

A Guide to Local Area Agreements

A Local Area Agreement (LAA) is a negotiated three year contract between Central Government, represented by the Government Office for London (GOL) and a local area led by the local authority.

LAA's come out of the government's vision to devolve more power to regions and form a key part of the [local:vision](#), the Government's 10-year strategy for local government.

The local authority works in partnership with other local stakeholders including local business, the voluntary and community sector (VCS) and individuals via the Local Strategic Partnership (LSP) to develop the agreement and deliver it's set outcomes.

It's aim is to improve services and deliver sustainable communities for local people by identifying local priorities and setting appropriate aims and targets.

The first LAA's commenced in London in 2005 with the third and final round of 16 boroughs beginning in April 2007 (See appendix)

Each local area is given the flexibility to set it's own targets and performance indicators following a local consultation process although some 'mandatory outcomes' are set by government and have to be included.

Four blocks

In most London borough's the agreement's are broken down into four key area's or 'blocks', these are:

- children and young people
- safer and stronger communities
- health and older people
- economic development and enterprise

These blocks have separate outcomes, indicators and targets and will often be developed and led through different partnerships, forums or sub groups of the LSP. Each block can also have it's own set of pooled funds.

However, some areas will have a single pot model, which enables the LSP to pool resources across a range of areas and not necessarily these four blocks.

Funding

LAA's allow the pooling of non-mainstream funding and greater flexibility in how funding streams can be directed. This is designed to simplify a situation where previously, a range of funds, all with different criteria, targets, monitoring arrangements and duration overlapped in terms of the people or service they targetted.

Although LAA's have the flexibility to decide whether to pool some funding streams others such as the Safer and Stronger Communities Fund and Neighbourhood Renewal Fund must be included.

New money is generally not on offer as part of the LAA's with the exception of the 'reward element' which is additional money offered as an incentive for local areas to agree 'stretch targets'. This is an increased target, which if met will bring additional money that the local area can spend as it wishes. Every area agreeing a stretch target receives a 'Pump Priming Grant' which is money to help it achieve the increased target.

Monitoring

Each LAA in London is reviewed every six months to check progress and if necessary agree action to tackle under performance. As part of the initial agreement a set of outcomes and targets will have been agreed along with indicators and a baseline against which they could be measured. The lead partner organisation will also have been identified for each specific area of work as well as the role and responsibilities for each other partner organisation.

The Role of the VCS

The VCS is expected to participate in the development of LAA's and each agreement is required to include a 'Statement of Community Involvement' outlining the role of the VCS and local people before it is signed off.

There are several benefits for the VCS in getting involved including:

- the opportunity to influence and help set priorities for a local area
- a chance to deliver services and benefit from existing funding streams
- a chance to identify areas where it could help deliver stretch targets, benefiting from additional pump prime money in the process
- benefiting from reward funds where it has been involved in delivering stretch targets.

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Appendix 1

Funding streams that must be pooled under Round 3 LAAs.

Children and Young People

- Children's Services Grant
- Kerbcraft
- Key Stage 3- Behaviour and Attendance
- Key Stage 3 - Central Co-ordination
- Neighbourhood Renewal Fund
- Neighbourhood Road Safety Initiative
- Neighbourhood Support Fund
- Positive Activities for Young People
- Primary Strategy Central Co-ordination
- School Travel Advisers
- School Development Grant

Healthy Communities and Older People

- Neighbourhood Renewal Fund

Safer and Stronger Communities Block

- Safer and Stronger Communities Fund (a number of funding streams were pooled last year under the new SSCF)

Economic Development

- Local Enterprise Growth Initiative (LEGI)
- New Growth Points Funding
- Neighbourhood Renewal Fund

Other funding streams that can be pooled include, but don't have to be include:

- Children's Fund
- Sure Start
- Supporting People
- Connexions

Funding streams that can be aligned, but not pooled include:

- Local Network Fund
- ChangeUp
- New Deal for Communities
- Community Champions

Appendix 2

Local Area Agreements in London

Round 1 - *Commenced April 2005*

Hammersmith and Fulham Greenwich

Round 2 - *Commenced April 2006*

Barking and Dagenham	Harrow	Lewisham
Brent	Hounslow	Redbridge
Camden	Islington	Tower Hamlets
Croydon	Kensington and Chelsea	Waltham Forest
Enfield	Kingston	Westminster

Round 3 - *Due to commence in April 2007*

Barnet	Haringey	Newham
Bexley	Hackney	Richmond
Bromley	Havering	Southwark
Corporation of London	Hillingdon	Sutton
Ealing	Merton	Wandsworth
Lambeth		

Appendix 3

Further information on LAA's

IdeA

www.idea-knowledge.gov.uk/

The 'Improvement and Development Agency' provide a range of information and resources for those involved in developing LAA's in the statutory and voluntary sector.

London Voluntary Service Council

www.lvsc.org.uk

A useful guide to LAA's in London with link's to further information and a glossary of terms

National Association of Councils for Voluntary Service

www.navca.org.uk

Links and resources for local voluntary sector groups who wish to engage in LAA's.

Department for Communities and Local Government

www.communities.gov.uk

FAQ's, guidance for Round 3 and Refresh for Rounds 1 and 2 and LAA toolkit.