

# Appendix 1 - Summary of Round 3 LAA Guidance

## LAA Core Elements

There are a number of core elements to a Local Area Agreement. These are:

### 1. Mandatory Outcomes Framework

Each block of the LAA has both mandatory and optional outcomes<sup>1</sup> with key indicators that are detailed in the outcomes framework. The mandatory outcomes and indicators must be included in the LAA. In addition outcomes and indicators will need to be included where there is a local decision to pool specific funding streams.

The mandatory outcomes framework is divided into four blocks: children and young people, healthier communities and older people, safer stronger communities and economic development.

All mandatory and optional outcomes and indicators are eligible for reward element. It should be noted that the indicators **can and should be applied to specific groups** (especially socially excluded and disadvantaged groups) where evidence suggests that they may be suffering particularly poor outcomes.

Key Issues
Partners need to provide <b>baselines and three year targets</b> for each of the mandatory indicators.
Partners need to consider the evidence which enables the translation of the mandatory outcomes and indicators to the borough's needs.
Partners need to consider which <b>optional outcomes and indicators</b> if any will be included.

### 2. Reward Element

Areas should propose a number of top priorities for improvement locally, where they intend to deliver **'stretched' performance** over three years in return for Pump Priming and Performance Reward Grant. Proposals need to be evidence based, include robust baseline data, represent value for money and be endorsed by the LSP. There are no mandatory items for the reward element.

Areas have the freedom to choose the number of stretched targets they wish to negotiate for their LAA reward element, however it is likely that we will be looking at 12 stretch targets. All bar one indicator in the outcomes framework can be negotiated as stretched targets.

Key Issues
A mandatory template for each of the stretch target has to be completed. This will be

<sup>1</sup> The LAA Guidance for Round 3 can be found at <http://odpm.gov.uk/index.asp?id=1164930>

the most resource intensive and time consuming task for the LAA.

### 3. Enabling Measures

Enabling measures were formally known as ‘freedoms and flexibilities’ and are used to enable the achievement of better outcomes. There are a number of enabling measures that areas will automatically benefit from as a result of having an LAA. These are:

- Ability to pool funds from government within blocks (or across blocks for single pot areas)
- Where areas deliver agreed outcomes more efficiently they can invest any savings in delivering the outcomes of the LAA.
- Reduction in the monitoring and reporting requirements for pooled funding streams, including removal of grant claims forms.
- Freedom to vary or combine some mainstream funding between organisations to meet shared LAA outcomes.
- Streamlined payment mechanisms, including removing the need to submit claims form.

Where there are specific barriers to the delivery of outcomes, additional LAA enabling measures may be requested. Areas should discuss the need for these with the Government Office as part of the development of their LAA outcomes. GOL will advise whether the requested action is already permissible or the objective can be achieved through other means. Where the request is pursued, **a business case must be submitted** detailing the request. The requests will be considered on a case by case basis.

#### Key Issues

The enabling measures required should on the whole arise from discussions around the development of the outcomes framework and the reward element. A template is included in the guidance (page 62).

### 4. A list of funding streams to be pooled or aligned

- A number of funding streams will be automatically pooled centrally.
- In addition local areas can choose any or all funding streams (from a limited list) for pooled in some cases subject to specific conditions.
- Finally partners can choose to align funding streams (listed in the guidance)

#### Key Issues

Partners need to consider points 2 and 3 above and decide if any extra funding streams need to be pooled or aligned to deliver the outcomes in the LAA.

### Statement of Community Involvement

The LAA must include a statement of the involvement of the VCS and local people in the design and delivery of the agreement. This should state how local people and the VCS have been informed, consulted and given the opportunity to participate in the process and the delivery of the outcomes.

<b>Key Issues</b>
Partners to note we are proposing to piggy back on the consultation process for the Community Strategy (which will consult extensively with local people) and use the outcomes to inform the priorities of the LAA.
Partners to note that the VCS are represented on the LAA partnership group which will support the HSP in the development of the LAA.
A two page statement of community involvement will provide a summary of consultation work described above.

## 5. Other Information:

### Timeline / Work plan

Date	Submissions	HSP Meetings
<b>April –June Preparatory Work</b>		
30 June	Initial Submission	20 June
<b>June – September Develop first full draft</b>		
30 September	First Full Draft Submission	
<b>September – December GOL will consult with central departments and continue to work with areas to refine the agreement.</b>		
30 November	A Revised Submission	16 October
<b>GOL will continue to consult Departments and local areas before making a final recommendation to ministers.</b>		
26 January	Final Draft	20 December

<b>Key Issues</b>
As the timescale is extremely tight all thematic partnerships are requested to put the LAA as a standing item on the agenda. The LAA will also be standing item on the HSP agenda. In addition a LAA Partnership Group will support the HSP in developing the LAA.

### Choosing a Theme

The LAA can have one or more cross cutting themes that will guide the general direction of the LAA.

The themes of other Borough's LAAs include:

- Greenwich – The major theme of childcare and support for vulnerable and disadvantaged families.
- Kirklees – Eight or so themes including reducing poverty
- Brent – Settled homes and supporting children who experience the greatest barriers to learning.
- Lewisham – Narrowing the gap and building stronger communities

- Hammersmith and Fulham- Child Poverty including Sure Start, smoking cessation for parents and getting lone parents into jobs.

Some boroughs have used their theme/s to inform the selection of the enabling measures and stretch targets.