



Local Area Agreement Jargon Buster!

An explanation of terms commonly used in
LAA Discussion

Introduction

Local Area Agreement (LAA) represents a 'live' policy issue for CBMEA members, it affects them directly, both in policy and funding terms. CBMEA has therefore made every effort to ensure that our members are kept fully up to speed with LAA and its potential implications for them.

The 'LAA jargon buster' builds upon various publications that have already been made available to members recently. It has been developed with readers in mind and with the specific purpose of helping members to better understand and engage in the ongoing discussion surrounding LAA.

In simple terms, the 'jargon buster' seeks to explain various terms that are commonly used in reference to LAA. Many of these terms are relatively new to voluntary and community organisations – yet they are fundamental to understanding how LAA will work in practice and in particular how it will be developed in Camden.

It should be noted that the references in the 'jargon buster' do not cover every possible reference that could be made as part of the LAA discussion. Rather the intention is to capture the less common ones or those that members might have previously heard, but might not fully understand.

As the LAA discussion develops, within Camden, the 'jargon buster' will be developed to reflect any changes or developments in use of terms and language. Members will therefore find that this publication will become a 'living' document.

Yours sincerely

Monica Olusola
Director

A

Accountable body	This term is used to describe the Council, which will be the accountable body to whom LAA pooled funding will be paid. As accountable body, the Council is legally responsible for the money paid directly to it. However, decisions as to how funds are spent, are taken collectively by all partners.
Aligning	This is a process whereby funds, that cannot be pooled into the local area agreement, (see explanation of pooling under 'P') can be better targeted to help achieve agreed LAA outcomes. For example, an education partner, may not agree to allow their funding to be pooled into the LAA, but might be persuaded to manage their budgets in such a way as to help ensure that an LAA target on educational attainment would be achieved.
Area based funding/ initiatives	Area based funds are those specifically targeted to areas of need. Examples of this include: Sure Start, New Deal for Communities and Neighbourhood Renewal Funding.

C

Community Strategy	A Community Strategy is a borough-wide strategy developed by members of the Local Strategic Partnership. It is required by law (Local Government Act of 2000) and it should set out the high level priorities for the area. Camden was one of the first boroughs to develop a Community Strategy in 2001. This Strategy is currently being redrafted.
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F

Freedoms and flexibilities	These are arrangements whereby, as part of a negotiation, Government agrees to relax regulation or requirements upon local Councils as a reward for good performance or to help Councils achieve a local target.
Funding pot	This term is commonly used interchangeably with the term 'funding stream' and is used to describe sums of money or the total sum that could be included in the LAA.

G

Government Office for London (GOL)	GOL will act as go-between in the negotiation between local areas (see reference to local areas below) and Government. GOL currently manages programmes on behalf of Government including the ChangeUp infrastructure programme.
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L

Local Area	LAA is a performance management framework through
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Agreement (LAA)	which local partners are able to pool funds together, in a way that will enable them to improve local outcomes and increase efficiency.
Local Enterprise Growth Initiative (LEGI)	This is a major new funding stream from the Treasury, its purpose is to help promote enterprise in local areas. Areas have to apply for LEGI and not all will be successful. For those areas that are successful in their application, they must include mandatory performance indicators and outcomes in their LAA.
Local partners	The description of local partners commonly refers to members of the local strategic partnership, who are responsible for overseeing the development of the LAA and signing it off.
Local area or 'area'	This term is used to describe a borough - for example Camden.
Local public service agreement (LPSA)	These are contracts or agreements between Council and Government. As part of this, Government agrees to pay performance reward grant to a Council if it meets a set of stretching performance targets.

M

Mainstream funding	Mainstream funds are those used by various statutory and public sector agencies (Council, Police, PCT) to provide every day public services. The distinction between mainstream funding and grant funding is that grant funds are targeted, specific and time limited funding allocations from Government. It is however, worth mentioning that an area can align its mainstream budgets to help deliver LAA outcomes.
Mandatory requirement	A mandatory requirement is one that is non-negotiable. Within the LAA, there are two kinds of mandatory requirements. The first one requires all areas to comply, without exception. Examples of this can be found in the 'safer & stronger communities' priority theme, where areas are mandated to include four national outcomes in their agreement as well as a set of performance indicators. For other mandatory requirements, areas are only required to comply under certain conditions. For example, if an area receives local enterprise growth funding, it is then mandated to include the specific outcomes and indicators related to this funding stream, into its LAA. However, if it does not have to comply with the mandatory requirement if it does not receive the funding.

N

Negotiation	A process of discussion, compromise and confidence building, between Government and local areas leading to
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agreement on specific issues.

Non-eligible funding This describes various funding streams that cannot be pooled into an LAA. These funding streams include: direct schools funding, young peoples substance misuse partnership grant, millennium volunteers, community champions fund, school meals funding and specific capital funding (not allocated through the single capital pot) ie: building schools for the future. Others include: asylum seeker support grant, YJB funding to youth offending teams, local network fund, playing for success, LEA music services, police funding and DWP benefits.

O

Outcome This describes the main objective of an activity or a project. For example, 'to reduce homelessness amongst BMEs', 'to reduce crime in the most deprived wards', 'to increase educational achievement amongst BME pupils'.

Outcomes framework Describes the main framework supporting each priority theme. For example, the outcomes framework for the 'children & young peoples' priority theme are the five *Every Child Matters Outcomes* (be healthy, stay safe, enjoy & achieve, make a positive contribution & achieve economic well being).

P

Passporting A financial arrangement where Government funds are passed directly to agencies rather than through a fund-holding body such as the Council. For example, Community Empowerment Fund was passported directly to Community Empowerment Networks. If this money was paid to the Council, the Council could then decide how it should be spent.

Performance indicator This describes a way of measuring the level of performance against targets or objectives. For example, if our target is 'to increase the number of BME pupils achieving 5GCSEs for 50 to 100,' then the performance indicator would be: 'the number of BME pupils achieving 5GCSEs.'

Pooling (also described as aggregating) This is a description of the process, whereby an area can amass various funding streams together, to make up its total LAA pot. For example, if an area pooled funds from, ten area based funding streams, these ten pooled funding streams would then make up its total LAA funding pot.

Priorities for improvement Priorities for improvement are basically areas of local need (eg: crime or infant mortality), where performance standards are below local or national targets. The expectation is that in developing a LAA, areas should give preference to their local priorities for improvement.

Priority themes or priority blocks

These are the headline areas where Government wants to see local area agreements focused. There are four priority themes in local area agreement which are: 'children & young people', 'healthier communities and older people', 'safer & stronger commutes', 'economic development & enterprise.'

R

Ring-fencing

This occurs when Government provides funding for a specific purpose rather than allowing the Council to decide what the money should be used for. Ring-fencing is important because it can protect services provided by small voluntary and community sector organisations. Ring-fenced funding is commonly passported directly to specific organisations.

S

Single Community Programme Fund

This funding stream comes into effect as of April 2006. In actual fact it incorporates the community empowerment fund, community chest and community learning chest into one and rebadges it as one 'new' funding stream.

Single Pot

The 'single pot' concept is used to describe the arrangement whereby selected local areas are able to pool funding under a priority theme and then spend this money under another priority theme. For example, an area could pool various funding streams under 'children & young people' and then spend some of the money under 'economic development & enterprise.'

T

Transitional arrangements

These are arrangements which describe how an area will adopt the LAA funding structure, whereby area based funding is pooled and managed as one funding stream, rather than separate funding streams. As part of this, areas are required to ensure that any funding commitments, existing at the start of the LAA negotiation, will be honoured. In other instances Government allows an area to continue to passport existing funds directly to partner agencies, in the first year of the LAA, to help them adjust and prepare for changes in the second year of the agreement.

Contacts

The LAA 'Jargon Buster' is a publication on the Camden BME Alliance (CBMEA)

For further information about this briefing, in particular, or CBMEA in general, our details are as follows:

Address:
44 Hampstead Road
London NW1 2PY
Tel: 020 7388 6030
Fax: 020 7388 6040
Email: info@cbmea.org.uk
Website: www.camdenbmealliance.org.uk