development of the Local Area Agreement blocks. The Local Authority should appoint a lead officer who will know which of these forums and partnerships will be involved in the development of the Local Area Agreement.

Local areas may also be involving local people in a range of ways, including running events, conferences and workshops.

Why should the Voluntary, Community and Faith sector be involved?

Local Area Agreements offer a range of opportunities for the Voluntary, Community and Faith sector.

- **Influencing the outcomes and targets for your local area**
(for example, the Voluntary, Community and Faith sector in Westminster felt that the needs of young people were not being adequately met in the borough- they argued for this to be included as a 'stretch target')
- **Supporting the delivery of outcomes and targets**
(for example - an optional indicator set out by government is 'accessibility of safe play areas and opportunities' - local play associations could help achieve targets in this area, through receipt of existing funding streams, - perhaps even being the lead partner.)
- **Delivering reward element targets**
(A mandatory indicator for all areas will be 'an increased number of people recorded or reporting engagement in formal volunteering on an average of at least 2 hours per week over the past year'. This is a required indicator, but many have also used this as a stretch target area; with additional funding supporting this outcome.)
- **Receipt of Performance Reward Grant**
The reward funds do not have to be used for work connected to the stretch target - It is worth negotiating what these funds may be used for - especially if the VCFS has been involved in delivering stretch targets - a new resource centre for VCFS groups? Improved play facilities? A small grants scheme?

Acknowledgements:

The content of this document is based on information provided by LVSC.