

LOCAL AREA AGREEMENT SHEET ONE

An introduction to Local Areas Agreements

Background

What does your organisation most need to know about? Restructuring of the Development Agency? Tendering? Olympic legacy? It may not be a hot topic at many dinner parties, but in a recent survey of COVER's members, Local Area Agreements (LAAs) came top of the list. The VCS, it seems, has collectively seen the writing on the wall - if you want to work with a local authority, you will miss the boat if your objectives do not tally with the priorities of the LAA.

It was not always like this. Until recently, LAAs were regarded as a sideshow. First envisaged in the Local Government White Paper of 2004, they were one set of targets amongst many. How did they become so significant? The answer is simple – they caught the zeitgeist. With the kick-back against centralised targets in full swing, all the political parties have been preaching localism. In LAAs, Government had a ready-made policy to devolve decision-making from national to local level. Repositioned by a second White Paper in 2006, LAAs were grandly presented as one of the most ambitious and far-reaching elements of public sector reform in England. Now in their third incarnation, LAAs have evolved into something that may just meet the hyperbole of that billing.

Why are LAAs important?

LAAs have in effect become three-year funding agreements between top tier local authorities (counties and unitaries) and central Government. They are increasingly the only show in town, and here are two reasons why. First, when complete, new LAAs will supersede all other national performance frameworks in setting out local priorities. No longer will you be able to pick and choose which set of national priorities to pin your project to.

Second, the new LAAs will mean the replacement of authority-based inspection with an assessment of risks to service delivery (a 'Comprehensive Area Assessment' or CAA). From April 2009, CAA will replace the Comprehensive Performance Assessment (CPA). This marks a significant change to the assessment regime and a from assessment of services provided by local authorities toward an examination of all services in an area delivered by councils and their partners - including the private and voluntary sectors. It will develop a shared view about the challenges facing an area, such as crime, community cohesion, a sustainable environment or public health issues such as obesity, and will also create a more joined up and proportionate approach to public service regulation.

In sum, if your area of expertise is not featured in your LAA, you will struggle to convince your local authority that your project or service is worth support. They have not prioritised it, and they are not being measured against it.

How are LAA indicators selected?

Who decides what goes into an LAA? Each will consist of 35 indicators, sitting alongside 16 statutory education and early years' targets. These 35 indicators are selected from a much larger basket of measures, covering four areas - Children and Young People, Safer and Stronger Communities, Healthier Communities & Older People, and Economic Development and Enterprise. The selection of which indicators go in is lead by the Local Strategic Partnership (LSP), a body that brings together public, private, business, and

voluntary sectors. The Government Office for the East of England also plays a leading role in negotiating LAAs, providing local partners with a single point of contact with central Government and acting as a facilitator.

Flexibility in selecting indicators helps recognise that investment needed for good quality of life and well-being in Thurrock may not be the same as in Norfolk. It is also recipe for quite a bun-fight, with agency officers, councillors and sector representatives all fighting their corner. The intention is that the voluntary sector plays an important role in developing and delivering LAAs. But with many LSPs having only a single VCS representative, it is vital that the sector acts to make its voice heard.

Although the chance to make a difference is now, the LAAs will not be entirely fixed for three years. A review and refresh process will be carried out yearly from 2009.