

Voluntary Sector Involvement in the Development of Round 2 Local Area Agreements in London

Key Findings and Examples of Good Practice

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Research and Report by

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1. EXECUTIVE SUMMARY AND RECOMMENDATIONS

Local Area Agreements (LAAs) are a key part of the Government's ongoing commitment to modernise local government and reform the delivery of public services in England. LAAs potentially offer a new approach to the way local authorities and their partners, including the voluntary and community sector, can use Government funding to support the implementation of national, regional and local priorities in their areas.

Local Area Agreements were initially piloted in 2004/5 when two of the 32 London Boroughs took part (Greenwich and Hammersmith & Fulham). In 2005/6, a further 15 Boroughs were selected as "round 2" boroughs.¹ This report assesses their varying experience to date of engaging the voluntary and community sector in the design and development of these Agreements.

The scope and ambition of the emerging Round 2 LAAs vary considerably, from those that see it as a narrow process of reorganising existing Local Authority services, to those that see it as an opportunity to achieve far greater coherence across the range of statutory and non-statutory sector providers. How LAAs meaningfully link together at a local level a host of national and regional policy agendas (e.g. efficiency/procurement, neighbourhoods, respect, employment & skills), all of which impact on relations with the voluntary and community sector, presents an on-going procedural and governance challenge that will not be solved in the relatively short time available for formulating and negotiating a single Local Area Agreement.

The Government recognises that Local Area Agreements are an evolving and iterative process. The purpose of this work, therefore, funded by the London regional *ChangeUp* partnership, has been to identify key lessons (see section 2) and examples of good practice (section 3) in order to inform the roll out of Local Area Agreements across the remaining local authorities in London. We also offer a number of recommendations, set out below, as a contribution to the work of revising the official guidance on Local Area Agreements that will shortly be issued to round 3 local authorities and their partners.

Almost without exception, voluntary and community sector representatives who took part in this study expressed support for the concept of Local Area Agreements. They recognise that LAAs are a logical extension to cross-sectoral partnership working which lies at the heart of Local Strategic Partnerships and the public service reform agenda. In spite of concerns about the resources required to participate meaningfully in the LAA process, participants in London's Round 2 LAAs report that they have been useful in

¹ The fifteen Round 2 LAAs in London are: Barking and Dagenham; Brent; Camden; Croydon; Enfield; Harrow; Hounslow; Islington; Kensington and Chelsea; Kingston upon Thames; Lewisham; Redbridge; Tower Hamlets; Waltham Forest and Westminster.

terms of embedding trust; challenging the status quo; increasing partners' mutual understanding, and unearthing new ideas.

The following **six key recommendations** are set out with the intention of improving further on the concept of LAAs in London under Round 3, and ensuring that the unique role and contribution of the voluntary and community sector can be harnessed more fully to the delivery of the LAAs' objectives.

1. There is a clear correlation between the level of VCS involvement in LAAs and the quality and resourcing of voluntary sector infrastructure at a local level. **Additional targeted resources are needed to build up the infrastructure in boroughs where it is weakest (possibly using special advisors or specific support)**. This will help to redress this imbalance and the current disparity in the health and effectiveness of the sector across London. Without this there is a danger that LAAs will only increase the gaps between boroughs where VCS and Local Authority relationships are effective and those where they are weak.
2. There is an emerging dichotomy between, on the one hand, large voluntary sector organisations/national charities which will benefit from the opportunities provided by LAAs to deliver public services and, on the other hand, small community-based organisations which have neither the capacity nor motivation to do so. **LAAs need to ensure they do not exacerbate this division, but instead recognise and promote the value that the sector as a whole can bring to a LAA.**
3. Despite the commitment in some LAAs to continue to provide funds to support the VCS, considerable uncertainty remains for many over the continuation of small-grants funding and support for the local VCS infrastructure which is particularly important for sustaining community-based organisations. This will invariably have a disproportionately adverse effect on Black, Minority Ethnic and Refugee community groups which are so critical to the social cohesion of London. **As a matter of principle, even if additional resources for the VCS cannot be guaranteed, the introduction of a LAA should not result in a net loss of resources allocated to a borough's VCS. In particular, resources should be made available to support a small grants programme as part of future LAA capacity-building initiatives.**
4. The majority of the Round 2 LAAs have tended to pigeon-hole the VCS within the Stronger Communities element of the Stronger, Safer Communities Block. There is long-standing experience of partnership working in other areas of service delivery e.g. children's and youth services; care and social services, as well as in the area of community safety and cohesion, which needs to be identified and

- incorporated into LAAs. **Specific guidance should be developed highlighting the need for the VCS to be involved at the strategic level, as well as in the design and delivery of each LAA block. To benchmark and monitor this a mapping exercise should be undertaken across the LAAs to capture how the VCS has been and will continue to be involved across each of the LAA Blocks.**
5. In several of the Boroughs we surveyed, both the Local Authority and VCS representatives acknowledged that their intention of fully engaging the sector in the LAA has been hampered by a paucity of adequate performance indicators. This applies both to measuring the impact of services that could be delivered by VCISOs (i.e. in addition to the “Indicators of Strong Communities”), as well as to supporting the case for investment in developing the local VCS infrastructure. Many of the Round 2 LAAs propose that this will take time and require investment during the first year of the 3-year Agreement in developing the requisite skills and knowledge of performance measurement in order for the sector to operate on a level playing field with the private and statutory sectors. **There needs to be specific support and capacity building to help voluntary and community organisations develop skills in setting appropriate performance indicators and managing performance measurement.**
 6. The objective of commissioning public services from a broader base of voluntary sector organisations is likely to require considerable “lead in time” in order to equip both commissioners and providers with the practical tools to ensure that it delivers the theoretical benefits of increased choice, quality and efficiency. Many boroughs’ voluntary sector representatives suspect there is a considerable gap between the intentions of the statutory sector to deliver less and commission more, and the availability of the requisite systems and skills to make this happen. Commissioning models vary not only between, but within, local authorities. Whilst isolated examples of good practice exist in certain Boroughs, LAAs would clearly benefit from their wider dissemination. **The potential to develop a ‘Centre of Excellence’ model, which supports and benchmarks commissioning practices across LAAs, should be explored.** This ‘Centre’ could support the development of good practice and the transfer of skills in commissioning from voluntary and community sector organisations based on the recommendations of *Think Smart; Think Voluntary Sector*, and the principles of the Compact Code on Funding and Procurement.

2. KEY FINDINGS

2.1 Background

Rocket Science was commissioned by London Voluntary Service Council (LVSC) to undertake a review of voluntary and community sector (VCS) involvement in Local Area Agreements (LAA) in London.

The purpose of the review was to:

- Assess the experiences to date of developing LAAs in London and the involvement of the VCS
- Identify local examples of innovation and good practice which should be shared
- Pinpoint issues which require further work and could be supported at a regional level
- Inform the current development of LAAs under Round 2 and input to the guidance for Round 3 LAAs.

The review involved a combination of:

- 1-2-1 interviews of 45 minutes to an hour's duration with local authority leads and VCS representatives in 12 LAA boroughs (see Appendix 2 for a list of the Boroughs covered)
- A workshop held at LVSC involving 35 practitioners from local authorities and the voluntary and community sector involved in LAAs (see Appendix 3 for a list of the participants)
- An on-line survey tool which was completed by 27 organisations operating in 16 of the 17 London LAA boroughs (from Rounds 1 and 2).
 - 19 voluntary community sector organisations (9 front-line & 8 second tier organisations)
 - 8 statutory agencies

The survey and interviews were conducted during November and early December with a deadline of 9th January 2005. The results from the survey are presented in the Annex to this report. Examples and recommendations from the workshop are included in the following section, *Key Findings*.

Round 2 Local Area Agreements were developed in London between July 2005 and February 2006. This review took place in the period between the submission of first drafts and final drafts of the LAA. It is important to note that given the methods used and the timescales involved, this report can do no more than provide a snap-shot of how the



LAAs are developing in London and how the VCS has been involved in what is a fast-evolving process.

2.2 Organising and presenting the Key Findings

This chapter of the report is divided into three sub-sections:

1. The pre-conditions required for effective VCS engagement
2. The experience of VCS involvement in LAAs to date
3. The initial outcomes and benefits from VCS involvement.

SECTION 1: PRE-CONDITIONS REQUIRED FOR EFFECTIVE VCS ENGAGEMENT

1. *The type and level of VCS involvement is dependent upon the quality of VCS infrastructure*

- Unsurprisingly, there seems generally to be a strong correlation between the strength of local Infrastructure organisations, their relationship with the Local Authority and their ability to get involved in Local Area Agreements. In boroughs where relationships are good, the LAA, though not an easy process, seems to have genuinely offered the opportunity for creative approaches and the strengthening of relationships. However, where the infrastructure is weak, and there is a poorly developed and fragmented VCS, the sector's ability to respond to and participate in initiatives such as the LAA is severely limited. This in turn means that there is likely to be less investment in the sector through the LAA. Clearly, there is a real danger that this difference between those boroughs with strong and effective VCS relationships and those with weak ones will be exacerbated by the advent and roll out of LAAs.
- To ensure effective and sustained VCS involvement, resources (money, staff and skills) need to be allocated to building the capacity of the VCS infrastructure.
- Additional dedicated capacity building resources (e.g. Neighbourhood Renewal Advisors; local ChangeUp resources) could be targeted at the LAA development in poorer performing boroughs
- As well as the sector's role in acting as a conduit to the community and in delivering services to the public, greater recognition and support needs to be given to the VCS contribution to nurturing a vibrant civil society (i.e. building "social capital")
- Building the capacity of the VCS needs to include building technical/operational capacity (e.g. developing baselines, capturing and

analysing data, expanding outreach skills) in order to participate specifically in LAAs, in addition to other external programmes and partnerships

- The importance of brokered small grants programmes cannot be exaggerated in terms of engaging smaller organisations and community groups for which the commissioning of services is unlikely to be an option. This has a disproportionate effect on Black, Minority Ethnic and Refugee community groups. Resources should be made available to support a small grants programme as part of LAA capacity-building initiatives.

2. *The scope and remit of the LAA process tends to determine the extent and type of VCS involvement*

- There appear broadly to be three different approaches to developing LAAs:
 1. Narrow approach mainly concerned with the internal reorganisation of Local Authority services
 2. Intermediate approach which includes other statutory services as well as Council services
 3. Expansive approach which includes the full range of service providers (statutory and non-statutory)
- The approach adopted relates to how developed and ambitious the Local Authority's vision is in terms of its 'community leadership' role
- Opportunities for VCS involvement beyond formal and informal consultation are particularly limited under the 1st of these approaches.

SECTION 2: EXPERIENCE OF VCS INVOLVEMENT IN LAAs

3. *Effective VCS involvement in LAAs requires considerable commitment of time and resources*

- Demands and expectations of greater VCS involvement in LAAs and other initiatives have been raised against a backdrop of declining resources going into the VCS for enabling preparation and participation (e.g. there are no guarantees of the Single Community Pot continuing through LAAs)
- Whilst the importance and value placed on VCS involvement in the LAA is increasingly stated, there has been a lack of corresponding funds and support to make this happen
- Funds need to be made available to support the on-going involvement in LAAs (i.e. beyond the set-up period) – with clearer links also to the role and resources allocated to Community Empowerment Networks.

4. There needs to be greater clarity amongst partners at the outset of the LAA process about the role and involvement of the VCS

- Generally within the LAA process the VCS tends to be pigeon-holed within the Stronger Communities element of the Stronger Safer Communities block
- In most LAAs insufficient recognition and value have been given to the role of the VCS both in terms of engaging the community, but also in developing and delivering services based on community needs
- The VCS has the capacity to influence the development of services beyond what they themselves might end up delivering, e.g. ensuring that health services delivered through the Primary Care Trust accurately reflect the needs of the local community
- To broaden this out, specific guidance should be developed highlighting that the VCS needs to be involved at the strategic level, as well as in the design and delivery of each LAA block
- To benchmark and monitor this a mapping exercise should be undertaken across the LAAs to capture how VCS has been and will continue to be involved across each of the Blocks

5. As LAAs move from strategy and plan-making into commissioning and service delivery, there is an increasing need to identify and engage appropriate and relevant front-line VCS organisations

- Crucial to making this happen will be VCS networks and second-tier infrastructure bodies. An important function of the 2nd tier will be to filter the enormous flow of top-down information and act as a conduit to engage those front-line organisations that are relevant to specific issues and services.
- The role of 2nd tier organisations in mapping, and having good information and intelligence about the voluntary sector needs to be highlighted and effectively supported at a local level.

6. Greater links to and use of existing structures, plans and programmes need to be made in developing LAAs

- The LAA provides an opportunity to amend and develop existing Local Strategic Partnership structures and processes in order to take cross-sector partnership working to the next level
- The work of other thematic/service-focused partnerships between the Local Authority and the voluntary sector need to be included more fully in the development and work of particular blocks – e.g. Children’s Trusts; Crime and Disorder Reduction Partnerships

- ❑ A number of the LAAs do not appear to be learning from significant experience which already exists amongst public sector partners of contracting services from voluntary and community organisations (e.g. the PCT; social services departments of Local Authorities)
- ❑ Greater use could be made of the Compacts that local authorities and LSPs have already entered into with the sector (e.g. to inform the Statement of Community Involvement), as well as work that has gone into developing Compact Plus.

7. *The importance of engaging in designing LAA performance measurement frameworks needs to be better appreciated within the VCS*

- ❑ Resources will ultimately be allocated to services/activities that demonstrate an ability to meet the performance targets that have been set for/by the LAA
- ❑ Baselines and indicators vary considerably across LAAs and between the different blocks. In many LAAs, data sharing across organisations and sectors has been difficult to date . . . this is seen to be as much a challenge for the Local Authority and its statutory partners as for the VCS
- ❑ Whilst some of the proposed 'VCS indicators' are relevant and useful in their own right, they are not always relevant to the purpose and goals of the Local Area Agreement.
- ❑ Further work needs to be initiated at Government level to define and develop suitable performance measures for the 'stronger' element of the SSC block
- ❑ Within LAAs, the VCS needs to develop appropriate and robust indicators that support the case for investment in developing the VCS infrastructure. Many boroughs recognise, however, that this may take time and will first require some investment in developing the requisite skills and knowledge of performance measurement in order for the sector to operate on a level playing field with the private and statutory sectors.

SECTION 3: INITIAL OUTCOMES AND BENEFITS FROM VCS INVOLVEMENT

8. *The real benefits, identified by all partners, which have resulted from VCS involvement in LAAs need to be widely promoted and disseminated*

- ❑ In a number of areas the LAA is viewed as the logical step in terms of taking cross-sectoral partnership working on service delivery to a new level
- ❑ Among the benefits already recognised by LAA participants are:
 - improved working relationships between the VCS and other sectors
 - existing partnership arrangements being strengthened and/or rationalised
 - strategic and programme influence

- access to emerging procurement opportunities (e.g. in some Boroughs, the VCS representatives have been involved in the preparation of procurement codes or frameworks which are intentionally designed to be inclusive of the sector)
- strengthening VCS infrastructure
- There tends to be a positive correlation between the level and detail of VCS involvement and the anticipated benefits to the sector

9. *Expectations that the VCS will receive additional resources through the LAA need to be carefully managed by LAA partners*

- Despite commitment in some LAAs to continue to provide funds to the VCS, uncertainty remains for many over the continuation of, for example, small grants funding and support for the local VCS infrastructure, particularly for smaller VCSOs
- A statement of principle should be that whilst additional resources for the VCS cannot be guaranteed, the LAA should not result in a net loss of resources allocated to the borough's VCS.

10. *The details of commissioning public services are still being worked through*

- LAAs are only now starting to have more detailed discussions around commissioning; performance measurement; communication protocols etc.
- Details should become clearer once negotiations with the Government Office regarding priorities and funding for 2006/7 and beyond are finalised
- For many LAAs, the basic principle will be – whoever is best to deliver a particular service should be in a position to tender for and win the contract to deliver it . . . irrespective of the sector the organisation is from
- It is generally accepted that the LAA commissioning process is likely to play into the hands of larger VCS organisations
- There is quite a widespread misperception that the local statutory sector always has the requisite expertise to commission from the VCS
- VCS representative organisations need to ensure that moves to introduce commissioning frameworks under the LAAs do not exacerbate the divide between the larger voluntary organisations that are equipped to handle the contract culture of service delivery, and the community sector that has neither the capacity nor the inclination to. The particular strengths that the sector as a whole brings to an LAA partnership are its capacity to operate differently from the private and statutory sectors, to reach out to particular communities and to offer services that, by complementing rather than offering an alternative to other providers, add real value.

3. EXAMPLES OF (AND PROGRESS TOWARDS) GOOD PRACTICE

3.1 Pre-conditions required for effective VCS engagement in LAAs

- A strong correlation exists between the perceived robustness and effectiveness of the Local Strategic Partnership (LSP) and VCS involvement
 - In **Enfield** a long-standing positive relationship between the VCS and the Council has enabled the VCS to play a key role in the development of the LAA
 - In **Islington** the relationship with LSP is steadily developing since the governance structures of the LSP have been refreshed. Moving from a relationship based on mutual suspicion to one of increasing trust. This has been considerably enhanced by the Community Empowerment Network (CEN) Chair becoming the vice-chair of the LSP Board.
 - **Croydon** Council has a close relationship with Croydon Voluntary Action which is funded by the council. All public agencies on the Croydon partnership use the CEN. CEN nominates members onto the LSP.
 - Whereas in **Hounslow, Redbridge, Barking & Dagenham** and **Waltham Forest** the VCS has historically been quite fragmented which has limited its ability to establish a united position and speak with a collective voice.
- Across the LAA Boroughs the VCS is represented on the LSP:
 - For example, **Islington** has 7 reps on the Partnership Board of 20; **Camden** has 4 reps on the Partnership; **Enfield** has 6 reps; **Harrow** has 4 reps; **Hammersmith & Fulham** has 6 reps.
- There is greater variation in relation to the sector's involvement in the LSP Executive/Public Service Boards
 - For example, **Islington** VCS has 3 reps on the Executive Board; **Harrow** has 1 rep; **Camden** has 2 reps; **Hounslow & Waltham Forest** have no representation.
- Where the VCS infrastructure is well established, the sector has had real input into the LAA
 - **Enfield and Croydon** VCS are involved in delivery related discussions as well as influencing the LSP which builds on a strong history of VCS involvement in the Borough.

- **In Lewisham** there are over 1000 VSCOs, mainly small volunteer led. Whilst the borough wide infrastructure is under developed the sector is generally vibrant and active which is recognised by the Borough and partners.
- LSPs have successfully adapted existing structures and strategies for developing the LAA
 - **Camden** is keen to use existing models and adapt them to meet the LAA requirements e.g. The VCS has worked very closely with the statutory sector to develop Children's Services and the Children's Fund Board. This provides a firm foundation for the Children & Young People (CYP) Block work.
 - **Croydon & Enfield** LSPs comprise a Board, Executive Group and themed subgroups - crime; economy; housing; environment; culture. The LAA development process has been a subset of this process with targets lifted from the Community Strategy.
 - In **Barking and Dagenham** the LSP has sub-groups which mirror the LAA blocks. Each sub-group has about 14 members with at least one VCS rep on each, the membership is reviewed annually.
 - In **Islington** the Children's Board will take the lead on the CYP services block; the local Business, Jobs and Training Partnership will lead on the Economic and Enterprise Development (EED) block; it is not so obvious for the Health and Older People's Services as these have not featured so prominently to date in the work of the LSP.
- The links between LAAs and other developments and initiatives taking place in the VCS, e.g. ChangeUp are not as developed as might have been expected.
 - In **Barking and Dagenham** a Neighbourhood Renewal Advisor has been working with the CEN on strengthening the links between ChangeUp and the LAA. ChangeUp thus far has been focused on infrastructure and efforts need to be made to bridge the gap between the larger VSCOs and the community sector.
 - **Kingston** is also using intending to use ChangeUp resources explicitly to link up with the emerging Local Area Agreement.
 - In **Harrow** there are clear links between the Change-up indicators and the LAA
 - In **Islington** a small number of the LAA targets mention ChangeUp and VCS infrastructure in the borough, but there are no formal links identified.
 - In **Tower Hamlets** and **Lewisham** there are explicit cross references, between strategies and plans, e.g. Lewisham has a specific objective to 'monitor the implementation and effectiveness of development and investment programmes contained in the Lewisham ChangeUp Plan'.

3.2 Experience of VCS involvement in Local Area Agreements in London

- A wide variety of methods (e.g. conferences, workshops, annual community events, telephone hotlines) have been used by Local Authorities/LSPs to involve the sector:
 - A number of LSPs, for example **Barking & Dagenham**, **Islington** and **Croydon** have held community conferences to review work of the Partnership and refresh the Community Strategy.
 - In **Lewisham** a full-time development officer at VAL ensures there is an ongoing dialogue and connection with community groups which includes support to inform and, where possible, engage them in the LAA
 - In **Islington** an event was organised early on in the LAA's development which was attended by 200 groups from across the borough; a further event is planned for February/March 2006 post sign off of the LAA to look at implementation/ commissioning etc.
 - In **Westminster** there are plans for a 'community capacity building pot' to commission projects from the VCS as part of the community empowerment work in the borough.
 - In **Lambeth** where the LAA is still to be written they are in the first stages of gathering information...how to take forward and set up a Voluntary Sector Working Group following an awareness-raising event – convened to look at how best to involve the VCS.
 - In **Islington and Harrow** resources have been made available to provide administrative support to the Chair of the Community Empowerment Network and the CEO of the Harrow Association of Voluntary Service to enable them to take on the extra workload of representing the sector's interests in the LAA
 - **Kensington & Chelsea LSP** is involving local people in shaping service delivery through a range of forums using mainstream resources. These include the Residents Panel and the Environment Round Table; the Patient Involvement Forum and the BME Health Forum supported by the PCT; the Police Community Consultative Group, Police Advisory Group and Ward Panels run by the local police force.
 - A Workshop was held to discuss LAAs as part of **Redbridge's Making a Difference Week 2005**. Stakeholders were encouraged to complete questionnaires to outline local issues they would like to see included in the LAA.
- VCS involvement in the process has ranged from consultation to participation to joint ownership;
 - In **Islington** and **Enfield** the VCS are leading the drafting of the Statement of Community Involvement (linked to the Compact).

- In **Islington** the lead for the Stronger Safer Communities Block is the IVAC Chair
 - In **Croydon** the VCS is most prominent in the SSC block where the CVA's CEO has the lead on the community involvement aspects
 - In **Hammersmith and Fulham** the VCS has been involved from the outset and contributed to the drafting of the Statement of Community Involvement.
 - Whereas in **Hounslow, Redbridge & Lewisham** VCS was not involved in its drafting but had no difficulty with the Statement feeling it was factually correct.
- Strong efforts are being made to use, not duplicate, existing groups, forums and networks particularly those of the LSP in developing the LAA,
- In **Hammersmith & Fulham** the Regenesi s Board is being used to take forward the Enterprise and Economic Development Block
- Statements of Community Involvement vary, but tend not to reflect the full range of VCS activity.
- In many LAAs additional information was also incorporated into the 'Governance' or 'LAA Development process' sections of the draft documents
 - **Croydon's** and **Enfield's** LAAs include Statements written or supported by the Directors of the CVS.
 - In **Lewisham** the VCS was invited to contribute to all 4 block theme groups. The day before submission to GOL, the draft circulated for final comments omitted all inputs that had been made by the VCS group (only some were hastily put back in) which undermined some of the trust that had been built up.
 - In **Hammersmith & Fulham, Hounslow** and **Waltham Forest** initial involvement was minimal. The cynicism within the VCS was not helped when the draft LAA went to GOL with the VCS only referred to under one block (SSC).
 - However in **Lewisham** and **Croydon** other blocks have recognised the value of the sector in helping service providers to deliver their targets and reach particular social groups.
- Partners tend to focus on VCS role as agents of community engagement and less so on the role of the VCS as service deliverers
- **Barking and Dagenham** CVS has the informal agreement of the Local Authority CEO that the VCS should be involved in some aspects of the delivery of ALL four blocks, otherwise the LAA will be seen to have failed as a concept.

- The *Every Child Matters* agenda (which clearly links to the Children and Young People's block of most LAAs) provides a huge canvas for the VCS to work on as a deliverer of services in partnership with the statutory sector
- A minority of LAAs highlight the cross-cutting role of the VCS in delivering the Agreement, but the non-SSC blocks rarely show the VCS as a wide-ranging delivery partner, e.g. strengthening links with children and young people, providing elders' services, developing and supporting social enterprises etc.

3.3 Early stage outcomes and benefits from VCS involvement

- Baselines and indicators vary considerably across LAAs and between the different blocks. In many LAAs data sharing across organisations and sectors has been difficult to date:
 - **Islington** is more advanced on some of the technical/more readily quantifiable indicators like education attainment and environmental improvements. Some of the softer quality of life indicators are proving more difficult to measure. The council has an ODPM secondee in post working on LAA outcomes.
 - In **Hammersmith and Fulham** the council is undertaking a service mapping exercise across council departments to build up this picture.
 - In **Enfield** the Observatory is being used to support the identification and establishment of suitable baseline data
 - **Tower Hamlets** and **Lewisham's** LAAs contain some excellent (and locally specific) VCS and participation indicators. Tower Hamlets intends to measure both the increase in number *and* value of contracts held by the third sector during the last financial year; Lewisham includes a target of increasing the number of locations where time banking opportunities are available in the borough over the three year period from 2005 to 2008.
- LAAs recognise the inadequacy of performance indicators in key elements:
 - Whereas most LAAs include indicators on influencing decisions and volunteering, most leave out firm indicators on VCS growth and delivery of public services through the VCS.
 - Some of the proposed measures in the LAAs are too crude to capture the impact of any changes, e.g. "no of people involved in volunteering" or the "% of VCSOs in public service delivery"
 - Symptomatic of the fragmented nature of the sector in some boroughs like **Waltham Forest, Hounslow and Barking & Dagenham** there is inadequate information on the level of service delivery by the local VCS or the extent of resources coming in to it.
 - **Kensington and Chelsea** is exploring the potential for a new measure to capture how effectively clients of voluntary organisations are empowered to

have a greater voice and influence over local decision making and the delivery of services. If a successful indicator can be developed and delivered, the Partnership will propose that it should be added as a new indicator as part of the process of refreshing the LAA.

- Some creative proposals are emerging as to how to use the financial rewards from achieving the stretch targets to invest in continuing improvements
 - In **Islington** the decision was made to use any reward monies not to reward previous performance but to pump-prime ongoing/continuous improvement in a new “stretch” area.
 - **Kingston** intends to allocate pump-priming funds associated with the reward element for VCS activity and delivery; the VCS will have responsibility as co-leads for the next phase of development/ negotiation in one or more of the 12 outcome areas.

- The keenness of the VCS to deliver new reward elements should be encouraged, but care needs to be taken that it is possible to baseline the existing position and measure its on-going impact
 - One of the **Barking and Dagenham** LAA reward/stretch targets is likely to be around VCS engagement in the LAA and the delivery of services. This is clearly beneficial to the sector, but the LAA partners need to recognise that this is breaking new ground and needs to be approached carefully.

- The process of drafting LAAs has been useful in itself in terms of building trust, challenging the status quo, promoting mutual understanding, and unearthing new ideas
 - For many areas, the LAA is viewed as the logical step in terms of taking cross-sectoral partnership working on service delivery to a new level
 - The process has been useful for enabling the Local Authority to work more effectively with central government on key service areas and themes
 - For many VCOS the ‘big win’ from the process of discussing measurement and performance has been that it has helped to develop more trusting relationships and open dialogue.

- LAA should be a catalyst to learn from and expand on the existing areas of VCS service delivery. “It’s good that government sees an increased role for the sector in service delivery . . . but it does raise questions about capacity and sustainability.”

- In **Croydon** organisations across the LSP (the Local Authority; NHS; LSC; Jobcentre Plus etc) already contract with the local VCS.
 - **Kensington & Chelsea** Council intends to establish a new post within its Corporate Consultation Team to work on Council initiatives that will support the delivery of the LAA targets.
 - In **Barking and Dagenham** the Partnership Implementation Group has agreed to fund the CEN and a new Director for 2 years to March 2008.
 - In **Barking and Dagenham** individual organisations have identified specific opportunities relating to the LAA and have already taken the initiative e.g. one of the 8 new Children's Centres in the borough is being delivered by a VCSO.
 - In **Westminster** the local Age Concern is to be involved in delivering a target "To improve the health, well being and quality of life of older residents through the use of preventive services."
- It should by no means be assumed that the local statutory sector has the requisite expertise in order to commission services from VCS organisations
- Within the **Islington** VCS there is a strong sense that the Borough is not using all the information that is available on the local VCS to help inform its procurement procedures and decisions;
 - In **Lewisham** there is a strong feeling amongst the local VCS that the LSP has yet to make much impact on service delivery, which may in part explain the cautious approach that the sector seems so far to have taken towards the plans for a LAA
 - In **Barking & Dagenham** a commissioning protocol has been drafted and is out for consultation; commissioning is also explicitly mentioned in the Compact.
- Most LAAs (Rounds 1 and 2) are only now starting to have more detailed discussions around – commissioning; appraisal; communication protocols etc. The outcome should become clearer once negotiations regarding priorities and funding for 2006/7 and beyond have been finalised.
- In **Hammersmith and Fulham**, similar to other boroughs, there is recognition amongst the VCS that there is no new money. The focus is instead on making more from existing resources (the government's efficiency agenda).
 - In **Camden**, a proven model for commissioning health-related services from the voluntary sector is being adapted for use in all 4 blocks of the Local Area Agreement.
 - In **Croydon**, the Local Authority and the Primary Care Trust as partners to the Compact have proposed that they negotiate a freedom under the Local Area Agreement to relax the monitoring requirements by adopting a single system in order to lighten the burden on VCS providers.

- The LAA will see winners and losers. There is a need to ensure that smaller VCSOs not engaged in public service reform agenda are not cut adrift from the process of LAA development
 - Many boroughs seem to accept that the LAA is likely to play into the hands of larger VCSOs. (**Barking and Dagenham** commented on how certain larger national charities are only now, on the back of the LAA, making a presence in the borough). VCSOs will need to meet certain criteria/quality standards in order to be included in commissioning processes which will tend to rule out a lot of smaller groups from the local community sector
 - Information work and dissemination will be critical e.g. newsletters and e-mail briefings to let people know what is going on. In **Barking and Dagenham** the CVS has been asked to consider how smaller organisations can take part and deliver . . . capacity building remains an issue and the Local Authority recognises the need to retain smaller grant funding alongside a new contracting/commissioning framework. The Council currently provides a core grant to the CVS and CEN as well as making small grants available to community groups.

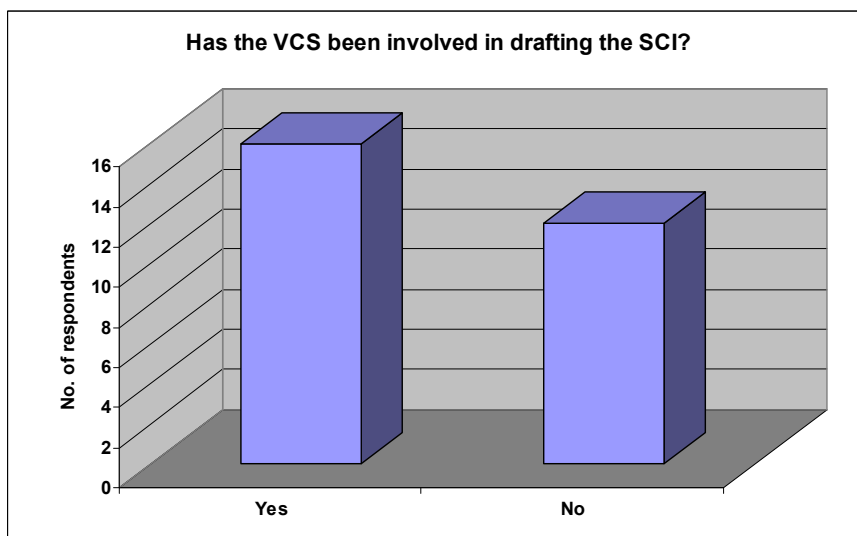
- Despite the commitment in some LAAs to continue to provide funds to the VCS, uncertainty remains for many over the continuation of funding and support for VCS infrastructure, and for smaller VSCOs
 - The introduction of LAAs coincides with the tailing off of considerable funding for the sector (SRB/ESF); it is disingenuous to see the LAA as in any way replacing this; any efficiency savings will take time to filter down, if they ever do and certainly won't be sufficient to replace SRB etc.
 - **Islington** sees the LAA as the opportunity to merge the Community Chests into a single fund and administer this through a local Charitable Foundation (i.e. administratively simpler; depoliticised; with expertise in grant funding)

Appendices

1. Survey Results

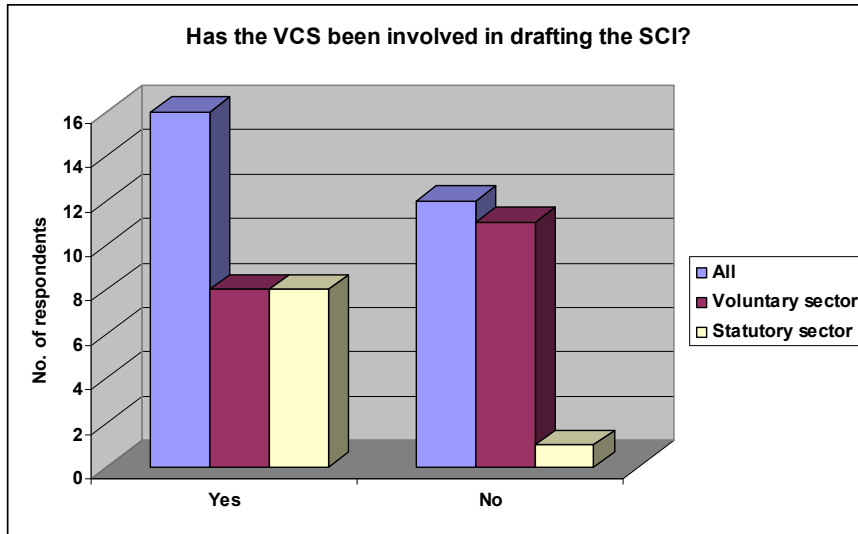
INVOLVEMENT AND ENGAGEMENT

Graph 1



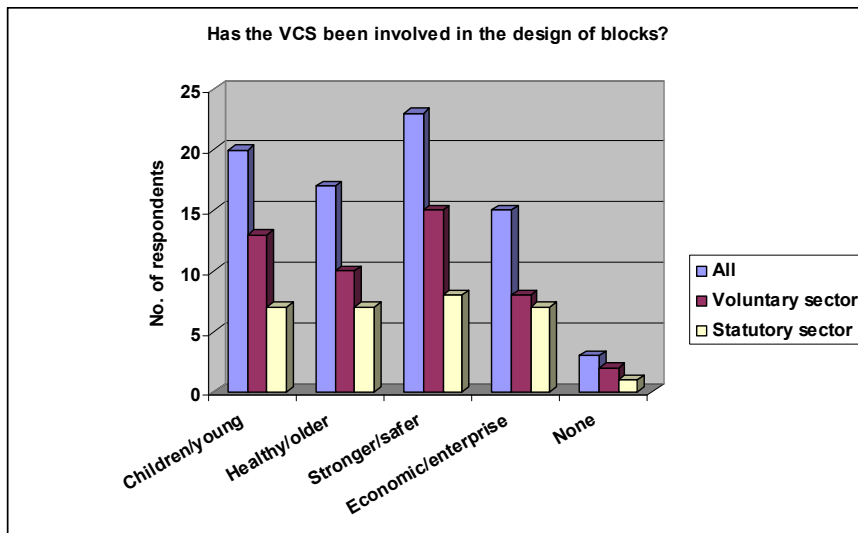
- 57% of respondents stated that the VCS had been involved in drafting the Statement of Community Involvement for their LAA (see *Graph 1*)
- Of this 57%, only 42% of the voluntary sector felt the VCS had been involved, compared with 89% of statutory sector respondents (see *Graph 2*).

Graph 2



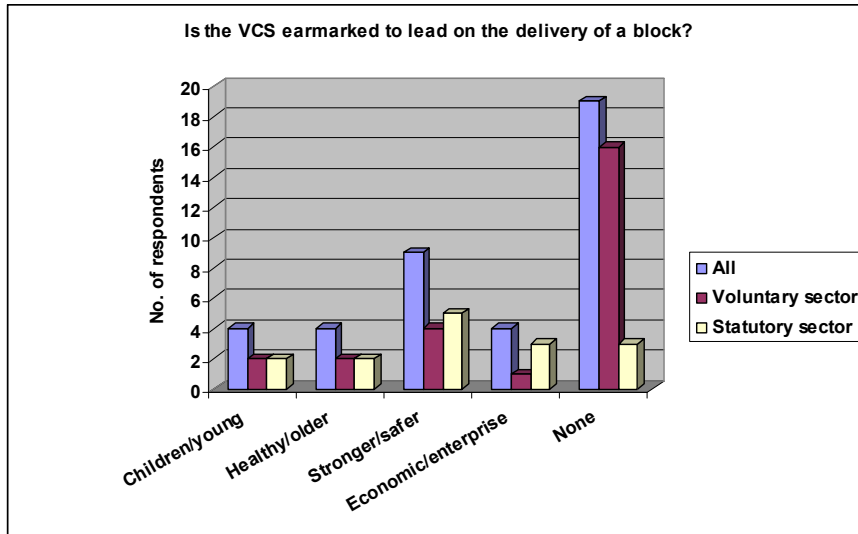
- With regards to VCS involvement in the design of blocks, answers were evenly distributed across the four blocks from statutory sector respondents.
- Voluntary sector responses favoured the Stronger and Safer Communities block (31% of voluntary sector responses) and the Children and Young People block (27% of responses) – see Graph 3

Graph 3



- 96% of responses imply that the VCS have been involved in the design of one or more of the 4 blocks, whereas only 52% of all responses stated the VCS were *leading on the delivery* of a block (see Graph 4).

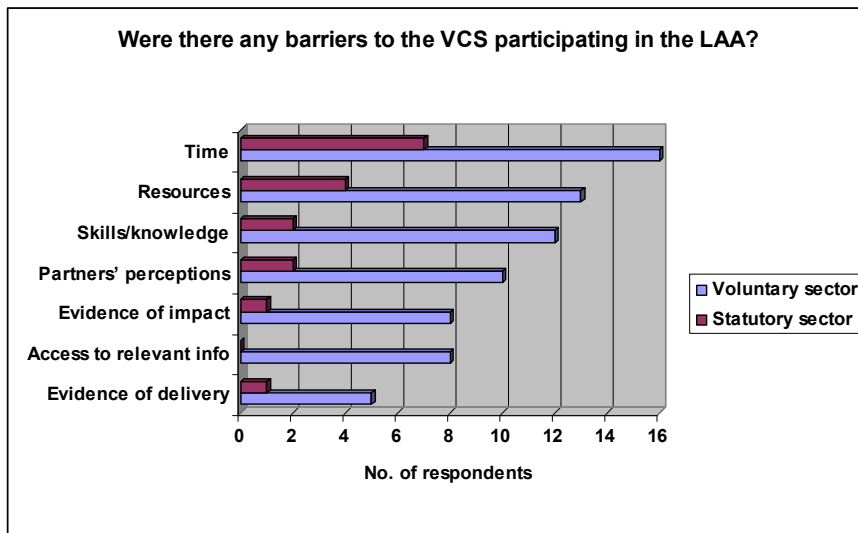
Graph 4



- Of those that were earmarked to lead on delivery, 31% were earmarked to deliver the Stronger/Safer Communities block.
- Voluntary sector and statutory sector opinions differ widely, with only 20% of the statutory responses stating that the VCS was not delivering on any blocks, compared with 64% of voluntary sector responses.

BARRIERS AND CHALLENGES

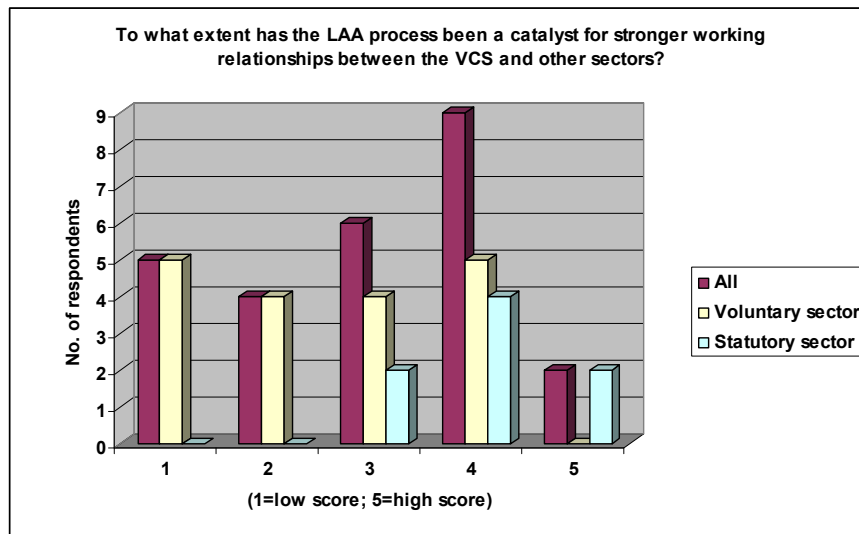
Graph 5



- Statutory sector responses largely mirrored those of the voluntary sector, with 24% of all responses citing lack of time as the most pertinent barrier to VCS participation in the LAA.
- Lack of resources and skills/knowledge were rated as second and third, receiving 18% and 14% of votes respectively.
- Other responses included:
 - A lack of belief that the LAA will be relevant to the VCS;
 - A lack of a clear process;
 - The voluntary sector being insufficiently developed;
 - A tendency to get embroiled in the finer details, without finding enough opportunity to step back and consider the wider implications/bigger picture;
 - Skills and knowledge being limited to a top-slice of the sector;
 - A lack of an umbrella VCS group in the borough.

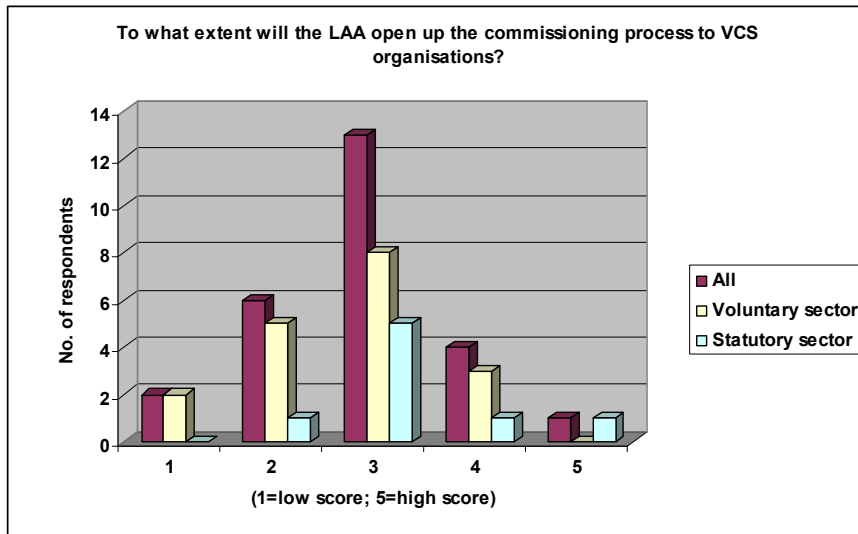
MEASURING PERFORMANCE & IMPACT

Graph 6



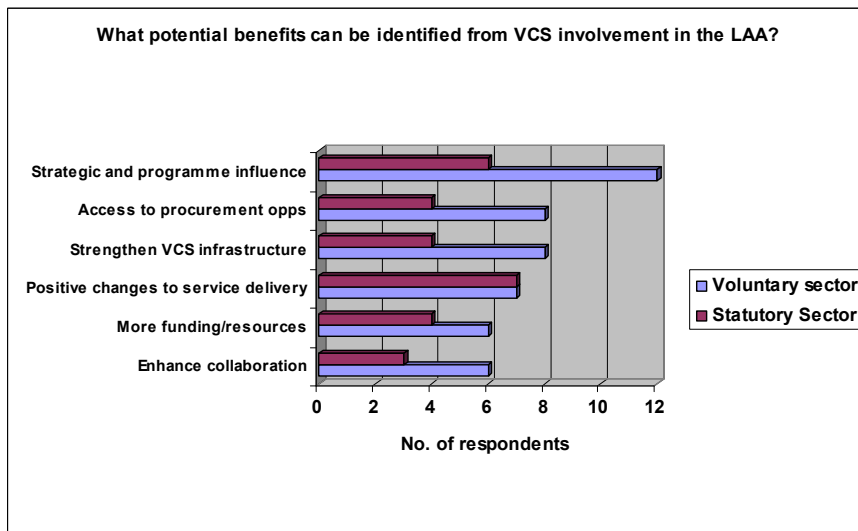
- There is more optimism among members of the statutory sector around the LAA process improving working relationships between the VCS and other sectors, with 75% of respondents scoring either 4 or 5. All statutory sector respondents scored 3 or above.
- This is in contrast with voluntary sector respondents whose scores were more evenly distributed between 1 and 4, with no respondents scoring 5. 50% of respondents scored under 3.

Graph 7



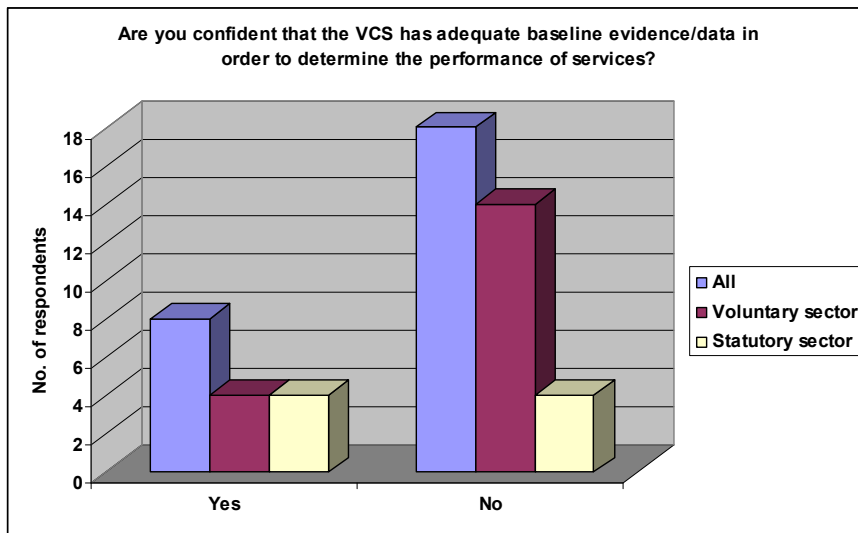
- Again, there is more optimism from the statutory sector around the LAA opening up the commissioning process to VCS organisations, but there is a wider range of responses in comparison with *Graph 6*. 88% of those in the statutory sector scored 3 or above, compared with only 61% of the voluntary sector.
- None of the statutory sector respondents scored 1 (the lowest score), compared with 11% of voluntary sector respondents, and none of the voluntary sector respondents scored 5 (the highest score), compared with 12% of statutory sector respondents.

Graph 8



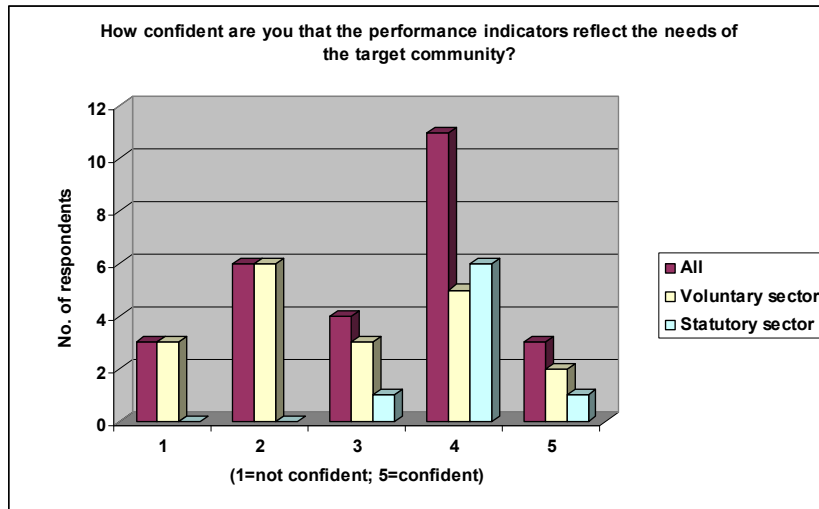
- Voluntary sector responses in relation to the potential benefits that can be identified from VCS involvement in the LAA, clearly favoured strategic and programme influence (26% of voluntary sector responses), with access to procurement opportunities (17%), and strengthening VCS infrastructure (17%) following.
- Statutory sector responses favoured positive changes to service delivery (25% of statutory sector responses).
- Other responses included:
 - A focus on neighbourhood-level service delivery;
 - The potential to achieve greater efficiencies;
 - Strengthening the basis of VCS engagement within key cross-cutting partnerships.
- 11% of all respondents felt it was too early to say what benefits could result from VCS involvement.

Graph 9



- 69% of respondents do not think that the VCS has adequate baseline evidence/data to determine the performance of services.
- Of this 69%, 78% are voluntary sector respondents.
- Only 22% of respondents from the voluntary sector feel that the VCS has adequate baseline evidence, compared to 50% of statutory sector respondents.

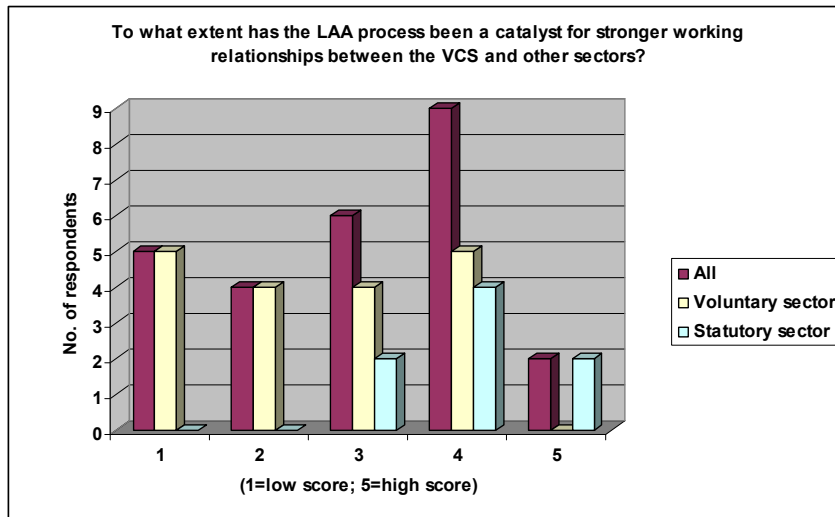
Graph 10



- Confidence that PIs reflect the needs of target communities is widely varied amongst the voluntary sector, with scores spread across the board. The majority of scores are negative, with 47% of respondents scoring a 1 or 2, compared with 37% of respondents scoring a 4 or 5.
- Amongst the statutory sector, there is a great deal more confidence, with all respondents scoring 3 or above, and 88% scoring 4 or 5.

BENEFITS

Graph 11

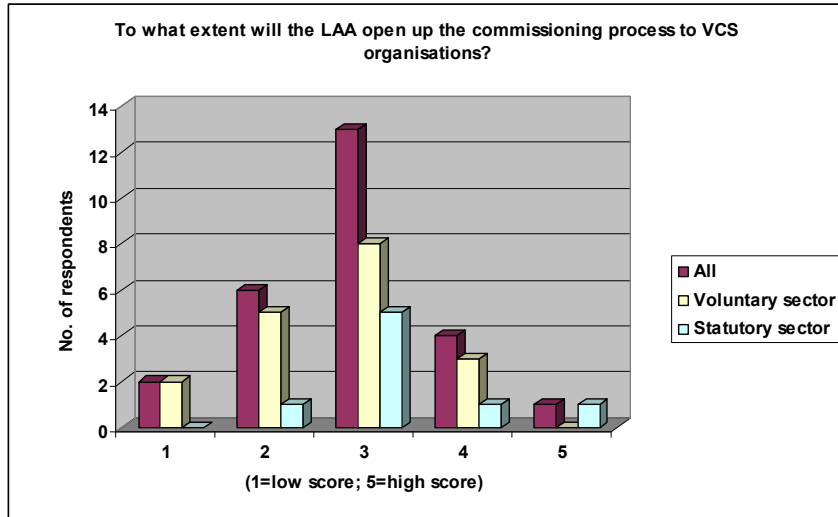


- There is more optimism among members of the statutory sector around the LAA process improving working relationships between the VCS and other sectors,

with 75% of respondents scoring either 4 or 5. All statutory sector respondents scored 3 or above.

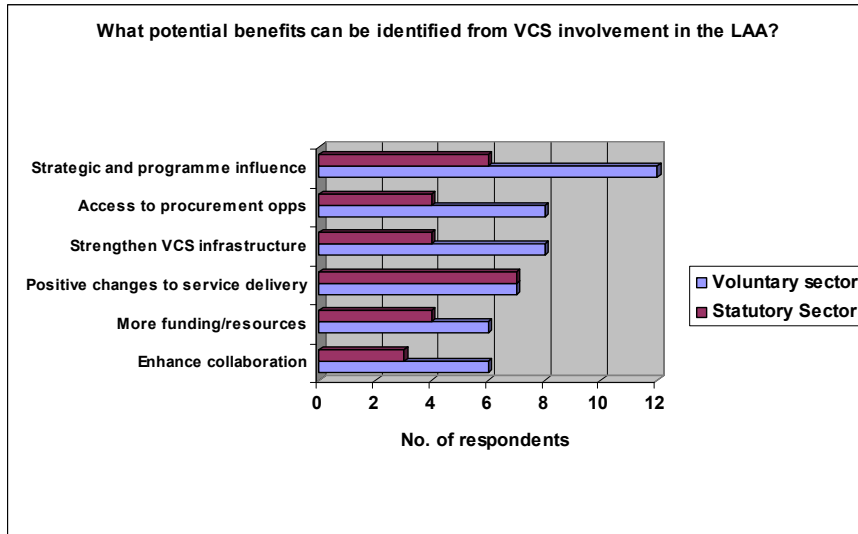
- This is in contrast with voluntary sector respondents whose scores were more evenly distributed between 1 and 4, with no respondents scoring 5. 50% of respondents scored under 3.

Graph 12



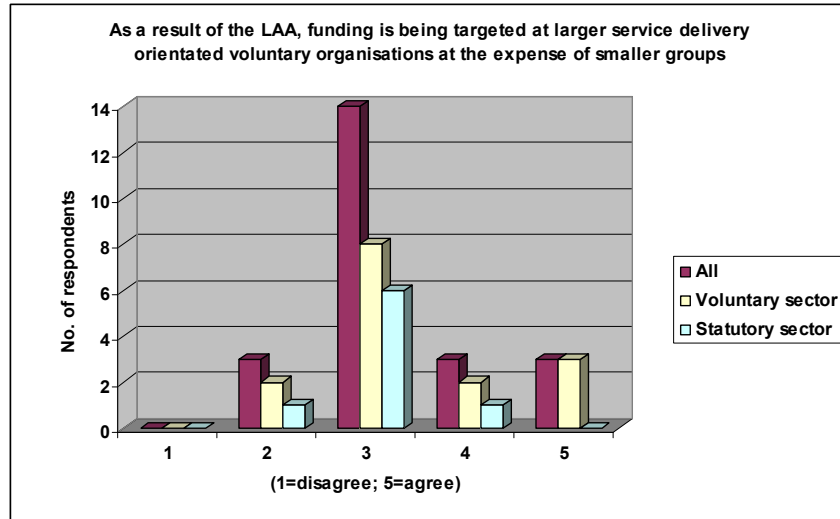
- Again, there is more optimism from the statutory sector around the LAA opening up the commissioning process to VCS organisations, but there is a wider range of responses in comparison with *Graph 8*. 88% of those in the statutory sector scored 3 or above, compared with only 61% of the voluntary sector.
- None of the statutory sector respondents scored 1 (the lowest score), compared with 11% of voluntary sector respondents, and none of the voluntary sector respondents scored 5 (the highest score), compared with 12% of statutory sector respondents.

Graph 13



- Voluntary sector responses in relation to the potential benefits that can be identified from VCS involvement in the LAA, clearly favoured strategic and programme influence (26% of voluntary sector responses), with access to procurement opportunities (17%), and strengthening VCS infrastructure (17%) following.
- Statutory sector responses favoured positive changes to service delivery (25% of statutory sector responses).
- Other responses included:
 - A focus on neighbourhood-level service delivery;
 - The potential to achieve greater efficiencies;
 - Strengthening the basis of VCS engagement within key cross-cutting partnerships.
- 11% of all respondents felt it was too early to say what benefits could result from VCS involvement.

Graph 14



- 26% of all respondents agreed (i.e. scored 4 or 5), that as a result of the LAA, funding is being targeted at larger service delivery orientated voluntary organisations at the expense of smaller groups.
- This opinion was more starkly represented by the voluntary sector, with a third of respondents (33%) scoring 4 or 5, compared with only 12% of statutory sector respondents; none of whom scored 5.

2. LIST OF CONSULTEES

The following table gives an overview of the input to this report from the different LAA boroughs in London.

LAA Borough	No. of Questionnaire Returned	Interview with Local Authority?	Interview with a VCS Representative?
Barking and Dagenham	1	YES	YES
Brent	0	NO	NO
Camden	1	YES	YES
Croydon	0	YES	YES
Enfield	1	YES	YES
Greenwich *	2	NO	NO
Harrow	2	YES	YES
Hammersmith & Fulham *	3	YES	YES
Hounslow	1	YES	YES
Islington	4	YES	YES
Kensington and Chelsea	1	YES	YES
Kingston upon Thames	2	NO	NO
Lewisham	2	YES	YES
Redbridge	2	YES	YES
Tower Hamlets	3	NO	NO
Waltham Forest	1	YES	YES
Westminster	1	NO	NO

* Denotes a Round 1 (2005) Local Area Agreement Pilot

3. WORKSHOP DELEGATES

On Friday 13th January 2006, London Voluntary Service Council hosted a workshop “Local Area Agreements – Responsibilities and Opportunities for the Voluntary Sector in London”. It was attended by the following delegates drawn from London’s Local Authorities and a range of voluntary and community sector organisations:

No.	Name	Organisation
1.	David Abse	Islington Voluntary Action Council
2.	Ali Aksoy	Hackney Refugee Forum
3.	Graham Arnold	Age Concern England
4.	Elizabeth Balgobin	London Voluntary Service Council
5.	Alison Blackwood	Voluntary Action Camden
6.	Tim Brogden	London Voluntary Service Council
7.	Andrew Carter	Rocket Science UK Ltd
8.	Dawn Cock	Disablement Association of Barking & Dagenham
9.	Jill Crumpton	Greenwich Partnership
10.	Marika Dalgliesh	Kingston Voluntary Action
11.	Martin Davies	Age Concern Westminster
12.	Mike Desborough	Government Office for London
13.	Michelle Dollard	Hammersmith & Fulham Council
14.	Annette Figueiredo	Age Concern London
15.	Louise Garner	London Voluntary Service Council
16.	Tracey Gregory	London Voluntary Service Council
17.	John Griffiths	Rocket Science UK Ltd
18.	Jessie Hamshar	Kensington and Chelsea Royal Borough Council
19.	Mary Hennessy	Urban Partnership Group
20.	Annabel House	Rocket Science UK Ltd
21.	Wai Ha Lam	Age Concern Waltham Forest
22.	Pat Logan	London Churches Group for Social Action
23.	Pradip Lotlecar	LAACC
24.	Jessica Luong	London Voluntary Service Council
25.	Carole Macqueen	BASSAC
26.	Cathy Maund	Federation of City Farms and Community Gardens
27.	Stephanie Mills	Voluntary Action Westminster
28.	Victor Momodu	Lambeth Community Empowerment Network
29.	Andy Murphy	Islington Council
30.	Marigold Nunes	Make it Happen-VJB
31.	Steve Phaure	Croydon Voluntary Action
32.	Ben Reynolds	London Food Link
33.	Deborah Smookler	Social Enterprise London
34.	Colette Stevenson	Islington Voluntary Action Council
35.	David Tross	Scarman Trust
36.	Alice Wallace	East London CVS Network