

HELA Meeting 1 March 2006

Local Area Agreements

A Paper by LACORS

Issue

1. To discuss HELA's role in encouraging and enabling the incorporation of health and safety in local area agreements (LAAs).

Decision

2. To decide the role that HELA should take in ensuring that health and safety appears in LAAs.

Background

3. The Government intends that LAAs should cover all LAs in England by 2008. They will play a key role in determining future funding of regulatory services
4. There was a specific interactive session for Councillors at the Partnership Conference in December which discussed how to mainstream health and safety in to Local Area Agreements or corporate plans and came up with four points:
 - Health and Safety can fit in any of the four LAA themes (Children and young people; Safer and stronger communities; Healthier communities and older people; Economic development) The key to success on the Isle of White was identifying the most appropriate one - by working with the Police and Fire Services as part of the Safer and Stronger Communities Block.
 - Officers need to do more to ensure that Councillors know what regulatory services do and how much they can contribute to targets set by central government.
 - District Councils need to get involved in LAAs proactively to avoid County Councils taking too much control.
 - Multi-skilling of EHOs can help smaller authorities.
5. The meeting of the LACORS H&S Policy Forum on 2 February also discussed LAAs. The discussion revealed that knowledge of and involvement in existing LAAs is patchy and there is uncertainty as to how to get H&S onto the agenda and how to propose measurable outcomes. There is a need to raise awareness among LAs. County H&S liaison groups

could be used to do this. It was felt that the absence of an HSE representative in regional Government Offices is a disadvantage in getting H&S included in LAAs.

6. LACORS has been working for some time to increase awareness of LAAs. Two products of this work are the Rough Guide to LAAs (appendix 1) and the report 'Local Area Agreements and Regulatory Services - Drivers, Barriers, Benefits and Lessons Learned from Rounds 1 and 2 (appendix 2).



Local Area Agreements – A Rough Guide for Regulatory Services

November 2006

Local Area Agreements - A rough guide for heads of regulatory services.

Local Area Agreements - what are they for?

A Local Area Agreement (**LAA**) is a **three-year** agreement between Central Government (via the regional Government Office (**GO**)) and a **local area**, represented by its **Local Strategic Partnership (LSP)**. The purpose of a LSP is to bring together, at a local level, the different parts of the public sector, as well as the private, business, community and voluntary sectors, to foster a joined up approach to service delivery. The focus of the LSP is the **Sustainable Community Strategy** for the area, and the LAA can perhaps best be understood as the delivery plan for that strategy.

The idea of an LAA is to "deliver genuinely sustainable communities through better outcomes for local people¹", and in the process:

- Improve central/local relations;
- Enhance efficiency;
- Strengthen partnership working; and
- Enhance local authorities' community leadership role.

What are the advantages of an LAA?

From the local government perspective the advantages fall into two main areas: **funding**, and **freedoms and flexibilities**

Funding is important for an LAA, in the following ways:

- **Area specific grants²** can be allocated to LAAs, and will often be linked to specific outcome targets being met during the life of the LAA. Some of this specific grant is pooled, whilst some is ring-fenced to one or other of the four LAA **theme** blocks (see below). A small number of LAAs are "single pot" agreements where all of the funding is put in a central pool and not ring-fenced to one of the four **themes**. The October 2006 Local Government White Paper³ promises that from 2009, all specific funding to LAAs will not be ring-fenced, effectively making all LAAs "single pot" agreements.
- **Stretched targets** negotiated as part of the LAA can lead to substantial additional funding known as the **Reward Element**. This is the new name for **Local Public**

¹Paragraph 6: Local Area Agreements, Guide for round 3 and refresh of rounds 1 and 2, ODPM 31 March 2006

http://www.communities.gov.uk/pub/14/LocalAreaAgreementsGuidanceforRoundThreeandRefreshofRoundsOneandTwo_id1165014.pdf

² These include Neighbourhood Renewal Fund grant, Children's services grant, Local Authority Business Growth Incentive (LABGI) to name a few. A full list can be found in Annex D to the latest guidance (see note 1)

³ *Strong and Prosperous Communities - The Local Government White Paper*. 26 October 2006 <http://www.communities.gov.uk/index.asp?id=1503999>

Service Agreements (LPSAs). The reward element amounts to as much as 2.5% of the net budget requirements of constituent local authorities⁴

Freedoms and Flexibilities are now termed **enabling measures** in the latest government guidance. The idea is that local areas should be able to request changes to government rules and regulations where these create obstacles to achieving the goals of the LAA. The following is the core list of enabling measures that relate to all LAAs:

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

Who is involved in an LAA?

To all intents and purposes, the **local area** currently means the area of a London Borough, a Metropolitan District, a Unitary Authority or of a Shire County. Those involved in negotiating the LAA are:

- The lead local authority (in shire areas the county),
- district councils (again in shire areas),
- other partner agencies involved in the **LSP**, such as police, fire and health authorities and trusts, and voluntary sector groups
- The regional Government Office, representing all of the central government departments involved.

Some big city areas are working on **Multi-Area Agreements (MAAs)** which will operate across local government boundaries, and this is being encouraged in the Local Government White Paper as part of the next phase of development for LAAs.

Is my council party to a LAA?

If it is not, it soon will be. The first round of 21 pilot areas started their LAAs in April 2005. The second round of 66 areas went live in April 2006. The third round of 64 LAAs are currently (November 2006) under negotiation, with a view to going live next year. This will mean an LAA covering every local authority in England from April 2007. It is the stated intention of the Local Government White Paper that LAAs should be universal, and it has been Local Government's intention all along that all local authorities should benefit from the greater freedom from central interference, and flexibility to respond to local issues and local priorities, that flow from the LAA model.

⁴ The future of the reward element is, however, being reviewed as part of the 2007 Comprehensive Spending Review (CSR07).

How is this relevant to regulatory services?

Each LAA contains a long list of **outcomes** and **indicators** grouped into four **themes**:

- Children and young people
- Safer and stronger communities
- Healthier communities and older people
- Economic development

There has been a tendency (or at least a perception of one) for government to focus on the "big" services (education, health and social services) and the larger authorities (Counties, London Boroughs, Metropolitan Boroughs and Unitaries). As a result, at least in the early days, regulatory services have not been to the fore, particularly those provided by shire districts. There are, however, a number of reasons why regulatory services across local government should be actively involved in the LAA process:

- The four themes are crosscutting, and focussed on **outcomes** rather than **outputs**. **Regulatory services** make numerous contributions to the overall objective of creating sustainable communities.
- The Government intends LAAs to be the main route for **area specific funding** in future. It will therefore be increasingly the case that additional funding relevant to regulatory services will be dependent on those services being an integral part of the LAA process.
- LAAs present an excellent opportunity for more **efficient and effective joint working** between services, between shire districts, and between districts and the county in shire LAA areas. The **Multi-Area Agreements** being developed in the big cities offer similar opportunities for cross border co-operation
- LAAs are here to stay. Up to now LAAs have been, in theory, optional. From April 2007, they will be in operation in the areas of all English principal authorities. The Local Government White Paper promises to formalise this with a requirement on all County and Unitary authorities to establish an LAA for their area, to act as a delivery plan for their **Sustainable Community Strategy**. LAAs will therefore be core to local authority business planning. Regulatory services teams will need to be as full involved as other service departments and directorates within their local authority.
- There is not a lot of time to get involved with negotiations for round 3 LAAs, if regulatory services departments are not already engaged. However, the LAA refresh process (see below) means that all existing LAAs have the opportunity not only to review progress so far, but to also to look ahead to the next three year period. The next three year period for the first round LAAs will, of course, begin in April 2008, so now is a good time to argue the case for a prominent role for regulatory services in future LAAs.

What is LAA refresh?

- The existing (Pilot and round 2) LAA areas undertake an annual "refresh" process, which this year needs to take account of some changes to the government guidance.
- The refresh "should examine the outcomes, targets, funding streams and enabling measures to be included for the remaining years of the LAA".

- Areas are also encouraged to look ahead to the next three-year period.
- Changes to the funding and indicators can be requested at this stage.

What is the timetable for the round 3 LAA negotiations?

- Negotiations began in April 2006
- First drafts of the LAAs will have gone to GOs by the end of September 2006.
- Between October and December further detailed work is being done by local areas in consultation with GOs to refine the draft
- In January 2007, the GOs will consult Government Departments and local areas before making final recommendations to ministers by 10 February 2007.

Further information

The Department for Communities and Local Government (DCLG) has a dedicated area of its website on **Partnerships and Local Area Agreements**

<http://www.communities.gov.uk/index.asp?id=1161632>

The **Local Area Agreements** section has links to the IDeA Knowledge website, which contains a wealth of information and resources, including:

- The Local Agreements Network <http://www.idea-knowledge.gov.uk/idk/core/page.do?pagelid=1174195> , which provides details of all of the LAA areas
- Archived material on **LPSAs**
- Details of research carried out on **LPSAs, LAAs and LSPs**

The key guidance document on actually negotiating LAAs is the "Local Area Agreements, Guide for round 3 and refresh of rounds 1 and 2" ODPM 31 March 2006"

http://www.communities.gov.uk/pub/14/LocalAreaAgreementsGuidanceforRoundThreeandRefreshofRoundsOneandTwo_id1165014.pdf

The Government's vision for the future of LAAs is set out in some detail in Chapter 5 of *Strong and Prosperous Communities - The Local Government White Paper*. (26 October 2006)

<http://www.communities.gov.uk/index.asp?id=1503999>

The LGA's briefing on the white paper is at <http://whitepaper.lga.gov.uk/>



Local Area Agreements and Regulatory Services

Drivers, Barriers, Benefits and
Lessons Learned from Rounds 1 and 2

February 2007

1. Introduction

As a follow up to the "Rough Guide to Local Area Agreements for Local Authority Regulatory Services" (which can be found at <http://www.lacors.gov.uk/lacors/ContentDetails.aspx?authCode=316C0A0&id=14951>) LACORS commissioned a short research project into the impact local on authority regulatory services of Local Area Agreements (LAAs) and the involvement of those services in the negotiation and implementation of their LAA. We would like to thank all those authorities who assisted us with this work. LACORS will be doing further work later in the year to ensure that regulatory services have all the advice and guidance they need for negotiating the new round of LAAs in 2008/9.

We hope this guidance will assist local authorities on the following issues:-

- How have council Environmental Health and Trading Standards services contributed to the development of local agreements?
- What were the drivers/barriers to local involvement?
- What areas of activity relevant to Environmental Health and Trading Standards were identified for inclusion in LAAs, and why?
- What outcomes, targets and success criteria were included?
- What are the perceived and real benefits to both the services and the wider community?
- Who are the partners involved?
- How are LAA targets monitored and what are the emerging successes?
- What lessons have been learned?
- Are there any tools etc that would make the task easier in future?

Our research consisted of three elements:

- A review of existing research; specifically two reports prepared for the ODPM/DCLG⁵ by the Office of Public Management (OPM) and a consortium of universities. The first of these was on the negotiation of the original 21 pilot LAAs⁶ and the second⁷ followed up on early progress on the pilots and on the round 2 LAA negotiations.
- A survey of the LAA documentation relating to twelve LAA areas, selected to give a balance between different classes of authority.
- A series of telephone interviews with 21 heads of service across those twelve areas.

It should be noted that the term "regulatory services" and "trading standards/environmental health" are used in this report interchangeably, partly for stylistic reasons, but also because the traditional dividing line between trading standards and environmental health as distinct disciplines is becoming increasingly fluid especially in relation to the LAA process. This fluidity of definition means that questions like "how have trading standards/environmental health

⁵ Office of the Deputy Prime Minister and Department for Communities and Local Government. (The responsibility for local government was passed from the former to the latter on 5 May 2006)

⁶ *A process evaluation of the negotiation of pilot Local Area Agreements* June 2005 Office of Public Management: London, University of the West of England: Bristol, University of Warwick: Warwick for the Local and Regional Government Research Unit, Office of the Deputy Prime Minister: London

⁷ *Local Area Agreements Research: Round 2 Negotiations and Early Progress in Round 1* OPM October 2006

contributed to the LAA" have a variety of answers, depending on how wide or narrow a definition of those services is used locally.

2. Background: Local Area Agreements - what are they for?

An LAA is a three-year agreement between Central Government and a local area, represented by its Local Strategic Partnership (LSP) led by the Metropolitan District, London Borough or Unitary authority (in single tier areas) and the County Council in two tier areas. The purpose of a LSP is to bring together, at a local level, the different parts of the public sector, as well as the private, business, community and voluntary sectors, to foster a joined up approach to service delivery. The focus of the LSP is the Sustainable Community Strategy for the area. The Government announced in the 2006 Local Government White paper that all parts of England would, from 2007, be covered by an LAA, which in turn will act as the delivery plan for the Sustainable Community Strategy.

The idea of an LAA is to "deliver genuinely sustainable communities through better outcomes for local people", and in the process: Improve central/local relations; enhance efficiency; strengthen partnership working; and enhance local authorities' community leadership role.

The first round of 21 pilot areas started their LAAs in April 2005. The second round of 66 areas went live in April 2006. The third round of 64 LAAs will be signed off in early 2007, with a view to going live from April 2007. It is the stated intention of the Local Government White Paper that LAAs should be universal, and it has been Local Government's intention all along that all local authorities should benefit from the greater freedom from central interference, and flexibility to respond to local issues and local priorities, that flow from the LAA model.⁸

3. Literature Review

The ODPM/DCLG reports are extensive and concentrate on strategic level issues. There are some general observations brought out by this earlier research that are worth noting.

The first is highlighted in the second report, published in October 2006 which states "*.. our research indicates that over the past year fundamental differences of understanding about the focus and intended scope of LAAs have caused confusion and some wasted effort. Importantly, whilst for some people LAAs are about 'everything' –comprehensive agreements which set out all of the key priorities for an area and herald a fundamentally 'new way of doing business' – for others they are about a few select things partners can do differently, particularly around cross-cutting issues.*"⁹

This dichotomy is paralleled in the responses from regulatory services professionals interviewed as part of this research. Some Trading Standards/Environmental Health teams have struggled to see how the LAA relates to them, seeing it as something peripheral to their "core business". At the other extreme the LAA has been embraced in a holistic way, the emphasis being on looking for ways in which regulatory services can help deliver on the shared priorities contained in the Agreement.

⁸ These provisions of the white paper have been included in the Local Government and Public Involvement in Health Bill, which is going through Parliament as this report is being written (January 2007)

⁹ Paragraphs 1.5-1.6

Secondly, OPM concluded that financial issues were too prominent in the early stages of the LAA project, and expectations of early wins in terms of cost savings were therefore over-ambitious. By contrast, financial issues were not uppermost in the minds of interviewees for this research, when asked about the benefits of the LAA process to regulatory services. Where the LAA process has been seen to be most beneficial to regulatory services, this has tended to be in the area of a higher profile for the service and better focussing of existing resources, rather than cost savings per se.

And finally the introduction of the fourth theme block (Economic Development and Enterprise) has been broadly welcomed. However it was introduced relatively late in the round 2 LAA process, and OPM concluded (based on research from early 2006) that the "potential of this block had yet to be realised". There appears to have been an assumption that the "fourth block" would be a more natural home for regulatory services within the LAA set-up. However, few of the interviewees for this research cited the fourth block as a significant part of their interface with the LAA.

4. How have council Environmental Health and Trading Standards services contributed to the development of local area agreements?

The LAAs themselves, although very detailed, are strategic documents and as a result it is not easy to judge, from the documentation, whether TS and EH professionals have been involved directly "behind the scenes", or not at all. The interviews carried out as part of this research reveal a range of levels of involvement, and a range of routes for that involvement, such as:

- Direct involvement of TS/EH staff at an early stage with the council's own negotiating team
- Involvement in the LAA that followed on from an earlier Local Public Service Agreement.
- Involvement as part of LSP partnership groups, either at member or officer level.
- Being asked to input to the development of detailed targets and indicators, after the overall priorities had been set.
- In some cases, TS/EH services did not feel involved in the LAA process at all.

Sometimes, early involvement was a consequence of a pre-existent inclusive culture within the authority. In some instances, the engagement of the service in the LAA process was as much down to the previous experience of the head of service. In one unitary authority, for instance, the head of service had, just before the negotiations got under way, recently transferred from the Council's central policy unit and, armed with "inside knowledge" made sure her team played an active part in the LAA negotiations. Another head of service was already on the partnership board, which ensured the regulatory services were plugged into the process from the outset.

This highlights two things: firstly that there is no automatic way for a front line service like Environmental Health or Trading Standards to get involved in a centrally driven strategic policy initiative like LAAs; secondly (and this is a recurring theme) the extent to which those services benefit from the LAA regime depends a lot on the personalities involved. The mechanism for involvement is less crucial. It seemed a reasonable assumption at the start of this research that the level of involvement in or awareness of the LAA process would be greater in upper tier authorities and less pronounced in shire districts. We have found that is not necessarily the case. Environmental Health teams in shire districts tend to have less to do with LAA than

Trading Standards at County level, but there was a view in several unitary and metropolitan authorities that the LAA had largely passed the regulatory services department by.

Two districts in the same county, referring to the same LAA, had very different views on their involvement in the process. One was satisfied they had been involved early on in the process, had quite high regard for the LAA and had service plans linked to it. The other regarded the LAA as "bottom drawer" document with little relevance to core business. This does indicate that the district/county divide does not automatically lead to Environmental Health being sidelined in the LAA process. Neither is unitary status a guarantee of a high profile for regulatory services.

Involvement in the **negotiation** phase is, however, not necessarily crucial to effective regulatory services involvement in LAAs. Whilst many interviewees regretted having not been involved earlier, some felt quite comfortable with being presented with a final draft of the Agreement with little or no chance to influence what went into it as they perceived the LAA to be a strategic document that set priorities for the LSP as a whole, leaving the detail to be worked out as those priorities cascade down to service level. For a number of the interviewees, the LAA was a useful business planning tool for their own services, in spite of any shortcomings in the process that produced it.

Looking at the final LAAs¹⁰ it is easy to miss the point that, they are only the start of a process. All LAAs go through an annual "refresh", when outcomes and targets are reviewed and adjusted in the light of experience. This is where regulatory services departments have often come into their own because their knowledge of what data is available, its robustness, and the ease with which it can be improved upon is often key to establishing verifiable and meaningful targets. Partner organisations (such as the police and PCTs) frequently contact regulatory services for help in developing targets and interventions that will help achieve those outcomes for which they are responsible. The following case studies are examples of how regulatory services have helped to improve on the original LAA outcome targets.

Case Study1 - "Barchester City Council"

One trading standards department (which will remain anonymous for obvious reasons) has undertaken to carry out undercover "test" purchases of mobile phone un-locking services, in order to identify retailers who offer such services "no questions asked" is the idea that if phone-unblocking services are discouraged in the city, the attractiveness of mobile phone theft will diminish, thus helping the police to meet their outcome targets relating to street crime. Without the LAA, the input Trading Standards could have into reducing street crime would not have been at all obvious.

Case Study 2 - Cambridgeshire LAA Cambridgeshire County Council

In Cambridgeshire, Regulatory Services are contributing to the outcome in the Healthier Communities and Older People block "Less crime and fear of crime", by helping to

- Identify and establish 'No Cold Calling Zones'
- Implement and promote the Registered Trader Scheme

¹⁰ These are all stored on-line on IDeA Knowledge at <http://www.idea-knowledge.gov.uk/idk/core/page.do?pageld=1174198>

- Establish 'rogue trader early warning networks

The target relating to these activities at the moment relates to reducing the number of recorded dwelling burglaries of people aged 60+. Next year regulatory services have instigated a new target that will relate to the number of traders in the Registered Trader Scheme. This neatly turns a negative target into a positive one: However much the number of burglaries is reduced, the number remaining will still be too many. On the other hand, an increase in the number of registered traders is much more likely to be received positively. The plan is that this will help reduce the fear of being vulnerable to bogus or rogue traders, as older people are increasingly able to rely on the Registered Trader Scheme as a guarantee that they are dealing with bona fide and trustworthy companies.

It also has the effect of raising the profile of regulatory services whilst helping deliver an outcome that, outside the LAA context would have been seen as "the job of the police".

The Cambridgeshire District Councils

The "smoke free Cambridgeshire" initiative involves the District Councils, in partnership with the PCT and the county council on a stretch target for licensed premises and the number of workers in a smoke free environment. At the same time, the County Council is targeting underage sales of tobacco, and carrying out a survey on the use of tobacco by young people. Thus three normally separate aspects of regulatory services: licensing, health and safety, and trading standards are working in tandem across the partnership towards a common goal of creating a smoke free environment in Cambridgeshire.

5. Drivers and barriers to local involvement

Drivers

There were a number of reasons given for successful involvement in the LAA process.

- Having the right people in the right place at the right time – e.g. having the head of service on the partnership board. (Sometimes this was felt to be just luck!)
- LPSA - pump priming money.
- High profile of the service with members and senior officers
- Good relationships at the corporate level, both within the authority and between partners.
- High-level encouragement from Chief Executive and management team - no department is allowed to opt out.
- An appreciation by partners of the contribution that regulatory services can make to achieving shared objectives.
- Getting the LAA integrated into service plans helps to keep those services engaged.
- Where, there are big local issues, there is more incentive to get regulatory services involved.

Barriers

For others, the experience had not been as positive. Barriers to effective engagement were found to still exist. These included:

- Political tensions within the partnership, which tended to restrict collaborative working.

- The power/influence of key partners (e.g. PCT and Police), tended to cause regulatory services to be overlooked.
- Negotiating freedoms and flexibilities could be frustrating. The Government Office might field officers who were unable/unwilling to make decisions.
- The LAA tended to be driven initially at least by national concerns which made it difficult to get a hearing for locally based targets.
- The LAA in county areas is sometimes felt by the districts to be too county driven, with some districts feeling they are unequal partners.
- The shortness of the timescale for the LAA (two/three year targets) tends to sideline activities, like Regulatory Services, which can only change things gradually.
- The shortness of the timescale for negotiating the LAA meant that Regulatory Services teams were often asked for detailed information at short notice.
- The "Cinderella" Service syndrome. The less glamorous services (particularly Environmental Health in shire districts) tend to be sidelined.
- Some Government departments do not appear to understand LAAs. (One example given was the DfT refusing to allow transport money to be spent on air quality work, in spite of the obvious links between road traffic and air quality.)

6. Outcomes and Targets and their relevance to regulatory services

Each LAA contains a list of outcomes and indicators grouped into four themes: Children and young people; Safer and stronger communities; Healthier communities and older people; and Economic development and enterprise.

The intention is that LAAs should promote inter-agency co-operation and planning. The idea of the themes is that they cut across traditional departmental and organisational silos. Unfortunately, because government departments and agencies want to keep tabs on the money that flows through LAAs, funding streams have been targeted to specific theme blocks. There is thus a tendency to think about the themes as distinct service blocks, which are "owned" by one or more of the big players, such as the Children's Services Authority¹¹ (in the case of the Children and Young People theme) and the Primary Care Trust (PCT) (in relation to the "Healthier communities and older people" theme). This is likely to change in the next round.

There has been some concern that regulatory services had no obvious "home" within any one of the theme groups. This parallels similar concerns a few years back at the absence of regulatory services from the CPA judgements. The introduction of the economic development and enterprise theme for the round 2 LAA negotiations has been welcomed, particularly in the context of district level services, but as yet, the block itself seems to need some further development.

There are examples of some challenging targets being set. Targets for the number of new business start-ups and a net increase in the number of VAT registered businesses are a feature of, for instance, the Cambridgeshire and Birmingham LAAs. In Birmingham, the target relates to the number of new start-ups in Neighbourhood renewal areas demonstrating growth after 12 months. In both areas, there is a downward trend in the number of VAT registered businesses, which highlights the importance of creating sustainable growth. Cambridgeshire has now agreed a more challenging target of achieving a positive effect on business in the

¹¹ i.e. what we used to call the education authority

county of £1/2m. How this will be measured, and how the contribution of the various partners to that target can be demonstrated is something they are working on.

The challenge for regulatory services in the Economic block is to show how regulation can drive economic growth, when it is frequently seen by business as a barrier. Providing support to new businesses, improving the co-ordination of inspections and reducing the regulatory burden seem to be key areas where regulatory services role fit into this block.

In the course of this research it has become evident that focussing on the question "which block do my services fit into" is not the most constructive approach. One of the questions consultees were asked was "which LAA outcomes or targets are specifically relevant to Environmental Health/Trading Standards?" Those interviewees who were the most enthusiastic about the LAA process have generally responded by saying that there is nothing specific in the LAA relating to their service, but that the service has a contribution to make to a range targets across all of the four themes. This is demonstrated by the following table, which sets out the variety of targets highlighted by the interviewees. It is not an exhaustive list, but does cover the main areas that seemed relevant to those surveyed.

Examples of Regulatory services input into LAA outcomes and targets

<p>Children and Young People Under-age sales of:</p> <ul style="list-style-type: none"> ▪ alcohol, ▪ tobacco ▪ knives <p>Safety of Children and young people</p>	<p>Healthier Communities and Older People Smoking cessation Smoke-free workplaces Reduction in the number falls in the home (particularly amongst the elderly) Improvements in the cleanliness of the area Air quality Healthy eating and nutrition Fly tipping/litter</p>
<p>Safer and Stronger Communities Reduction in domestic fires (e.g. carrying out free electric blanket testing) Consumer credit Nuisance/bogus traders Approved trader schemes. Abandoned vehicles Street crime (e.g. identifying potential outlets for stolen goods) Anti-social behaviour</p>	<p>Economic Development and Enterprise Targets relating to the number of joint inspections (thus reducing the number of times businesses are inspected, and reducing the regulatory burden on local businesses) Reduction in worklessness. New business start-ups VAT registrations/ de-registrations</p>

Some of the examples above were recurring themes during the course of the interviews (e.g. those relating to smoking cessation and under-age sales). This is to be expected, given the national profile those issues have at the present. The new workplace smoking ban comes into force in July 2007, and would no doubt be a high priority in any event. It has to be said that, outside such high profile topics, the links between the LAA targets and regulatory service issues are far from obvious in most LAA documentation, and some, particularly district council Environmental Health departments seem to have struggled to see how the LAA relates to them.

The key seems to be to ask not, "what has the LAA got to do with our work?" but "how can our work help in delivering the shared priorities within the LAA?" When this point has been

appreciated, it seems that, at either district or upper tier level, an effective contribution can be made and the benefits of the LAA process can be realised.

8. The benefits of LAAs - perceived and real

The Theory

What then are the benefits of LAAs to regulatory services? Official guidance puts them under two headings: funding, and freedoms and flexibilities

Funding is important for an LAA, in the following ways:

- Area specific grants¹² can be allocated to LAAs, and will often be linked to specific outcome targets being met during the life of the LAA. Some of this specific grant is pooled, whilst some is ring-fenced to one or other of the four LAA theme blocks. A small number of LAAs are "single pot" agreements where all of the funding is put in a central pool and not ring-fenced to one of the four themes. The October 2006 Local Government White Paper¹³ promises that from 2009, all specific funding to LAAs will be non-ringfenced, effectively making all LAAs "single pot" agreements.
- Stretched targets negotiated as part of the LAA can lead to substantial additional funding known as the Reward Element. This is the new name for Local Public Service Agreements (LPSAs). The reward element amounts to as much as 2.5% of the net budget of constituent local authorities. However the reward element is being reviewed as part of the Comprehensive Spending Review.

Freedoms and Flexibilities (now termed "enabling measures"). The idea is that local areas should be able to request changes to government rules and regulations where these create obstacles to achieving the goals of the LAA. The following is the core list of enabling measures that relate to all LAAs:

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

As has been well documented, freedoms and flexibilities have been slow in coming, and additional funding for regulatory services is never going to be high on anyone's priority list. That did not stop the consultees for this research from identifying an extensive list of benefits from the LAA process

¹² These include Neighbourhood Renewal Fund grant, Children's services grant, Local Authority Business Growth Incentive (LABGI) to name a few. A full list can be found in Annex D to the latest guidance

¹³ *Strong and Prosperous Communities - The Local Government White Paper*. 26 October 2006
<http://www.communities.gov.uk/index.asp?id=1503999>

The Practice

The interviewees were asked for their view of the benefits of the LAA process under 4 separate headings. The following were the key benefits of the LAA put forward by interviewees under each:

Regulatory Services

- Raising the profile of the service by demonstrating delivery on a number of agendas.
- A catalyst for sharing good practice.
- An opportunity to work together with partners on shared objectives/ vision.
- A better link between what the service does and what matters to ordinary people.
- A clear strategy for priorities (making it a useful prioritisation tool for tight budgets.)
- Pump prime funding
- 3 year stable funding and 3 Year planning time frame is beneficial
- More creativity - "It made us think outside the box"
- The team feels more a part of the partnership
- Benefits in terms of staff development opportunities

The local authority as a whole

- A clear strategy for priorities - Targeting to areas of need
- Better service delivery,
- Fewer "silos"
- Pooling of resources
- Attracting funding
- Better engagement with partners both within and outside the Council (e.g. PCTs).
- Greater efficiency
- (From a District Council) "gives us an opportunity to show off our LSP on a wider stage"
- Improved co-ordination/ awareness - for officers and elected members.
- A clear blueprint makes cross service working much easier.
- Better evidence of joined up working (for next CPA)

Partners

- Sharing experiences.
- Better communication.
- Desire to get rid of territorialism.
- In two tier areas, where the county as lead authority provides a strategic lead, it can be a positive tool for engaging with partners
- Working with police in a more co-ordinated way
- It brought in new people committed to the same cause.
- Income strands coming through partners lead to greater flexibility.
- Sharing expertise and experience, even if not pooling much in the way of funding.
- "We found out a lot more about each other."
- "We found out things we would not have known otherwise"
- Partners have noticed that regulatory services can be "part of the solution".

The community

- The public should see evidence of resources being used in the right areas

- Should see more resources devoted to community issues
- Better outcomes - more joined-up government (especially in two 2 tier areas)
- Focussing of funding into areas where a countywide target is falling short.
- A Safer environment
- Targeting resources into areas of identified need.
- Additional resources
- Greater accountability "doing it with them, rather than to them".

Not all consultees saw benefits for their team from the process, but of those who did, the majority specifically mentioned, "raising the profile of the service" as a key benefit. This is in contrast to some of the fears expressed in the early days of LAAs that regulatory services would be sidelined. LAAs, of course are now compulsory, so not being part of the process is not a long-term option.

9. Partners

Legislation currently going through Parliament will specify what partner organisations should be party to the now compulsory LAAs. In broad terms, they fall into three categories:

- The lead local authority (in shire areas the county), otherwise the Borough or unitary authority.
- district councils (again in shire areas),
- other partner agencies involved in the Local Strategic Partnership, such as police, fire and health authorities and trusts, and voluntary sector groups
- regional Government Offices, representing all of the central government departments involved.

The first OPM report into the pilot LAAs stated that: *"It is not possible either from the agreements themselves or from our fieldwork to determine exactly which agencies were involved in which pilots."*

That has improved somewhat with the round 2 LAAs, but most second round LAAs list organisations party to the agreement. Essex, for example includes within its LAA documentation a list of 121 organisations or groups that are part of the Essex Partnership, and a further ten, which are not part of the partnership but are involved in the oversight of the four LAA blocks. Of the total 131 organisations listed, 57 are directly involved in the partnership groups overseeing the theme blocks. This scale of involvement is part and parcel of the LAA concept, and is not unusual.

Environmental Health and Trading Standards departments, clearly cannot simultaneously engage with fifty plus partner organisations in any meaningful way. It is probably best, therefore to focus on the question "which of the partners will my team need to engage with to get the most out of our LAA?" The answers from the consultees point to the following key players:

- The Primary Care Trust (PCT) - which tend to dominate the Healthier Communities and Older People block
- The Police - which tend to dominate the Safer and Stronger Communities block.
- The Fire Service - also in relation to safer and stronger communities.
- The Children's Services Authority - for the Children and Young People block.

Other partners mentioned, where a useful dialogue has developed include Connexions, and the probation service, and more will no doubt come to light on a local level. The key to effective engagement for regulatory services seems to be to get into the situation where the main partners, with ambitious targets to meet, will talk to environmental health, trading standards, or licensing teams can to find out how they can help meet those targets. Pursuing a narrow service based agenda does not seem to be the way forward

10. Performance Monitoring

Interviewees were asked specifically how well the monitoring of LAA targets dovetailed with existing performance monitoring processes. The answers to this were mixed.

- In some cases the actual targets were being monitored elsewhere in the partnership, and the regulatory services department did not get involved.

- In some cases, the LAA led to the creation of a whole new layer of performance monitoring.
- In a few instances the LAA monitoring had been well integrated into existing systems
- In some cases (see case study 3 for a good example) the LAA process revealed a need for information which the authority had not collected before.

Case Study 3

East Riding of Yorkshire Council

The LAA has taken an area-based approach, concentrating resources in the first instance on particular deprived wards. In the process, it was realised that they did not have data available on the number of empty properties on a ward-by-ward basis, only district wide. Obtaining this information allowed them to identify particular wards with a higher than average proportion of such properties. Empty dwellings tend to lead to a greater demand for environmental health services, so this information enabled resources to be targeted more effectively.

The last example demonstrates that by engaging in the LAA process, regulatory services can potentially learn how to do their job better. Whether the bureaucracy involved is always worth it is, nevertheless, a moot point for many. Most consultees were less than satisfied with the performance monitoring side, if only to note that often the outcomes and targets, whilst being worthy objectives were a bit lacking when it came to the question of "how do we measure this?"

11. *Emerging Successes*

There are a few emerging successes from the sample of LAA areas studied. The heads of service involved would be the first to say that it is still early days, and much work still needs to be done on the detailed targets and performance indicators. The impact on the ground will take some time to be felt (the round 2 LAAs only went live in April 2006). The following examples however indicate some of the authorities where things are at least headed in the right direction.

Case Study 4

Birmingham City Council

Birmingham has divided the city into 10 districts to which powers and responsibilities are being devolved. This has enabled the City Council to go further than most in focussing on local priorities in its LAA. Regulatory Services initiatives include:

- Electric blanket testing, safety testing on goods from second hand shops to help towards the fire service's fire reduction target.
- Combining activities like the above in community action days, including blood pressure testing etc.
- "Community Street Champions" – This initiative aims at engaging with and supporting volunteers to take responsibility for 'clean and safe' issues within their immediate locality. The proposal is to recruit a body of identifiable 'street champions' to promote the principle of pride in the local area, as well as to bring specific needs to the attention of the local authority, police, and so on. The idea is to address the underlying causes of litter and rubbish dumping engendering civic pride and ownership of local streets. The initiative is also designed to help protect investment in increased street cleansing

and other 'clean ups' by making improvement to the urban environment sustainable in the longer term.

Case Study 5

East Riding of Yorkshire

East Riding of Yorkshire (ERY) is focussing its LAA on a particular deprived area, and developing a Neighbourhood plan for Bridlington. Bridlington has many of the problems of some south coast resorts - lots of houses in multiple occupation, local problems of consumer debt, fly tipping, crime etc. Neighbourhood wardens are being introduced. In addition to providing a visible presence, which reduces the perception of crime, wardens are able to provide people with details of local authority services.

The plan is to move this on to Goole next. Performance monitoring takes place through a web-based system called Performance Plus. This enables all ERY managers to access the system. It is in the process of being rolled out to partner organisations.

ERY was the only authority to achieve a score of four in each of the five "uses of resources" themes in the latest Audit Commission review.

Case Study 6

Kirklees MBC

Key targets with which regulatory services are involved are:

- Worklessness
- Cleanliness state of the area
- Accident reduction home, work and roads
- Healthy eating and nutrition

Performance monitoring for LAA targets and the council's own business plan are seamlessly integrated. The Regulatory Services team were involved in the LAA process from the outset and "pretty much got the targets in it that we wanted."

An annual perception survey is being carried out to measure whether the improvements in the street scene are being noticed by the public.

12. Lessons Learned

The importance of this section of the report is that the lessons are, overall, being learned. The LAA process continues to be, a learning process. The following lessons are the personal views of the interviewees and as such are not necessarily consistent with each other.

- It is important to engage the service delivery teams, particularly in two tier areas, where EH departments in shire districts are even more remote from the strategic centre.
- Partnership working - needs to be more about doing than talking. The LAA document should be incidental.
- The LAA needs to be mainstreamed and effectively connected to service performance plans.
- Keep it simple and achievable to start with. Don't set yourself up to fail
- "Manage the city, not the council". (This was a mantra from a large urban authority, but the principle is perhaps even more relevant to two tier areas.)
- The outcomes base is good in theory, but expectations tend to be unrealistic (the 2-3 year target periods are too short for some outcomes). A number of authorities are

already developing ten year strategic plans, and LAAs may well develop into rolling three year plans

- Targets in LAAs are not set in stone, and many need heavy revision to be workable. Have clear consistent targets - get the data right.
- Countywide targets may not be appropriate for all parts of the county.
- Don't waste too much time on "freedoms and flexibilities".
- Consultation -it is important not to rush it.
- The first generation of LAAs has been dominated by national priorities. They need to become more locally focussed
- LAA requires a lot of managerial time. It needs senior management endorsement and involvement.
- It is important to get the right people to commit around the table to working on the LAA. This goes for Government Office representatives in particular
- Some blocks tend to get swamped by one organisation, but everyone has a potential role

13. Tools - making the job easier next time round.

The third round of LAAs will be signed off from February 2007 onwards. From April 2007 every English principal authority will be covered by an LAA, which will act as a delivery plan for the Sustainable Community Strategy. LAAs will be core to local authority business planning. Regulatory services teams will need to be involved.

Interviewees were asked to suggest tools that would make this ongoing task easier. The most consistent request was for some sort of best practice information - a way to tap into what other regulatory services teams have done, what worked, and what did not. There was a concern among most of the interviewees that they had probably "reinvented the wheel" a number of times in the process. This was to an extent unavoidable because of the tight timescales involved, but the timescales next time around should allow for more effective sharing of learning.

The LAAs themselves, as published, can only be a starting point, and quickly become out of date. Ideally, any best practice guide would be a dynamic resource, which would enable practitioners to share what is going on the ground, to find out how other colleagues have tackled the same problem. The variety of approaches and the complexity of the relationships within each LAA area mean a single, comprehensive "how to do it" document would not be a practical proposition.

14. Conclusions

President John F Kennedy once famously said, "ask not what your country can do for you; ask what you can do for your country". Substitute "LAA" for "country" and you have a statement which will not go down in history, but which quite neatly sums up the secret of regulatory services getting the most out of the LAA process. The following key conclusions can be drawn from this research.

- The perception of the LAA as something to which regulatory services can make a significant contribution is an essential element in effective engagement with the process. If you regard the LAA as peripheral to your service, it will be.

- The barriers to effective engagement, whilst many and varied, apply across the board, and not just in two-tier areas. It is possible for a regulatory services team to be either fully engaged in or "semi-detached" from the LAA process whether in a shire district, a big city authority, or a county.
- The fact that a regulatory service does not have a theme of its own is not a barrier to their getting involved, and indeed can be seen as an advantage.
- Those services that have not been involved in their LAA so far still can be, as the value of regulatory services involvement is chiefly found in their ability to see problems from a different perspective, and to turn worthy but often vague targets into robust, measurable and meaningful performance indicators.
- Relationships with key partners (especially police, fire and primary care trusts) need to be worked on so that those that "own" particular LAA targets are fully aware of the contribution regulatory services can make.
- The main practical advantage in engaging with the LAA process is to raise the profile of regulatory services, rather than to generate additional income or provide freedoms and flexibilities.
- Some way should to be found to enable regulatory services professionals to share experiences and learn from each other as the process continues of refining and developing LAA outcomes and targets. Whether this is through facilitating on-line forums or the provision of a central database (or both) is something that needs thinking through, but it is important that this is a dynamic resource (what we are doing now) rather than a historical record (what we did last year), because of the evolutionary nature of LAAs.