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No.3 Freedoms and Flexibilities Negotiated in Pilot Local Area Agreements

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Introduction

Local Area Agreements were introduced by the Government, in July 2004, as part of a wider process of modernisation and localism, which seeks to allow local authorities and local agencies the opportunity to influence and drive the local agenda.

Since 2004, 21 Local Area Agreement pilots have been signed off and a further 66 are under negotiation. In particular, the Government recognised that there was a growing need for local authorities and Local Strategic Partnerships (LSPs) to have greater input into how targets are set, how funding is spent and how services are delivered, at the local level. Local Area Agreements along with Local Strategic Partnerships and Local Public Service Agreements are part of a series of mechanisms that aim to ensure this and that the voice of local government is heard at the national level. It also aims to focus local decision making on the needs of local service users. As such, the aims of Local Area Agreements are as follows:

- To improve central/local relations;
- To improve service delivery;
- To improve efficiency;
- To improve partnership working;
- To enable local authorities to provide better leadership.

Whilst the Government has published a number of documents about Local Area Agreements, including an ongoing evaluation¹, there has been relatively little research into the ‘freedom and flexibility’ aspect of Local Area Agreements. As part of the Local Area Agreement process, each local authority and Local Strategic Partnership is able to negotiate, with the Government Office in their region, a number of freedoms and flexibilities.

Thus, this small piece of research looks at the freedoms and flexibilities aspect of Local Area Agreements to date, with the intention of further

supporting the ongoing national evaluation and adding value to existing and forthcoming research. In particular, it aims to:

- **Explain** what freedoms and flexibilities are, and the types of freedoms and flexibilities local authorities and Local Strategic Partnerships are negotiating.
- **Categorise** the freedoms and flexibilities agreed in first round pilots.
- **Analyse** the thoughts of first round pilots as to the freedoms and flexibilities, which were agreed and the negotiation process.
- **Unpack** the findings of the national evaluation and determine why, as was noted in the national evaluation of Local Area Agreements², “several central government interviewees reported that many of the requests that were eventually made were not for ‘true’ freedoms and flexibilities”.
- **Conclude and assess** the importance placed on freedoms and flexibilities by local authorities and Government Offices and to provide a list of recommendations for 2nd round pilots seeking to negotiate freedoms and flexibilities.

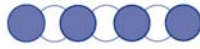
Context to Local Area Agreements

A Local Area Agreement is a three-year statement that sets out the priorities for a locality and is agreed between central government and a Local Strategic Partnership. Central Government is represented by the Government Offices for the Regions in this instance, who in turn work with the local partners, represented by the local authority, the Local Strategic Partnership and other local partners to negotiate freedoms and flexibilities.

Each Local Area Agreement is made up of outcomes, indicators and targets that aim to improve quality of life, and service delivery through improved working practices and improved performance on a range of national and local priorities. The priorities are grouped round four blocks of action: Children and Young People; Safer

¹ Office of the Deputy Prime Minister (2005) *A process evaluation of the negotiation of pilot Local Area Agreements*
http://www2.warwick.ac.uk/fac/soc/wbs/research/lgc/research/laas/evaluation_2005.pdf

² Office of the Deputy Prime Minister (2005) *A process evaluation of the negotiation of pilot Local Area Agreements*
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and Stronger Communities; Healthier Communities and Older People and Economic Development and Enterprise. With this there is the flexibility to pool or align certain types of funding within the blocks. In addition, adding greater flexibility across funding streams, Single Pot Local Area Agreements also exist. In single pot Local Area Agreements, funds can be pooled or aligned across all themes to tackle strategic objectives collectively.

Central Government announced in October 2004 that Local Area Agreements would be piloted in 21 areas across England. Each chosen pilot was given six months to consult and negotiate the contents and focus of their agreement. The Agreement was then signed off in March 2005 by Central Government. Clearly Local Area Agreements are an attraction locally, as Central Government originally intended there to be 40 second round Local Area Agreements. However, 120 authorities applied for Local Area Agreement status with 66 authorities eventually being chosen. The intention is now to roll out Local Area Agreements to all unitary authorities in England by 2007.

Local Public Service Agreements have been the precursor to the freedoms and flexibilities aspect of Local Area Agreements. Like in the Local Public Service Agreement process, Local Area Agreements offer partners within the Local Strategic Partnership the opportunity to set stretched targets for improvements in performance and if achieved result in rewards. In return Central Government, offer relaxation in barriers, allowing freedoms and flexibilities on the basis that their introduction will result in the achievement of the stretched targets. The government has already suggested a number of core freedoms and flexibilities that can be negotiated. These include:

- The ability to pool funds from central government;
- The flexibility to carry over a reasonable level of unspent resources from one financial year to another. Any funding rolled over still needs to be spent in support of outcomes included in the Agreement;
- Where areas deliver agreed outcomes more efficiently they can invest any savings in

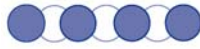
delivering the objectives of the Local Area Agreement;

- A reduction in the monitoring and reporting requirements;
- The freedom to vire or combine some mainstream funding between organisations to meet shared Local Area Agreement outcomes;
- Streamlined payment mechanisms, including removing the need to submit claims forms.

However, it is important to note that these freedoms and flexibilities are not a given, and there is no automatic process, in which requests result in the freedom and flexibility being granted. Instead there is a process of negotiation between central government, through representatives in the Government Offices, and the local authority and the other local partners. In addition to core freedoms and flexibilities as outlined above, local authorities and Local Strategic Partnerships may wish to request more locally flavoured individual freedoms and flexibilities, which are rooted in local contextual factors. In all of these requests, there is a need for them to be supported by a clear business case backed by evidence demonstrating the necessity of the freedom or flexibility, showing how it will lead to changes in working practices and improved service delivery.

The second round of Local Area Agreements pilots, work more closely with the public service agreement process and can now set up to 12 priorities, on which they believe they can deliver stretched performance. In all of this, it is vital that the pilots not only negotiate targets that are achievable but suggest freedoms and flexibilities, that will contribute to reducing barriers to this stretched performance.

Having looked at the purpose of the freedom and flexibility element of Local Area Agreements, this report will now move on to examine some of the freedoms and flexibilities requested by pilots and the experiences of some of those officers involved in negotiating these freedoms and flexibilities.



Methodology

The purpose of this research is to add value to the ongoing evaluation of the negotiation process by examining the freedoms and flexibilities requested by first and second round pilots and the extent to which agreement was reached on these. The research also sought to consider the experiences of the pilots with regard to the freedom and flexibility negotiation process. This was done through:

- A desk-based review of the 21 pilot Local Area Agreement documents and a categorisation of the types of freedoms and flexibilities that were agreed, not agreed and those that required further negotiation.
- Telephone interviews with Lead Officers of first round Local Area Agreement pilots.
- Telephone interviews with Lead Officers of second round Local Area Agreement pilots.

The questions asked to first round pilot Local Area Agreement sought to draw out issues with regard to:

- The decision-making processes behind the freedoms and flexibilities chosen for negotiation in the 1st round pilots.
- Whether any further freedoms and flexibilities had been agreed since the agreements had been signed off.
- Whether they were pleased with the negotiation process, and feedback received from Government Office as to why certain freedoms and flexibilities had not been agreed.

Questions to second round pilot Local Area Agreements dealt with issues such as:

- The type of freedoms and flexibilities that they would be seeking as part of their Local Area Agreement.
- How the freedoms and flexibilities would be themed and decided.
- The guidance received from Government Office about the negotiation process.

Results and Analysis

The Process of Negotiation – Successful Freedoms and Flexibility Requests

From the desk based review of 21 pilot Local Area Agreement documents a number of key themes have emerged as to the types of freedoms and flexibilities, which were successfully negotiated. Many of these were not only agreed in one authority but across a number of local authorities.

Monitoring Arrangements – several local area agreement pilots have sought to develop particular freedoms and flexibility with regard monitoring arrangements, which was identified, in Government Guidance as a core freedom and flexibility for all pilots. Flexibility was often agreed on having a single monitoring mechanism. Agreement was also reached in terms of having single monitoring mechanism for each of the blocks.

As well as agreeing flexibility with regard funding and block monitoring mechanisms, local authorities have been able to successfully negotiate changes in the timing of monitoring reviews of major funds such as the Neighbourhood Renewal Fund so that monitoring reviews coincide with the six monthly reviews of Local Area Agreements. This could assist in creating synergy between activity and creating timesavings.

DERBY: reached agreement with Government Office for the East Midlands to address concerns about the timings of the monitoring review of the Neighbourhood Renewal Fund. Derby Strategic Partnership felt that the timing of the annual monitoring review of the NRF clashed with the implementation of the Local Area Agreement and felt that it would be better to combine the NRF review with the first six month review of the Local Area Agreement.

Local authorities have also sought to reduce the monitoring requirements of the Voluntary and Community Sector with regard to accessing key sources of funding such as those provided by the National Lottery and European Structural Funds. This allows the VCS to concentrate further on the delivery of projects, rather than process and



therefore potentially assist in the meeting of the stretch targets.

DEVON: agreement was reached to reduce and simplify reporting and monitoring arrangements for the Voluntary and Community Sector where multiple funding streams, each with different requirements create unnecessary additional work (e.g. Lottery, European Structural funds, Learning and Skills Council).

The inclusion of specific funds – some local authorities have sought the freedom to include funds not included in guidance documents but which are believed to contribute to key local priorities in their Local Area Agreement and also to national priorities.

BARNESLEY: the inclusion of the Basic Command Unit fund in the pooled budget arrangements, in line with Safer Stronger Communities Fund aspirations. It is proposed that this will lead to greater partnership working on issues related to crime and disorder. The BCU fund helps the Police play a full and active role in the delivery of Crime and Disorder Reduction Partnership Strategies. The funding is not restricted to direct police activity and operations but may be used on a wide range of crime and disorder interventions including activity on repeat victims, tackling anti-social behaviour through interventions such as Pub Watch Schemes and youth inclusion work.

Geographical and Age Boundary Flexibilities – a key emphasis has been placed by many authorities on geographical and age barriers to funding and service provision (e.g. Sure Start Funding and Youth Service provision). In this, some authorities have sought to extend the boundaries of these programmes to cover other areas of a borough or to include children and young people of different age groups.

DONCASTER: A request was made to extend Sure Start programme boundaries so that services could potentially be offered to a wider group of children and families across Doncaster. It is believed that this will assist Doncaster in overcoming the current drawbacks of Sure Start and help achieve in particular the outcomes related to young people

set out in the agreement.

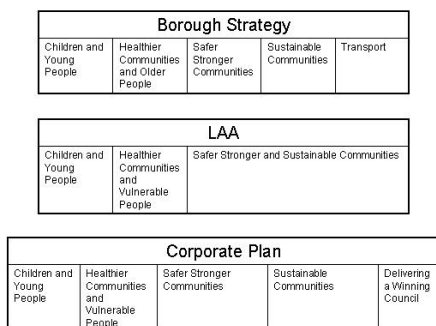
In county wide Local Area Agreements, flexibility has been reached to further extend the boundaries of certain centres and programmes.

DORSET: flexible models of delivery of Children's Centres to reflect the rural context of Dorset (e.g. North Dorset Children's Centre). It was felt that this would contribute to delivering services to a wider cross section of young people and that the services would be delivered more effectively and efficiently.

Planning and Performance Freedom – Local authorities were concerned that in recent years central government has not placed enough emphasis on providing flexibility for key partners to create integrated planning and performance frameworks. Doncaster for example recognised that in order for their Local Area Agreement outcomes to be reached, individual agencies needed the ability to jointly prioritise, integrate and deliver services. As such, Doncaster requested that central Government establish Doncaster as a pilot project to examine how planning frameworks for individual partners be integrated to create a single public service plan for the area. The outcome of this negotiation has been that Doncaster has begun to reshape its approach to delivering its community strategy to reflect the three blocks of the Local Area Agreement and is also undertaking wider restructuring to ensure organisations and partners fit with this block approach. This restructuring of Doncaster MBC and its Community Strategy in line with the blocks of the Local Area Agreement is highlighted in figure 1.



Figure 1



Target and Indicator Setting Flexibility – Some authorities felt it was important to move away from a focus on mandatory national indicators and national targets to reflect specific local targets and indicators. This was particularly evident in requests for freedom and flexibility surrounding the Safer and Stronger Communities block.

COVENTRY: With regard the Safer and Stronger Communities Fund, Coventry successfully agreed with Government Office to make some changes to the mandatory indicators specified for the Safer and Stronger Communities block where it was felt changes would improve the ability to measure progress. They particularly sought to propose replacements to mandatory indicators around perceptions of crime, for example, ‘to reduce people’s perception of anti-social behaviour’ and ‘to reduce the perception of local drug use or drug dealing’. Coventry felt that changes to these mandatory indicators would improve the ability to measure progress against outcomes identified in the Safer Stronger Communities block.

The Diversion of Funds – Local authorities have sought the freedom to divert key funding sources to issues that would not normally be encompassed by these funds. Furthermore there are some requests to join up funds.

BRIGHTON AND HOVE: Freedom and flexibility is sought to divert NDC and NRF monies for use on a series of improvements to parks, open spaces and play areas in those areas of the city that qualify for the NRF/NDC monies. This would be spent on a series of environmental improvements,

including designing out crime, improving lighting and access, new high standards of play and sport equipment, removing graffiti, litter and dog waste, a series of enforcement actions to improve community safety including funding for a fixed number of park wardens.

Integrated Service Delivery – authorities have sought the flexibility to develop single delivery mechanisms for certain services. This involves integrating data collection, delivery and external funding sources.

BRIGHTON AND HOVE: Freedom and flexibilities to pool the multiple external funding streams (Youth Work Development Fund with the Special Education Needs and Disability Act Funding) to create one Youth Service programme including integration of data collection and sharing, and monitoring and evaluation.

The Process of Negotiation - Freedoms and Flexibilities Not Agreed

Whilst a number of Freedoms were successfully negotiated in the first round, only a minority (around 10-15%) of freedoms and flexibilities were actually signed off in the original Local Area Agreement documents in March 2005 (though many are still in the process of being negotiated). Consequently, it is useful to explore some of those freedoms and flexibilities which were not agreed

The Extension of Funding Timeframes – a significant number of authorities sought flexibility to extend the funding of specific programmes beyond their current lifespan to correlate with the timeframe of the Local Area Agreement.

DORSET: continuity of funding beyond 2005/06. For example for anti-social behaviour and domestic violence. This specific funding request was refused, as the Treasury has not committed funding other than for 2005/06. Dorset felt that this freedom would enable sustainable action plans for these issues to be developed. However Central Government and the Home Office are unable to commit to these proposals until the 2007 Spending Review.



Agreement was also not reached on ambitious requests to carry forward funding of certain programmes year on year. For example, Coventry failed to secure agreement to carry forward up to 50% of the annual NRF programme value year on year, including a six-month period beyond the life of the programme.

Some authorities also sought to utilise the piloting of a Local Area Agreement as justification for additional funding for each of the three blocks. However, this request was primarily turned down because the objective of Local Area Agreements was not about guaranteeing further funding.

Substance Misuse – a majority of authorities sought new ways of spending and allocating funding for drug and alcohol abuse. Many sought to join up approaches and funding streams. In particular, funding such as the Drug Intervention Programme was to be used to tackle alcohol abuse and that funding should be allocated based on local priorities.

KNOWSLEY: sought to allow funding allocated to the PCT through the National Treatment Agency for drug misuse to be used by the Knowsley Drug and Alcohol Team to invest in all substance misuse including alcohol.

BRIGHTON AND HOVE: requested that freedom and flexibility is sought to allow local priorities to determine allocation of funds for substance misuse to recognise joint alcohol/drug issues.

The Process of Negotiation - Freedoms and Flexibilities under Negotiation

The tight timescales of Local Area Agreement delivery led to challenges for both local authorities and Government Offices with regard to the negotiation of freedoms and flexibilities. As a result, many negotiations are ongoing with decisions due to be made soon or having been made in the nine months since March 2005. Whilst this will be discussed in greater detail in the analysis section of the research, it is useful at this point to highlight some of the freedoms and flexibilities that are still under negotiation and why this is the case. One example of where freedoms

and flexibilities have continued to be negotiated is that of Greenwich.

GREENWICH AND A FOURTH BLOCK: originally, the first round pilots had three 'blocks' in which targets could be set and outcomes agreed. However many first round pilots felt that not enough significant emphasis was placed on economic development. Many felt that Government was overlooking an area which could contribute significantly towards reducing key inequalities. However, the London Borough of Greenwich picked up on this and sought the flexibility to develop a fourth block addressing economic development and concentrating on access to employment and skills development. In addition to this key flexibility in developing the block they also sought a number of other flexibilities within the block, namely:

1. Access to elements of the current 'Pathways to Work' Pilot programme to facilitate working with Incapacity Benefit claimants as part of an early intervention initiative to increase take-up of employment, training and skills development opportunities at an early stage.
2. The ability to agree, align and set local targets, with regard to worklessness, with partners outside of the current parameters in response to the local identification of need.
3. The ability to develop and agree joint delivery models such as Frontline Workers' model in a targeted geographical area. This would enable customers to have a single point of contact for the range of services on information, advice, guidance and access to employment support.
4. The ability to develop protocols for sharing data across partner organisations to facilitate the development of these initiatives. In particular, to share GIS data with Jobcentre Plus on claimants in order to be able to identify areas for focused interventions. They are currently prevented from doing this by the Data Protection Act. Access to data, especially Jobcentre Plus data appears to be highlighted in a number of freedom and flexibility requests.
5. Some flexibility is also sought regarding the 16-hour rule with regard to business start ups.



WIGAN, PUMP PRIMING AND THE FLEXIBILITY TO DELIVER IMPROVED SERVICES IN THE MOST DEPRIVED AREAS:

Wigan also saw Local Area Agreements as an opportunity to achieve even greater improvement on a number of stretched local targets. Therefore Wigan have set a high level outcome to deliver a measurable improvement in the quality of life of residents living in an area experiencing multiple inequalities. In order to do this Wigan has sought the flexibility for £3.5million in advanced reward grant funds to achieve this high level outcome. They believe that the flexibility provided by the pump priming will allow Wigan to focus on a specific geographic area of the Borough and in particular the children, young people and their families that are at most risk of underachievement, poor health, and crime, either as victims or offenders. The pump priming funds are an accelerated reward grant and are linked to Wigan's second generation Local Public Service Agreement

SUFFOLK: greater flexibility was requested for Suffolk Youth Service to work with 8-13 year olds. It was stated that this flexibility would allow Suffolk Youth Service to direct resources at preventative measures for younger age groups with the intention of preventing the development of issues before they escalate.

Developing Freedom and Flexibilities

The pilot areas went through a significant process in which they developed a range of potential freedoms and flexibilities. In this section we wish to look at this process.

Making decisions

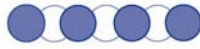
First round pilots were asked how they came to a decision about what freedoms and flexibilities to ask for. It emerged that local authorities predominantly used three key methods to determine their freedoms and flexibilities.

- *Identifying local priorities* – some freedoms and flexibilities emerged from the key priorities, which local authorities had identified in existing corporate documents such as the community strategy, but also in the approach to

target setting, adopted for the Local Area Agreement itself. For example, where the focus of a Local Area Agreement was for 'Narrowing the Gap', freedoms and flexibilities were devised around how best to tackle deprivation in their areas and sought to simplify working practices to achieve this aim.

- *Tackling barriers to service improvement* – clearly some freedoms and flexibilities emerged from identification and recognition of significant barriers to service development. For example in this research a number of local authorities in particular highlighted that tight regulations on data sharing, and the strict geographical areas in which certain funds must be spent, prevented them from delivering public services effectively. By identifying these barriers local authorities were able to choose freedoms and flexibilities best able to impact on service delivery and ensure improvement.
- *Information from Block Leads and LSP theme groups* – freedoms and flexibility decisions were also made around the three blocks of the Local Area Agreement. This allowed local authorities to focus on issues of concern related to each block and for consultation with key partners in each thematic area to determine specific freedoms and flexibilities. Second round pilots also saw the thematic board of the LSP and the block leads as the most appropriate people to make decisions about which freedoms and flexibilities to carry forward. These key stakeholders were, in many cases being tasked with identifying the barriers that need to be overcome in order to improve service delivery and reach outcomes for specific thematic areas of the Local Area Agreement.

Clearly in all of this a blend of the above approaches are appropriate. Indeed one local authority recounted to us how they used a mixture of data collection, identification of barriers to service delivery and stakeholder consultation in order to determine which freedoms and flexibilities would be carried forward. In this, there was a focus not only on local barriers to improvement but also on regional barriers and the drivers behind these barriers, which could be improved through greater freedom and flexibility within working practices. Thus, their approach was both developmental and



rolling, in that the freedoms and flexibilities were developed as the agreement itself progressed alongside the setting of targets, indicators and outcomes.

How Many Freedoms and Flexibilities?

The second round pilots that we spoke to were in the process of putting together their freedoms and flexibilities for inclusion in their Local Area Agreement and were in negotiation with Government Office. For the majority of second round pilots no formal arrangement has been reached as to the number of freedoms and flexibility they are able to request but there was a feeling that the fewer flexibilities requested the more likely that they would be accepted. It was also mentioned that it may be useful to request similar freedoms and flexibilities to neighbouring authorities in order to work regionally as well as locally and to enhance the impact of this element of Local Area Agreements.

The Role of Government Office

The majority of first round pilots felt that the negotiation process with Government Office had been useful and successful. They felt that Government Office had been consistent in the way in which it had dealt with requests for freedoms and flexibilities and supported the process as a whole. It was felt that they needed to be and were both critical and supportive. In addition, some pilots suggested that the negotiations between authorities and Government Offices had been progressive, with both parties learning as the process developed and recognising that Local Area Agreements are a pilot and that lessons will learnt as the local authorities and Government Offices develop their agreements and negotiate their freedoms and flexibilities further.

Second round pilots had been able to utilise the experiences of the first round pilots in order to inform their decision making, drafting and further negotiating their agreement. The second round pilots have also been directed towards other key resources such as the IDEA website and ODPM guidance (see details below). Feedback on the initial submissions of the second round pilots by the Government Offices had also been regarded as supportive and useful.

The Impact of Freedoms and Flexibilities

Overall, the pilots believed that the impact of the freedoms and flexibilities would be relatively minor in the short-term. This was because the freedoms and flexibilities agreed were not massively transformational but instead tended to tinker with the margins of service delivery and working practices with deeper impact expected in the longer term

Several pilots felt that there were significant positive benefits. The most important and pivotal element of the process had been the opportunity to discuss service delivery and working practices with other key partners, allowing a productive discussion about how best they could work together for the benefit of service users in their area. Another unintentional outcome has been the creation of time and space for local authorities and their partners to consider what they are trying to achieve and how best to do it as well as time to “prioritise their priorities”. Overall, the process was leading to the development of good working relationships between local partners and there was a belief that the process whilst not substantially impacting on mainstream service provision, would be significant in facilitating working relationships and contribute to improved learning and a shared approach to the design of projects, interventions and service delivery models.

Whilst the Local Area Agreement process was promoted as having the ability to reduce bureaucracy, increase flexibility and place a greater emphasis on local target setting and delivery, the reality to date has not as yet matched the rhetoric. There is a perception among many pilots that the Government has been too prescriptive and begrudging of freedoms and flexibilities. Moreover, the pilots felt that they had not had the freedom to be truly innovative, thus the impact so far has been minimal. In all, both locally and centrally, there was some concern that the freedom and flexibilities process associated with Local Area Agreements lacks the necessary political will to impact substantially on both working practices and service delivery.



Key Issues

In this section we highlight some of the key issues first and second round pilots have faced in the development and negotiation of freedoms and flexibilities in their Local Area Agreement. We also look to group some of the key considerations that local authorities and their partners should consider when developing freedoms and flexibilities.

Timescales

First round pilots were asked to identify how many freedoms and flexibilities had been successfully negotiated prior to the sign off of their Local Area Agreement in March 2005. A pattern emerged, across the first round pilots, that only a small minority of freedoms and flexibilities had actually been agreed. First round pilots felt that the main reason for this was timescales. First round pilots were decided in October 2004, with consultation, drafting of documents, and negotiation with Government Office expected to be completed before the 'signing off' of the Local Area Agreement in March 2005. This meant that:

- insufficient time was given to allow both the development of Local Area Agreements and the effective negotiation of freedoms and flexibilities between local partners and the Government Offices in the regions. As a result some authorities were unable to fully develop the freedoms and flexibilities aspect of their Local Area Agreement.
- Some authorities tended to focus on broad areas and freedoms and flexibilities indicated in the guidance, rather than on specific local freedoms and flexibilities, as they did not have enough time to consult and agree with local partners.

For the second round pilots, timescales remained problematic, and the pilots felt that whilst the intention was clear and to some extent integrated, there had not been enough time to fully consult front line workers as to which freedoms and flexibilities would be useful additions to the agreement. Overall, it was felt that this would limit the potential impact of Local Area Agreements.

Freedoms and flexibilities as a problem-solving tool

Pilots mentioned that as the negotiations continued they were able to regard the Local Area Agreement freedoms and flexibility process as a problem-solving tool, in that the freedoms and flexibilities could be used to overcome barriers to service delivery rather than as a method to devise potentially innovative projects and interventions which may or may not relate to need. As this became clear the negotiation process improved, as did the potential impact of the process.

Links with second generation Local Public Service Agreement

Some pilots also mentioned that the continued negotiation of freedoms and flexibilities enabled them to effectively and securely link the Local Area Agreement to the second generation Local Public Service Agreement. For example, one authority successfully negotiated and agreed in principle £3.5 million in advanced reward grant which was linked to performance in their second generation Local Public Service Agreement.

Changing freedoms and flexibilities

It was also noted that several pilots have dropped some of the freedoms and flexibilities initially requested. This is for a number of reasons:

- It was felt that it was unlikely that the freedom and flexibility would be agreed.
- It was becoming increasingly obvious that the freedom and flexibility requested would not significantly impact on working practices or local public service delivery.
- It was felt that the freedom and flexibility had been chosen not because of the opportunity it would bring, but merely because the freedoms and flexibilities potential was there and they felt they had to use it. One authority for example requested upwards of thirty freedoms and flexibilities, whilst another thought that it might like to make a statement with the number of flexibilities it requested.

Fit with Government Guidance

There was some concern amongst second round pilots that the most locally focused freedoms and flexibilities were likely to be rejected because they



did not fit with the government guidance and also because they tended to be broad, rather than specific. For example, one second round pilot was concerned that proposals relating to the changes in the delivery of services for libraries would be rejected because they were not directly related to a core target, but instead sought to generally improve the quality and types of services available from libraries in that area.

Is pooling of funds a true flexibility?

Second round pilots questioned the freedom associated with the pooling of funds and simplified monitoring arrangements. It was seen by many as merely a procedural facet and a given rather than a specific freedom and flexibility which needed to be requested.

Key Considerations

From the research it became clear that there were a number of core considerations that local authorities and their partners needed to take into account when negotiating freedoms and flexibilities:

Deciding upon Freedoms and Flexibilities

- Freedoms and flexibilities were mostly decided by the thematic partnerships of the LSP, based on key barriers to service delivery, and brought forward into the agreement by the block leads in each of these areas.
- The first round pilots we spoke to requested a mixture of freedoms and flexibilities, some were based around Government Guidance as has already been discussed, others were locally focused concentrating on working practices and local barriers, and others were freedoms and flexibilities that would address national barriers to local issues.

Number of Freedoms and Flexibilities and the Timescales involved

- The timescales need to be lengthened to allow an agreement to be developed that would permit real and lasting change in working practices and service delivery.
- There was disappointment that the pilots had been asked to limit the number of freedoms that they would request.

Central Government Guidance and control over Local Area Agreements

- There was a fear that there was a lack of the necessary political will, at the national level, to fully support substantial changes in both working practices and service delivery, and that those freedoms and flexibilities that were not explicitly linked to specific targets would not be agreed, even if there was a strong local case for them.
- A greater emphasis has been placed on requesting freedoms and flexibilities that are similar to those outlined by the Government in the guidance given to pilots, because it was felt that these were more likely to be agreed. Although most pilots also supplemented these with some locally-based freedoms and flexibilities.
- Support from government offices had generally been good and critical where needed.

Impact of Freedoms and Flexibilities

- The added value on the ground seems a long way off – the bureaucracy surrounding freedoms and flexibilities is huge and although the theory of Local Area Agreements and the freedoms and flexibilities is good, there is still too much central government control over the process.
- At present hope and aims around Local Area Agreements are not being fully realised, however prospects in the long term are good.

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- To view the 21 first round pilot Local Area Agreements visit: www.idea-knowledge.gov.uk

CLES is running a training event on Local Area Agreements on 24th January 2006 in Manchester. For more information please contact Matthew on 0161 236 7036 or to book a place please visit our website www.cles.org.uk