

Briefing Note for Resources and Performance Scrutiny and Performance Panel.

Local Area Agreement (LAA) (Taken from ODPM guidance)

1. Local Area Agreement's (LAAs) are a contract between central and local government to deliver the priorities of local people and aim to achieve, greater efficiencies for local authorities and their partners giving them the freedom to work in a 'joined up' way to meet the challenges that localities face.
2. LAAs were first established in July 2004, the Government set out the key aims of LAAs:
 - to improve central/local relations
 - to improve service delivery
 - to improve efficiency
 - to improve partnership working
 - to enable local authorities to provide better leadership.
3. Local Area Agreement is a three year agreement that sets out the priorities for a local area agreed between central government, represented by the Government Office, and a local area, represented by the local authority and Local Strategic Partnership (LSP) and other key partners at local level. It will be refreshed annually which will enable changes in national or local priorities to be reflected; an example being the Government's Spending Review 2006.
4. The agreement is made up of outcomes, indicators and targets aimed at delivering a better quality of life for people through improving performance on a range of national and local priorities. These priorities are grouped round 4 blocks, Children and Young People, Safer and Stronger Communities, Healthier Communities and Older People and Economic Development and Enterprise.
5. LAAs can also help tackle some of the key long-term challenges which are faced by local authorities, LSPs and their communities and which need be addressed if we are to realise genuinely sustainable communities.
6. Second Generation Local Public Service Agreements (LPSAs), where they have not yet begun negotiation, will be negotiated as part of the LAA and will become the reward element of the LAA. Whilst LAAs are not about stretch targets, rather better outcomes as a result of increase local discretion and reduced bureaucracy, the reward element targets will continue to be stretch targets with reward grant payable upon the achievement of the target, as was the case for LPSAs.
7. LAAs should be taken forward by local authorities and Local Strategic Partnerships (LSPs) and other key partners at local level. It is important that LSPs are inclusive and arrangements put in place to ensure that any partners not currently on the LSP are brought into the development, negotiation and delivery of the LAA. Government Offices will need to be satisfied that all appropriate partners are involved in negotiations, particularly where partnership funding is being considered. Government Offices need to ensure that representative groups are included where a key partner is unavailable.