

What are local area agreements?



Local people addressing local priorities

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Local area agreements (LAAs) are three-year agreements, based on the local sustainable community strategy, setting out the priorities for a local area, as agreed between central government and the local area. LAAs are about 'place-shaping', a term coined in the March 2007 Lyons Inquiry report¹ and defined there as 'the creative use of powers and influence to promote the general well-being of a community and its citizens'.

For the purposes of negotiating and signing off LAAs, central government is represented by the regional Government Offices (GOs).

The local area is represented by the local strategic partnership (LSP), made up of representatives from key service delivery partners:

- Local authority
- Business and commerce
- Local public partners e.g. police authorities, primary care trusts, children's trusts
- Third sector organisations (TSOs) and individuals

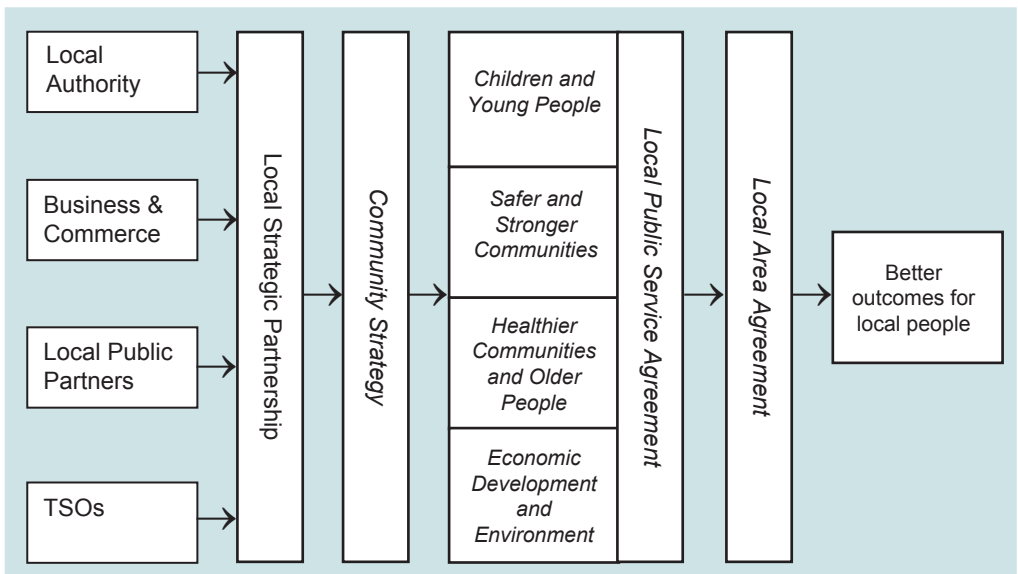
LAAs are structured around four policy areas or 'indicative themes':

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

These four themes will be funded from a single pot, rather than attracting separate funding streams (as previously), allowing LSPs greater flexibility in the allocation of resources.

In areas that have two tiers of local government – county and district – the process of developing LAAs is more challenging than in unitary authority areas. Only the top tier, the 'lead authority', signs off the LAA, so county and district councils have to co-operate as equal partners to produce an agreement that works for both tiers. District

councils have the detailed experience and expertise that can inform the broader strategic awareness of county councils. Where there have been tensions between the two tiers in the past, LAAs offer the opportunity and incentive to resolve these by developing systems that take account of their joint responsibility for public service delivery.



What do LAAs achieve?

Improving local outcomes for local people

The primary objective of LAAs is to deliver genuinely sustainable communities through better outcomes for local people.

Secondary objectives of LAAs are to:

- improve central and local government relations
- enhance efficiency
- strengthen partnership working
- offer a framework within which local authorities can enhance their community leadership role.

LAA's are intended to devolve decision making from Whitehall to the local area and reduce bureaucracy.

Successful LAAs:

- simplify central funding
- join up public services more effectively
- allow greater flexibility for developing local solutions and targeting funding towards local priorities.

Why should third sector organisations get involved in LAAs?

New opportunities for advocacy, representation and service delivery

Responding effectively to local priorities, especially those that affect the most marginalised and excluded communities – the 'hard-to-reach' groups – requires the involvement of TSOs.

Involvement in the development and delivery of LAAs provides a platform to highlight the needs of communities, and to encourage local organisations and groups to voice the issues that concern them and influence the design and delivery of services.

The Government recognises that TSOs can make a vital contribution to the design and delivery of LAAs because of their:

- independence
- organisational focus on users

- ability to respond flexibly to changing local needs
- provision of joined-up service delivery.

LSPs must bring together the third sector with the public and private sectors to coordinate the positive contribution that each can make to place shaping.

The National Performance Framework states that LSPs have a duty to involve local citizens in decision making, and that TSOs are full and equal partners in LSPs.

Local sustainable communities strategies, produced by LSPs, also provide a framework to promote a strong and healthy local third sector.

How can third sector organisations get involved in LAAs?

Strengthening your local infrastructure organisation

The Government is giving local authorities new duties to inform, consult with and involve their partners and service users in the design and delivery of services.²

TSOs can and do:

- improve community participation in, and engagement with, public services
- share experience of addressing complex personal needs and delivering services to hard-to-reach groups

- build the skills, motivation and confidence of employees, including volunteers, especially young people and disadvantaged groups
- provide employment and income, and contribute to the local economy
- manage community assets
- build and strengthen the trust of service users and relationships within and among communities.

In these ways, TSOs contribute significantly to service design and delivery, community cohesion and economic development.

Local infrastructure organisations (LIOs), including community empowerment networks (CENs) and third sector assemblies (TSAs), provide direction, leadership and representation on LSPs, on behalf of the many different frontline TSOs in a local area.

Through LIOs, TSOs can and should contribute to three aspects of LAA development:

- Governance
- Service delivery
- Building social capital

TSOs are strongly encouraged to build relationships with their LIOs, and take up opportunities to represent third sector interests on LSPs.

How is LAA delivery measured?

A new way to monitor progress

Following the 2006 local government white paper, *Strong and prosperous communities*³, new LAA delivery will be measured by a single national performance framework, replacing the multiple frameworks under which local authorities previously operated.

*The New Performance Framework for Local Authorities and Local Authority Partnerships*⁴ is intended to:

- strengthen accountability to citizens and communities
- give greater responsibility to local authorities and their partners for securing improvements in services
- provide a better balance between national and local priorities
- improve the arrangements for external assessment and inspection
- streamline the process for providing improvement support and intervention for authorities struggling to deliver agreed outcomes for local people.

The new framework contains 198 national indicators (NIs). The delivery of LAAs will be measured against all of these, but each LSP will have chosen up to 35 as 'designated targets' to help them meet local priorities over a three-year period. Where there are priorities not covered by the designated targets, LSPs

will need to identify additional local targets, which will have equal importance with the 35 designated targets.

Definitions of the NIs can be found in the *National Indicators for Local Authorities and Local Authority Partnerships: Handbook of Definitions*.⁵

From April 2009, the Comprehensive Area Assessment (CAA) will replace the Comprehensive Performance Assessment (CPA). CAA aims to be more relevant by encouraging the development of a common approach to local challenges⁶, and will look at public services delivered by local authorities, together with partners in the private and third sectors.

Who will measure LAA delivery?

Local, regional and national responsibilities

There are five areas of responsibility used to manage the performance of LAAs:

- Local government – responsible for delivering the best possible public services on behalf of their citizens
- Regional Improvement and Efficiency Partnerships (RIEPs) – responsible for ensuring the highest quality and value public services across a region on behalf of local authorities and their partners
- Regional Government Offices – responsible for ensuring the highest

quality and value public services across a region on behalf of central government

- Inspectorates – responsible for ensuring accurate and timely assessments of local services in order to improve standards
- Central government – responsible for national policy that reflects the needs of local areas and improves the lives of citizens

Multi-area agreements

During the negotiations for the second round of LAAs, a number of local authorities expressed the view that some outcomes and targets could be delivered more efficiently and effectively by two or more authorities working together across their usual boundaries.

The idea of multi-area agreements (MAAs) was developed to address this, enabling two or more top-tier authorities and their partners to negotiate an agreement with the Government to deliver outcomes and targets at sub-regional level, in return for greater funding flexibility under new sub-regional enabling measures. One local authority is recognised as the accountable body having financial responsibility, but all partner authorities share responsibility for the MAA outcomes and targets.

Web links

¹ Lyons Enquiry report: *Place Shaping - a shared ambition for the future of local government*
www.communities.gov.uk/localgovernment/localgovernmentfinance/lyonsinquiryinto/

² See Department for Communities and Local Government website:
www.communities.gov.uk/localgovernment/performanceframeworkpartnerships/bestvalue/

³ Local Government White Paper: *Strong and prosperous communities*
www.communities.gov.uk/publications/localgovernment/strongprosperous

⁴ *The New Performance Framework for Local Authorities and Local Authority Partnerships: Single Set of National Indicators*
www.communities.gov.uk/publications/localgovernment/nationalindicator

⁵ *National Indicators for Local Authorities and Local Authority Partnerships: Handbook of Definitions*
www.communities.gov.uk/publications/localgovernment/finalnationalindicators

⁶ See Audit Commission website: www.audit-commission.gov.uk/cpa/cpatransition.asp

Further information

For further information about LAAs, see *Introduction to local area agreements* on the IDeA website
www.idea.gov.uk/idk/core/page.do?pagelid=6908743

See also:

IDeA webpages on local area agreements
www.idea.gov.uk/idk/core/page.do?pagelid=1174195

Negotiating New Local Area Agreements
www.communities.gov.uk/publications/localgovernment/negotiatingnewlaas

Development of the new LAA framework – Operational Guidance 2007
www.communities.gov.uk/publications/localgovernment/laaoperationalguidance

An Introduction to the Local Performance Framework – Delivering Better Outcomes for Local People
www.communities.gov.uk/publications/localgovernment/localperformanceframework

Advice and support for local government: Local leadership for sustainable development
www.sustainable-development.gov.uk/advice/local/localleadership.htm#creating

The future role of the third sector in social and economic regeneration
www.cabinetoffice.gov.uk/third_sector/third_sector_review/Third_sector_review_final_report.aspx

Local leadership for sustainable development
www.sustainable-development.gov.uk/advice/local/localleadership.htm#creating

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