

**The Reward Element of Local Area Agreements:
Negotiation of Stretched Targets**

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CONTENTS	Page
Introduction	13
The advice notes:	17
 Children and Young People's Block	
Stay safe	
• Number of 0-15 year olds killed or injured in road traffic accidents	17
• Number of re-registrations on child protection register	18
• Number of children of families placed in temporary accommodation by local authorities under the homelessness legislation, who are on the child protection register	18
• Percentage of under 16s who had been looked after for 2.5 or more years living in the same placement for at least 2 years or are placed for adoption	18
• Percentage of care cases completed in the courts within 40 weeks	19
• Percentage of 11 to 15 year olds who state they have been bullied	21
 Be healthy	
• Modal share in travel to school	21
• Reduction in the under 18 conception rate	21
• Percentage of schools achieving the National Healthy Schools standard.	21
• Under 18 conception rate	23
• Prevalence of obesity among children under 11	23
• Low birth weight births	25
• Smoking during pregnancy and after birth.	25
• Breast feeding initiation and continuation	26
• Percentage children who are regular smokers	27
• Percentage of young people drinking alcohol	28
• Percentage children consuming 5 portions of fruit and vegetables a day	29
• Percentage of young people taking illegal drugs in the last month	30
• Percentage of sexually active population aged 15-24 being screened for chlamydia	31
• Proportion of those in drugs treatment under 18	31
• Proportion of under 18 year olds in drug treatment with young peoples' services	31
• The percentage of 5-16 year olds participating in a minimum of two hours each week of high quality PE and school sport, within and beyond the curriculum	32
• Numbers of families with children placed in temporary accommodation under the homelessness legislation/aggregate number of days spent by families with children in temporary accommodation	32
• The percentage of young people participating in at least one hour of moderate intensity sport and physical activity each week	33
• Access to health services for looked after children	34
 Enjoy and achieve	
• By 2008 all schools located in Local Authority Districts in receipt of NRF to ensure that at least 50% of pupils achieve level five or above in each of English, maths and science.	35
• Accessibility of safe play areas and opportunities	35
• Half days missed through absence	36
• Level of school attendance among children of families living in temporary accommodation	36
• Level of development reached at the end of the foundation stage, including narrowing the gap in the 20% most disadvantaged areas	37
• Percentage of seven year olds achieving at least level two at Key Stage One	38
• Percentage of 11 year olds achieving level four in English and Maths at Key Stage Two	38
• Educational achievement of 11 year old looked after children compared to their peers	39

• Percentage of year 11 pupils achieving the equivalent of five GCSE Grades A* to C including English and maths	39
• Percentage of 14 year olds achieving at least level five in English, Maths, Science and ICT at Key Stage Three	40
• Educational achievement of 14 year old looked after children compared to their peers	41
• Percentage of 16 year olds achieving equivalent of five A*-C GCSEs	41
• Educational achievement of 16 year old looked after children compared to their peers	42
• Number of 11-19 year olds using sports and leisure facilities	42
• Percentage of children attaining key stage two standard for swimming	43
• Take up of cultural opportunities by five-16 year olds	44
• Number of educational opportunities for young people delivered by arts organisations, architecture and heritage bodies, sports organisations, music services, museums and galleries	45
• Participation in sporting and cultural activities, both in and out of school, particularly by priority groups	46
• Percentage of children benefiting from children's libraries facilities and activities including Bookstart, homework clubs, the Summer Reading Challenge and early years activities	47
• Percentage of a) pupils of compulsory school age and b) pupils of compulsory school age in receipt of free school meals within 15 and 30 minutes of a primary school and 20 and 40 minutes of a secondary school by public transport	48
• Percentage of 16-19 year olds within 30 and 60 minutes of a further education establishment by public transport	48

Achieve economic well-being

• Percentage of 16-18 year olds not in education, employment or training	49
• Percentage of 19 year olds achieving level two or equivalent	51
• Number of young offenders in education, training and employment	52
• Percentage of 18-30 year olds participating in higher education	52
• Number of parents not in education, employment or training	52
• Number of vulnerable people living in social housing and the private rented sector in homes in a decent condition ("vulnerable people" includes children)	52
• Level of material deprivation and low income of families with children	52
• Percentage of children living in low-income households	53
• Number of low income families in fuel poverty	53
• Percentage of children in households with no one in work	54
• Stock and take up of childcare for all families	54
• Percentage of lone parents in sustainable employment	55
• Take up of correct benefit and tax credit entitlements	55
• Percentage of social housing and vulnerable households in the private sector in a decent condition	55
• Number of children in households without a bank account of any kind	56
• Number of low-income families able to borrow at affordable rates	57
• Number of low-income families in over-indebtedness	58
• Literacy attainment of pupils in lowest quartile of achievement	59

Make a positive contribution

• Percentage of children in secondary schools participating in a) election of school council members, and b) mock general elections	59
• Voluntary and community engagement by children	59
• Reduce the proportion of young offenders who re-offend	60
• Permanent and fixed period exclusions from school	60
• Percentage of 10-19 year olds admitting to a) bullying another pupil, and b) attacking, threatening or being rude due to skin colour, race or religion	61
• Developing self confidence and successfully dealing with significant life changes and challenges (measure to be identified from Children's Perception Survey)	61

Safer and Stronger Communities block

Reduce Crime

- Reduction in overall British Crime Survey comparator recorded crime. 62
 - (A) British Comparator Crime 62
 - (B) Reduction in violent crime, including alcohol related violence, domestic violence, sexual offences, hate crime and the use of weapons. 63
 - (C) Reduction in recorded criminal damage 66
 - (D) Business crime 67
- Reduce the proportion of adult and young offenders, and prolific and other priority offenders who re-offend. 68
 - (A) Prolific and other priority offenders 68
 - (B) Young offenders 69
 - Reduce the number of first time entrants to the youth justice system
 - (C) Adult offenders 70

Reduce overall crime in line with local Crime and Disorder Reduction Partnership targets and narrow the gap between the worst performing wards/neighbourhoods and other areas across the district

- Reduction in overall British Crime Survey comparator recorded crime. 71

Reassure the public, reducing the fear of crime

- Reduction in the proportion of adults saying that they are in fear of being a victim of crime 72

Reduce the harm caused by illegal drugs

- Reduce public perceptions of local drug dealing and drug use as a problem 74
- Reduction in drug related crime 74
- Increase in the number of drug misusing offenders directed into treatment through the Drugs Interventions Programme 75
- Increasing the proportion of illegal drug users remaining in treatment for 12+ weeks 76
- Increase in the proportion of drug misusing offenders accommodated within suitable accommodation 76

Build Respect in communities and reduce anti-social behaviour

- Increase in percentage of people who feel informed about what is being done to tackle anti-social behaviour in their local area 77
- Increased percentage of people who feel that parents in their local area are made to take responsibility for the behaviour of their children 77
- Increased percentage of people who feel that people in their area treat them with respect and consideration 77
- Reduce people's perceptions of ASB (using the 7 issues stated in the Survey) 77
- Indicators measuring the use of particular initiatives (such as Anti-Social Behaviour Orders (ASBOs) coupled with a 'change in behaviour' such as improvements in school attendance 78
- A reduction in the proportion of people who breach an anti-social behaviour intervention (including ASBOs, injunctions, Acceptable Behaviour Contracts) 79
- Measurements of other types of ASB – environment or other criminal activity which are recorded as a crime type (usually by the police) – e.g. criminal damage, incidents of graffiti, abandoned cars and fly-tipping 79

Empower local people to have a greater choice and influence over local decision making and a greater role in public service delivery

- Percentage of residents who feel they can influence decisions affecting their local area 79

- *Percentage of people who feel that their local area is a place where people from different backgrounds get on well together* 79
- *An increase in the number of people recorded as or reporting that they have engaged in formal volunteering on an average of at least two hours per week over the past year* 79
- *Increase in the percentage of residents who feel they can influence decisions affecting their area* 79
- *Increase in the percentage of residents who affirm that they carried out voluntary work in an organisation at least three times in the past year* 83
- *Strengthen the engagement of rural residents through governance roles and by identifying local needs and actions to tackle them* 85
- *Increase in the number of town and parish councils attaining Quality Status* 85

Cleaner, greener and safer public spaces

- *Environmental quality, as measured by BVPI 199 and 89 in combination, which measure perceptions of cleanliness.* 86
- *Quality of surroundings – increase in number of green flag award parks and green space and public satisfaction (BV119e)* 86
- *An increase in the percentage of abandoned vehicles removed within 24 hours from the point where the local authority is legally entitled to remove the vehicle (BVPI 1218b).* 89
- *Percentage of residents reporting an increase in satisfaction with their neighbourhoods and in disadvantaged areas showing a narrowing of the gap between these areas and the rest.* 90
- *A reduction in the number of incidents of fly-tipping using data as recorded on the Flycapture database* 91
- *Reducing levels of noise nuisance in residential neighbourhoods.* 92
- *Improvements in Air Quality - local concentrations of specific air pollutants: (where local authorities have declared air quality management areas (AQMAs) in respect of nitrogen dioxide (NO₂) and in some cases PM₁₀, mainly due to road transport.)* 93

Tackling climate change through reduced greenhouse gas emissions

- *Improving the energy efficiency/carbon performance of operational property and/or community organisations (VCS and private sector) and/or housing stock* 94
- *Proportion of renewable electricity generated /electricity generation from renewable and non-renewable sources* 94
- *Emissions of carbon or carbon dioxide* 94

Increased access to and enjoyment of green spaces and the countryside

- *To improve river water quality* 96
- *Protect and enhance biodiversity – to conserve and enhance wildlife and the rural landscape and promote access and understanding by all* 97
- *Public access to green spaces or condition of green spaces* 98
- *Rights of way – access to the countryside: to increase visitor access to the countryside* 98

Reduce waste to landfill and increase recycling

- *Reduction in the percentage of municipal waste landfilled* 99
- *Increase in the percentage of municipal waste recycled* 101

Improve the quality of the local environment by reducing the gap in aspects of liveability between the worst wards/neighbourhoods and the district as a whole, with a particular focus on reducing levels of litter and detritus

- Reduction by 2008 in levels of litter and detritus using BVP 199 at district level. 105
- Increase satisfaction with cleanliness of streets measured by BV89 108
- Reduction in households experiencing poor quality environment measured by EHCS 109
- Quality of surroundings – for example through increasing number of Green Flag Awards in most deprived wards 109
- Increase satisfaction with local parks and green spaces 109
- Protect and enhance biodiversity - to conserve and enhance wildlife and the rural landscape and promote access and understanding by all 109
- Transport – modal split and travel to work modal split 110
- To improve river water quality 111
- Ratio of area of local nature reserve to population 111
- Public access to or condition of green spaces 111
- Emissions of air pollutants 111
- Environmental quality, as measured by BVPI 199 and 89 in combination 111
- An increase in the percentage of abandoned vehicles removed within 24 hours from the point where the local authority is legally entitled to remove the vehicle (BVPI 1218b) 112

Improved quality of life for people in the most disadvantaged neighbourhoods; service providers more responsive to neighbourhood needs; and improved service delivery

- Percentage of residents (in areas receiving this funding) reporting an increase in satisfaction with their neighbourhoods. 112
- Percentage of residents in satisfied with delivery of local services and believing service providers are more responsive to their needs 113
- Percentage of residents who feel that their local area is a place where people from different backgrounds can get on well together 113

As part of an overall housing strategy for the district, improve housing conditions within the most deprived neighbourhoods/wards, with a particular focus on ensuring that all social housing is made decent by 2010.

- The two year combined sample (2005/6 to 2006/7) from the continuous English Household Condition Survey (EHCS) reporting in 2007 confirms that the reduction in the number of non-decent social sector dwellings is more than 50% of the total reduction in the number of non-decent social sector dwellings since 2001. 113
- The two year combined sample (2007/8 to 2008/9) from the continuous EHCS reporting in 2009 confirms that the reduction in the number of non-decent social sector dwellings is more than 50% of the total reduction in the number of non-decent social sector dwellings since 2001. 113
- To increase the number of affordable housing units secured via planning agreements 114
- Reduce homelessness in the local area 114
- Level of energy efficiency of housing occupied by vulnerable groups (measured by SAP rating) 115
- Number of vulnerable households in fuel poverty (identified through local area indicators such as local level data on areas of deprivation or more sophisticated tools such as the Affordable Warmth index) 117
- Successful referrals to the Warm Front Scheme (NB: this could be acceptable as a stand-alone indicator but would be expected to be an intrinsic part of either of the two indicators above) 118

To increase domestic fire safety and to reduce arson	119
Reduce re-offending (through addressing the housing and support needs of offenders)	121
• Number of prisoners with an address to go to on discharge (existing Reducing Re-offending Delivery Plan KPI)	122
• Percentage of offenders into suitable accommodation at the end of an order/licence compared with the start (Reducing Re-offending Delivery Plan shadow measure 2006-2007)	121
• Number of prisoners who are registered with a general practice in the area to which they go on discharge	122
• Number of offenders in settled and suitable accommodation at end of order/licence	122
• Proportion of prolific and other priority offenders judged as having settled accommodation at the end of the contact with probation	123
• Number of offenders in receipt of housing-related support services funded by Supporting People	121
Improved services for victims of domestic violence through targeted schemes	
• Number of victims of domestic violence enabled to remain in their own accommodation through sanctuary schemes	123
• Reduction in number of cases accepted as homeless due to domestic violence	123
• Number of perpetrators of DV who are evicted as a result of contravening clauses in their tenancy agreement (BVPI 1225)	123
Enrich individual lives, strengthen communities and improve places where people live through culture and sport, including libraries and the historic environment	
• Take up of cultural opportunities by people aged 16 and above, in particular from priority groups or new users	123
• Visits by priority groups to historic environment sites, especially from ethnic minority, socially deprived groups and people with disabilities	124
• Visits by new users to museums, especially from under-represented groups	125
• Attendance and participation in the arts by under-represented groups	126
• Maintaining the character and distinctiveness of local communities by reducing the number of listed buildings at risk and effective management of conservation areas (BV219)	127
Affordability of Rural Housing	
• Increase the availability of affordable rural housing units	128
Healthier Communities and Older People Block	
Improved Health and reduced health inequalities	
• Spearhead Areas: Reduce health inequalities between the local authority area and the England population by narrowing the gap in all-age, all-cause mortality	129
• <u>All other areas (optional for Spearhead Areas)</u> – reduce health inequalities within the local area, by narrowing the gap in all-age, all-cause mortality	129
Reduce premature mortality rates and reduce inequalities in premature mortality rates between wards/neighbourhoods with a particular focus on reducing the risk factors for heart disease, stroke and related diseases (CVD) (smoking, diet and physical activity)	
• Reduce premature mortality rates from heart disease and stroke and related	130

diseases so that the absolute gap between the national rate and the rate for the district is reduced by [x]% by 2010 [x to be agreed as part of the contribution to the reduction in the gap between the Spearhead Group and the England average (national PSA target)]

- Reduce the gap in premature mortality rates between the most deprived 20% of wards/neighbourhoods and the least deprived 20% of wards/neighbourhoods with a particular focus on reducing the gap in smoking prevalence in those areas 131
- Mortality rates from heart disease and stroke in people aged under 75 133
- Road safety: numbers killed and seriously injured 133
- Number of four week smoking quitters 134
- Number of test purchases of underage tobacco sales 135
- Smoking prevalence 136
- Number of recorded obese individuals losing weight through a personalised weight management programme 136
- Numbers of individuals served by Community Mental Health Teams receiving crisis resolution, assertive outreach and early intervention 137
- Number of schools achieving Healthy School Status 137
- Improved access to employment, training and housing for those in drugs treatment or leaving drugs treatment 138
- Number of drug treatment completions 138
- Percentage of individuals consuming five portions of fruit and vegetables a day 138
- Number of new diagnoses of gonorrhoea 138
- Number of new diagnoses of syphilis 139
- Alcohol-related hospital admissions, rate per 100,000 population per year 140
- Percentage uptake of routine childhood immunisations 141
- Proportion of adults achieving at least 30 minutes of moderate intensity physical activity through walking 141
- Modal split and travel to work modal split (walking and cycling) 143
- Percentage of children walking or cycling to school 143
- Prevalence of obesity among primary school aged children 143
- Low birth weight births 143
- Smoking during pregnancy and after birth 144
- Breastfeeding initiation and continuation rates 144
- Percentage of children who are regular smokers 144
- Percentage of young people drinking alcohol 144
- Percentage of children consuming five portions of fruit and vegetables a day 144
- Percentage of sexually active population aged 15-24 being screened for chlamydia 144
- Numbers of individuals under 18 in treatment and successfully completing treatment for drug abuse 144
- Air Quality – local concentrations of specific air pollutants (where local authorities have declared air quality management areas (AQMA) in respect of nitrogen dioxide (NO₂) and in some cases PM₁₀, mainly due to road transport) 144

Improved Quality of Life

- Number of people aged 75 or over admitted to hospital as a result of falls 145
- Improving the quality of life of people aged 65 and over using home services 145
- Percentage of households (including those without access to a car) within 30 and 60 minutes of a hospital with an outpatients' facility by public transport 147
- Percentage of households (including those without access to a car) within 15 and 30 minutes of a GP by public transport 147
- Local food procurement: percentage of all public sector organisations adhering to healthier nutritional standards 148
- Transport planning and provision that takes account of needs of older people in availability and accessibility 148
- Rights of way and improved access to the countryside 148

Making a Positive Contribution

- Numbers of older people using local facilities such as libraries, educational courses, leisure facilities, volunteering and participating more in the community 148

- generally, including services for older people helped to live at home
- Number of employees over 50 149
- Number of job opportunities for people over 60/65, supported by appropriate training 149

Increase Choice and Control

- Number of emergency unscheduled bed days occupied by a person aged 75 or over 149
- Proportion of older people supported to live in their own home 150
- Percentage of the population that are within 20 minutes travel time (urban areas by walking, rural areas by car) of three different types of sports facilities, of which one has achieved a quality assured standard 151
- Adults and older people receiving direct payments on an ongoing basis 152

Achieve Freedom from Discrimination

- Services and amenities give particular consideration to older people. 153
- Numbers of older people in hard to reach groups able to access and participate in community activity. 153

Achieve Economic Well-being

- Numbers of older people in work 153
- Annual average income of specific groups of older people (suggested measures are take up of specified benefits e.g. attendance allowance, Council Tax benefit, Pension Credit, Housing Benefit) 153
- Take up of Pension Credit 154
- Level of energy efficiency of housing occupied by vulnerable groups 154
- Number of vulnerable households in fuel poverty 154
- Successful referrals to the Warm Front scheme (this could be acceptable as a stand-alone indicator but would be expected to be an intrinsic part of either of the two indicators above) 154

Increase Personal Dignity

- Number of older people living in decent homes, whether social housing or privately owned 154

Reduce Injuries and Improve Health at Work

- Incident rate of fatal and major injuries at work 155
- Number of working days lost from work-related injuries and ill health 155
- Annual incidence rate of new cases of work related ill health 155

Economic Development and Enterprise Block

Increase Employment

For those living in the wards with the worst labour market position that are also located within the districts in receipt of NRF, significantly improve their overall employment rate and reduce the difference between their employment rate and the overall employment rate for England.

- An improvement by 2007/8 of at least one percentage point in the overall employment rate for those living in the Local Authority wards with the worst labour market position that are also located within the Local Authority District in receipt of NRF 156
- A reduction by 2007-8 of at least one percentage point of the difference between the overall employment rate for Great Britain and the employment rate of those living in the local authority wards with the worst labour market position that are also located within Local Authority Districts in receipt of NRF 156
- Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged 157

- areas
- *The number of unemployed offenders that find and keep employment or vocational training for four weeks (shadow probation measure for those being supervised)* 157
 - *Reduce the incidence of child poverty, contributing to the national targets of halving child poverty by 2010* 158
 - *Number of people claiming Job Seekers Allowance* 158
 - *Reductions in the number of young people not in Education, Employment or Training* 158
 - *Rate of economic activity* 158
 - *Number of people helped from disadvantaged groups and areas into sustained work of 16 hours a week or more for 13 consecutive weeks or more* 158
 - *The number of people moving off inactive benefits* 158
 - *The take-up of correct benefit and tax credit entitlements* 158
 - *Percentage of a) people of working age and b) people in receipt of Jobseekers' allowance within 20 and 40 minutes of work by public transport* 160

Increase Enterprise

Increase total entrepreneurial activity among the population in deprived areas

- *Local SME business survival rate* 161
- *Number of new businesses created and demonstrating growth after 12 months* 161
- *Business satisfaction with business support provision* 162
- *Number of people starting up in business or becoming self-employed, including those currently economically inactive* 162
- *VAT registrations* 163
- *Self-employment rate* 164
- *New start-ups supported* 164
- *New social enterprises* 165

Increase Competition

Support the sustainable growth, and reduce the unnecessary failure, of locally owned businesses in deprived areas.

- *Employment by sector* 166
- *Number of businesses assisted to improve their performance* 167
- *Level of reported crime against business* 167

Increase Investment

Attract appropriate inward investment and franchising into deprived areas, making use of local labour resources

Develop Skills

- *Number of people assisted in their skills development to include:* 167
 - *Number of adults gaining basic skills as part of the Skills for Life Strategy*
 - *Number of basic skills awards to offenders in custody and the community*
 - *Number of adults who are supported in achieving at least a full first level two qualification or equivalent*
 - *Skills levels in particular business sectors*
 - *Increased take-up of adult learning opportunities through public libraries*

Increase housing supply in a sustainable way

- *Increase housing supply in a sustainable way by at least 20% above the Sustainable Communities Plan baseline (i.e. pre-2003 levels), with overall housing growth of at least 500 homes per year in the local authority area* 169
- *Increase housing supply in a sustainable way by at least 20% above the Sustainable Communities Plan baseline (i.e. pre-2003 levels), with overall* 169

housing growth of at least 500 homes per year in the local authority area	
• completion of preparatory works for major development sites, including: site clearance/remediation works and provision of site infrastructure to allow development to proceed	170
• completion of stages of construction for key infrastructure projects (e.g. town centre improvements, transport projects, health/education/civic/cultural amenities, green infrastructure)	170
• completion of construction phases of housing for sale	170
• number of homes delivered in the local authority area	170
• number of jobs created or safeguarded in the local authority area	171
• amount of private sector investment attracted to site/intervention	171
• % of new housing within the growth point that meets level three in the Code for Sustainable Homes	171
• Improved energy efficiency/carbon performance of new housing stock (measured under sustainable production and consumption targets)	171
• Investment in reclaiming and redeveloping brownfield land	171
• Level of local transport congestion	173
• Average travel to work times	173
• Rate of planning applications processed to the nationally set standards	174
• Number of businesses attracted to the area	174
• Reduction of vacancy rates of commercial premises	175

Increase Innovation

• Increase total entrepreneurial activity among the population in deprived areas – Indicators at neighbourhood and priority group level to be agreed in negotiation	176
• Percentage of sales accounted for by new or improved products	176
• Number of patents granted	177
• Knowledge transfer from HEIs – spinouts created	178
• Facilitating Research and Development investment	178
• Facilitating hi-tech businesses	179

Develop Sustainable Production and Consumption

• Increasing the number of businesses participating in environmental management systems	179
• Increasing the number of businesses participating in corporate social responsibility initiatives	180
• Proportion of spend on sustainable procurement	181
• Percentage of food products used being locally produced and supplied	182
• Recycling of non-biodegradable non-municipal commercial waste	183
• Proportion of renewable electricity generated/electricity generation from renewable and non-renewable sources	185
• Improving the energy efficiency /carbon performance of operational property and/or community organisations (VCS and private sector) and/or housing stock	185

Annex contents

Section 1	Background to reward element targets - definitions of the terms used in the target descriptions.	186
Section 2	The use of indicators not in the outcomes framework.	189
Section 3	General principles relating to agreeing the “without” and “with reward” positions.	190
Section 4	Possible solutions where a GO is having difficulty justifying the reward in view of the value of the enhancement offered.	191

Section 5	The use of indicators where there is no established data for current performance.	192
Section 6	The use of indicators with a geographical or group focus – points for GOs and local authorities to consider.	193
Section 7	Issues for GOs and local authorities to be aware of if a random sample survey is used as the basis of an indicator.	196
Section 8	Allocation of the PRG between targets and indicators	198
Section 9	Enabling measures for reward element targets	200

INTRODUCTION

This document has been prepared by central Government departments to assist Government Offices (GO) in the negotiation of reward targets (it may also be a useful resource in the negotiation of non-reward targets). It supersedes the November 2005 version.

Local Area Agreements Guidance for Round 3 and Refresh of Rounds 1 and 2, (published March 2006) provides an Outcomes Framework (annex A page 16) of indicators for potential inclusion in a Local Area Agreement (LAA). The vast majority of these indicators are able to attract Performance Reward Grant (PRG) via the achievement of stretched targets, subject to negotiations between areas and GOs. In conducting these negotiations GOs and local areas are encouraged to pay close reference Annex F of the above guidance.

Reward may only be attached to the top priorities for improvement locally. The measures must be robust and the additional stretch in performance must justify the PRG for the target in question.

Negotiating stretch targets

Due to the technical and involved nature of reward element targets, local areas are strongly advised to begin negotiations with GOs at the beginning of the LAA process.

In particular, those areas wishing to pursue indicators which do not appear in the Outcomes Framework should discuss their proposals with GOs at the earliest possible opportunity to ensure completion to timetable.

Guidance on some of the technical issues that need to be taken account of in agreeing Reward Element targets is provided in an annex to this document (see contents above).

Central departments

The former LPSA teams within central departments have now disbanded, although GOs have been provided with policy contacts in Whitehall to provide assistance on all indicators.

A residual reward element / LPSA team will continue to exist within the new Department of Communities and Local Government, providing generic support to GOs, as well as responsibility for payment of PPG and PRG.

Justifying the reward grant

These guidance notes include central Government's advice on the factors and considerations to be taken into account by GOs and areas when reaching agreement on whether a proposed 'stretch' in performance represents value for money (see the '*Determining the Level of Reward Grant*' section in each of the notes) in relation to the PRG. It is for GOs and areas to weigh these factors, their local application and agree on a level of stretch which achieves the maximum possible value for money in the local context.

LAA Reward Element targets must be achievable but also suitably challenging and represent a significant improvement in performance.

Financial incentives

Two grants are available.

Pump Priming Grant (PPG) is paid to authorities and should only be used to assist in the delivery of stretch targets. For LAAs starting in April 2007, PPG will be paid in one sum with the first monthly instalment of pooled LAA funding (i.e. around the end of April 2007) as a capital grant. One third of this will be made available immediately as revenue, with options to trade the remaining two thirds of capital PPG into revenue in the second and third years.

For all but the smallest authorities, the amount of PPG available is £750,000 plus £1 per head of population. This money is non-refundable and is dependent upon the achievement of stretched targets. Authorities and partners are expected to contribute some of their own resources towards the achievement of stretched targets. It is not intended that PPG just be used to fund improvements directly over a limited period of time, but should be used to create sustainable improvements in long term outcomes.

Performance Reward Grant (PRG) is paid upon successful achievement of the 'with reward' performance specified in the targets. A 60% threshold for attainment applies to each individual indicator (where a target has more than one). This means that 60% of the PRG allocated to an indicator is paid if 60% of the 'enhancement in performance' or stretch is achieved, and pro rata thereafter up to 100%.

The amount of PRG is calculated as 2½% of an authority's Net Budget Requirement (NBR) in the financial year immediately prior to the commencement of the LAA reward element (usually the year in which negotiations take place). In two-tier areas, the NBRs of both the County and participating District Councils are taken into account. Budgets of other partners are not included.

PRG will normally be paid in two equal shares in the first and second financial years following the end of the stretched target period. It will be split equally between capital and revenue. A local authority should submit its PRG claim, with evidence of internal audit, to the GO. The GO will add any necessary commentary and then refer the claim to ODPM, who will arrange for the appropriate amount of PRG to be paid directly to the authority.

LAA Refresh

While LAAs can be reviewed or 'refreshed' annually by agreement between the local area and the GO, this does not apply to the reward element. Once these targets and their consequent levels of PRG have been agreed, they cannot be reopened or re-negotiated.

Implications of not concluding the reward element at the same time as the main LAA

There is a strong presumption that the negotiation of all reward element targets will be concluded in time for the LAA to be signed off in March 2007. Local authorities are being encouraged to commence the negotiation earlier and GOs will now have more expertise in concluding these agreements.

If a reward element is not finalised at the same time as the rest of the LAA, the LAA will have to go ahead without it. The LA and partners will then have to wait a full twelve months before refreshing the reward element into the LAA. There is no prospect of adding it in sooner. However, such a delay might mean that PPG / PRG were no longer available if constraints on end of year flexibility apply.

A third generation of stretch targets

In the course of the Comprehensive Spending Review 2007 (CSR07), ministers are considering the possibility of funding a third generation of stretch targets. A formal announcement regarding this issue will be made in mid 2007. If there was to be a third generation agreements would begin in April 2008.

Final checking of targets

As part of the 2005/6 LAA negotiations Departments were able to offer a detailed technical check of Reward Element targets, prior to the final agreement being made. It may not be possible to offer such a detailed check as part of the 2006/07 negotiation therefore GOs may wish to bear this in mind when planning their negotiations.

Queries on the 'reward element'

Where a negotiation throws up problems or issues these should be raised in first instance with block leads in GOs. If the specific block lead for an area is not sure of the answer, they can then consult with other block leads in the same field for different localities. Queries can then be cascaded to geographical leads. Any queries still unresolved can then be put to departmental policy leads. This may produce a long chain but allows for the dissemination of information and prevents departmental policy teams being repeatedly asked the same questions. GOs should remember that some departmental policy leads may not have had much exposure to "reward element" rules. In respect of the latter, GOs are advised to consult internally and then with the DCLG Reward Element team.

GO policy leads are free to agree targets with local areas but should consult on a stretched target with the Government Department in question if they are unsure. Before concluding agreements members of the 'Local and Regional Government' Cabinet sub-committee will have to signify their Departments' approval of the agreement.

We strongly recommend that any new measures or departures from existing policy be brought to the attention of departmental teams and the DCLG Business Manager. If the GO and Government Department have a difference of views, these need to be resolved through DCLG intervention. GOs must avoid at all costs a situation where an agreement fails to secure LRG clearance because a department cannot agree to a proposed target.

This document

The remainder of this document provides detailed notes produced by Departments on negotiating stretch targets for those indicators which appear in the Outcomes Framework. Guidance is structured around the four LAA Blocks:

- Children and Young People
- Safer and Stronger Communities
- Healthier Communities and Older People
- Economic Development and Enterprise

There then follows an annex which provides generic technical guidance around the negotiation of Reward Element targets.

CHILDREN AND YOUNG PEOPLE BLOCK

STAY SAFE

INDICATOR

- **Number of 0-15 year olds killed or injured in road traffic accidents**

Source of Data: Measured by Police "STATS 19" figures for each calendar year. Since 2005 BVPI 99a has mirrored STATS 19.

Department owner: DfT

Necessary clarifications/qualifications about the indicator

Definitions of serious injuries and other general reporting definitions can be found at the following web address:

http://www.dft.gov.uk/stellent/groups/dft_transstats/documents/page/dft_transstats_032188.pdf

If only child Killed or Seriously Injured (KSIs) are the subject of a stretched target, a condition must be included. This should state that "No Reward Grant will be payable unless there are fewer than x KSI in the local authority area as a whole in the target measurement period" The figure represented by x will usually be negotiated on the same basis as the "without reward" position would be if the target covered the whole population. This is to ensure the agreement produces an overall improvement in performance.

Motorways may be excluded from the target but not A roads, as they are an integral part of the road network. An authority can affect the road casualty situation on 'A' roads through safety education.

Period of measurement

Calendar years. End period will usually be the final year of the agreement, but three year averages may be used.

Determining stretching performance

"Without reward": referenced against the progress of an authority in the last few years and should incorporate the Local Transport Plan target that an authority has set or will be responsible for delivering (if part of a conurbation).

"With reward": a percentage stretch that is compounded year-on-year on top of current LTP target with consideration also given to how well an authority has been delivering against their 2010 targets (10 Year Transport Plan).

Determining the level of reward

Guidance on the value to society of preventing deaths and serious and slight injuries can be found at the web site below. Nationally, a little under 10% of the total of those killed or seriously injured are fatalities. Local evidence on the proportions of each should be preferred but this national figure can be used if local evidence is thought atypical of the likely future mix of fatalities and serious injuries. Negotiators should refer to:

http://www.dft.gov.uk/stellent/groups/dftrdsafety/documents/page/dftrdsafety_033570.pdf

INDICATOR

• Number of re-registrations on child protection register

This is not acceptable as an indicator for reward targets due to the high risks of creating perverse incentives. See paragraph 4, Annex F of ODPM document “Local Area Agreements Guidance for Round 3 and Refresh of Rounds 1 and 2” (March 2006)

INDICATOR

• Number of children of families placed in temporary accommodation by local authorities under the homelessness legislation, who are on the child protection register

Please refer to general homelessness target in the Safer and Stronger Communities Block (page 114).

INDICATOR

• Percentage of under 16s who have been looked after for 2.5 or more years living in the same placement for at least 2 years or are placed for adoption

Source of data: SSDA 903

<http://www.dfes.gov.uk/rsgateway/DB/SBU/b000552/index.shtml> - See Table 5

Department owner: DfES

Necessary clarifications/qualifications about the indicator

The definitions to be used should follow the 2008 national PSA for stability of placement, although this could be subject to change following CSR 2007. The technical notes can be viewed at:

<http://www.dfes.gov.uk/SR2004/PSA/>

Period of Measurement

Year ending 31st March.

Determining stretching performance

“Without reward”: Year-on-year improvement anticipated to meet the 2008 national PSA target, or national targets subsequently agreed.

“With reward”: The number of additional looked after children that are in stable placements must offer value for money for the available performance reward grant. Better stability will generally be linked to better academic attainment, less social exclusion, and less risk of alcohol or substance abuse or involvement in crime. It may be useful to consider appropriate stretch with reference to statistical neighbours or the highest performers as listed in the “Social Services Performance Assessment Framework Indicators” publication:

<http://www.csci.org.uk/council performance/paf/paf reports.htm>

Low numbers of children in cohorts will generally be a concern in establishing value for money so this indicator would need to be part of a basket of different measures. Outcomes would most likely need to be measured using a three year average to maximise volume. An approximate acceptable level of stretch would be an average 10% improvement over the three years.

INDICATOR

- **Percentage of care cases completed in the courts within 40 weeks**

Department Owners: DCA (PSA owner) and DfES

Necessary clarifications/qualifications for the indicators

The aim of PSA4 SR2004 for the Department for Constitutional Affairs is: *“By 2009/10, to increase the proportion of care cases being completed in the courts within 40 weeks by 10 percentage points”* (to 48% for County Court Care Centres and to 56% for Magistrates Courts). The long-term objective is to complete 70% of care cases within 40 weeks for both jurisdictions.

It is not entirely within the gift of LAs to reduce delays in care cases. Many factors can contribute, and in some cases it may be in the best interest of the child for cases to take longer than 40 weeks. However, research into delays has outlined the important contribution that Social Services departments can make in ensuring that cases are better prepared for court. These include sharing information in accordance with Government guidance to reduce bureaucracy, learning more from case histories and previous expert recommendations and fostering closer working relationships with partner agencies such as CAFCASS and the courts when preparing a case. LAs therefore need to consider how their actions could reduce unnecessary delay in cases whilst delivering the best outcome for children involved.

In terms of qualifying for the indicator, LAs will need to demonstrate that inter-agency agreement has been reached on how care cases can be more effectively managed. Any bid for a stretched target would therefore need to be brokered with representatives of other key delivery organisations including Her Majesty’s Courts Service and CAFCASS. Consideration should be given to reaching such an agreement through the Local Family Justice Council as this can provide an effective and inclusive forum for agreeing the action to be taken. LAs should highlight the benefits of joint working to partner agencies in order to ensure buy-in. This will particularly be in terms of the more timely filing of better quality documents which should result in less adjournments at courts and less delay.

If it is agreed that a bid will be put forward, LAs should provide details of the inter-agency agreement reached, how grant funds will be used to support case management and whether funds will be shared between agencies in order to facilitate the joined-up approach to delivery.

Determining Stretching Performance

Stretched performance would need to exceed the current national DCA PSA target but would also need to take into account the contribution that the local authority can make to achieve the target. An indicator of success would need to be based on whether a case was completed within 40 weeks and also whether the LA had satisfactorily completed certain key steps in the case management process. Such an approach would help to ensure that the LA would not receive a reward for cases completed in less than 40 weeks where it had not satisfactorily fulfilled its own case management obligations.

The *Protocol for Judicial Case Management in Public Law Children Act Cases*, which was published in June 2003, sets out the steps which LAs and agencies must take in order that cases have a final hearing within 40 weeks. It should be noted that the *Protocol* could be subject to revision in the future and that LAs and their partners should be flexible enough to adapt to any changes in requirements as they emerge. Similarly any updated guidance which could be issued in relation to the Children Act will need to be taken into account.

A system would need to be put in place to capture robust performance data for each LA which negotiated this target. Reports would need to be generated so that performance against cases managed by that LA could be measured and monitored. Interim reports would also be needed so that LAs could track progress.

Determining the Level of Reward

Using the current PSA target as the baseline, and the long-term objective of completing 70% of cases in 40 weeks as the top end of the stretched target, the table below suggests how the level of reward might apply. It should be noted that with all Government targets, the PSA could be subject to change under CSR2007.

This example envisages that the level of reward would start at 2% above current PSA target for each jurisdiction with the incremental steps of 5% points improvement in performance for Care Centres and 3% points improvement for magistrates' courts. This accounts for the different ranges of 'stretch' required in each jurisdiction to meet 70%. If a local authority achieved 70% in both jurisdictions, then it would receive 100% of the reward grant.

Performance Level	Percentage of Reward	Performance Level Magistrates' Courts	Percentage of Reward
Care Centres			
50% > 55%	10%	58% > 61%	10%
55% > 60%	20%	61% > 64%	20%
60% > 65%	30%	64% > 67%	30%
65% > 70%	40%	67% > 70%	40%
70%	50%	70%	50%

This table is an example of how a stretched target could look following negotiation, but would need to take into account the value for money that these improvements would deliver in that particular locality. Each negotiation should take into account the needs and circumstances in each area and reward should be assessed on the basis of what is reasonable for the area.

In addition to the performance levels suggested above, Local Authorities will need to ensure that documents filed at court are fit for purpose and there are no issues with regard to their quality. A quality plan should therefore be in place to ensure that documents filed are of a standard which is satisfactory to the court.

INDICATOR

• Percentage of 11 to 15 year olds who state they have been bullied

Source of data: No standard source, suggest local surveying (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators.)

Department owner: DfES

Necessary clarifications/qualifications about the indicator

These indicators as worded are not suitable for reward targets. Research suggests that the number of reported incidents of bullying or pupils admitting bullying will increase in the short term following the implementation of anti-bullying strategies as pupils feel more comfortable about reporting bullying.

The target could create a perverse incentive to under report bullying and to not address the issue.

A more suitable indicator is the percentage of reported incidents of bullying which stop following effective intervention, as measured by survey. The results of the survey would need to be subject to independent moderation. For details on surveys, please see survey guidance in the annex at the end of this document.

Period of measurement

To be agreed as part of the negotiation. One survey to establish baseline, and another for end year performance.

Determining stretching performance

“Without reward”: a year on year improvement.

“With reward”: an enhancement on this.

Determining the level of reward

DfES suggests that GOs should take account of the impact that bullying will have on a victim’s personal and academic development, as well as the time and resources which schools need to divert towards tackling bullying.

BE HEALTHY

INDICATOR

• Modal share in travel to school

Please refer to related indicator “Transport – modal split and travel to work modal split” in the Safer and Stronger Communities Block (page 110).

INDICATOR

• Reduction in the under 18 conception rate

Source of data: Office of National Statistics Conception statistics

Department owner: DfES

Necessary clarifications/qualifications about the indicator

This should follow the national PSA with performance measured using the number of under-18 conceptions per thousand females aged 15-17. The PSA technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>.

Period of Measurement

Calendar year ending 31 December.

Determining stretching performance

“Without reward”: a year-on-year improvement anticipated to meet the National (top-tier LA) PSA target. Local Teenage Pregnancy Co-ordinators will have an indicative trajectory, provided by the Teenage Pregnancy Unit in DfES, which should be used as a guide to expected performance ‘without reward.’

“With reward”: This will vary depending on local circumstances, but a stretch on the indicative trajectory would be expected in most instances.

For areas where the current trend is ahead of trajectory an alternative indicator may be to maintain/improve on performance relative to the all-England performance.

Determining the level of reward

The number of conceptions saved if the target is met must offer value for money for the performance reward grant. Factors to consider include the benefits to the individual, the costs associated with the teenage conception, the funding already provided to the authority and its partners to meet targets for reducing teenage conceptions.

INDICATOR

• Percentage of schools achieving the National Healthy Schools standard

Source of data

Healthy Schools Coordinators and Healthy Schools Delivery Unit at DH

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator refers to 2005 National Healthy Schools Status (NHSS) criteria. These criteria include DH Food in Schools criteria. To achieve the target the school must have, under Core Theme Personal Social and Health Education, have a full non-smoking policy and have achieved full accreditation.

Period of measurement

Measurement at December 2010

Determining stretching performance

Acceptable stretching performance is dependent on size of school, determined below:

	Healthy Schools Programmes with 1-299 schools	Healthy Schools Programmes with 300+ schools
Without stretch targets by 2010 (trajectory)	85%	80%

With PSA target by 2010	97%	92%
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Determining the level of reward

The costs of health care avoided and improvements in life expectancy, through improved health of school children, should inform the level of reward. A full target would require the vast majority of schools within an area to be included in the indicator.

INDICATOR

• Under 18 conception rate

Source of Data

Office of National Statistics Conception statistics or Local Delivery Plan lines

Department Owner: DH

Necessary clarifications/qualifications about the indicator

The number of conceptions to women under 18 years of age per thousand females aged 15-17.

Period of Measurement

Rate as at final year of agreement.

Determining stretching performance

Performance without the LAA will have been established in the PCT LDP process as part of their contribution to meeting national targets. Any improvement agreed through LAAs should therefore be beyond that agreed through LDPs. The level set should be realistic and challenging as advised by the DfES policy lead, the regional Teenage Pregnancy Coordinator and the CSCI Business Relationship Manager. Stretching performance should be above the level of improvement already agreed through Teenage Pregnancy Partnership Boards.

Determining the level of reward

The reward should be determined based on professional assessment of the degree of challenge the target represents, with reference to Regional Teenage Pregnancy Coordinators, Regional Public Health Groups and Children and Learners' teams. Work with disadvantaged areas and groups will represent greater value for money.

INDICATOR

• Prevalence of obesity among primary school aged children

Source of Data

NHS Local Delivery Plan data.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator defined in the Local Delivery Plan lines:

Line 1: Total number of primary school age children in Year Reception and Year 6 recorded as obese for their age in the past school year.
Line 2: Total number of primary school age children in Year Reception and Year 6 with height and weight recorded in the past school year.
Line 3: Total number of primary school age children in Year Reception and Year 6.
Line 4: Percentage of children with height and weight recorded who are obese.
Line 5: Percentage of children with height and weight recorded.

Reception year children are aged 4-5, Year 6 children are aged 10-11. Children are defined as obese if their Body Mass Index falls above the 95-percentile of the reference curve for their age using the National BMI percentile classification (from the 1990 reference population from TJ Cole et al). Details of how childhood obesity should be measured are published in the DH Guidance 'Measuring Childhood Obesity: Guidance to Primary Care Trusts' (published January 2006), <http://www.dh.gov.uk/assetRoot/04/12/64/06/04126406.pdf>. Queries on this guidance can be put to heightweightguidance@dh.gsi.gov.uk.

The target can be measured by comparing the percentage of obese and overweight children in a particular population over time. Baseline measurements are from a PCT measurement exercise in summer term 2006, and measurements will be subsequently be repeated annually (annual returns September 2007 and 2008 for the school years 2006/7 and 2007/8). Historic trend data can be taken from existing BMI cohort data, if epidemiological studies or local data collection has previously occurred which fulfils the measurement criteria specified in DH Guidance. DH LDP guidance indicated an expected future trajectory for childhood obesity of an observed rate of increase of 0.4 percentage points for school years 2005/6 and 2006/7, and 0.3 percentage points for school years 2006/7 and 2007/8.

Determining stretching performance

Performance without the LAA will be established in the PCT LDP process as part of their contribution to meeting national targets. Once LDPs are agreed, any improvement agreed through LAAs should therefore be beyond that agreed through LDPs.

DH LDP guidance has stated that Strategic Health Authorities and Primary Care Trusts should expect to see a halt in year on year rise in obesity by 2010. This is aligned with the DH national target to halt the year on year rise in obesity among children aged under 11 by 2010. This national target is considered challenging and a Reward Element proposal to meet this target is acceptable stretch. The target can be expressed as a percentage point reduction in prevalence from the without LAA position. Previously agreed levels of stretch for cohorts have been aligned with Health Survey for England trajectories of childhood obesity increase, and have represented a 0.8 percentage point reduction in obesity per year of the LAA.

Determining the level of reward

Reward should be determined based on the size of population likely to benefit from the intervention, which would be an entire year group if school-based. Directors of Public Health's expertise should be used when assessing the degree of challenge and reward a target represents.

INDICATOR

• Low birth weight births

Source of Data

Office of National Statistics Vital Statistics Tables.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Due to small numbers, three year rolling averages are recommended to reduce variability. Consistency in defining health status is required in initial and end-point data collection.

Period of measurement

This will have to be agreed by negotiation but will need to specify this period in relation to the birth date.

Determining stretching performance

Current performance is the [low birth weight rate/ absolute number of low birth weight births] for the area in the past year. The health status and risk factors associated with the target population should be considered in setting appropriate stretch. The reduction should equate to approximately 0.6% in the low birth weight rate between the beginning and the end of the target period.

Determining the level of reward

The population being targeted should inform the level of stretch and reward gained. The challenge represented by a target should take account of work with disadvantaged areas and groups, which will attract greater level of reward. Estimated health costs avoided as a result of the intervention should inform the level of reward. Improvements in life expectancy as a result of the intervention can also inform the level of reward. Targets on low birth weight have previously justified a whole target.

INDICATOR

• Smoking during pregnancy and after birth

Source of Data

NHS Local Delivery Plans and NHS Stop Smoking Services Data

Department Owner: DH

Necessary clarifications/qualifications about the indicator

The indicator should express the number of women known to be smokers at the time of delivery as a percentage of the number of maternities in the area over a given period.

Deriving the indicator:

Line 1: number of women who were known to be smokers at the time of delivery. A smoker is a person who smokes cigarettes at all. If a woman intends to give up smoking after the delivery, but was a smoker up until the delivery date, include them in this count.

Line 2: number of women who were known not to be smokers at the time of delivery. Women whose smoking status is not known should not be included as non smokers.

Line 3: Number of maternities: the number of women in the relevant PCT population (with no exclusions) who give birth to one or more live or stillborn babies of at least 24 weeks gestation where the baby is delivered by either midwife or a doctor and the place of delivery is either at home or in an NHS hospital (including GP units).

Local data collected on maternal quitters still not smoking at 4 weeks after birth and 52 weeks can be used as a supplementary indicator. This can be collected through NHS Stop Smoking services or local data collection, and should aim to reduce health inequalities by targeting those groups with the highest rates of resumption of smoking post delivery.

Period of measurement

Final year of the LAA Period

Determining stretching performance

Performance without the stretch will have been established in the PCT LDP process as part of their contribution to meeting national targets. Any stretch agreed through LAAs should therefore be beyond that agreed through LDPs. A 2 to 5% reduction over and above what was agreed in LDPs should be the aim.

Determining the level of reward

The percentage stretch should be converted to raw numbers (using the size of population) for the purpose of assessing the level of reward appropriate for the scale of the target. A value for money figure for one individual not smoking can then be applied. This has frequently been combined with four-week smoking cessation targets to capture a larger population and constitute a whole target. The challenge represented by a target should take account of work with disadvantaged areas and groups, which will attract greater level of reward. This can be from a low baseline which represents the difficulty of delivery on this area in this locality, or if marginalized groups are yet to be targeted in the area and the target will aim to redress this. Reward should be informed by the costs of health care avoided as a result of smoking cessation. Estimated health costs avoided, both for maternal and infant health, as a result of the intervention should inform the level of reward.

INDICATOR

• Breastfeeding initiation and continuation

Source of Data

NHS Local Delivery Plans and local primary care data

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Deriving the indicator:

Line 1: Number of new mothers known to have initiated breastfeeding.

The mother is defined as having initiated breastfeeding if, within the first 48 hours of birth, either she puts the baby to the breast or the baby is given any of the mother's breast milk.

Line 2: Number of new mothers known not to have initiated breastfeeding. Women whose breastfeeding initiation status is not known should not be included in this count.

Line 3: Number of maternities: the number of women in the relevant PCT population (with no exclusions) who give birth to one or more live or stillborn babies of at least 24 weeks

gestation where the baby is delivered by either midwife or a doctor and the place of delivery is either at home or in an NHS hospital (including GP units).

For all three lines: Geographic coverage includes all women who were resident in the PCT area. Coverage: All pregnant women who gave birth in the period. Note that a birth is defined as a live birth where the gestation period was 24 weeks or longer. Count the number of mothers (maternities), not the number of babies (deliveries)

Breastfeeding continuation is defined as the baby breastfeeding at the 6 weeks (maternal and child health check) or as the baby breastfeeding at 3 months (child immunisation. This can form a supplementary indicator. Baseline data will be required for this indicator to be used, and quality of data should be assured. This aims to capture the child health benefits of continuation of breastfeeding, contributing to reductions in infant mortality and health inequalities in the area.

Period of measurement

Final year of LAA period.

Determining stretching performance

Performance without the LAA will have been established in the PCT LDP process as part of their contribution to meeting national targets. Any improvement agreed through LAAs should therefore be beyond that agreed through LDPs.

Determining the level of reward

The challenge represented by a target should take account of work with disadvantaged areas and groups, which will attract greater level of reward. This can be from a low baseline which represents the difficulty of delivery on this area in this locality, or if marginalized groups are yet to be targeted in the area and the target will aim to redress this. Estimated health costs avoided, both for maternal and infant health, as a result of the intervention should inform the level of reward. Improvements in life expectancy as a result of the intervention can also inform the level of reward. Increases of 50 additional breastfeeding mothers have previously constituted a half-target for larger authorities. Whole targets have been agreed where both initiation and continuation of breastfeeding at 6 weeks after birth have been included.

INDICATOR

• Percentage of children who are regular smokers

Source of Data

To be measured using DH Survey of Smoking, Drinking and Drug Use among Schoolchildren

Department Owner: DH

Necessary clarifications/qualifications about the indicator

For a Reward Element target the measures to be used should be:

- Percentage of children and young people usually smoking, defined as those who usually smoke at least one cigarette a week
- Percentage of individuals having smoked in the last seven days

The survey should be used when defining terms in this indicator. The survey must be administered to the standards set for the national survey. It is advised that these

indicators are used together to give a fuller picture of young peoples' smoking, with Performance Reward Grant split equally between them.

Determining stretching performance

Current performance is established by baseline survey if a recent survey is available. If current performance is not available, appropriate stretch will be set as percentage improvement over the baseline. The approximate acceptable level of stretch is an improvement of 2 percentage point reduction of those usually smoking or smoking in the past seven days. The age range of the cohort should be taken into account when setting the stretch (lower baseline can be expected from younger year groups). The degree of stretch appropriate will vary according to the size of cohort participating. This may be stated as a percentage stretch on baseline data (for example, x-2%). A date by which baseline data will be available should be included in the agreement, if not provided by this date the target cannot be rewarded. An assumed percentage of 11-15 year olds smoking of 9% should be applied to the population will allow for calculation of the anticipated reduction of individuals smoking. Application of this percentage to the population will allow for calculation of the anticipated reduction of individuals smoking.

Period of measurement

This will usually be by a survey at the end of the LAA period (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

The numbers of people represented by the percentage reduction achieved should be calculated based upon local population data. The value of Reward Grant that could be justified for one young person who no longer smokes should take account of the health costs avoided as a result of smoking cessation. Improvements in life expectancy as a result of the intervention can also inform the level of reward.

INDICATOR

• Percentage of young people drinking alcohol

Source of Data

To be measured using DH Survey of Smoking, Drinking and Drug Use among Schoolchildren

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator should be scored on the following survey questions:

- Percentage of young people having an alcoholic drink
- Percentage of young people drinking alcohol in the past 7 days

This survey to be directly referred to when defining terms in this indicator. The survey must be administered to the standards set for the national survey. It is advised that these indicators are used together to give a full picture of young people's alcohol consumption, with Performance Reward Grant split equally between them.

Determining stretching performance

Current performance is established by a survey at the start of the LAA period if no other suitable data is available. Anticipated trend data over the LAA period can be used to set

the 'without' performance. An acceptable level of stretch will be a minimum of a 2% reduction on both indicators.

A date by which baseline data will be available should be included in the agreement; if the data is not available by this date the target cannot be achieved.

Period of measurement

This will usually be by a survey at the end of the LAA period (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Determining the level of reward

The numbers of people represented by the percentage reduction achieved should be calculated based upon local population data. The value of Reward Grant that could be justified for one young person who no longer usually drinks alcohol or has not drunk alcohol in the last seven days should take account of the health costs avoided as a result of reduced alcohol consumption.

INDICATOR

• Percentage of children consuming 5 portions of fruit and vegetables a day

Source of Data

The Health Survey for England Individual Questionnaire Fruit and Vegetable consumption (covering codes VFINt, VegSal, VegSalQ, VegPul, VegPulQ, VegVeg, VegVegQ, VegDish, VegdishQ, VegUsual, FrtDrnk, FrtDrnkQ, Frt, FrtC, FrtQ, FrtOth, FrtNotQ, FrtMor, FrtDry, FrtDryQ, FrtFroz, FrtFrozQ, FrtDish, FrtDishQ, FrtUsual).

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Dependent on the age of the individuals within the cohort, this survey will need to be administered by a trained independent individual or self-administered in a controlled environment (similar to exam conditions) with a trained individual available to answer questions.

DH Guidance on Survey Administration should be adhered to in the administration of the survey (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Period of measurement

Measured by a survey at the end of the LAA period.

Determining stretching performance

Acceptable stretch for this target is in the region of 10% over the baseline survey position.

Determining the level of reward

The costs of health care avoided and the impact on life expectancy, through improved diet, should inform the level of reward. Previous targets on increased fruit and vegetable

consumption have justified quarter of a target, and has been combined with other school-based health indicators to make a whole target.

INDICATOR

• Percentage of young people taking illegal drugs in the last month

Source of Data

To be measured using DH Survey of Smoking, Drinking and Drug Use among Schoolchildren

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Assessment should be against:

- The proportion of pupils who had taken drugs in the last month
- The percentage of individuals usually taking drugs once a month or more

Additional selection of questions on which the indicator is scored should be based on specific drug concerns in the locality. The percentage of young people taking illegal drugs in the last month can be measured using the survey which must be administered to the standards set for the national survey and where relevant. Due to the complexity of questions on this subject, this survey is recommended for young people over the age of 14.

Period of measurement

Survey at the end of the LAA period.

Determining stretching performance

Current performance is established by baseline survey. The 'without' LAA position should be established by reference to the baseline and agreed trend data. The degree of stretch for the 'with' LAA position will vary according to the size of cohort participating and the age range of the cohort selected (a lower baseline can be expected from younger year groups).

Where the baseline survey has not been conducted when the agreement is negotiated, the 'without' LAA position can be expressed as a percentage improvement above the baseline. A date by which baseline data will be available should be included in the agreement. If the baseline data is not available by this date no Performance Reward will be payable of this target.

Determining the level of reward

The costs of health care avoided (such as hospital admissions) and improvements in life expectancy, through early interventions with drug users, should inform the level of reward. Previous agreements to reduce drug use have justified half a target.

INDICATOR

- **Percentage of sexually active population aged 15-24 being screened for chlamydia**

Source of Data

Chlamydia screening programme keeps data on the numbers screened locally within programmes sites/areas. Data to CDSC is postcode/PCT/SHA allocated. CDSC will feedback to screening programmes how many individuals area screened in and outside of the PCT. As the programme rolls out, greater sources of data will be available, including Chlamydia Screening Programme returns reported to and K60 returns reported to and analysed by the Health Protection Agency.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Reflecting the revised timetable attached to the national rollout of chlamydia screening, monitoring will be introduced from 2006/7. Organisations can also obtain further information, such as audits undertaken, from the Health Protection Agency at www.hpa.org.uk.

Period of measurement

Quarterly, numbers screened during 12 months to the end of the agreement.

Determining stretching performance

Without LAA performance can be determined from targets set within Local Delivery Plans, once agreed. With LAA performance should exceed these levels by at least an amount which would justify the amount of reward applicable to the target.

Determining the level of reward

The costs of health care avoided, through treatment prior to complications, should inform the level of reward. Targets on chlamydia have previously justified a quarter of a target, and have been combined with other Sexual Health indicators to make a half target.

INDICATOR

- **Proportion of those in drugs treatment under 18**

Revised indicators for drug treatment targets will be outlined in further guidance from the Department of Health.

INDICATOR

- **Proportion of under 18 year olds in drug treatment with young people's services**

Revised indicators for drug treatment targets will be outlined in further guidance from the Department of Health.

INDICATOR

- **The percentage of 5-16 year olds participating in a minimum of two hours each week of high quality PE and school sport, within and beyond the curriculum**

Source of data: PE & School Sport Club Links survey and local authority Data

Department owner: DfES/ DCMS

Necessary clarifications/qualifications about the indicator

“High quality PE and School Sport” has the meaning set out in the PE and School Sports Clubs Links (PESSCL) guidance to local authorities. Definitions should follow those for the national PSA; the technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>

The national PSA will be subject to change following CSR 2007 and any future agreed methodology should be adopted instead. It is possible that the weekly expectation of two hours PE/Sport per week could rise to four hours within and beyond the curriculum.

Period of Measurement

Academic year and usually final year of the agreement.

Determining stretching performance

“Without reward”: performance would exceed the level of 85% participation in 2008 to meet the national PSA.

“With reward”: a 5 percentage point improvement would usually be an acceptable level of stretch.

Determining the level of reward

The number of additional pupils participating in a minimum of 2 hours per week of high quality PE and school sports if the target is met must offer value for money for the performance reward grant. Various factors need to be taken into account in considering value for money including the benefits to the individual and the funding already provided to the authority and its partners to meet the school sport targets. This indicator is usually part of a basket of measures to ensure the target provides good value for the potential reward grant.

INDICATOR

- **Numbers of families with children placed in temporary accommodation under the homelessness legislation/aggregate number of days spent by families with children in temporary accommodation**

Please refer to general homelessness target in the Safer and Stronger Communities Block (page 114).

INDICATOR

- **The percentage of young people participating in at least one hour of moderate intensity sport and physical activity each week**

Source of Data

Health Behaviour in School Aged Children Survey (HSBC)

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator to be measured with standard Health Behaviour in School Aged Children Survey (HSBC) questions:

- A) Over the past seven days, on how many days were you physically active (walking, cycling, dancing etc.) for a total of at least 60 minutes per day?
- B) Over a typical or usual week, on how many days are you physically active (walking, cycling, dancing etc.) for a total of at least 60 minutes per day?

Answers to both questions should be 0-7 days in one day intervals. Scores should be averaged across last week (Question A) and a usual week (Question B). A score of 7 or more meets the Chief Medical Officer's guidelines of 1 hour physical activity 7 days a week for young people. The whole cohort (year group) must be included in the survey. Letters informing parents of the survey must be sent out by the participating school.

If undertaking other health of children and young people targets with survey components (such as *Health Survey for England* questions on fruit and vegetable consumption) this question can be combined to form a single survey. Questions must not be altered when integrated into the survey and administration of the survey must adhere to guidance on all component surveys (such as confidentiality and independent administration required for the *Survey of Drug Use, Smoking and Drinking among Schoolchildren*). DH Guidance on Survey Administration (see above), should be adhered to in the administration of this survey. See also guidance at annex A (section 7) of this document for advice on using surveys in LAA reward element targets.

For moderate intensity sport, there are a number of alternative approaches local authorities can take to measure participation, such as 'representative facility use by young people aged 11-19 years' or 'percentage of children attaining key stage 2 standard for swimming'. Local authorities and partners should refer to Sport England's guidance note *Sport Playing its Part in Local Area Agreements* for further details and guidance. It is available online at: <http://www.sportengland.org>

Period of measurement

Surveys at the start and end of the LAA period.

Determining stretching performance

Current performance is established by baseline survey. Without LAA performance is calculated by reference to the baseline and agreed trend data. Where the baseline is not known at the time of the negotiation the without LAA position can be specified as baseline plus X% (the result to the baseline survey). An agreed timeframe by which baseline survey information is available should be included in the target draft. With LAA performance should as a minimum, equate to a 10% increase in the number of children fulfilling the Chief Medical Officer's recommendations for physical activity. See also the

guidance in section 5 of the annex to this document where no data is available for 'current performance'.

Determining the level of reward

Estimates of improvements in health and life expectancy, and health care costs avoided as a result of improved physical activity levels can inform the level of reward. Physical activity targets have previously been combined with percentage participation in school-based activity and leisure facilities access indicators.

INDICATOR

• Access to health services for looked after children

The average of the percentages of children looked after at 30 September who had been looked after continuously for at least 12 months, and who had their teeth checked by a dentist during the previous 12 months, and had an annual health assessment during the previous 12 months.

Source of data: SSDA903

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000580/index.shtml> (Table 8)

Department owner: DfES

Necessary clarifications/qualifications about the indicator

This is the average of two indicators which are calculated separately – the number of children looked after at 30 September who had been looked after continuously for 12 months who had their teeth checked by a dentist, and who also had a health assessment during the year ending 30 September. It should be noted that children have a right to refuse a dental or health check but councils should encourage LAC to have them.

Period of Measurement

Year from 1 October to 30 September.

Determining stretched performance

These health checks are a statutory requirement for all looked after children so we would not expect to see this measure being proposed for stretch targets. An authority would have to be able to explain why it would not expect to achieve 100% and an acceptable "without reward" position would have to be agreed with the central DfES policy team and the CSCI Business Relationship Manager.

Determining the level of reward

Given the expectation of 100% achievement DfES could only envisage this indicator being acceptable for reward targets in exceptional circumstances and most likely supported by a basket of additional measures to improve life chances of LAC. It should attract no more than 5% of the target PRG.

ENJOY AND ACHIEVE

INDICATOR

- **By 2008 all schools located in Local Authority Districts in receipt of NRF to ensure that at least 50% of pupils achieve level five or above in each of English, maths and science.**

DfES Guidance on KS3 stretch targets is provided under the indicator below, "Percentage of 14 year olds achieving at least level five in English, Maths, Science and ICT at Key Stage Three."

INDICATOR

- **Accessibility of safe play areas and opportunities**

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

Getting Serious about Play, a review of children's play commissioned by DCMS and DfES, defines play as "... what children do when they follow their own ideas and interests, in their own way, and for their own reasons."

Play provision is defined as "...a space, some facilities or a set of activities intended to give children the opportunity to play as defined above...."

LAA authorities and partners can also refer to DCMS or the Children's Play Council for further guidance.

Determining stretching performance

The indicator can be drafted as an agreed stretch above the baseline, either a number or percentage. The LAA authority should liaise with delivery partners to establish baselines and measure targets. This indicator can be measured through the inspection framework for the *Change for Children* programme. Details on this can be obtained from DCMS. Levels of performance will depend on local circumstances and should be determined at local level.

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.

- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

- **Half days missed through absence**

Source of data: DfES School & College Achievement and Attainment Tables

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000626/contents.shtml>

<http://www.dfes.gov.uk/performance/tables/>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

Standard attendance for a pupil is 300 half-day sessions in a school year.

The school year for attendance measurement purposes ends on 31 May.

Period of Measurement

Academic year ending 31 May

Determining stretching performance

“Without reward”: established by the performance anticipated in targets agreed with the DfES attendance policy team.

“With reward”: The number of additional school sessions attended by pupils must offer value for money for the available performance reward grant.

Secondary sessions could be valued slightly higher than primary as secondary absence may more frequently be due to truancy with subsequently increased risk of exposure to crime or substance abuse. The ability to stretch performance will vary depending on an authority’s scope to improve. As better attendance is a proxy for better outcomes such as attainment, the potential unit cost reward for each additional school session attended would not be very high so an authority would have to offer sufficient volume to make a viable target. Even so, it is usually necessary to combine attendance with other measures such as reducing exclusions. As an approximate guide it might be reasonable to expect a 0.3% increase in attendance as acceptable.

To recognise the increased challenge of helping children in vulnerable groups, such as looked after children, it would be reasonable to double the unit cost reward.

INDICATOR

- **Level of school attendance among children of families living in temporary accommodation**

Please refer to above indicator “Half days missed through absence” (page 36). However, the following additional issues should also be taken into account:

- Irregular attendance or lack of attendance due to unsettled accommodation history
- Moving between areas resulting in delays in finding a school place or lack of support in accessing a school place;
- Lack of information, school records or statement of special needs from previous school;

- Lack of parental support, encouragement or prioritisation of school attendance;
- Lack of routine to promote regular attendance within the household;
- Lack of designated space or appropriate facilities for home study in the temporary accommodation;
- Other factors or special needs such as delayed development, poor health or nutrition, learning disorder or English not being first language which need to be addressed

INDICATOR

- **Level of development reached at the end of the foundation stage, including narrowing the gap in the 20% most disadvantaged areas**

Source of data: DfES Foundation Stage Profile National Results

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000634/index.shtml>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

The Foundation Stage Profile is a continuous teacher assessment during the final year of the Foundation Stage with a final recorded outcome at the end of the Foundation Stage, usually at age 5. This target focuses on two of the six areas of learning: Personal, social and emotional development (PSED) and Communication, language and literacy (CLL). For PSED there are 3 assessment scales and for CLL there are 4. "Good" is defined as a score of 6 points on all 7 assessment scales. The PSA technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>

Period of Measurement

Academic Year.

Determining stretching performance

"Without reward": year on year improvement.

"With reward": This will vary depending on local circumstances however, it is likely that an acceptable level of stretch would be 3%; and more for children living in the 30% most disadvantaged super output areas.

Determining the level of reward

The number of additional children reaching a good level of development at the end of the foundation stage if the target is met must offer value for money for the performance reward grant. Various factors need to be taken into account in considering value for money including the future benefits to the individual and the funding already provided to the authority and its partners for all children to achieve. It would be reasonable to allow proportionately more reward for children in vulnerable groups and living in the 30% most disadvantaged super output areas.

INDICATOR

• Percentage of seven year olds achieving at least level two at Key Stage One

Source of data: DfES School & College Achievement and Attainment Tables, OC2 & SSDA 903

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000594/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000468/index.shtml>

<http://www.standards.dfes.gov.uk/ts>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

“Looked after children” means those children who were in care on 30 September who had been continuously looked after for at least a year prior to that point.

Period of Measurement

Academic Year for mainstream children; 1 October to 30 September for Looked After Children.

Determining stretching performance

“Without reward”: Year-on-year improvement agreed with DfES.

“With reward”: The number of additional children attaining the required level at this Key Stage must offer value for money for the available performance reward grant. Stretch is likely to relate to increasing the proportion of children reaching level 2B, which is a predictor of achieving level 4 at key stage 2. In the absence of directly comparable previous attainment data to inform predictive software it may be necessary to consider stretch with reference to statistical neighbour authorities, high performers or the national average performance. It is likely that a 2-3% stretch on performance for whole authority areas would be agreeable. This would need to be increased proportionately if measuring sub-groups. The number of pupils attaining the required level would need to be understood in working out the unit cost reward.

Compared to GCSE as a predictor of future enhanced well-being a Key Stage 1 outcome could not expect to attract the same unit cost reward so it may also be necessary to measure more than one year in the stretch to ensure sufficient volume in a discrete target. Doubling the unit cost for vulnerable groups such as looked after children would be acceptable here.

INDICATOR

• Percentage of 11 year olds achieving level four in English and Maths at Key Stage Two

Source of data: DfES School & College Achievement and Attainment Tables OC2 & SSDA 903

<http://www.dfes.gov.uk/performance/tables/>

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000618/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000580/index.shtml>

<http://www.standards.dfes.gov.uk/ts/>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

“Looked after children” means those children who were in care on 30 September who had been continuously looked after for at least a year prior to that point. The national PSA technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>

Period of Measurement

Academic Year for mainstream children. 1 October to 30 September for LAC.

Determining stretching performance

“Without reward”: performance anticipated in agreed statutory targets.

“With reward”: The number of additional children attaining the required level at this Key Stage must offer value for money for the available performance reward grant. At Key Stage 2 authorities may use predictive software such as Fischer Family Trust or the DfES Pupil Attainment Tracker (PAT) to determine stretch and both are acceptable. The level set by Band D of Fischer Family Trust would generally be expected for challenging stretch, although this may depend on circumstances in individual authorities. PAT and PANDA reports are set to merge and should be available on the RAISE online website from Summer 2006.

In determining acceptable stretch, care will have to be taken to ensure an acceptable unit cost is apportioned for each outcome – i.e. each additional pupil attaining level 4. Pupil numbers will also need to be extrapolated if an alternative measure is used such as an increased average points score, improved conversion rate from Key Stage 1 level 2 to Key Stage 2 level 4, or improved proximity to national average performance. It is likely that a 1-2% stretch on performance for whole authority areas would be agreeable. This would need to be increased proportionately if measuring sub-groups such as boys only or ethnic minority groups. If using an average points score measure (APS), a 0.5 to 1 point increase is likely to be acceptable.

Doubling the unit cost for vulnerable groups such as looked after children would be reasonable and given the likely small cohorts a stretch of 5% would more likely be needed, as well as a basket of accompanying measures.

INDICATOR

- **Educational achievement of 11 year old looked after children compared to their peers**

Please refer to above indicator “Percentage of 11 year olds achieving level four in English and Maths at Key Stage Two”

INDICATOR

- **Percentage of year 11 pupils achieving the equivalent of five GCSE Grades A* to C including English and maths**

Please refer to below indicator “Percentage of 16 year olds achieving equivalent of five A*-C GCSEs”

INDICATOR

• Percentage of 14 year olds achieving at least level five in English, Maths, Science and ICT at Key Stage Three

Source of data: DfES School & College Achievement and Attainment Tables OC2 & SSDA 903

<http://www.dfes.gov.uk/performancetables/>

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000565/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000580/index.shtml>

<http://www.standards.dfes.gov.uk/ts/>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

The national PSA technical notes can be found via the following link:

<http://www.dfes.gov.uk/SR2004/PSA/>. “Looked after children” means those children who were in care on 30 September who had been continuously looked after for at least a year prior to that point.

Period of Measurement

Academic Year for mainstream children. 1 October to 30 September for LAC

Determining stretching performance

“Without reward”: performance anticipated in statutory targets.

“With reward”: The number of additional pupils attaining the required level at this Key Stage must offer value for money for the available performance reward grant. At Key Stage 3 authorities may use predictive software such as Fischer Family Trust or the DfES Pupil Attainment Tracker to determine stretch and both are acceptable. The level set by Band D of Fischer Family Trust would generally be expected for challenging stretch, although this may depend on the authority’s current performance.

In determining acceptable stretch care will have to be taken to ensure an acceptable unit cost is apportioned for each outcome – i.e. each additional pupil attaining a level 5. Pupil numbers will also need to be extrapolated if an alternative measure is used such as an increased average points score, improved conversion rate from Key Stage 2 level 4 to Key Stage 3 level 5 or improved proximity to national average performance. It is likely that a 1-2% stretch on performance for whole authority areas would be agreeable. This would need to be increased proportionately if measuring sub-groups such as boys only or ethnic minority groups. If using an average points score measure (APS), a 0.5 to 1 point increase is likely to be acceptable.

Doubling the unit cost for vulnerable groups such as looked after children would be reasonable and, given the likely small cohorts, a stretch of 4% would more than likely be needed, as well as a basket of accompanying measures if forming a discrete target.

INDICATOR

- **Educational achievement of 14 year old looked after children compared to their peers**

Please refer to above indicator “Percentage of 14 year olds achieving at least level five in English, Maths, Science and ICT at Key Stage Three”

INDICATOR

- **Percentage of 16 year olds achieving equivalent of five A*-C GCSEs**

Source of data: DfES School & College Achievement and Attainment Tables OC2 & SSDA 903

<http://www.dfes.gov.uk/performancetables/>

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000610/contents.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000580/index.shtml>

<http://www.standards.dfes.gov.uk/ts/>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

“Looked after children” means those children who were in care on 30 September who had been continuously looked after for at least a year prior to that point. It may also be possible to consider targets to increase the percentage of pupils achieving 5 GCSEs at grades A*-G or even 1 A*-G depending on the circumstances in the authority. 5 A*-G or 1 A*-G indicators would most likely offer best value as part of a basket of indicators for particular vulnerable groups.

Period of Measurement

Academic Year for mainstream children. 1 October to 30 September for LAC

Determining stretching performance

“Without reward”: performance anticipated in statutory targets.

“With reward”: The number of additional pupils attaining the required level at this Key Stage must offer value for money for the available performance reward grant. At Key Stage 4 authorities may use predictive software such as Fischer Family Trust or the DfES Pupil Attainment Tracker to determine stretch and both are acceptable. The level set by Band D of Fischer Family Trust would generally be expected for challenging stretch, although this may depend on the authority’s current performance.

In determining acceptable stretch care will have to be taken to ensure an acceptable unit cost is apportioned for each outcome – i.e. each additional pupil attaining 5 grades A*-C. Pupil numbers will also need to be extrapolated if an alternative measure is used such as an increased average points score, or improved proximity to national average performance. It is likely that a 1-2% stretch on performance for whole authority areas would be agreeable. This would need to be increased proportionately if measuring sub-groups such as boys only or ethnic minority groups. If using an average points score measure (APS uncapped), a 6 points increase is likely to be acceptable.

Doubling the unit cost for vulnerable groups such as looked after children would be reasonable and given the likely small cohorts a stretch of 4% would more likely be needed, as well as a basket of accompanying measures if forming a discrete target.

INDICATOR

- **Educational achievement of 16 year old looked after children compared to their peers**

Please refer to above indicator “Percentage of 16 year olds achieving equivalent of five A*-C GCSEs”

INDICATOR

- **Number of 11-19 year olds using sports and leisure facilities**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

This is Sport England’s *Representative facility use by young people aged 11-19yrs* indicator: sports facilities are an important aspect of local government provision and make a major contribution to many LAA outcomes. This indicator on participation in local authority sport/recreation provision should be used to measure how representative facility usage is of the 11-19 age-group. (It can also be adapted to measure inequality in rates of participation in sport across social class, ethnicity and disability.)

This is also one of the key performance indicators proposed by Sport England for inclusion in the Comprehensive Performance Assessment. Further details on the indicator can be found in Sport England’s briefing note Sport Playing its Part in Local Area Agreements or from the appropriate Sport England regional office.

Determining stretching performance

Data on this indicator will be collected via the National Benchmarking Service (NBS) and APSE, which local authorities are already able to use. Further information on the NBS, including how it collects data on this indicator, costs of data collection and information that local authorities will need to supply can be obtained from the appropriate Sport England regional representative.

The indicator will use a ratio measure to compare the profile of facility usage by 11-19 year olds with the profile of the facility’s catchment area (i.e. the number of 11-19 year olds within the catchment area of that facility).

When interpreting this indicator, a score of 100% means that usage by that group is representative of the profile of the local population. A score lower than 100% will reflect under-representation of that group. Facility usage should be representative of the local population, therefore stretching performance should be based on the level of improvement required by a local authority to bring it up to a score of 100% if they are currently scoring below 75%.

Determining the level of reward grant

When considering the level of stretch offered in relation to the potential performance reward grant, authorities and DCMS will need to consider the following factors:

- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of participation or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to best effect, and what other resources are being used to support achievement.
- Whether the proposals can reasonably be expected to deliver the anticipated impact on activity levels
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

• Percentage of children attaining key stage two standard for swimming

Departmental owner: DCMS (with possible DfES input)

Necessary clarifications/qualifications about the indicator

There is a considerable variation in attainment nationally and within some authorities, so the indicator can be drafted to deliver an equity outcome.

It is most likely to be used as one of a basket of indicators.

Further information on KS2 swimming can be obtained from the appropriate Sport England regional representative or at www.nc.uk.net/safeswimming

Determining stretching performance

The national average at key stage 2 is about 80%. Therefore, this indicator is only likely to be usable where an authority has evidence of poor performance that it proposes to improve substantially.

It is difficult to achieve sufficient stretch in performance to justify reward grant if numbers are small.

Determining the level of reward grant

When considering the level of stretch offered in relation to the potential performance reward grant, authorities and DCMS will need to consider the following factors:

- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of participation or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to best effect, and what other resources are being used to support achievement.
- Whether the proposals can reasonably be expected to deliver the anticipated impact on activity levels

- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

• Take up of cultural opportunities by five-16 year olds

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

This indicator allows LAA authorities and partners to adapt DCMS PSA3 sub-indicators to cover local populations:

- *Increasing the numbers who participate in arts activity at least twice a year by 2% and increasing the number who attend arts events at least twice a year by 3%.*
- *Increasing the number accessing museums and galleries (and archives) collections by 2%.*
- *Increasing the number visiting designated Historic Environment sites by 3%.*

Further guidance on these indicators can be found under the *Enrich individual lives, strengthen communities and improve places where people live through culture and sport, including libraries and the historic environment* outcome in the Safer and Stronger Communities block.

LAA authorities and partners can also achieve the outcome through measuring the number of local education authority schools that have obtained Artsmark accreditation or the percentage of children benefiting from children's libraries facilities and activities (including Bookstart, homework clubs, the Summer Reading Challenge and early years activities).

Artsmark will cover LEA primary (including Middle) and secondary schools (independent schools must be excluded). Further information and guidance can be obtained from Arts Council England (ACE). Separate guidance for the libraries indicator can be found under the Children and Young People block.

Determining stretching performance

To achieve the outcome, LAA authorities and partners can use one or a basket of these indicators, depending on the particular areas they wish to focus on and whether the numbers involved will be enough to establish sufficient value for money.

For indicators based on DCMS PSA3, performance 'without LAA' will be established by the year-on-year improvement anticipated to meet the national PSA target. Stretching performance will therefore be beyond this.

Artsmark: Any LEA school achieving Artsmark, Artsmark silver or Artsmark gold will be included. For the purposes of establishing baselines, only schools with a current Artsmark accreditation i.e. obtained within the last 3 years must be counted. The information required to establish this indicator is collected by ACE through Artsmark applications and held on the Artsmark database. Further guidance can be obtained from ACE.

Determining the level of reward grant

When considering the level of stretch offered in relation to the potential performance reward grant, authorities and DCMS will need to consider the following factors:

- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of participation or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to best effect, and what other resources are being used to support achievement.
- Whether the proposals can reasonably be expected to deliver the anticipated impact on activity levels

Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

- **Number of educational opportunities for young people delivered by arts organisations, architecture and heritage bodies, sports organisations, music services, museums and galleries**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

This indicator also covers archives.

‘Educational opportunities’ should be defined by LAA authorities in conjunction with delivery partners. The term can be utilised in its broadest sense, to encompass both the work of cultural and sports bodies in response to national curriculum requirements and providing opportunities for broader learning outcomes.

School visits can count as educational opportunities. These can include those by secondary school sixth form classes and nursery school classes, but not those by sixth form colleges or adult education institutions or play groups. Visits to schools by organisations to make a specific presentation to a school group can be included, although in the case of museums, galleries and archives the loaning or delivery of an exhibit to a school is excluded, unless also accompanied by a presentation by a member of staff.

‘Educational opportunities’ can also cover the number of local education authority schools that have obtained Artsmark accreditation. Refer to the *Take up of cultural opportunities by 5-16 year olds* indicator (page 44) for further guidance on this particular aspect.

Determining stretching performance

Stretching performance must be a significant year on year improvement on the baseline. LAA authorities will need to liaise with delivery partners to establish baselines and measure the target. Further guidance can be obtained from Arts Council England, the Commission for Architecture and the Built Environment, English Heritage, Sport England and the Museums, Libraries and Archives Council as appropriate.

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.

Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

- **Participation in sporting and cultural activities, both in and out of school, particularly by priority groups**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

Priority groups are defined as:

Those people with a physical or mental disability i.e. defined by themselves as having any long-standing illness, disability or infirmity that limits their activities in any way;

Those people from black and minority ethnic groups i.e. defined by themselves as Asian or British Asian (Indian, Pakistani & Bangladeshi, Other Asian Background); Black or British Black (Black Caribbean, Black African, Other Black Background); Mixed Ethnicity; Chinese and Other Ethnic Groups (This priority group is the total group i.e. as black and minority ethnic, not individual ethnic groups);

Those people in socio-economic groups C2, D and E i.e. as defined by themselves, through NS-SEC and then mapped across to C2DE.

To achieve the outcome, LAA authorities and partners CAN use a basket of indicators taken from the following list:

- *Increasing the number who participate in active sports at least twelve times a year by 3 % (DCMS PSA3)*
- *Increasing the number who participate in arts activity at least twice a year by 2% and increasing the number who attend arts events at least twice a year by 3% (DCMS PSA3)*
- *Increasing the number accessing museums and galleries collections by 2% (DCMS PSA3)*
- *Increasing the number visiting designated Historic Environment sites by 3% (DCMS PSA3)*
- *Accessibility of safe play areas and opportunities;*

- *Percentage of children benefiting from children's libraries facilities and activities including Bookstart, homework clubs, the Summer Reading Challenge and early years activities;*
- *Number of local education authority schools that have obtained Artsmark accreditation.*

Determining stretching performance

It will be down to the LAA authority to decide on particular areas of focus.

With indicators based on DCMS's PSA3 target, performance 'without LAA' will be established by the year-on-year improvement anticipated to meet the national PSA target. Stretching performance will therefore be beyond this.

The play and libraries indicators are listed separately in this guidance. For Artsmark please refer to the *Take up of cultural opportunities by 5-16 year olds* indicator (page 44).

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable
- Whether the proposals can reasonably be expected to deliver the anticipated impact on participation levels

INDICATOR

- **Percentage of children benefiting from children's libraries facilities and activities including Bookstart, homework clubs, the Summer Reading Challenge and early years activities**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

Children's activities are defined as: Under-5's sessions, targeted Key Stage 1 and 2 sessions, targeted teen/young people's sessions, reading clubs/groups for children, reading clubs/groups for young people/teens, study/homework support/clubs, seasonal/holiday events in libraries, Bookstart/Books for Babies, National Reading Challenge or other reader development activities defined locally.

For this indicator, children should be defined as 0-14 year olds.

Determining stretching performance

Benefit should be assessed on the basis of the numbers participating in the activities set out above over a set period i.e. not just one attendance. A stretched performance should be demonstrated by increasing the numbers of children who participate in a sustained way in these activities.

(Further information relevant to this indicator can be found in the Public Library Impact Measures relating to both Bookstart and the Summer Reading Challenge. Further details can be obtained from Museums, Libraries and Archives Council).

To establish baselines and measure performance, Government Offices should use Chartered Institute of Public Finance and Accountancy (CIPFA) statistics to establish percentage engagement with the child population. Stretch would be exceeding average percentage engagement in active membership and activities. Further guidance can be obtained from the Museums, Libraries and Archives Council.

Determining the level of reward grant

Performance against the Impact Measures in the shared priority area of *Raising Standards in Our Schools* and the *Children's Satisfaction Standard* in the Public Library Service Standards should be taken into account when determining the level of reward grant.

Further details are available at ww.mla.gov.uk/action/framework/framework_04a.asp

Guidance can also be found in BVPI 220: *Compliance Against the Public Library Service Standards*.

INDICATOR

- **Percentage of a) pupils of compulsory school age and b) pupils of compulsory school age in receipt of free school meals within 15 and 30 minutes of a primary school and 20 and 40 minutes of a secondary school by public transport**

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

INDICATOR

- **Percentage of 16-19 year olds within 30 and 60 minutes of a further education establishment by public transport**

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

ACHIEVE ECONOMIC WELL BEING

INDICATOR

• Percentage of 16-18 year olds not in education, employment or training

Source of data: CCIS (Client Caseload Information System) in compliance with the specification published by DfES

Department owner: DfES

Necessary clarifications/qualifications about the indicator

NEET indicators should be expressed as percentages – rather than whole numbers – because of year on year changes to the size of the 16-18 year old cohort. The percentage NEET should be rounded to 1 decimal place.

NEET data should be adjusted to take account of young people whose current situation is not known using the formula set by DfES. In addition, NEET targets will generally need an accompanying reassurance measure that a decrease in young people reported NEET will not be achieved through a corresponding increase in the percentage of young people whose activity status is reported as “not known” or who the authority cannot track. This will need to be set as a condition for the receipt of reward grant.

The definition of NEET and arrangements for data collection are set out in the CCIS data catalogue (published by DfES Supporting Children and Young People Group). Targets will be set and monitored on this basis.

Period of Measurement

The average % NEET between November and January each year (i.e. a 2009 target would be measured between November 2009 and January 2010).

Determining stretching performance

“Without reward”: local targets set by DfES in relation to 2010 PSA target.

“With reward”: It is likely that a stretch of 0.5 – 1.0 percentage points would be acceptable. An area with a high level of NEET would generally be required to achieve a higher level of stretch than an area where only a small proportion of young people are NEET.

Determining the level of reward

The number of additional 16-18 year olds that are taken out of NEET if the target is met must offer value for money for the performance reward grant.

Various factors need to be taken into account in considering value for money including the benefits to the individual of being in education, training or employment, and the funding already provided to the authority and its partners to meet the targets for reducing NEETs.

This outcome could also relate to specific groups of vulnerable young people and the following indicators might be employed:

- Percentage of teenage mothers engaged in employment, education or training
- Percentage of 16 year old school leavers continuing in learning
- Improving the level of education, training and employment outcomes for care leavers aged 19

Source of data: OC3 return – for care leavers; data Collected through CCIS for teenage mothers; data collected through CCIS from the annual activity survey for school leavers

Department owner: DfES

Necessary clarifications/qualifications about the indicator

A care leaver aged 19 is a young person whose 19th birthday falls in the year ending 31 March of the reporting year who was in care on 1 April at the age of 16 and who ceased to be 'in care' before their 19th birthday. 'Outcomes' means engaged in education, training or employment.

Targets for teenage mothers would be based on data collection through CCIS although GOs would need to be satisfied that the data was sufficiently complete before using it to set targets, and that numbers of teenage mothers in the area are large enough to deliver value for money. Data is collected quarterly, and targets should relate to the quarter ending December.

Targets for 16 year old school leavers would also be based on data collected through CCIS from the annual survey of the destination of young people completing year 11 (annual activity survey). This survey takes place in November each year.

These indicators should be expressed as percentages – rather than whole numbers – because of year on year changes to the size of the cohort. But as the care leavers cohort will be a small one in many LAs, depending, on the proposed target it may be necessary to express improvement in both percentage terms and whole numbers, to ensure that the target is sufficiently challenging to merit any reward payment.

Period of Measurement

Year from 1 April to 31 March – for care leavers; 'Spot date', usually end December – for teenage mothers, annual survey – November for Y11 school leavers

Determining stretching performance

"Without reward": year-on-year improvement.

"With reward": This will vary depending on local circumstances but there would need to be an increased level of stretch when measuring sub-groups.

For care leavers targets it may be useful to consider appropriate stretch with reference to statistical neighbours as listed in the "Social Services Performance Assessment Framework Indicators" publication. In earlier examples we have agreed a stretch of 10% improvement in performance.

Determining the level of reward

The additional number of care leavers or teenage mothers engaged in education, training or employment must offer value for money for the performance reward grant. Various factors need to be taken into account in considering value for money including the benefits to the individual of being in education, training or employment, the funding already provided to the authority and its partners to meet targets for reducing NEET. Low numbers in cohorts of care-leavers or teenage mothers will generally be a concern in establishing value for money so such an indicator should tend to form part of a basket of improvement measures.

INDICATOR

• Percentage of 19 year olds achieving level two or equivalent

Source of data: Learning and Skills Council

Department owner: DfES

Necessary clarifications/qualifications about the indicator

Definitions as per the national PSA (<http://www.dfes.gov.uk/SR2004/PSA/>) The national PSA target is for a 3 percentage point improvement (on 2004 baseline) by 2006, and a further 2 percentage point improvement by 2008. The 2004 baseline for the target was 67%. For the purpose of this target, level 2 consists of 5 GCSEs at grades A* - C or equivalent, including a level 2 NVQ, other approved full level 2 qualifications or an intermediate such as 1 A level.

The national PSAs will be subject to revision post CSR 2007 and a level 2 target may need to include English and mathematics.

Measurement

Up to 2004, level 2 attainment at 19 was measured through the Labour Force Survey. However, this had a number of drawbacks, not least the difficulty in disaggregating the data below headline national figures and in linking it to operational performance. Consequently, LSC and DfES agreed that future monitoring should be based on 'administrative data' from awarding bodies and providers. This data set has been compiled by Fischer Family Trust and it currently includes records for all young people who were aged 15-18 at the start of the academic year 2003/04.

Period of Measurement

Academic year

Determining stretching performance

"Without reward": year-on-year improvement anticipated to meet a new national PSA target.

"With reward": beyond this, though it will vary depending on local circumstances. However, it is likely that a stretch in performance of 2 percentage points would be acceptable.

Determining the level of reward

The additional number of 19 year olds who reach level 2 if the target is met must offer value for money for the performance reward grant. Various factors need to be taken into account in considering value for money including the benefits to the individual in terms of higher earnings, the other unquantifiable benefits to the individual and to the wider community of having better qualified people, the funding already provided to local authorities, partners and schools for young people to achieve.

INDICATOR

• Number of young offenders in education, training and employment

Please refer to above indicator “Percentage of 16-18 year olds not in education, employment or training” (see page 49).

INDICATOR

• Percentage of 18-30 year olds participating in higher education

Source of data: Higher Education Initial Participation Rate (HEIPR)

Department owner: DfES

Necessary clarifications/qualifications about the indicator

It is not clear how an authority could directly influence progression to higher education, although an authority could influence demand by raising academic attainment and aspirations to entering higher education, so it is unlikely that many would opt for a target in this area. Definitions and measurement would be as per the 2008 national PSA. The technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>

A more robust outcome for reward purposes would measure participation for a certain duration, e.g. one academic year.

Period of Measurement

Academic year.

Determining stretching performance

Although local authorities have no specific targets, there is now two years worth of published data on the Higher Education Initial Participation Rate (HEIPR). This could form the basis for discussions about projecting future stretching performance. DfES has also published Research Report 676 which explores how HE participation rates could be devised by GO region and could also inform discussions: <http://www.dfes.gov.uk/research/>. It doesn't provide data at local authority level, however.

INDICATOR

• Number of teenage parents not in education, employment or training

Please refer to above indicator “Percentage of 16-18 year olds not in education, employment or training” (see page 49).

INDICATOR

• Number of vulnerable people living in social housing and the private rented sector in homes in a decent condition (“vulnerable people” includes children)

A Decent Homes bidding round for Round 6 ALMOs and Housing Stock Transfer will be launched in May 2006.

Revised Decent Homes guidance is currently begin drafted to coincide with the bidding round launch. Once this guidance has been finalised, information will be issued on how this relates to LAAs

INDICATOR

• Level of material deprivation and low income of families with children

Department owner: HMT

Necessary clarifications/qualifications about the indicator

Child poverty can also provide a cross-cutting theme for a group of reward element targets because a number of other targets have an important role to play in delivering reductions in child poverty. Relevant targets include childcare, employment, benefit and tax credit take-up, housing decency, school attainment and financial exclusion. These targets are all part of the Achieve Economic Well-Being section of the Children and Young People's block, however, they can also be adopted as a cross-cutting theme across a number of blocks.

Determining stretched performance

National child poverty statistics are not provided to a local level, however, if an LA has its own data source, e.g. based on its own surveys, then it would be possible and desirable for the GO and LA to agree a suitably stretching target relative to historic trend in that LA and that data source. There are number of child poverty proxies that are also available at a local level.

Determining the level of reward

Poor children (proxied by receipt of Free School Meals) are half as likely to achieve 5 A-C grade GCSEs (26% v 54%) as the national average. People with such qualifications earn an estimated 23 – 27% more than those without (Returns to Education, Sianesi, 2003).

Children from poor backgrounds are 50% more likely to be economically inactive; Jobseekers' Allowance for those aged 25+ is payable at £56 p/w. Growing up in poverty also increases a child's chances of other outcomes that have private and social costs:

- Leaving school at 16

- Poor health

- Becoming teenage parents

- Engaging in anti-social and criminal activity

See, for example, "Poverty: the Outcomes for Children", Bradshaw 2001

INDICATOR

• Percentage of children living in low-income households

Please refer to above indicator "Level of material deprivation and low income of families with children" above.

INDICATOR

• Number of low income families in fuel poverty

Please refer to related indicator in the Safer and Stronger Communities Block

INDICATOR

• Percentage of children in households with no one in work

Please refer to above indicator “Level of material deprivation and low income of families with children” above.

INDICATOR

• Stock and take up of childcare for all families

Source of data: OfSTED Register of Provision

Department owner: DfES

Necessary clarifications/qualifications about the indicator

Because of concerns about the impact of new places on the viability of existing providers, LAs should be encouraged to reduce closures in their area, particularly in Full Daycare and Out of School registered provision, as recorded by OfSTED statistics. The indicator is designed to promote greater emphasis by local authorities on developing a sustainable childcare market within their area. This will involve working with local partners which may include the private and voluntary sectors.

The indicator refers to settings within the OfSTED registered childcare categories: ‘Full Daycare’, ‘Childminders’, and ‘Out of School Care’ only. It does **not** include settings within the OfSTED categories ‘Sessional Daycare’ or ‘Crèches’. It does **not** cover informal childcare, i.e. that provided by friends and family. Progress against the target will be measured through analysis of OfSTED registration and closures statistics.

Turnover rate is defined as the total number of places closed March to March, divided by the total stock of places at the start of the period.

Particular regard should be paid to reducing the gap in provision and rates of turnover between disadvantaged areas and others. For the purposes of this indicator we consider as disadvantaged areas those super output areas (SOAs) in the 30% most disadvantaged per the Indices of Multiple Deprivation (IMD) 2004, as published by ODPM.

Period of Measurement

1 April to 31 March.

Determining stretching performance

"Without reward": this should reduce the rate of turnover in each local authority compared to the corresponding rate between March 2004 and March 2005.

"With reward": beyond this and reducing the gap in provision and rates of turnover between disadvantaged areas and others.

Determining the level of reward

The increase in the stock of childcare places and the reduction in the turnover rate in the childcare market if the target is met should provide good value for the performance reward grant. There are a number of factors to take into account in considering value for money including the benefits to parents and the wider community, the funding already provided

and the cost of achieving the target. The level of reward could be increased for areas falling within the 30% most disadvantaged SOAs throughout England.

INDICATOR

• Percentage of lone parents in sustainable employment

Please refer to related indicator in the Economic Development and Enterprise Block.

INDICATOR

• Take up of correct benefit and tax credit entitlements

Source of data: DWP

Department owner: DWP

Necessary clarifications/qualifications about the indicator

Ensuring that people get their correct benefit entitlements can help children, older people and those who cannot work. The LAA activity would seek to increase the number of people in receipt of targeted benefits in the local authority area. If possible targets should concentrate on new claims rather than amendments to existing claims.

For this indicator measurement of performance would be based on data kept by the local authority - its own case records of helping people to get benefits. Targets that are focused on older people should be discussed and agreed with the Pension Service. Targets that involve Housing and Council Tax Benefit should be discussed and agreed with the DWP Local Authority Performance Division.

Focusing on this outcome could also support the PSA target to eradicate child poverty and as such could feature as part of a child poverty reduction strategy.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretched performance

"Without reward" will almost always be an improvement from current performance, though it may be permissible to maintain the current position or a slight deterioration if trend data supports this.

"With reward" will need to be an improvement on the 'without reward' position.

Determining the level of reward

The following factors should be taken into account when determining the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- deals struck in previous LPSA negotiations
- any available cost benefit analysis
- evidence from previous delivery of this type of target
- anticipated benefit savings

- risk of target being achieved more easily by change in wider economic climate

INDICATOR

- **Percentage of social housing and vulnerable households in the private sector in a decent condition**

A Decent Homes bidding round for Round 6 ALMOs and Housing Stock Transfer will be launched in May 2006.

Revised Decent Homes guidance is currently being drafted to coincide with the bidding round launch. Once this guidance has been finalised, information will be issued on how this relates to LAAs

INDICATOR

- **Number of children in households without a bank account of any kind**

Department owner: HMT

Necessary clarifications/qualifications about the indicator

The measure of households without a bank account should include all types of bank and building society account (including the basic bank account) but should exclude the Post Office Card Account).

Determining stretching performance

The banks and the Government have agreed to work together to halve the number of adults in households with no bank account of any kind so a stretching performance would be to go beyond this.

Determining the level of reward

- 1.9m or 1 in 12 households have no access to any kind of bank account. 30% of these households include children.
- People without access to a bank account are subject to higher charges for basic financial transactions, such as money transfer and cheque cashing and may pay more for certain services, such as utilities. For example:
 - An average single mother with a child on benefits (£104 a week) loses £5 a week through not having access to a bank account
 - 6m people a year use cheque cashers – typical cost 12-14%
 - Consumers using pre-payment meters can pay up to £182 more a year for their gas than direct debit customers with the same supplier
- The cost of these higher charges can reduce the amount of household income available for other needs, with the result that children may miss out on necessities as income is diverted.
- People without access to a bank account are more at risk to loss and theft.

Wider Costs

- The majority of households with no bank account are in receipt of some form of state support or benefit payment. If benefit claimants spend a portion of their weekly income on basic financial transactions, less benefit is available for other essentials.
- A bank account for receipt of wages is a basic requirement for most employers. Financial exclusion can therefore have a negative impact on employment prospects and an impact on productivity.

- People are most likely to seek money advice from family and friends, which would suggest that children in unbanked households are more likely to be financially excluded adults themselves.
- There is an interaction between social and financial exclusion, particularly access to banking services. As financial exclusion is often concentrated in particular geographic areas, this has an impact on the local economy and on regeneration initiatives.
- The unbanked population share characteristics with users of the alternative credit market, suggesting that people without a bank account are less likely to have access to affordable credit and are more likely to become over-indebted, with the costs to the individual and to society that these entail.
- As well as child poverty, financial exclusion, particularly amongst low income groups, has a negative impact on a number of Government objectives – for example on welfare to work aims, health inequalities and neighbourhood renewal.

INDICATOR

- **Number of low-income families able to borrow at affordable rates**

Department owner: HMT

Necessary clarifications/qualifications about the indicator

'Affordable rates' are not defined but should be considered in the context of the sources of credit. Affordable sources will include credit unions and money lines as well as mainstream lenders such as banks and building societies.

Determining stretching performance

This measure is intended to reduce the levels of dependency on high cost lenders. The current level of credit provided by affordable sources such as credit unions and community development finance institutions should be taken as a benchmark and an increase in that should be measured as the stretch.

Determining the level of reward

- 3m people a year use doorstep lenders – typical APR 185%
- 600,000 people are thought to use pawnbrokers – typical APR over 100%. A recent survey of pawnbrokers customers found that these were predominantly women with children.
- The cost of these higher charges can reduce the amount of income available for other needs, with the result that children may miss out on necessities as income is diverted.
- Less than 600,000 people are serviced with affordable loans by credit unions.
- 11 credit unions offered £1.2m worth of loans to individuals in 2004.

Wider costs

- Financial exclusion is particularly concentrated in certain areas of the country. This has an impact on the local economy and regeneration initiatives.
- Money problems have been associated with a large proportion of homicidal threats, violence and suicide
- If benefit claimants are forced to use high cost credit, less benefit is available for other essentials.
- People are most likely to seek money advice from family and friends, which would suggest that children of users of high cost credit are more likely to use high cost credit as adults themselves.
- Users of the high cost credit market are more likely to become over-indebted, with the costs to the individual and society that this entails.

- There is an interaction between social and financial exclusion, particularly the use of expensive credit. As financial exclusion is often concentrated in particular geographic areas, this has an impact on the local economy and regeneration initiatives.
- As well as child poverty, financial exclusion, particularly amongst low income groups, has a negative impact on a number of Government objectives – for example on welfare to work aims, health inequalities and neighbourhood renewal.

INDICATOR

- **Number of low-income families in over-indebtedness**

Department owner: HMT

Necessary clarifications/qualifications about the indicator

There is no one generally accepted definition of over-indebtedness. The DTI Over-indebtedness annual report measures over-indebtedness in terms of being in arrears on payments and considering debt to be a ‘heavy burden’

Determining stretching performance

The DTI over-indebtedness annual report suggests that 4% of the population over 18 (1.8m people) are in arrears for more than 3 months on either consumer credit or utility bills, and 5% of borrowers (1.2million people) consider their borrowing repayments to be a ‘heavy burden’. This level should be taken as the benchmark and a reduction in this level measured as the stretch.

Determining the level of reward

Families with children and particularly lone parents are more likely to be in arrears. One study found that one third of children in severe poverty have parents who have experienced debt in the past year. Over-indebtedness imposes various costs on individuals. Many of these individual costs then impose a cost on society:

- Debt can play a part in relationship breakdowns, leading to family instability and greater risk of child poverty
- Debt problems that result in evictions impose a direct burden on the public housing budget
- Higher stress levels, depression, anxiety and other health problems impose a cost on the NHS
- For working families, the accumulation of debt may cause parents to leave the labour market due to ill health or stress
- Increased sick absences and unemployment impose a cost on the productivity of the economy. Decline in productivity associated with over-indebtedness is conservatively estimated to be 30% of salary. The cost in terms of lost output could be as high as 1% of GDP.
- For workless households, debts may act as a barrier to returning to work for fear of triggering higher repayments.
- Public expenditure on debt and insolvency imposes costs on the legal system. For example, in 2002/3 the Community Legal Service spent £19.6m on legal aid for debt cases.
- Money problems have been associated with a large proportion of homicidal threats, violence and suicide
- As well as child poverty, over-indebtedness, particularly among low income groups, has a negative impact on a number of Government objectives – for example on welfare to work aims, health inequalities and neighbourhood renewal.

INDICATOR

• Literacy attainment of pupils in lowest quartile of achievement

Please refer to specific guidance provided elsewhere relating to specific educational attainment targets, but taking into consideration some of the unique issues associated with this group.

MAKE A POSITIVE CONTRIBUTION

INDICATOR

• Percentage of children in secondary schools participating in a) election of school council members, and b) mock general elections

Source of data: Local data

Department owner: DfES

Necessary clarifications/qualifications about the indicator

A difficult target and one we would suggest is only used if there is a compelling case for its inclusion and very strong interest in it. It is difficult to envisage circumstances where this could be shown to be a sufficiently key priority to form a reward target over other priorities for an area.

As the target implies, it is about participation – and participation in the democratic process is voluntary. If the target remains as scripted it could be achieved by simply adding a degree of compulsion to pupils voting. The act of voting in itself would not demonstrate compelling evidence of better youth engagement sufficient to deserve large reward, and an authority should perhaps seek to measure more sustained engagement and interest in the democratic process.

Period of Measurement

Academic year.

Determining stretching performance

Currently there is no measurement for this target. We would suggest it be done through a survey, the frequency of which is determined by the Local Area. The results of the survey would need to be subject to independent moderation. The performance level set should be realistic and challenging by local negotiation and we would expect to see a year on year improvement. Please also see section 7 of the annex to this document.

Given that these measures would be proxies for better outcomes for young people they could not expect to attract much performance reward and should only be accepted as part of a basket of measures to improve youth outcomes.

INDICATOR

• Voluntary and community engagement by children

Please refer to the related indicator “An increase in the number of people recorded as or reporting that they have engaged in formal volunteering on an average of at least two hours per week over the past year” in the Safer and Stronger Communities Block.

In addition, DCMS has issued the following advice in relation to volunteering activity involving children and young people:

Where children and young people are engaging in formal volunteering in the sports and cultural sectors, authorities can consider an average of one hour per week. In many cases the cultural and sporting sectors depend on volunteering for service delivery, but the volunteers actually give less than 2 hours a week in time. For example, out of 5.8 million sports volunteers aged over 16 in England, 40% contribute about one hour per week. Also, volunteering in schools is a key activity in the cultural sector and this can often be for 1 hour a week i.e., the length of one lesson.

INDICATOR

• Reduce the proportion of young offenders who re-offend

Please refer to related indicator in the Safer and Stronger Communities Block

INDICATOR

• Permanent and fixed period exclusions from school

Source of data: DfES national data on fixed period and permanent exclusions from school

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000582/index.shtml>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

The average duration of a fixed period exclusion is approximately four days.

Period of Measurement

Academic year.

Determining stretching performance

“Without reward”: Year-on-year improvement agreed with DfES.

“With reward”: The number of additional school sessions saved or reduced number of exclusions must offer value for money for the available performance reward grant. Establishing appropriate stretch performance can vary greatly according to authorities’ circumstances. However, we would most likely expect stretch to be in the region of 10-15%. An authority with high rates of exclusions would be expected to offer stretch at the 15% level. DfES expects that all secondary schools will be working in a collaboration to improve behaviour and attendance, with funding devolved by the local authority, by September 2007.

Determining the level of reward

A target to reduce exclusions would be most unlikely to be able to generate sufficient volume and value as to form a discrete stretch target. Improvement on these measures would work best in tandem with measures to improve school attendance.

INDICATOR

- **Percentage of 10-19 year olds admitting to a) bullying another pupil, and b) attacking, threatening or being rude due to skin colour, race or religion**

Please refer to above indicator "Percentage of 11 to 15 year olds who state they have been bullied"

INDICATOR

- **Developing self confidence and successfully dealing with significant life changes and challenges (measure to be identified from Children's Perception Survey)**

It is extremely doubtful that an authority could make an acceptable case for a reward target offering improved outcomes in this area. No suitable measure has so far been developed and, if proposed, advice would need to be sought from relevant policy experts within DfES.

SAFER AND STRONGER COMMUNITIES

REDUCE CRIME

INDICATOR

- **Reduction in overall British Crime Survey comparator recorded crime.**

Targets must be those as agreed between crime and drugs partnerships and GOs to support delivery of Home Office PSA1. A County level target will need to reflect the targets of the crime and drugs partnerships, and any aggregation will need to be agreed with the GO.

Possible indicators:

(A) British Comparator Crime

- *Reduction in number of domestic burglaries*
- *Reduction in number of thefts from vehicle*
- *Reduction in number of thefts of a vehicle*
- *Reduction in number of robberies*
- *Reduction in number of thefts from the person*
- *Reduction in number of thefts of pedal cycles*

Source of data: Recorded crime stats (police recorded crime stats as published annually by the Home Office)

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Where there is a local target for a specific crime type for the whole area, this should be reflected in the without-stretch target. An authority may want to target a specific problem or “hotspot” area. However, the stretch target should still be structured so as to allow a Reward Grant to be paid only if the local target for the whole area has been met, and to ensure that the stretch (where it has been targeted) goes beyond it.

Period of measurement

Financial years. Performance is usually measured in the final year of the LAA. Cumulative targets can be used; however, there must be a requirement that in the final year, the Area achieves its PSA1 target as a qualification for the reward grant being paid. Actual numbers of offences should be used for targets as far as possible, as these give a definite number (rather than per 1,000 pop/household).

Determining stretching performance

The majority of partnerships have set sub-targets for the BCS crime types in order to work out how they will deliver the overall PSA1 target by 2007/08. In such cases we would expect authorities to use these as the without stretch target from which the stretch is then measured. Where there is no local sub-target for the specific crime type, an Area should use its overall PSA1 target; current performance; expected performance over the relevant years; and comparison with peers.

Determining the level of reward

The maximum amount of reward that can be justified for each unit on stretch can be calculated using the costs of crime figures for the relevant crime type. Estimates of the

costs of reported crime are published in the Home Office Online report 30/05 rds hors 217 first update (http://www.homeoffice.gov.uk/rds/economic_update1.html based on crimes as reported in the British Crime Survey BCS). These figures can be adjusted for inflation.

(B) Reduction in violent crime, including alcohol-related violence, domestic violence, sexual offences, hate crime and the use of weapons

Violent crime

- **Increase proportion of violent offences which result in sanction detections**
- **Increase proportion of violent offences which are brought to justice**
- **Reduction in number of violent crimes recorded annually**

Source of data: Recorded crime stats (police recorded crime stats as published annually by the Home Office); CPS - offences brought to justice.

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Violent Crime embraces a range of criminal activity. It might not be possible to target them all, but ideally there should be a general reduction across all areas. Violent crime includes gun and knife crime, domestic violence, and alcohol-related violence, sexual assaults and hate crime.

However, we know that incidents of hate crime, domestic violence and sexual violence are under-reported and therefore as part of our PSA target to increase confidence in the criminal justice system we are encouraging victims and third parties to report more incidents to the police. We recognise the tension between increasing reported crime and reducing crime, which highlights the importance of flagging all incidents of domestic violence at police force level.

There should be a general increase in sanction detections for violent offences. Sanction detections are crimes for which someone is charged, summonsed, receives a caution or other formal sanction. There should also be an increase in the proportion of offences brought to justice (convicted) as proportion of total number of reported incidents/sanction detections. These are indicators that are specifically included for domestic violence, but which we would like to see in place for all types of violent crime.

Authorities should define exactly what types of behaviour they include within this stretch target. Where there is a local target for a specific crime type for the whole area, this should be reflected in the without-stretch target. An authority may want to target a specific "hotspot" area (e.g. the city centre). However, the stretch target should still be structured so as to allow a Reward Grant to be paid only if the local target for the whole area has been met, and to ensure that the stretch (where it has been targeted) goes beyond it. Some stretch targets on public place violence have been agreed in the past. This is acceptable provided it reflects the local violent crime target.

Period of measurement

Financial years. Performance is usually measured in the final year of the LAA. Cumulative targets can be used; however, there must be a requirement that in the final year, the Area achieves its PSA1 target as a qualification for reward grant being paid. Actual numbers of

offences should be used for targets, as these give a definite number (rather than per 1,000 population / household).

Determining stretching performance

The majority of partnerships have set sub-targets for BCS crime types in order to work out how they will deliver their overall PSA1 target by 2007/08. In such cases we would expect authorities to use these as the without stretch target from which the stretch is then measured. Where there is no local sub-target for the specific crime type, an Area should use its overall PSA1 target; current performance; expected performance over the relevant years; and comparison with peers.

Determining the level of reward

The maximum amount of reward that can be justified for each unit on stretch can be calculated using the costs of crime figures for the relevant crime type. Estimates of the costs of reported crime are published in the Home Office Online report 30/05 rds hors 217 first update (http://www.homeoffice.gov.uk/rds/economic_update1.html based on crimes as reported in the British Crime Survey BCS). These figures can be adjusted for inflation.

Domestic Violence, sexual offences, hate crime, alcohol-related violence and the use of weapons

- **Increase in the number of incidents of domestic violence reported annually either directly to the police or through a third party¹**
- **Increase in the proportion of incidents of domestic violence, which result in sanction detections (sanction detections are crimes for which someone is charged, summonsed, receives a caution or other formal sanction)**
- **Increase in the proportion of offenders brought to justice (convicted) as proportion of total number of reported incidents/sanction detections**
- **Increase number of incidents of domestic violence reported directly to health services**
- **Increase in the proportion of health referrals made to a Multi-Agency Risk Assessment Conference system (MARAC)² or equivalent**
- **Reduce repeat incidents of domestic violence to those victims who are being managed by a Multi-Agency Risk Assessment Conference system (MARAC)³ or equivalent**
- **Reduce the proportion of repeat domestic violence offences committed by perpetrators on CJS programme (IDAP)**
- **Increase in the number of serious sexual offences reported to the police**
- **Increase in the proportion of serious sexual offences which result in a sanction detection (sanction detections are crimes for which someone is charged, summonsed, receives a caution or other formal sanction)**
- **Increase in the number of offenders brought to justice (convicted) as proportion of total number of recorded serious sexual offences.**
- **Reduction in number of GBH offences recorded.**
- **Reduction in number of offences using weapons.**

¹ Where third party data is used, the target must specify the source(s) and it must be established that the data is robust and will be collected consistently for the lifetime of the stretch target.

² The MARAC is a formal conference to facilitate the risk assessment process. The purpose is for agencies to share information with view to identifying those persons at a 'very high' level of risk and thereafter to jointly construct a management plan to provide professional support to those at 'high risk'.

³ Repeat incidents are measured by counting the proportion of reports/call outs to the police that are repeat incidents of domestic violence within a 12-month period after a MARAC, out of the total number of MARAC cases.

- **Reduction of fear of crime in vulnerable groups such as BME, LGBT, faith and disability**

Source of data: Police recorded crime (incidents); CPS (numbers per CPS area of number of people found or pleading guilty on a DV or serious sexual offence case (rape or assault by penetration) – offenders brought to justice. Local attitudinal surveys on fear of (violent) crime/ public safety data (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

The response to addressing domestic violence involves a wide range of agencies and local areas should already be using a co-ordinated community response, which will include working in partnership with criminal justice and non-criminal justice agencies. We would therefore expect to see local areas using a selection of the basket of outcome-focused indicators when developing their reward targets, i.e. more than two to gain the maximum effect on value for money.

The list of indicators set out above is not exhaustive but follows those within the National Domestic Violence Delivery Plan and National Sexual Crime Reduction Delivery Plan. Where robust figures can be produced local areas are encouraged to think innovatively about the targets that they develop. For example, local areas may like to consider the possibility of developing further targets around increasing referrals from other non-criminal justice agencies.

On alcohol related violence, the BCS indicates that nearly half of all violent crime is alcohol related. Interventions that tackle alcohol related violence in public space are similar to, and complementary to, those designed to address alcohol related disorder. Experience from the Alcohol Misuse Enforcement Campaigns (AMECs) shows that interventions early on in the evening, in town centres, that focus on lower level crime drive up recorded crime (e.g. drunk and disorderly) in these categories but reduces the serious violent offences that occur later in the evening if these behaviours go unchecked. Authorities should therefore use GBH as a proxy indicator for success in driving down alcohol related violent crime.

Hate crime targeted at often isolated members of the community raises the fear of crime and reduces feelings of personal safety. The isolation from the community adds to this fear but can be alleviated when the vulnerable community feels that its needs are being met. Tackling hate crime effectively will therefore increase perception of public safety. The authority would want to ensure that consecutive surveys are comparable to allow trends to be ascertained.

Period of measurement

Financial years. Performance is usually measured in the end year of LAA period. Cumulative targets can be used for some of the indicators.

Determining stretching performance

Most police force areas and Crown Prosecution areas will have set local targets around some of the indicators listed above. Where these local targets exist local areas are expected to use these as the without stretch target from which the stretch is then measured. Regional analysis on current activity combined with the estimated level of domestic violence within the Area can also provide some focus in determining a challenging target. Local areas are expected to provide an improvement on current performance for the without stretch target and a greater improvement for the stretch target. In previously agreed LPSAs, some areas have looked at increasing reported incidents by 10-15% for the stretch target.

Determining the level of reward

The Home Office has published research on the costs of domestic violence (Walby S, 2004, DTI Women and Equality Unit that can be used as a guide to determining whether the level of stretch is sufficient in relation to the amount of the reward grant payable.

http://www.womenandequalityunit.gov.uk/domestic_violence/index.htm#cost_of_dv_rep

The costs covered within the Walby research range from police and other criminal justice agencies as well as the health service. The research also considers long term human and emotional costs. For the purposes of calculating value for money under the reward element of the LAA it will, however, only be appropriate to use the cost of individual incidents as opposed to the long term costs. Estimates of the costs of rape offences are published in the Home Office Online report 30/05 rds hors 217 first update (http://www.homeoffice.gov.uk/rds/economic_update1.html based on crimes as reported in the British Crime Survey BCS). The research includes costs to the criminal justice system and health service of rape, which can be used for calculating value for money under the reward element of the LAA.

(C) Criminal damage

- **Reduction in the number of criminal damage incidents [in area] recorded by police. (including damage not included in BCS comparator crime, such as that to commercial and public property)**

Source of data: Recorded crime stats (police recorded crime stats as published annually by the Home Office)

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Criminal damage embraces a range of criminal activity. It might not be possible to target them all. Authorities should define exactly what types of criminal damage they want to include within this stretch target. Where there is a local target for a specific crime type for the whole area, this should be reflected in the without-stretch target. An authority may want to target a specific problem or “hotspot” area (for example, in a city centre). However, the stretch target should still be structured so as to allow a Reward Grant to be paid only if the local target for the whole area has been met, and to ensure that the stretch (where it has been targeted) goes beyond it.

Period of measurement

Financial years. Performance is usually measured in the final year of the LAA.

Cumulative targets can be used; however, there must be a requirement that in the final year, the Area achieves its PSA1 target as a qualification for the reward grant being paid. Actual numbers of offences should be used for targets as far as possible, as these give a definite number (rather than per 1,000 population / household).

Determining stretching performance

The majority of partnerships have set sub-targets for BCS crime types in order to work out how they will deliver the overall PSA1 target by 2007/08. In such cases we would expect authorities to use this as the without-stretch target from which the stretch is then measured. Where there is no local sub-target, an Area should use its overall PSA1 target; current performance; expected performance over the relevant years; and comparison with peers.

Determining the level of reward

The maximum amount of reward that can be justified for each unit on stretch can be calculated using the costs of crime figures for the relevant crime type. Estimates of the costs of reported crime are published in the Home Office Online report 30/05 rds hors 217 first update (http://www.homeoffice.gov.uk/rds/economic_update1.html) based on crimes as reported in the British Crime Survey BCS). These figures can be adjusted for inflation.

(D) Business crime (these may also be useful for the EDE Block)

- ***Reduction in the percentage of businesses that think business crime is a problem***
- ***Reduction in number of crimes or specific crime-type experienced by businesses***

A range of crimes, both internal and external, can affect businesses. Offences can include property crimes - commercial robbery, fraud and forgery, shop theft, theft by employees, theft of and from vehicles, theft of plant, making off without payment; violent crimes - assault, harassment, robbery, violence against shop workers; anti-social behaviour - criminal or nuisance behaviour causing harassment, intimidating, alarm or distress to staff or customers, verbal damage, graffiti and vandalism. These elements could form part of the perception survey or be captured as part of a crosscutting target in other crime types.

Source of data: Local surveys based on questions asked in Commercial Victimization Survey. Police recorded crime stats.

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

The cost of business and retail crime is felt across many fronts. The effects of such crime are widely felt on employers, employees, customers and the wider community. Reducing business and retail crime is therefore a key priority for the Government. The Home Office Commercial Victimization Survey 2002 (published in July 2005) provides some indication of the types of crime experienced by retailers and manufacturers at a national and local level (www.crimereduction.gov.uk/business42.htm?w44).

There are some types of crimes against businesses that are recorded by the police, and some forces will flag crimes against businesses separately, so in these instances, robust local measurements systems are in place and could provide a more robust performance measure.

If a perception survey is used, the actual question asked in the survey must form the basis of the indicator used and it must be made clear in the indicator which responses will be counted toward achievement of the stretch target. Authorities must be clear as to what is being measured and that surveys are directly comparable.

Period of measurement

Financial years for recorded crimes. Performance is usually measured in the final year of the LAA.

Where surveys are used to measure performance, generally, one survey at the start of the target period will be used to establish current performance and to agree what the expected without stretch performance should be, from which the stretch will be agreed. A second survey should then be conducted three years later to establish the actual performance achieved (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Determining stretching performance

There is no national target but we would expect a without reward performance improvement on current performance and a stretch target would therefore have to be significantly better than current performance.

Determining the level of reward

Although some business groups have estimated the annual costs of crime to businesses, there is no real information around the cost on individual incidents. However, the Commercial Victimisation Survey 2002 provides some costing for the installation of security equipment in crime prevention terms:
www.crimereduction.gov.uk/business42.htm#w44

INDICATOR

• Reduce the proportion of adult and young offenders, and prolific and other priority offenders who re-offend

(A) Prolific and other priority offenders

This is a developing area, particularly as many local prolific and priority offender schemes are relatively new. The suggested performance indicators below are consistent with the performance management framework that has been created for the overall prolific and priority offender programme.

- Increase proportion of prolific and other priority offenders judged as having sustainable and settled accommodation at the end of their contact with probation
- Increase the number of prolific and other priority offenders who successfully achieve the Basic Skills Award
- Reduce recorded convictions of identified prolific and other priority offenders by a minimum of 15% per annum
- Increase in the proportion of PPOs who are assessed as having a drug problem that requires an intervention, who are retained in drug treatment for at least 12 weeks prior to discharge

Source of data: Police and JTrack data (reoffending); NDTMS (NTA) data (drug treatment); Probation and Prison Service data (accommodation and basic skills)

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Tackling the offending behaviour of those who commit most crime and/or cause the most damage to their local communities should have a positive impact on Partnerships efforts to reduce levels of crime. The indicators above are intended to focus on both the offending behaviours of those targeted, and also factors (for example, drug misuse and lack of accommodation) that if addressed are likely to help reduce continued offending.

Period of measurement

Financial years. Performance is usually measured in the final year of the LAA.

Determining stretching performance

Negotiating the stretch element of performance will need to be set against any existing data on performance drawn from the PPO performance management framework and demonstrate clear levels of additionality.

Determining the level of reward

No detailed costs are available but the HO continues to evaluate current PPO schemes and such information may become available. GOs should seek to negotiate levels of stretch that can be justified in relation to the harm caused by PPOs and the costs to the community, if their offending behaviour continues. Indicators should be negotiated on a case by case basis with advice from PPO policy leads

(B) Young Offenders

- **Reduce the number of first time entrants to the youth justice system**
- **Reduce the number of young people who re-offend within 24 months of receiving a substantive outcome**
- **Percentage of young offenders supervised by a YOT who are in full-time education, training or employment**

Source of data: YOT data

Department owner: Home Office and Youth Justice Board

Necessary clarifications/qualifications for the above indicators

Performance should be measured through the Youth Justice Board (YJB) Counting Rules. The rate of re-offending of young offenders aged 10-17 is measured by data specified by the YJB and collected by the Youth Offending Team (YOT).

Period of measurement

Measurement is based on tracking all individuals in the cohort who received a substantive outcome in the last three months of each calendar year. The cohort is tracked for both 12 and 24 months (from and including the date of the first substantive outcome) and a count made of the number of offenders receiving further reprimands, final warnings and sentences. The performance of one or two cohorts can be used as the basis of stretch target indicators during the life of an LAA.

Determining stretching performance

A reward target stretch will need to be negotiated beyond the following current national YJB targets:

- **Recidivism/Reoffending** - to achieve a reduction in re-offending rates by 5 per cent (in target end year) with respect to each of the following four populations - pre-court; first-

tier penalties; community penalties; and custodial penalties. The 5 per cent reduction across populations is a national target. Its achievement will be delivered through the setting of percentage improvement targets for individual YOTs based on baseline data from the relevant re-offending cohort.

- Prevention - to reduce year-on-year, the number of first-time entrants to the youth justice system by identifying children and young people at risk of offending or involvement in anti-social behaviour through a YISP, or other evidence-based, targeted means of intervention designed to reduce those risks and strengthen protective factors as demonstrated by using ASSET or other effective means of assessment and monitoring. Percentage reductions will be negotiated by individual YOTs based on an analysis of first-time entrants using the latest available data.
- Education, training and employment (ETE) – YOTs will be expected to demonstrate a stretch beyond the national target to ensure that 90 per cent of young offenders supervised by YOT are in suitable full-time ETE.

Determining the level of reward

No detailed costs are available. However, using the costs of crime data, the broad patterns of offending and re-offending and the number of offenders locally represented by percentage improvements, reasonable judgements should be made on the value of reward that may be justified by a stretch target.

(C) Adult offenders

Reducing adult reoffending (including through addressing the housing and support needs of offenders)

- Reduce the proportion of offenders who-re-offend
- Percentage of offenders into suitable accommodation at the end of an order/licence compared with the start (Reducing Re-offending Delivery Plan shadow measure 2006-2007)
- Increase the number of offenders who successfully achieve the Basic Skills Award
- Number of offenders in receipt of housing-related support services funded by Supporting People

Source of data: The National Offender Management Service (NOMS) is developing a measure in support of the re-offending indicator during the course of 2006/07. It is intended that this will be provided by NOMS to local partners at the LCJB/Probation Area level for 2007/08, adding no additional burdens to local areas. Data on accommodation needs and basic skills is available at Probation Area level.

Department owner: Home Office; Supporting People - DCLG

Necessary clarifications/qualifications for the above indicators

Tackling reoffending is a Government priority and should contribute to an Area's efforts in reducing the levels of crime and increasing public confidence in the criminal justice system. The indicators above focus on improving services that will contribute to reducing reoffending.

Prison Service has a Key Performance Indicator (KPI) to increase the number of prisoners released from custody with somewhere to live and Probation Areas are measuring the proportion of offenders in suitable accommodation at the end of their order or licence. The standard offender assessment tool (OAsys) provides useful data that could be used

alongside that gathered by local housing departments to measure performance. Probation Areas will also have data to support a basic skills indicator. Local partners and partnerships may have measures that can contribute to these indicators, for example, prisons and probations, LCJBs, CDRPs and Supporting People.

In developing these indicators, areas should develop links to the Regional reducing re-offending action plans that are being led by the Regional Offender Manager.

Period of measurement

Financial years. Performance is usually measured in the end year of target period.

Determining stretching performance

NOMS has a commitment in the Home Office Strategic Plan 2004-08 to reduce re-offending by 5% by 2007/08, and by 10% by 2010. A stretch will have to be negotiated locally set against any existing data on performance,

Determining the level of reward

In judging the value of a target that includes both an indicator to reduce reoffending and an indicator around accommodation or basic skills, GOs must ensure they value the stretch of each indicator separately. The "value" of an accommodation or basic skills indicator resides in the improvement in opportunities for the individual offender of having accommodation or skills. These should not be valued on the basis that they will also contribute to reduce reoffending, where that beneficial outcome has already been rewarded by the indicator for reducing reoffending. No detailed costs are available. GOs should seek to negotiate levels of stretch that can be justified in relation to the harm caused by offenders and the costs to the community, if their offending behaviour continues.

REDUCE OVERALL CRIME IN LINE WITH LOCAL CDRP TARGETS AND NARROW THE GAP BETWEEN THE WORST PERFORMING WARDS/ NEIGHBOURHOODS AND OTHER AREAS ACROSS THE DISTRICT

• Reduction in overall British Crime Survey comparator recorded crime.

Targets must be those as agreed between crime and drugs partnerships and GOs to support delivery of Home Office PSA1. A County level target will need to reflect the targets of the crime and drugs partnerships, and any aggregation will need to be agreed with the GO. (Mandatory for areas in receipt of NRF)

If this indicator is used as the basis for a reward element target then the specific guidance above should be used. If the target relates to less than the whole LA area then GOs will need to be mindful of the advice in the annex (section 5) at the end of this document.

REASSURE THE PUBLIC, REDUCING THE FEAR OF CRIME

INDICATOR

- **Reduction in the proportion of adults saying that they are in fear of being a victim of crime**

Source of data: Determined by local survey and British Crime Survey (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Fear of crime targets are possible but can be difficult to devise, mainly because of the problems with measurement and ensuring that results are statistically valid, as with other quality of life issues. For the Home Office, fear of crime is measured by the British Crime Survey (BCS) at national and county level in England and Wales, but it is not a standard local measure.

Surveys can be used to establish current performance locally and subsequent performance. For reward target purposes, the survey should be sufficiently reliable to satisfy local and central government auditors that they are a sound basis for deciding whether a target has been met and that reward grant is payable. Authorities must make clear what is being measured and that all surveys are directly comparable. The actual question that local people are asked in the survey must form the basis of the indicator used and it must be made clear in the indicator which responses will be counted toward the achievement of the stretch target.

In addition authorities should consider whether the outcome and indicators are actually addressing the fear of crime rather than the problems that can fuel it such as crime, anti-social behaviour and economic issues. Fear of crime is defined as “fear of being a victim of a personal crime”, and must be differentiated from general community safety or “feeling safe” issues such as “how safe do you feel living in your local area”; “how worried are you about the levels of crime in your local area?”

A helpful source is the Fear of Crime local survey questions on the crime reduction toolkit site – www.crimereduction.gov.uk/toolkits/fc0401.htm

Period of measurement

Where surveys are used to measure performance, generally, one survey at the start of the target period will be used to establish current performance and to agree what the expected without-stretch performance should be, from which the stretch will be agreed. A second survey should then be conducted three years later to establish the actual performance achieved.

Determining stretching performance

The national target is a directional. Locally, it may not be easy to establish what would be a realistic and achievable target, at least until baseline figures have been established (acceptable local figures may differ from the national trend and may vary across each individual local area). We would expect authorities to provide an improvement on current performance for the without stretch target and a greater improvement for the stretch target.

We understand that a modest change in survey results can indicate a significant improvement in public perception.

There are a number of factors to consider, including the level and nature of concern in the area and the current performance as it is more difficult to reduce an already low level of perception. What does the partnership offer? If it seems very high (or low) then what factors have they considered? Is this realistic? Would an area simply deliver this target by reducing levels of crime?

Nevertheless a stretch target of 6% would not be an unreasonable starting point. Because of the need to take into account the confidence interval on a sample survey, a target much below this might not offer the required degree of improvement and value for money.

Determining the level of reward

It is difficult to assess the value to the population of an improvement of perceptions of fear of crime in financial terms. Providing the survey is robustly and consistently conducted and the confidence interval on the baseline survey is discounted, the stretch aimed at can be said to represent the whole of the population surveyed.

In assessing whether the level of stretch can be justified in relation to the reward, GOs should seek to put a reasonable cost on the benefit to the individual and the collective economic and social benefits that should accrue to an area where the fear of crime is less of a problem.

INDICATOR

Community safety

- ***An increase in the percentage of people who say they feel safe living in the local area***
- ***A reduction in the percentage of people who say they are worried about levels of crime in the local area***

Source of data: Local Community Safety survey (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

This will vary to reflect the local nature of the issues raised by the partnership but is primarily about general levels of concerns about community safety and worries about overall crime and anti-social behaviour related issues, rather than more specific fear of, for example, being burgled or attacked.

Many areas have existing community safety strategies and surveys and may wish to use these as the basis for a target, which does not fit neatly under one heading such as fear of crime, ASB or crime reduction. This could include a combination of these issues and/or other issues, such as fear of becoming a victim, willingness to go out, and sense of security in certain places.

Period of measurement

Where surveys are used to measure performance, generally, one survey at the start of the target period will be used to establish current performance and to agree what the expected

without stretch performance should be, from which the stretch will be agreed. A second survey should then be conducted three years later to establish the actual performance achieved.

Determining stretching performance

As with fear of crime and ASB this is difficult to measure other than by a survey. Perceptions are not easy to alter and, while much will depend on local circumstances, we would expect authorities to provide an improvement on current performance for the without-stretch target and a greater improvement for the stretch target. We understand that a modest change in survey results can indicate a significant improvement in public perception.

Determining the level of reward

It is difficult to assess the value to the population of an improvement of perceptions of community safety in financial terms. Providing the survey is robustly and consistently conducted and the confidence interval on the baseline survey is discounted, the stretch aimed at can be said to represent the whole of the population surveyed.

In assessing whether the level of stretch can be justified in relation to the reward, GOs should seek to put a reasonable cost on the benefit to the individual and the collective economic and social benefits that should accrue to an area when people feel safer and less worried about the level of crime.

REDUCE THE HARM CAUSED BY ILLEGAL DRUGS

INDICATOR

- **Reduce public perceptions of local drug dealing and drug use as a problem**

INDICATOR

- **Reduction in drug related crime**

Source of data

British Crime Survey; and also included as one of the strands of the ASB perception measure; recorded crime statistics (police recorded crime statistics as published annually by the Home Office).

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Public perception of local drug dealing and drug use as a problem is the Statutory Performance Indicator (SPI) in the Police Performance Assessment Framework (PPAF) that directly measures police force performance on drugs. It is collected at Police Force level by the British Crime Survey. Where a Police Force is not co-terminus with one LAA Area, the Area could use local surveys linked to anti-social behaviour and fear of crime. The actual question local people are asked in the survey must form the basis of the indicator used and it must be made clear in the indicator which responses from the survey will be counted toward the achievement of the stretch target.

Where other acquisitive crime stretch targets have been negotiated as part of the LAA, care should be taken not to reward twice for essentially the same improvement, if these drug-related acquisitive crime indicators are also used. Determining the proportion of

acquisitive crime that is drug-related could be done by reference to the Home Office Arrestee Survey, or use of Drug Interventions Programme data for testing in custody suites.

Period of measurement

Performance is usually measured in the final year of the LAA. Where surveys are used to measure performance, generally, one survey at the start of the target period will be used to establish current performance and to agree what the expected without stretch performance should be, from which the stretch will be agreed. A second survey should then be conducted three years later to establish the actual performance achieved (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Determining stretching performance

Stretch performance for public perception should be negotiated with reference to current levels and trend data for each measure locally. PPAF compares performance between Police Forces and does not set absolute targets. However, local authorities and their partners may want to consider stretch against previous years' performance.

Stretch targets for drug-related acquisitive crime should be negotiated by Government Offices, taking account of any previously agreed BCS comparator acquisitive crime targets.

Determining level of reward

It is difficult to assess the value of improving people's perceptions of drug dealing and drug use in financial terms. However, research has produced an estimate of the average yearly loss of health resulting from an episode of fearfulness as £19.50 per person (HO on-line report olr 24/05 www.homeoffice.gov.uk/rds/notes/rdsolr2405.html). The report provides detailed information on the Drug Harm Index that measures the harms caused by drug misuse.

Rewards associated with reductions in the level of drug-related acquisitive crime should be such that the level of stretch must offer value for money for the reward grant. The maximum amount of reward that can be justified for each unit on stretch can be calculated using the costs of crime figures for the relevant crime type. Costs of reported crime are published in Home Office Online report 30/05 rds hors 217 first update www.homeoffice.gov.uk/rds/economic_update1.html based on crimes as reported in BCS). These figures can be adjusted for inflation.

INDICATORS

- ***Increase in the number of drug misusing offenders directed into treatment through the Drugs Interventions Programme***

Source of data: DIP Management Information System and data matching with NDTMS treatment data.

Department Owner: Home Office

Necessary clarifications/qualifications for the above indicators

The target to increase the number of drug misusing offenders going into treatment via the Criminal Justice System to 1000 a week by 2008 is a PSA target. Areas should therefore be aware that this indicator is already a challenging target.

Period of measurement

Financial years. Performance is usually measured in the final year of the LAA.

Determining stretching performance

Areas should be aware that this indicator is a DIP key performance indicator and is already a challenging target. If areas wish to stretch this further they can choose to do so, however, as an indicator on its own this would not be worth a full one-twelfth of the PRG.

Determining level of reward

It is difficult to assess the value in monetary terms, however, it should be negotiated taking into account the harms caused by drug misuse (HO on-line report olr 24/05 www.homeoffice.gov.uk/rds/notes/rdsolr2405.html). The report provides detailed information on the Drug Harm Index that measures the harms caused by drug misuse.

INDICATORS

- ***Increase in the proportion of illegal drug users remaining in treatment for 12+ weeks***

Revised indicators for drug treatment targets will be outlined in further guidance from the Department of Health.

- ***Increase in the proportion of drug misusing offenders accommodated within suitable accommodation***

The number of offenders in settled and suitable accommodation at the end of order/licence is recommended as a more robust indicator (see indicators in reducing re-offending outcome).

BUILD RESPECT IN COMMUNITIES AND REDUCE ANTI-SOCIAL BEHAVIOUR

INDICATORS

- **Increase in percentage of people who feel informed about what is being done to tackle anti-social behaviour in their local area**
- **Increased percentage of people who feel that parents in their local area are made to take responsibility for the behaviour of their children**
- **Increased percentage of people who feel that people in their area treat them with respect and consideration**
- **Reduce people's perceptions of anti-social behaviour.**

Source of data: Local survey based on the 7-strands of anti-social behaviour (ASB) contained in the Local Government User Satisfaction Survey (LGUSS).

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

The Government strongly supports areas' work on building respect in communities and tackling anti-social behaviour (ASB).

Areas are required to use a public perception survey approach to measure ASB and respect targets. For reward element targets the enhancement in performance should be sufficiently ambitious in order to also agree respect and ASB targets based solely on a perception survey. The broader indicators on public perception of the degree to which people in their area treat one another with respect and consideration and efforts to build respect by communicating efforts to tackle ASB and to make parents take responsibility for the behaviour of their children achieve the same goal. Local Authority data on perception of ASB for 2003 is available from the Local Government User Satisfaction Survey that might provide a useful baseline against which to measure future performance. Local authority data on perception of all 4 indicators will be available from the 2006 Local Government User Satisfaction Survey and local areas may use this to provide a baseline. Similar questions are asked in the British Crime Survey and will facilitate some comparison between national and local data.

The actual questions local people are asked in the survey must form the basis of the indicators used and it must be made clear in the indicators which responses will be counted towards achievement of the stretch target.

Combinations of Indicators

There is also scope for measuring the outputs from initiatives taken to build respect and reduce ASB, alongside a perceptions survey. In proposing indicators, areas will need to focus on what the intended outcome is of those initiatives. For example, a combination of indicators measuring the use of particular initiatives (such as ABCs, Crack House Closures, Parenting Contracts and Parenting Orders, ASBOs) coupled with a "change in behaviour" (such as improvements in school attendance, decreased truancy rates, fall in anti-social behaviour and related criminal damage).

It is not the intention of Government to constrain an area's choice of issues and it is recognised that there are variations across the country. Areas do, however, need to try and avoid approaches that are unlikely to result in viable reward targets. Further information on optional indicators of respect and anti-social behaviour will be made available in the summer.

Period of measurement

Where surveys are used to measure performance, generally, one survey at the start of the target period will be used to establish current performance and to agree what the expected without-stretch performance should be, from which the stretch will be agreed. A second survey should then be conducted three years later to establish the actual performance achieved (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Areas should incorporate regular monitoring of performance against these indicators into their own user satisfaction surveys, residents surveys etc so that they are able to take interim views on performance. The final assessment, however, will need to be carried out in line with the LGUSS as outlined above

Determining stretching performance

Areas are expected to provide an improvement on current performance for each strand of the perception indicator (i.e. each of the 4 questions) without a stretch target and a greater improvement with a stretch target. A modest change in survey results can indicate a significant improvement in public perception. In order to determine what is an appropriate level of stretch areas should take into account a number of factors including the level and nature of concern in the area about respect and ASB and current performance. Areas should be aware of the fact that it is more difficult to reduce an already low level of perception and that it may be equally difficult to change deeply entrenched perception.

Determining the level of reward

Authorities need to consider the enhancement in performance in terms of the potential reward grant. Experience and evidence of ASB shows that such behaviour is often perpetrated by a small minority who cause immense damage to communities. It may therefore be necessary to show why a stretch target is justified if comparatively small numbers of individuals are involved. For example, if the particular cases of neighbourhood nuisance are having a disproportionate impact on communities, then tackling this might well make a significant impact on community well being.

It is difficult to assess the value of changing people's perceptions of respect and ASB in financial terms. Providing the survey is robustly and consistently conducted and the confidence interval on the "baseline" survey is discounted, the stretch aimed at can be said to represent the whole of the population surveyed. For example, if 5% were specified as the stretch, with a 3% confidence interval, this would mean a high degree of assurance that 2% of the population as a whole has experienced the improvement.

Results of research into the costs of ASB can be found in more detail in Anti-Social Behaviour: A collection of published evidence, 'Together - tackling anti-social behaviour' (www.together.gov.uk/article.asp?aid=3429&c=458).

INDICATOR

• **Indicators measuring the use of particular initiatives (such as Anti-Social Behaviour Orders (ASBOs) coupled with a 'change in behaviour' such as improvements in school attendance**

Please refer to narrative above "Build respect in communities and reduce people's perceptions of ASB"

INDICATOR

- **A reduction in the proportion of people who breach an anti-social behaviour intervention (including ASBOs, injunctions, Acceptable Behaviour Contracts)**

Please refer to narrative above “Build respect in communities and reduce people’s perceptions of ASB”

INDICATOR

- **Measurements of other types of ASB – environment or other criminal activity which are recorded as a crime type (usually by the police) – e.g. criminal damage, incidents of graffiti, abandoned cars and fly-tipping**

Please refer to narrative above “Build respect in communities and reduce people’s perceptions of ASB”

EMPOWER LOCAL PEOPLE TO HAVE A GREATER CHOICE AND INFLUENCE OVER LOCAL DECISION MAKING AND A GREATER ROLE IN PUBLIC SERVICE DELIVERY

INDICATORS

- **Percentage of residents who feel they can influence decisions affecting their local area**
- **Percentage of people who feel that their local area is a place where people from different backgrounds get on well together**
- **An increase in the number of people recorded as or reporting that they have engaged in formal volunteering on an average of at least two hours per week over the past year**

Source of data: Local surveys (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Department owner: At time of writing civil renewal is the responsibility of DCLG. Volunteering and the third sector is reporting to the Cabinet Office and Office of the Third Sector

Necessary clarifications/qualifications about the indicators

- ***Percentage of residents who feel they can influence decisions affecting their local area***

- Care should be taken to ensure that answer options are consistent with the HOCS (“Definitely agree, Tend to agree, Tend to disagree, Definitely disagree”), and that these are used consistently over time.

This indicator is key to civil renewal as embodied by the government’s Together We Can to empower citizens to be more involved in decision making.

Involving people in decision making is obviously key to invigorating local democracy, improving service delivery and building social capital/cohesion but it is difficult to give emphatic guidance relating to appropriate size of stretch and monetary value of proposed

increase. We would anticipate that each authority would need to give some clear indication of its rationale and proposed outcomes/impact of a stretch in this area and relate this to the proposed reward. If citizens are effectively used as governors / scrutineers one tactic might be to pay per head an appropriate professional rate for the sort of tasks undertaken. However, this is only one justification. It may also be possible to argue for more intensive rewards for the inclusion of more socially excluded groups in decision making.

In terms of robustness of data to evidence this question the results of perception surveys may be taken as representative of the local population, so that for example, a 10% improvement reported by a sample survey is taken as meaning that 10% more of the population feel that they can influence local decisions.

Clearly, the survey methodology needs to be robust in order to justify basing payment of reward grant on the results. Authorities and their partners should use the approach established for Best Value surveys. In brief, the methodology should produce a confidence rating of [95]% or better that the result is accurate to within x% either way.

Obviously, the greater the desired accuracy, the larger the required sample in the survey and the more costly the survey becomes. It is worth noting that the margin for error has potential implications for what is an acceptable level of "stretch" (enhancement in performance) represented by the proposed target. We need to be sure that survey results are genuinely reflecting an enhancement in performance that can be rewarded.

For example, if the survey methodology is designed to give a 3% confidence interval at a 95% confidence level, a stretch target of a 5% increase in the number of people reporting that "they feel they can influence local decisions" would not seem sufficiently significant. This is because of the risk that the survey could report that a 3% increase, equivalent to 60% of the enhancement in performance (i.e., the trigger point for qualifying for reward grant) had been achieved, whereas in practice no actual change in people's perceptions had been achieved. There is of course the other side of the story - the survey could represent an under-estimation of achievement. The solution is to make the stretch target sufficiently ambitious to avoid concerns about the margin for error of survey results.

INDICATOR

- ***Percentage of people who feel that their local area is a place where people from different backgrounds can get on well together***

The community cohesion indicator will be a mandatory, non-BVPI question in the 06/07 BVPI survey. In addition, Councils may have past performance information from previous local surveys, where the indicator has been used as QoL 25.

Guidance about measuring community cohesion is set out in the Home Office publication, *Building a Picture of Community Cohesion* - http://communities.homeoffice.gov.uk/raceandfaith/reports_pubs/publications/race_faith/build-pict-com-cohesion.pdf?view=Binary This will shortly be updated to provide some additional indicators for factors which analysis of data from the 2005 Home Office Citizenship Survey has shown to be strongly linked to the cohesion indicator shown above. Depending upon local patterns of cohesion, there may be scope for using additional indicators such as those on fear of crime and or perceptions of discrimination in order to measure community cohesion (please see advice in section 7 of the annex to this

document on issues around the conduct of random sample surveys as the basis of reward element indicators).

INDICATOR

- ***Increase in the number of people recorded as or reporting that they have engaged in formal volunteering on an average of at least two hours per week over the past year***

Formal volunteering means “giving unpaid help through groups, clubs or organisations to benefit other people or the environment”. Broadly, this excludes forms of volunteering that would be difficult to distinguish from neighbourly help, where it would be difficult if not impossible to have sufficient assurance of the materiality of what was being measured to justify payment of reward grant on the results (even if it was possible to produce a definition encompassing a wider approach).

If the indicator for direct measurement is used, examples of types of volunteers, which might be included, are - lay magistrates, Special Constables, and school governors. It seems likely that in many such instances, the absolute numbers of people involved will necessarily be relatively low. This is likely to mean that this indicator is best used as part of a stretch target, to avoid concerns about the worth of the enhancement in performance compared with the potential reward grant. However, there will be occasions when value can be measured fairly accurately, for example, against costs of paid staff.

Please refer to the guidance in section 7 in the annex at the end of this document for advice on using random sample surveys as the basis for a Reward Element target.

Period of measurement

Most of the recommended indicators for community engagement, community cohesion and volunteering involve the use of surveys. Performance is usually measured in the end year of the target period. Where surveys are used to measure performance, generally, one survey at the start of the target period will be used to establish current performance and to agree what the expected without stretch performance should be, from which the stretch will be agreed. A second survey should then be conducted three years later to establish the actual performance achieved.

Determining stretching performance

If authorities have performance information from previous three-yearly Best Value user satisfaction surveys or other local surveys, we recommend that this information be used in stretch targets as current performance. Where the precise data required has not previously been collected, it might be possible to use similar information as a guide to current performance and what are realistic but ambitious stretch targets. If an authority does not have current or previous performance information available, this will need to be established at the start of negotiations. It is vital that the survey is robust and that data collection is on a consistent basis to support performance reward grant. In brief, the methodology should produce a confidence interval of a maximum +/-3 percentage points at the 95% confidence level. The margin for error has potential implications for what is an acceptable level of "stretch" (enhancement in performance) represented by the target.

Community cohesion is difficult to measure other than by a survey. While much will depend on local circumstances, local areas are expected to provide an improvement on

current performance for the without-stretch target and a greater improvement for the stretch target.

There is no national target, but cohesion data from the Home Office Citizenship Survey may offer a guide as to levels of cohesion, and realistic magnitudes of variation. Locally, it may not be easy to establish what would be a realistic and achievable target until baseline figures have been established.

In order to determine what an appropriate level of stretch should be there are a number of factors to consider. These may include the level and nature of concern about community cohesion in the area and current performance (as it is more difficult to reduce an already low level of perception). Other factors such as the strength of partnership working in the area and how any potential stretch would be achieved, for example by reducing crime, should also be considered.

As a guide, a community cohesion stretch target of 6% is a not unreasonable starting point on which to begin these discussions. Because of the need to take into account the confidence interval on a sample survey, a target much below this might not offer the required degree of improvement and value for money.

Determining the level of reward grant

It is difficult to assess in monetary terms the value to the population of an improvement in community cohesion as measured through a perceptions survey. The benefits of cohesion are cross-cutting and significant: for example research soon to be published shows a significant link between levels of cohesion and crime. Providing the survey is robustly and consistently conducted and the confidence interval on the baseline survey is discounted, the stretch aimed at may be said to represent the whole of the population surveyed. The GO will therefore need to exercise judgment, taking into account local circumstances, such as levels of community tension.

Whilst volunteering is by its nature unpaid, it is necessary to demonstrate value for money against the amount of reward grant attached to the indicator. It would not be appropriate to base this on, for example, the cost per hour, which might theoretically be assigned to a paid employee in the post. However, a minimal level of notional payment can be taken into account.

Authorities should bear in mind when looking at time spent volunteering, that volunteers may also need to spend time on fundraising and training.

Higher values may be justifiable, if the target concerns activity where it is difficult to attract suitable volunteers, for example special constables or prison visitors. Also in cases where the beneficial value of the volunteers' input is likely to be much greater than average because the volunteers are individuals at risk of social exclusion.

The HO's new target under Element 1 of PSA6 is to increase voluntary activity by individuals at risk of social exclusion. This target covers:

- people with no qualifications
- people from Black and Minority Ethnic communities
- people with disabilities or limiting long-term illnesses

Evidence from the Citizenship Survey shows that these groups, amongst all of those at risk of social exclusion, are least likely to volunteer. PSA 6 aims to increase the aggregate

level of voluntary activity by those in the three risk groups so that this is higher in 2007/08 than in the baseline year of 2001. In relation to these groups, the beneficial value of the volunteers' input is likely to be much greater than average. Therefore where an LAA target is focussed upon these groups' greater amounts of PRG could be justified in return for stretched performance.

INDICATOR

• **Increase in the percentage of residents who affirm that they carried out voluntary work in an organisation at least three times in the past year**

Suggested alternative indicator

Percentage of adults volunteering in culture for at least one hour per week

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

Volunteering should be defined as “giving unpaid help through groups, clubs or organisations to benefit other people”. It should exclude forms of volunteering that are difficult to distinguish from neighbourly help.

Culture includes such activities as arts, libraries, museums, heritage, archaeology, archives, architecture, crafts, children's play, reading, parks, tourism, countryside recreation etc. Other activities such as entertainments, design, fashion, food, media, visiting attractions and other informal leisure pursuits will also be a part of at least some local strategies.

Determining stretching performance

As much of the cultural and sporting sectors depend of volunteering for service delivery, LAA authorities and partners need to take into account regularity and commitment, not just time spent volunteering. Therefore, indicators based around one hour per week formal volunteering will be acceptable.

The indicator can be measured by actuals (e.g. registration) or through a local survey. If a survey is to be used, then LAA authorities and their partners should use the approach established for Best Value surveys.

Achievement at the end of the agreement would be a substantial improvement on the baseline figure, and a rate of improvement that exceeds national average levels of improvement.

Determining the level of reward

The following factors should also be taken into account (they should be seen as guidelines and not as an exhaustive list):

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.

- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable
- Whether the proposals can reasonably be expected to deliver the anticipated impact on volunteering levels

Suggested alternative indicator

Percentage of adults volunteering in sport for at least one hour per week

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

Volunteering should be defined as “giving unpaid help through groups, clubs or organisations to benefit other people”. It should exclude forms of volunteering that are difficult to distinguish from neighbourly help.

Sport should be taken to mean all forms of physical activity that, through casual or organised participation, aim at expressing or improving physical fitness and mental well-being, forming social relationships or obtaining results in competitions at all levels.

Determining stretching performance

As much of the cultural and sporting sectors depend on volunteering for service delivery, LAA authorities and partners need to take into account regularity and commitment, not just time spent volunteering. Therefore, indicators based around one hour per week formal volunteering will be acceptable.

Sports volunteering should be measured using Sport England’s *Active People Survey*. Further details on the survey can be obtained from Sport England and at www.activepeoplesurvey.com

Achievement at the end of the agreement would be a substantial improvement on the baseline figure, and a rate of improvement that exceeds national average levels of improvement: this would be set at 1.5% (0.5% increase in the year).

Determining the level of reward

The following factors should also be taken into account (they should be seen as guidelines and not as an exhaustive list):

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.

- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable
- Whether the proposals can reasonably be expected to deliver the anticipated impact on volunteering levels

Please also refer to generic guidance above related to civic renewal.

INDICATOR

- **Strengthen the engagement of rural residents through governance roles and by identifying local needs and actions to tackle them**

Please refer to related indicator directly below

INDICATOR

- **Increase in the number of town and parish councils attaining Quality Status**

Sources of data

Defra, National Association of Local Councils (NALC), Society of Local Council Clerks (SLCC)

Department Owners: **Defra and ODPM**

Necessary clarifications/qualifications about the indicator

Conditions to note about this target:

- Any funding received for this target will be paid to the Local Authority. As much of the responsibility for achieving the target will lie with the County Association of Local Councils (CALCs), it will be up to the CALC and the LA to decide how and in what form support is given (i.e. funding or help in kind) to promote parish councils in attaining Quality Status. This could be, for example, through an agreement reached between both the CALC and the LA such that the both parties agree on how any reward funding is used to assist parishes in achieving Quality Status.
- There are currently 278 Quality Parish Councils nationally (as recorded in February 2006). This is up from approximately 119 on the 1st Jan 2005 which corresponds to an annual increase of 100%. Therefore approximately 3% of all parish councils now have Quality Status.

It will need to be taken into consideration how much support NALC and SLCC are providing to each of the CALCs and County Training Partnerships (CTPs), and through them to each individual parish council, and clerk, for the promotion of the Quality Parish Scheme. An assessment will then need to be made as to the area's expected rate of increase of local parishes achieving Quality Parish Status over the 3 year period of the agreement as a result of this support.

Period of measurement

Final year of the agreement period

Determining stretching performance

"Without reward": This will depend on local circumstances and the individual area's expected improvement, given the support already received through NALC and SLCC for this scheme. One will therefore expect some improvement from current performance, although in some cases maintaining current performance may be acceptable. Deterioration from current performance is not permissible.

"With reward": Any improvement to be considered for reward will have to be over and above the current performance taking into account the expected improvement.

Determining the level of reward

Note: The maximum amount of Performance Reward Grant for this target will be 10% of the total reward on offer for the target alone, i.e. if there are 12 targets on the agreement, then the reward will be 10% of 1/12 of the total PRG for the agreement.

Determining the actual level of reward should be negotiated taking into account any other sources of support (e.g.. NALC and SLCC) and what they are expected to achieve without reward. This will provide an indication of a "cost per unit" figure which can be used to determine value for money for the stretch proposed.

CLEANER, GREENER AND SAFER PUBLIC SPACES

INDICATOR

- **Environmental quality, as measured by BVPI 199 and 89 in combination, which measure perceptions of cleanliness**

Please refer to related indicator below

INDICATOR

- **Quality of surroundings – increase in number of green flag award parks and green space and public satisfaction (BV119e)**

Source of data

DCLG (with Civic Trust, the Green Flag Award Scheme administrators) will provide detailed Green Flag (GF) status for every local authority negotiating LAA stretch targets.

LAs should have a record of whether they have any current GF Award-winning parks or green spaces within their local authority area (whether owner/managed by the LA or not). Where they do not have a winning space, it may be that other organisations do (which counts towards the target). This information may be found on the GF website: www.greenflagaward.org.uk

Public satisfaction with local parks and green spaces is measured by the BV119e user satisfaction survey. It is also possible to determine residents' satisfaction by using a local residents' survey as long as it follows a similar methodology as BV119e (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Department owner: ODPM

Necessary clarifications/qualifications about the indicators

The Green Flag Award Scheme is an annual voluntary award scheme for freely accessible parks and green spaces to recognise agreed standards of management and maintenance. To win an Award an organisation must make an application (for a fee) to the Scheme; the site entered will be judged by independent volunteer peer judges, against eight criteria. Those that meet the standard are awarded a Green Flag for one year.

The GF Award target developed under this LAA is applied to district and unitary authorities mainly as they are the organisational level responsible for local green spaces. However, county councils are included within the upper tier authorities being considered for this target. For example, County Council managed country parks can contribute to a district level target. Where County Councils propose targets, these should apply to each of the districts within their area e.g. at least one GF winning site within each of the districts within the county, rather than at least one in every county.

The winning space does not have to be owned or managed by the local authority itself; it may be run by another public or private organisation and still count (A Green Pennant is an acceptable equivalent award given to a community run space). However, the local authority should be able to demonstrate how they have worked with other organisations to achieve the GF standard.

A supplementary target to increase public satisfaction is recommended where an authority currently falls significantly below the national average (i.e. 71%)

Local authorities have a statutory requirement to undertake the BV119e survey every three years. BV119e last reported in 2003/04 and is due to report again in 2007/08. LAAs can determine their BV119e score for their area, though this may mean aggregating a group of scores from across a county or upper tier LAA.

LAAs may carry out their own local residents' satisfaction survey to establish a baseline if it follows similar methodology as BV119e.

Period of measurement

Calendar years. Current performance is taken from Awards given in July 2006. End will be measured by the number or increase in GF winners in the final year.

Calendar years - BV119e last reported in 2003/04 and is due to report again in 2007/08.

Determining stretching performance

Green Flag Awards

"without reward"

60% of LAs nationally and 60% of LAs in receipt of NRF, to achieve at least one GF award winning space.

"with reward"

For those currently without a GF winner: to achieve at least one GF winner *within the most deprived 3% super-output areas* within each constituent district.

For those already *with* one or more GF winners: to achieve *an additional* GF Award winner within the most deprived 3% super-output area within each constituent district.

Depending on the existing status (some areas may already have more than one winner), the level of stretch may increase or vary depending on deprivation levels, other needs (e.g. they may choose to strive for an award in their poorest quality space) or increasing the proportion of SOA or green spaces with the Award.

Public satisfaction with local parks and green spaces

“without reward”

The national target for this indicator is to increase public satisfaction with parks and open spaces from 71% to 75% nationally and from 69% to 75% in areas in receipt of NRF by 2008 (PSA8). The baseline year (2003/04) is an average of BV119e scores across England. As a bare minimum we expect authorities to increase satisfaction by 4 percentage points and by 6 percentage points respectively.

“with reward”

We would expect authorities that are significantly below the national average to aim to bridge the gap between their current score and the national average. Depending on how well they are doing in relation to the target, authorities should be looking to achieve a minimum 10-15% improvement over the period of the LAA.

Local authorities that currently exceed the national target or are very close

Determining the level of reward

1/12th of 2% local authority budget. Where the 2 indicators are adopted a joint target, the satisfaction with parks and green spaces element should attract no more than 20% of the total reward, with the remainder rewarding the Green Flag Award element. Divide equally amongst additional GFs to be achieved. The reward should not exceed £145,000 per additional GF Award winner.

The costs of maintaining and improving parks and green spaces can vary enormously, depending on the type, size and nature of site, facilities, use and quality. The cost of bringing an average park up to GF standards has not been estimated, and an average is not easily applied to the range of spaces that might be applicable. However, the reward would contribute to the costs to the parks service and delivery of a strategic approach to green space.

Some research has been done to quantify the benefits of quality green space, but there is no single value and it will vary in each case.

Where an LAA proposes to use BV119(e) to determine the level of reward, if stretch is achieved, it is recommended that the percentage improvement aimed for with the stretch target is applied to the number of adults in an area. For example: if there are 10,000 adults living in an area and the stretch is 6%, 600 people can be said to have benefited. To be

certain of the level of stretch (rather than an improvement being due to the vagaries of the survey method) the confidence interval on the baseline survey should be discounted from the stretch. When this number of people is divided by the amount of Reward Grant on offer, the GO lead should consider whether this amount is justifiable as a cost per person for this improvement. This judgement should be based upon a commonsense view of how much a typical person might consider a reasonable cost for this improvement. Please see guidance at in the annex at the in of this document for advice on the use of survey based indicators.

Determining Value for Money

There is currently no defined formula to determine value for money when using a user satisfaction survey. However, we would encourage officials to consider one of the following methods when negotiating what constitutes value for money:

- calculate Net Present Value (where looking at financial flows) - the higher the positive NPV, the better the value for money. A negative NPV doesn't represent value for money
- calculate the Benefit-Cost ratio (where benefits can be monetised) - a BCR of over one (i.e. benefits exceed costs) represents value for money
- multi-criteria analysis: weight and score the different options to see which comes out best (useful when can't monetise benefits). However, this doesn't really provide a gauge of value for money - more just a way to choose between options - so some discretion inevitably involved.

BV119e measures the 'with reward' performance of a target in the final year over a 3 year period. In order to make an assessment of what constitutes a reasonable level stretch on a year-by-year basis, an authority will need to carry out its own annual version of the relevant survey (using a similar methodology).

INDICATOR

• **An increase in the percentage of abandoned vehicles removed within 24 hours from the point where the local authority is legally entitled to remove the vehicle (BVPI 1218b)**

Source of data

BV218b – the percentage of abandoned vehicles removed within 24 hours from the point at which the Authority is legally entitled to remove the vehicle

Department owner: Defra

Necessary clarifications/qualifications about the indicators

New powers within the Clean Neighbourhoods and Environment Act 2005 to ease and speed-up removal by local authorities of abandoned vehicles are due to commence in October 2005.

BV218b – the percentage of abandoned vehicles removed within 24 hours from the point at which the Authority is legally entitled to remove the vehicle

This is a new BVPI introduced for 2005/06. Government will assess data from the first year of operation before determining a performance benchmark for future years.

Period of measurement

Calendar years. BVPI data is collected on a continuous basis so un-audited data is available quarterly

Determining stretching performance

For the purpose of formulating an LAA reward target it is recommend that you focus on the percentage of vehicles removed with 24 hours (BV 218b).

“Without reward” – To improve performance by 7.5% (2.5% pa natural improvement) on the number of abandoned vehicles removed within 24 hours of being legally able to do so (BV 218b).

“With reward” To increase the number of vehicles being removed within 24 hours of being legally able to do so (BV218b) by a certain percentage – not including a 2.5% per annum natural improvement.

Achieving the stretch

The stretch should be calculated in relation to the number of abandoned vehicles in the local area and the level of performance reward grant.

Determining the level of reward

ODPM Cost of Fire Model 2003 shows that the cost of a deliberate vehicle fire (including fire and rescue service attendance, clean-up, police action etc) is about £1,130 per fire if the vehicle has been abandoned.

In order to determine reward you will need to know the number of vehicles abandoned in that locality per annum and the value of the reward grant for the target. The first step is to divide the performance reward grant by £1,130 (the arson cost model figure). This will tell you how many vehicles would need to be removed within 24 hours to justify value for money on the target. The second step is to divide this figure by the number currently removed per annum. This will give you a percentile stretch on current performance to justify the PRG. Note that this calculation assumes the 7.5% natural improvement has been factored in to the per annum figure already.

This stretch can then be adjusted for 75, 50 and 25% options.

INDICATOR

- **Percentage of residents reporting an increase in satisfaction with their neighbourhoods and in disadvantaged areas showing a narrowing of the gap between these areas and the rest**

Areas are encouraged to develop a basket of indicators from across this document to measure this indicator.

INDICATOR

- **A reduction in the number of incidents of fly-tipping using data as recorded on the Flycapture database**

Source of data

The numbers and types of fly-tipping incidents that are recorded on a monthly basis in the 'Flycapture' database that is maintained by the Environment Agency. GO's will require access to the Flycapture database, and should therefore contact the Environment Agency (08708 506506) or email flycapture.confirmation@environment-agency.gov.uk in this regard.

Other sources of data may include residents' surveys or Waste Collection Authority data (essential for the period before Flycapture was launched).

Department Owner: DEFRA

Necessary clarifications/qualifications about the indicator

For Indicator 1 (the Flycapture database), almost all Waste Collection Authorities now submit monthly returns, and the database has been operational since April 2004, so it is progressively acquiring a long term data-set. Because submission is made by the waste collection authorities, Indicator 2 has been introduced as a form of check to confirm the validity of the returns.

Period of measurement

Financial years. Current performance is latest financial year figure already audited. End is final year, not average or cumulative.

Determining stretched performance

Performance **without** the reward grant is likely to be determined by the existing data available on Flycapture, plus any further incident reduction offered by the local authority. While there is probably no firm national consensus about future trends, most local authorities seem content to offer a reduction in the number of recorded incidents over the LPSA period. Usually they offer a 5-10% reduction from the present baseline number of incidents without LPSA

Performance **with** the reward grant is likely to be negotiated as a further reduction in incident numbers, beyond that indicated above. This is the 'stretch'. To date, the local authority would ultimately decide how much stretch is 'achievable', while Defra & ODPM (now the GO) would assess whether or not the stretch represented value for money (VFM). VFM is judged as described in the section below. Between these two assessments (the local authority's judgement of achievability and Government's calculation of VFM), a mutually acceptable stretch is negotiated. A typical stretch with PSA would be an additional reduction that matches the reduction offered without PSA.

Determining the level of reward

1. The amount of fly-tipping that presently occurs within a local authority, relative to the national average and/or its neighbours (Source – Flycapture). As a general rule we might expect the 150 authorities with the highest incident levels to offer an incidents reduction target.

2. When setting individual targets for local authorities, the value VFM provided by the stretch is gauged by calculating the costs saved in clear-up by reducing the numbers of fly-

tips by the quantity given by the stretch. If the saved costs exceed the PRG, then good VFM can usually be assumed. The costs of clear-up for most of the different sizes of incident are automatically generated by Flycapture by using national averages. For example: -

A local authority proposes reducing new fly-tips by 1500

The average cost of clear-up = £100 per fly-tip, therefore

Total saving in clear-up = £150,000

Maximum PRG payable = £120,000 – Good VFM.

[Alternatively Maximum PRG payable = £160,000 – Bad VFM.]

INDICATOR

• Reducing levels of noise nuisance in residential neighbourhoods

Source of data: Robust local authority data for:

- Local authority response time to complaints.
- Local authority published policies.
- Resolution of complaints and resolution time.
- Community satisfaction surveys (see e.g. National Noise Attitude Survey questionnaire for examples of questions:

<http://www.defra.gov.uk/environment/noise/research/nas9900/index.htm>)

Department owner: Defra

Period of measurement

The measurement period will have to be established by reference to the period (calendar or financial year) over which data is gathered. Measurement of the stretched performance will usually be in over the final year of the LAA.

Necessary clarifications/qualifications about the indicator

Consideration of a Best Value Performance Indicator to measure the effectiveness of local authority noise and nuisance services is ongoing but at the moment there is no uniform procedure that local authorities must follow when recording the number of noise or nuisance complaints that they receive. Therefore whatever reporting standards and definitions the local authority used to capture the baseline position for an LAA Reward Element target must be maintained in measuring the with reward performance at the end of the LAA period.

Local soundscapes vary. An urban area with a thriving hospitality industry may require greater investment of resources than a rural area with complaints but from fewer sources. Local authorities may wish to target specific sources of noise and / or nuisance.

An increase in the number of complaints may indicate an improved service and / or awareness of the service by the community. These indicators must therefore be considered with an indicator of community satisfaction.

Determining stretching performance

There are no central Government targets for stretching performance in local authorities for noise or nuisance services. Although monitoring the number of complaints is useful over the long-term for assessing local authority policy objectives, it is likely to be a poor indicator of local authority performance under LAAs. Given the nature of noise nuisance,

other methods of assessing performance, such as community satisfaction surveys, are often more appropriate.

Determining the level of reward

The amount of reward riding on an indicator can be divided by the amount of stretch offered. If the stretch is expressed in terms of a proportional improvement the number of incidents or households represented by the enhancement can be used. GOs should apply a common sense judgement in deciding whether the unit cost of the enhancement could be justified to local people. It may also be helpful to look at the predicted costs of delivering the enhancement, which will vary between differing local authorities depending on the nature of the problems in their area.

INDICATOR

• Improvements in Air Quality

Source of data

Local monitoring & national monitoring stations. Data obtained from the national network is quality assured for reporting against EU Directives, whilst monitoring data obtained from local authority monitoring stations is checked through the appraisal of local authority work under the LAQM regime

Department Owner: Defra

Necessary clarifications/qualifications about the indicator

The current national picture on air quality obtained from the Local Air Quality Management regime (set down under Part IV of the Environment Act 1995) shows that the majority of local authorities have declared air quality management areas (AQMA) in respect of nitrogen dioxide (NO₂) and in some cases PM₁₀, mainly due to road transport. These two pollutants should therefore form the focus for air quality targets and can also be associated with reduction in traffic congestion/and other transport targets. A handful of authorities have declared AQMA in respect of sulphur dioxide due to industry. Thus, where declared AQMA fall outside of the two main pollutants – NO₂ and PM₁₀ – the pollutant leading to the declaration should form the basis of the air quality target.

Target definitions could include, for example, reducing concentrations of pollutants, reducing emissions from traffic/industry or other sources, where relevant – although we cannot rule out any other suitable air quality targets/indicators that an authority might suggest, for example, total transport emissions within AQMA, mode share of journeys, changes in peak traffic flows Further guidance on setting air quality targets (as part of Local Transport Plans) can be found under FAQs on Defra's Action Plan Helpdesk at <http://www.bv-actionplan.co.uk/?sfgdata=4> The authority should also propose outcomes with the target, such as , fewer premature deaths or hospital admissions. It is not envisaged that authorities would be required to undertake full epidemiological studies. It is expected that when setting targets that the authority merely recognises the wider-scale benefits of what additionally would be achieved through pollutant reduction.

Relevant data to be included should be monitoring undertaken by the authority. This should include details of both the locations (site classification) of monitoring sites, pollutants measured, and annual mean average concentrations and number of exceedence days (in the case of PM₁₀). The authority should identify baseline levels of the pollutants and show trend data, if possible.

Period of measurement

Minimum of three year period.

Determining stretched performance

"Performance **without** the reward grant is likely to be determined by assessing the existing air quality action plan (AQMP) that the authority has in place and the measures it is undertaking over the relevant period to achieve an appropriately stretching reduction in concentration of pollutants.

Performance **with** the reward grant is likely to be negotiated as either a further reduction in the concentration of pollutants or emissions in the AQMA within the same time period. Or, alternatively, to achieve the same reduction but within a shorter period of time.

Determining the level of reward

In determining how stretching a target is depends, for example, on the degree of the original challenge, the characteristics of the pollution sources contributing to the air quality problem and the contribution from sources outside of the LAs control. On the other point relating to quantifying the impacts - the impact on specific health outcomes of changes to emissions depends on the actual exposure of people in the area to the pollutants. This depends amongst other things on the location of the emissions reductions and the population density of the affected area and will need to be estimated for each situation. We cannot therefore be more specific on the pro-forma and GOs would still need to come to Defra for advice.

TACKLING CLIMATE CHANGE THROUGH REDUCED GREENHOUSE GAS EMISSIONS

INDICATORS

- **Improving the energy efficiency/carbon performance of operational property and/or community organisations (VCS and private sector) and/or housing stock**
- **Proportion of renewable electricity generated /electricity generation from renewable and non-renewable sources**
- **Emissions of carbon or carbon dioxide**

Source of data: Measurement of progress can be shown by a number of indicators, depending on the focus of the target: increase in the SAP rating, reduced energy consumption (overall kWh or related to floor area kWh/M2), reduced emissions (carbon (C) or carbon dioxide (CO2)), energy performance certificates (when these become available after 2006).

- BVPI 63 Energy efficiency: average SAP rating of local authority dwellings
- Home Energy Conservation Act (HECA): Reports from 1996 to present detail the current performance of housing authorities to achieve their targets in the all housing in their area – Suggested for predicting business as usual (BAU).
- Gas and electricity consumption statistics at regional (NUTS1) and local (NUTS4) levels for 2003 are now available in the December 2004 and March 2005 versions of Energy Trends (DTI)
- Asset management information for local authority operational buildings (Indicator 4 Energy consumption per m2 and CO2 emissions)

Department owner: Defra

Necessary clarifications/qualifications about the indicator

If the target relates to energy efficiency of the housing stock or local authority buildings, the type of building targeted will need to be considered.

For example if a target is set in residential accommodation then a clear distinction should be made between the authority's own social housing and private sector dwellings. Achieving a target in their own housing may be easier for an authority as they would have direct levers to achieving the 'stretch', whilst private sector housing would require a very different strategy.

The level of stretch can therefore reflect the varying difficulty in securing improvements in public versus private housing.

If Operational Property (i.e. property owned by the local authority, community buildings or private commercial property) is the focus then the basis for calculating the improvements will need to be established. It is usual to calculate using meters squared, but the basis of this will in turn need to be specified - Agents or Net Lettable Area (ALA or NLA), Gross Internal Area (GIA) or Treated Floor Area (TFA). Energy Consumption Guide 087, 'Energy Use in Local Authority Buildings' issued by the Carbon Trust, is a useful reference.

Note, if the target involves a reduction in carbon-based emissions then procurement of green electricity would not be permissible. Such outcomes should be achieved through greater efficiency from changes to practice, installation of efficiency measures or installation of green generation to achieve targets, as opposed to simply switching sources.

Where an authority plans to work in conjunction with a third party, such as Warm Front or an energy company, it must be clear which will be claiming the credit (i.e. carbon contribution), as it cannot be claimed by both.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

The "without reward" performance can be established using an authority's historical performance and projected performance.

Performance "with reward" must clearly demonstrate an improvement additional to that to be expected from existing or planned initiatives and targets.

Determining the level of reward grant

The value of this additional achievement of the target can be gauged in part from Net Present Value (NPV), the calculation of which includes the social cost of carbon. The benefits should be considered over the payback periods (that is, how long it would take to recoup the value of the initial investment in lower fuel bills), and not according to the Energy Saving Trust's approach that calculates over the life of the measure e.g. a 15, 20 or 25 year period.

Other considerations may include of the cost of achieving the target including the authority's and any partners' contributions. Where there is a decrease in tenant or local

authority energy consumption, these cost savings will also influence the level of reward grant justified.

INCREASED ACCESS TO AND ENJOYMENT OF GREEN SPACES AND THE COUNTRYSIDE

INDICATOR

• To improve river water quality

Source of data: Environment Agency

Departmental owner: Defra

Necessary clarifications/qualifications about the indicator

This indicator has not been used before for an LPSA but it is one of the Government's Sustainable Development Indicators. The indicator measures the percentage of classified river length of good quality and includes two measurements

- Biological river water quality
- Chemical river water quality

Biological grading is based on the monitoring of small animals which live, or on the bed of, rivers and canals. In general river water quality in England has been improving since 1990.

A target in this area may also take into account the following data sources (also monitored by the Environment Agency)

- Phosphate concentrations in rivers
- Nitrate concentrations in rivers
- Water pollution incidents

Determining stretching performance

"Without reward": Depending on local circumstances - usually some improvement from current performance, but maintaining current performance may be acceptable. Deterioration from current performance not permissible.

"With reward": Will need to be better than current performance. Confidence interval needs to be accounted for when assessing levels of stretch.

Determining the level of reward

To be negotiated taking into account of the factors mentioned above.

To note

A stretch target in this area has not been developed or negotiated before and it is at this stage unclear exactly how this would work. Therefore developing a reward target in this area would involve significant work with Defra.

INDICATOR

• Protect and enhance biodiversity – to conserve and enhance wildlife and the rural landscape and promote access and understanding by all

Based on the UK Biodiversity Action Plan the England Biodiversity Strategy progress indicators and Defra's PSA target 3 to "Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity", targets can be set around the following:

- Condition and change in condition of Sites of Special Scientific Interest / or sites with significant local or regional biodiversity interest e.g. County Wildlife Sites (CWS), or Sites of Importance to Nature Conservation (SINCs)
- Management of council owned landholdings/buildings to achieve biodiversity objectives
- Biodiversity Action Plan priority species status or priority habitat status/condition*
- Numbers of farmland/woodland birds
- Volunteer time spent in conservation activity (but see guidance on volunteering above)
- Number of visits to nature reserves
- Ratio of area of local nature reserve to population
- Access to Natural Green Space (based on English Nature's ANGST- Access to Natural Green Space Standards)Contribution to meeting Local Biodiversity Action Plan targets*

Source of data: Gathered locally

Department owner: Defra

Necessary clarifications/qualifications about the indicator

*UK priority species and habitats are those that have been identified as being the most threatened under the UK Biodiversity Action Plan. Biodiversity action plans have been put in place at the national and local level to establish factors for their decline and the work necessary for recovery. Targets in this area may draw on data from the UK Biodiversity Partnership. See www.ukbap.org.uk

Determining stretching performance

"Without Reward": Depending on local circumstances - usually some improvement from current performance, but maintaining current performance may be acceptable. Deterioration from current performance not permissible

The "with reward" position will enhance the rate of improvement against the national PSA target and must be better than current performance. Any confidence interval applicable needs to be accounted for when assessing levels of stretch.

Determining the level of reward

Clearly a large number of local people would put a significant value upon the achievement of the long-term health of biodiversity in order to bring about a sustainable future. However, at present there is not a great deal of experience to draw upon in justifying the value of Reward Grant payable in return for the types of improvements in biodiversity sought by the above indicators. GOs should calculate the amount of reward that will be payable for each unit of stretch. This has been done in a number of authorities and Defra has details of these examples. The considerations below may serve as a useful starting point to justifying the reward:

- The actual costs of securing the improvements underlying the indicators should be proportionate to the amount of reward.
- The value of each unit of stretch in relation to the amount of reward figure should be defensible to a well informed member of the public.
- The indicators are proxies for the ultimate outcome, the value that might be justified is to an extent also dependant upon the strength of the link between ultimate outcome and the proxy indicators chosen.

INDICATOR

• Public access to green spaces or condition of green spaces

Please refer to related indicator above (page 86).

INDICATOR

• Rights of way – access to the countryside: to increase visitor access to the countryside

Indicator definition: The percentage of the total length of rights of way which are easy to use by the general public (BVPI 178).

Necessary clarifications/qualifications about the indicator

Authorities should use the CSS methodology as a benchmark standard, which is based on a minimum 5% random sample of lengths of rights of way.

Audit Commission Service Assessment Framework - The currently draft framework proposes the following thresholds for local authorities:

Upper threshold: 90%

Lower threshold: 50%

Suitability

- Under 50% - Those authorities with a performance level of below 50% are below the minimum requirement. This means there is a significant issue with their rights of way and that progress needs to be made to meet the national average. If an authority has such a score but does not have an indicator in its LPSA then this may be offered as a suggestion.
- 50-80% - These scores are around the average but are also very suitable for a target. Although these authorities perform better than those under the lower threshold, suggesting less of a problem with rights of way, a significant stretch can still be set as most are far from the upper threshold level.
- 80–100% - Authorities with performance levels above the upper threshold of 90% are classed as well above the minimum requirements, which suggests that rights of way are less of a significant problem for them. A realistic target would be difficult to calculate and would probably not be needed for those above 90%, but authorities in the low 80s could still have a target.

Determining stretching performance

There is no government benchmark score for this indicator, the maintenance of rights of way is a statutory duty.

The natural improvement without an LPSA would be expected to be in the region of 0-2% per year representing an improvement of between 0-6% over a 3 year period.

Because with relatively low funding significant improvements can be made to rights of way, with an LPSA a local authority should be looking in the region of between 6% and 8% additional stretch per year representing an improvement of between 18% and 24% over 3 years.

Therefore the combined improvement over 3 years with an LPSA should be between 18% and 30%.

Determining the level of reward

An improvement less than the minimum stretch performance of 18% pa should justify a relatively smaller PRG a stretch of between 18% and 30% should be seen as representing value for money.

Reduce waste to landfill and increase recycling

INDICATOR

Reduction in the percentage of municipal waste landfilled

Or: A locally negotiated indicator where authority can meet the outcome by other means.

Source of data:

Waste Data Flow returns for amount of municipal waste landfilled.

For the locally negotiated indicator the data source could be:

- BV 82d – Household Waste sent to landfill
- BV 84 (Amount (kgs) of Municipal Waste collected per capita)
- Data from individual projects

Department owner: Defra

Period of measurement

Financial years. End is measured by performance in final year of and is not cumulative.

Necessary clarifications/qualifications about the indicator

A reduction in landfill can also be achieved through a reduction in total waste generation. It is therefore acceptable to achieve the outcome through waste minimisation (such as by minimising the amount of household waste collected per head of the population or by minimising the amount of municipal waste generated in the area).

Government is committed to reduce amount of biodegradable municipal waste to landfill to 75% of 1995 quantities by 2010, to 50% by 2013 and to 35% by 2020.

To ensure these targets are met, Government recently introduced the Landfill Allowance Trading Scheme which encourages the diversion of waste from landfill. Under the scheme Government has allocated each waste disposal authority in England allowances that convey the right for an authority to landfill a certain amount of biodegradable municipal waste in a specified year. Each allowance gives an authority the right to landfill one tonne of BMW. Each waste disposal authority will be able to determine how to use its allocation of allowances in the most effective way. This will allow individual waste disposal authorities to use their allowances in accordance with their own investment strategy. A fixed penalty of £150/tonne will be incurred if an authority breaches its landfill allowances target in the scheme year.

The scheme allows authorities to retain control over planning for the disposal of municipal waste and allows the gradual reduction in the amount of biodegradable municipal waste going to landfill, meaning that authorities will have more time to adapt and find lower cost means of waste reduction and diversion.

Determining stretching performance

For all of the stretch targets, the following need to be established:

- The baseline (i.e. what is the current performance)
- The expected performance in the final year of the stretch without the stretch target (without)
- The expected performance in the final year of the stretch taking into consideration the stretch target (with)

The difference between what the authority expected to landfill before the LAA and what the authority expects to landfill with the LAA is the stretch performance.

As each Disposal authority is allocated allowances for the amount of biodegradable waste it sends to landfill, performance below these allowances would be good. There are also other policy drivers in place to encourage authorities to increase their diversion of all municipal waste from landfill. Generally, it is expected that the amount sent to landfill will decrease year on year.

Determining the level of reward

It is important for the effective and efficient running of the Landfill Allowance Trading Scheme that potential distortions are minimised. Any authority's stretch target linked to a Performance Reward Grant will need to focus on the recycling of non-biodegradable waste (whether household or non-household municipal waste or both) as the Scheme already provides the authority with a huge incentive to maximise its diversion of biodegradable municipal waste from landfill. Please refer to the separate guidance (page 101) on LAA Waste Stretch targets issued by DEFRA for acceptable stretch indicators linked to Performance Reward Grant.

INDICATOR

Increase in the percentage of municipal waste recycled

- To increase recycling of (or proportion of recycling of) non-biodegradable household waste.
- To increase household waste recycling rate with a minimum increase in the recycling of non- biodegradable household waste.
- To increase recycling (or proportion of recycling of) of non-biodegradable municipal waste (household waste and commercial waste that is collected by a local authority).
- To increase recycling of (or proportion of recycling of) non-biodegradable, non-household municipal waste (commercial waste that is collected by a local authority).
- To increase recycling of (or proportion of recycling of) non-biodegradable and some biodegradable (i.e. just paper and card) household waste (split into two targets: one on the non-biodegradable fraction and the other on the biodegradable fraction)
- To increase recycling of (or proportion of recycling of) non-biodegradable and some biodegradable (i.e. just paper and card) municipal waste (split into two targets: one on the non-biodegradable fraction and the other on the biodegradable fraction)
- To increase recycling of (or proportion of recycling of) non-biodegradable and some biodegradable (i.e. just paper and card), non-household municipal waste (split into two targets: one on the non-biodegradable fraction and the other on the biodegradable fraction)
- To increase recycling and composting of non- biodegradable non-municipal commercial waste (waste not collected by a local authority).
- To increase recycling and composting of household waste (either split into two targets or with a condition that the Performance Reward Grant will only be paid once a minimum number of percentage points of non-biodegradable waste recycling is achieved).

Source of data:

- Recycling and composting of non-biodegradable household waste. Either:
 - BVPI 82a(ii) minus the tonnages of paper, card and 50% of textiles.
 - Wastedataflow entries
- **Recycling and composting of non-biodegradable and some biodegradable household waste. Either:**
 - **BVPI 82a(ii)**
 - **Wastedataflow entries**
- **Recycling and composting of household waste:**
 - **BVPI 82a(ii) and BV82b(ii)**
- **Recycling and composting of solely municipal waste (including non-household municipal waste, i.e. commercial waste):**
 - **Wastedataflow entries**
- **Recycling and composting of non- biodegradable non-municipal commercial waste:**
 - **The authority will need to provide reliable and robust data – perhaps validated against data from the Environment Agency on commercial waste**

Department owner: Defra

Period of measurement

Financial years. End is measured by performance in final year of and is not cumulative.

Necessary clarifications/qualifications about the indicator

BVPI Reporting

Separate reporting of data: some County Councils and their districts have sought under the Freedoms and Flexibilities to report collectively on their BVPIs (which relate to household waste), that is, to estimate performance on composting and recycling amongst two or more authorities. This is an unacceptable request because it is important that measurement under the current performance regime is consistent with the published Best Value Performance Indicator methodology which ensures a common measurement system with other authorities and that all local authorities feel that they are being dealt with on the same basis. Furthermore, each authority has a statutory target for recycling and composting and so it would not be acceptable to skew the figures in this way on such an important indicator. Also presumably, each District would want to know precisely how it is performing (to inform its strategy and help it improve performance) on recycling and composting - estimations of performance would not fully enable this. Knowing how an individual authority is performing on waste and recycling will also inform the CPA inspections.

Exemption of certain waste items

There are some waste streams which we are naturally lower down the hierarchical order of preference for stretch targets. The most desirable materials for an authority to focus on are these non-biodegradable materials: Glass (All colours, together or separately), Metals (Aluminium and Steel), Plastics (All polymers), Textiles and shoes, Batteries (Both Car and domestic). The biodegradables include (starting from most desirable): Paper products, Cardboard (if not included in paper tonnages) and then Garden Waste Green, Catering Waste and Wood.

The other materials below should only be considered after the materials above and should generally represent more value for money than the stretches on the above materials. Such lower order materials/items include:

- **Rubble:** it does not require a great effort to either collect rubble or to reprocess rubble (i.e. crushing) to produce secondary material such as aggregate. It is not comparable to setting up collection rounds or bring sites for plastics, glass etc or the accompanying awareness raising that is necessary.
- **Abandoned Vehicles:** currently, over 90 per cent of the materials in vehicles are recycled. It is difficult to understand how an authority would propose to increase the tonnages of material "sent for recycling" that comes from abandoned vehicles without seeking to increase the number of abandoned vehicles collected. The clear preference is for the authority to concentrate on stretching the recycling of materials in its waste stream which currently go to landfill. Furthermore, in the future the responsibility for abandoned or "end of life" vehicles will shift to the car manufacturers and so when that legislation is in force, that will in itself significantly improve the UK's performance on recycling materials from vehicles. Therefore Abandoned Vehicles should be excluded from calculations of total waste and total waste recycled.

Further instruction on other specific materials/waste streams:

- **Tyres:** Waste tyres which arise from households and are sent for recycling can be included for the purposes of calculating stretch targets. However, Tyres, or any other material from an abandoned vehicle are not classified as household waste for the purposes of calculating BVPIs and would not be wholly suitable for inclusion in the stretch targets.
- **WEEE:** Some Authorities have expressed an interest in collecting this waste stream and overall this is acceptable. Stretches on WEEE solely from the (non-municipal) commercial waste stream should not be encouraged, particularly where additional funding is sought (i.e. is part of a rewarded stretch), and should only be considered as a minority part of an overall target that focuses on the other waste streams.
- **Incinerator Residues:** Currently incinerator residues or bottom ash count towards an authority's energy recovery rate because the ash is not subtracted from the overall tonnages that are sent for energy recovery (regardless of whether the ash is subsequently recycled or landfilled). Accordingly, it should not be a primary focus of authority LPSA target. In most cases the bottom ash is ultimately landfilled but this will depend on the options available to the disposal authority and in particular the cost of disposal. The Government is committed to a substantial increase in recycling rates through the segregation and collection of the various components of municipal waste for recovery as well as a strong emphasis on waste reduction. Therefore, any authority that is interested in increasing the recycling of bottom ash must first demonstrate good performance in recycling of municipal waste.

Determining stretching performance

For all of the stretch targets, the following need to be established:

- The baseline (i.e. what is the current performance)
- The expected performance in the final year of the stretch without the stretch target (without)
- The expected performance in the final year of the stretch taking into consideration the stretch target (with)

The difference between the expected performance in the final year of the stretch without the stretch target and expected performance in the final year of the stretch taking into consideration the stretch target is the stretch performance.

Authorities will generally know how well they are performing on recycling. One way of determining the authority's ability to stretch performance is to identify how well the authority is performing on each material. If the authority is recycling nearly the total amount of that material then this would be an excellent performance and little scope for improvement and would be justification for not being able to improve performance. If the authority is only recycling a small amount of a material, then this would be a poor performance and there would certainly be a lot of scope for improvement.

For the targets based on increases in proportion: total tonnage of waste in the final year of the stretch can be estimated (by using an annual growth rate of 3% - so long as the final stretch is measured through actual performance).

Determining the level of reward

By dividing the Performance Reward Grant by the enhancement in performance i.e. the proposed increase in tonnes recycled or minimised, you can obtain a rough pounds per tonne figure, for example, if an authority proposes to recycles 10 000 extra tonnes of

recyclable material and the reward grant is £1 million, the pounds per tonne figure would be £100.

Generally pounds per tonne figures of around £100-200 represent good value for money and as such would be a good stretch target. A more accurate assessment can be obtained by matching the pounds per tonne figure with the rough cost of collection and reprocessing figure.

Also, if an authority has already received funding Defra or WRAP for specific recycling projects or activities, then the authority will need to provide assurances that their proposed stretch performance is over and above what they would have achieved. Or it may be that the authority will need to make clear that the focus of their proposed stretch performance is sufficiently distinct from activities for which Government has already provided funding to them.

Below are some acceptable justifications for a high pounds per tonne figure:

- Performance on materials: Authority is already at near maximum levels of recycling for the materials proposed (see guidance below on assessing the authority's performance with reward). If the authority is exceeding the expected amounts for that material then it is acceptable for the pounds per tonne figure of the LPSA reward to be higher because recycling of this material would be increasingly more difficult.
- Size of authority: both in demographics (for example growth areas) and overall area (and therefore large rural areas where waste collection is more difficult and so potentially more costly to cover whole area with full recycling services).
- Funding: if an authority has not received any additional funding from Defra and its grant from WPEG is small then it may be acceptable for the pounds per tonne figure of the LPSA reward to be higher because recycling of this material would be increasingly more difficult.
- Local circumstances: such factors as distance to reprocessors, availability of recycling facilities; large number of residents living in high-rise accommodation.

Generally, stretch targets are unsuitable for authorities lagging behind their statutory recycling/composting targets on household waste. It is important to note that the Environmental, Protective and Cultural Services funding block was sizeably increased in Spending Review 2004 to fund, amongst other things, local authorities achieving their 2005/06 performance standards on recycling waste (with continuing improvements thereafter on a small scale). Each authorities also receives an additional grant funding through Defra's Waste Performance and Efficiency Grant.

For targets based on the overall recycling and composting rate, there are two main options [it is possible that there are further alternative methods of ensuring that the authority fulfils its obligations on both parts but with a focus on the non-biodegradable element].

1) The target can be split into two target, i.e. one on non-biodegradable and one on biodegradable. The amount of Performance Reward Grant that should be allocated to each target is open for negotiation but ultimately more weighting should be given to the non-biodegradable element as this is where we want authorities to focus on and will be more expensive for the authority to achieve in relative terms. So, where the proposed stretch of biodegradable portion is equal or less (in tonnage or percentage terms) than the non-biodegradable portion the amount of Performance Reward Grant allocated to the biodegradable stretch should not exceed that for the non-biodegradable stretch.

2) The target can be based on the overall rate but with a condition that the Performance Reward Grant will only be paid once a minimum number of percentage points of non-biodegradable waste recycling is achieved. The condition can be expressed in three ways:

a) outright, that is, full Performance Reward Grant will only be paid if both an agreed percentage of recycling is achieved and an agreed level of non-biodegradable waste is achieved; OR

b) on a sliding scale, that is, the authority's non-biodegradable recycling rate will be in proportion to the performance on the overall rate. So, for example, with an agreed stretch in recycling rate from 37.5% to 39.5 together with an agreed non-biodegradable stretch from 8.5% to 10%, reward grant would be paid at 38.7 % (i.e. the 60% threshold) and would need to be matched by a 9.4% performance in the enhancement of non-biodegradable recycling rate (i.e. 60% of the stretch). 100% Performance Reward Grant would be paid if a) the overall recycling rate rises to 39.5% and b) the non-biodegradable recycling rate rises to 10% points.

The table below the various levels of the overall stretch and the various trigger points of the condition for this example.

											100
PRG	0%	60%	65%	70%	75%	80%	85%	90%	95%	%	
Main	37.5	38.7	38.8	38.9	39.0	39.1	39.2	39.3	39.4	39.5	
Non-bio	8.50	9.40	9.48	9.55	9.63	9.71	9.78	9.85	9.92	10	

Example Payment Scale

c) on a sliding scale but the amount of Performance Reward Grant linked to lowest rate: where the percentage of the enhancement achieved in the overall recycling rate is greater than the percentage enhancement of non-biodegradable waste recycled, the proportion of Performance Reward Grant paid could match the lower of the two enhancements achieved (down to a minimum of 60%) e.g. if 85% of the enhancement for the overall recycling rate were achieved but only 65% of the enhancement in non-biodegradable recycling, only 65% of the Performance Reward Grant will be paid. If either figure was below 60% of the stretch then no Performance Reward Grant would be paid.

IMPROVE THE QUALITY OF THE LOCAL ENVIRONMENT

INDICATOR

- **Reduction by 2008 in levels of litter and detritus using BVP 199 at district level**

Source of Data

BV199a - Proportion of surveyed land falling short of a tolerable standard. Surveyed land means relevant land and highways as defined under s86 of the Environmental Protection Act 1990

BV199 has recently been enlarged to measure Graffiti (BV199b), Fly-Posting (BV199c) and Fly-Tipping (BV199d)

Department owner: Defra

Necessary clarifications/qualifications about the indicator

The first reference point is the most recent audited BVPI 199 score for the authority as this will determine the suitability of a target, the amount of PRG that can be justified and the levels of stretch.

BV199a (street cleanliness):

- Over 30% - This means there is a significant issue with litter and detritus in the district and that progress needs to be made to meet the national benchmark. If an authority has such a score but do not have a street scene indicator in its LPSA then this may be offered as a suggestion.
- 20-30% - These scores are around the benchmark but are certainly suitable for a target.
- 14 – 20% - These are better than the current baseline and so suggest there is not relatively speaking a problem with litter / detritus in the area. If they still want to have a target then it can be calculated but a significant stretch may be difficult to attain especially at the lower end of this scale. In these circumstances it may have to be smaller target with less PRG allocated.
- 0 – 14%. Councils with these scores are the highest performers and therefore should not be looking to target this issue. In any case a significant stretch would be difficult to attain.

Use of BVPI 199 b + c Graffiti and Fly-Posting

BV199 has recently been enlarged to measure Graffiti, Fly-Posting and Fly-Tipping (for Fly-Tipping see waste target). These results do not have any baseline data as this is the first year they will be collected. We anticipate that most authorities will return scores of between 3 – 7 % for both graffiti and fly-posting. We feel that scores of under 10% should not form an LPSA target as i) The figure is too low to calculate a stretch and ii) With confidence intervals (margins for error) likely to be up to 3% it would not be a workable or robust indicator.

Circumstances where 199 b + c may be included in a target

If graffiti and / or fly-posting were a significant problem in the area and this was reflected in scores of over 10% on the BVPI then a target could be calculated to complement a target around 199a. If local authorities wish to have a stand-alone target on Graffiti or Fly-Posting they should follow guidance for existing indicators.

BV199d – covered in note on fly-tipping

Period of measurement:

Calendar years. Benchmark for this indicator is audited BV199 returns for 2004/05.

Determining stretching performance

Stretching performance in making places cleaner should be determined by improvement in street cleansing as measured by BV199a or BV199 b+c

“Without reward” The natural improvement expected (a non LPSA improvement) should be a 10% per annum improvement from the last audited BVPI 199a score. So for example a council with a current score of 30% would be expected to reach 21% over the three year course of the LAA target. In cases where this calculation does not make a whole number, the nearest whole number should be used.

The natural improvement should equate to a 10% improvement of last audited score per annum. So for a score of 30% this would equate to a non-LAA stretch of 9 percentile points over 3 years. For a score of 20% it would equate to 6 percentile point improvement over 3 years. In cases where such a calculation does not make a whole number, the closest whole number should be used.

“With reward” With an LPSA streetscene target an LA should look for an additional 3 percentile stretch.

BV199a

The Government issues benchmark scores for this indicator. It is currently 25%. The natural improvement expected (a non LPSA improvement) should be a 10% improvement per annum on the last audited score. A 3 percentile improvement should then be added to justify the Performance Reward Grant for the target.

BV199b+c

The stretch should take the score below 5%.

“With reward” – This would typically be a 4 percentile natural improvement and a 2 percentile stretch. This sub-target should not be allocated more than 20% of the overall PRG for the target.

Achieving the stretch

The stretch for cleaner places is therefore an authority who achieves a stretch in relation to improvement in performance as measured by BV199a or a composite target encompassing BV199 a and b or c BV199 b+c.

Determining the level of reward

The method of calculating the natural improvement and a 3 percentile stretch will justify a full target in an LAA Reward Element Target. There is the option of having a 2 percentile stretch to represent 70% of a target or a 1 percentile stretch to represent 40% of a whole target. A Local Area may wish to create a basket of related indicators that target local environmental quality, waste and anti-social behaviour. Possible related indicators that have been used in the past in combination with street cleansing are abandoned vehicles (

now BVPI 218b), public perception of street cleanliness (BVPI 89), quality of footways (BVPI 187 negotiated through DFT) and fly-tipping (which utilises data from fly-capture).

A value for money model for street cleanliness based on the value to a householder of an improvement in street cleanliness is currently being developed.

INDICATOR

• Increase satisfaction with cleanliness of streets measured by BV89

Source of data: BVPI 89 – Satisfaction with cleanliness of public land

Department owner: Defra

Necessary clarifications/qualifications about the indicator

BVPI 89 is established every three years as part of the BVPI survey. Residents are presented with a question which explains that the local authority has a duty to keep clear of litter and refuse all open public land which it controls and asks, how satisfied are you that the authority has kept this land clear of litter and refuse? Please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators.

Period of measurement

The "with reward" performance should be measured in the final year of the LAA. The next BVPI residents' survey is due in 2006/07.

Determining stretching performance

If an authority proposes using BVPI89 the normal considerations apply when an indicator based upon perception is used. An initial survey will be used to establish the baseline and provide a guide to the with reward position that might be reasonable. Levels of stretch need to be considered on a case by case basis against the background of national comparisons. The national average for this measure was 60% in 2003/2004 and it would not be unreasonable to expect a poorly performing authority to aspire to the level of performance of those in the 75th percentile (67% or more).

Determining the level of reward

Where a GO wishes to judge whether a target based upon BVPI89 is defensible in terms of the reward payable, it is recommended that the percentage improvement aimed for with the stretch target is applied to the number of adults in an area (e.g. if there are 120,000 adults living in an area and the stretch is 6%, 7200 people can be said to have benefited). To be certain of the level of stretch (rather than an improvement being due to the vagaries of the survey method) the confidence interval on the baseline survey should be discounted from the stretch (e.g. 3% confidence level would mean, in the above example, that we could be certain 3600 people benefited from the improvement). When this number of people is divided by the amount of Reward Grant on offer, the GO lead should consider whether this amount is justifiable as a cost per person for this improvement. This judgement should be based upon a commonsense view of how much a typical person might consider a reasonable cost for this improvement.

Where BVPI is combined with other indicators it should only attract the minority of the reward on offer.

INDICATOR

• Reduction in households experiencing poor quality environment measured by EHCS

This indicator is not considered suitable for reward targets. ECHS data is not produced down to LA level.

INDICATOR

• Quality of surroundings – for example through increasing number of Green Flag Awards in most deprived wards

Please refer to related indicator above (page 86).

INDICATOR

• Increase satisfaction with local parks and green spaces

Please refer to related indicator above (page 86).

INDICATOR

• Protect and enhance biodiversity – to conserve and enhance wildlife and the rural landscape and promote access and understanding by all

Based on the UK Biodiversity Action Plan the England Biodiversity Strategy progress indicators and Defra's PSA target 3 to "Care for our natural heritage, make the countryside attractive and enjoyable for all and preserve biological diversity", targets can be set around the following:

- Condition and change in condition of SSSIs / or sites with significant local or regional biodiversity interest e.g. County Wildlife Sites (CWS), or Sites of Importance to Nature Conservation (SINCs)
- Management of council owned landholdings/buildings to achieve biodiversity objectives
- Biodiversity Action Plan priority species status or priority habitat status/condition*
- Numbers of farmland/woodland birds
- Volunteer time spent in conservation activity (but see guidance on volunteering above)
- Number of visits to nature reserves
- Ratio of area of local nature reserve to population
- Access to Natural Green Space (based on English Nature's ANGST- Access to Natural Green Space Standards)Contribution to meeting Local Biodiversity Action Plan targets*

Source of data: Gathered locally

Department owner: Defra

Necessary clarifications/qualifications about the indicator

*UK priority species and habitats are those that have been identified as being the most threatened under the UK Biodiversity Action Plan. Biodiversity action plans have been put in place at the national and local level to establish factors for their decline and the work

necessary for recovery. Targets in this area may draw on data from the UK Biodiversity Partnership. See www.ukbap.org.uk

Determining stretching performance

“Without Reward”: Depending on local circumstances - usually some improvement from current performance, but maintaining current performance may be acceptable. Deterioration from current performance not permissible

The "with reward" position will enhance the rate of improvement against the national PSA target and must be better than current performance. Any confidence interval applicable needs to be accounted for when assessing levels of stretch.

Determining the level of reward

Clearly a large number of local people would put a significant value upon the achievement of the long-term health of biodiversity in order to bring about a sustainable future.

However, at present there is not a great deal of experience to draw upon in justifying the value of Reward Grant payable in return for the types of improvements in biodiversity sought by the above indicators. GOs should calculate the amount of reward that will be payable for each unit of stretch. This has been done in a number of authorities and Defra has details of these examples. The considerations below may serve as a useful starting point to justifying the reward:

- The actual costs of securing the improvements underlying the indicators should be proportionate to the amount of reward.
- The value of each unit of stretch in relation to the amount of reward figure should be defensible to a well informed member of the public.
- The indicators are proxies for the ultimate outcome, the value that might be justified is to an extent also dependant upon the strength of the link between ultimate outcome and the proxy indicators chosen.

INDICATOR

• Transport – modal split and travel to work modal split

Source of data

A physical survey (either automated or manual) of the number of people walking and cycling along set routes at predetermined times.

Manual counts are the most effective way of measuring the number of walking trips. Cycling trips can be measured using either manual counts or by using automated counters placed along cycle routes. Either of these methods is equally effective. Counting methods are preferable to measuring using travel surveys as they are a direct measure.

Department owner: DfT

Necessary clarifications/qualifications about the indicator

The routes that are to be surveyed in addition to the times at which the surveying will take place must be specified depending on the outcome sought. If this is an overall target to increase walking and cycling then the target should be measured at various points during the survey and on survey dates throughout the year. If the target is to promote walking and cycling as a means of getting to work or school then the target should be measured at peak times and during neutral times in the year (i.e. not during summer holidays).

Period of measurement

Surveys in final year – in same months as baseline (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Determining stretching performance

Performance "without reward" grant is likely to be based on existing trends (subject to data availability) and any targets which the authority has already agreed or is setting out to agree under their LTP, or as part of any agreements made for grant allocations such as their school/workplace travel plan grants.

Performance "with reward" will have to be based on the numbers of people that an authority has identified as being able to walk or cycle and this will need to be corroborated by the GO and DfT. It is highly unlikely that the capacity of the footway/cycling network will be an issue.

Determining the level of reward

A reasonable figure will have to be established by the GO, considering the benefit to both the local community (through less congestion, emissions etc) and the individual (health benefits derived from walking and cycling).

INDICATOR

• To improve river water quality

Please refer to related indicator above (page 96).

INDICATOR

• Ratio of area of local nature reserve to population

Please refer to related indicator above (page 109).

INDICATOR

• Public access to or condition of green spaces

Please refer to related indicator above (page 86).

INDICATOR

• Emissions of air pollutants

Please refer to related indicator above "Improvements in Air Quality" (page 93).

INDICATOR

• Environmental quality, as measured by BVPI 199 and 89 in combination

Please refer to related indicator above (page 105).

INDICATOR

- **An increase in the percentage of abandoned vehicles removed within 24 hours from the point where the local authority is legally entitled to remove the vehicle (BVPI 1218b)**

Please refer to related indicator above (page 89).

IMPROVED QUALITY OF LIFE FOR PEOPLE IN THE MOST DISADVANTAGED NEIGHBOURHOODS

INDICATOR

- **Percentage of residents (in areas receiving SSCF funding*) reporting an increase in satisfaction with their neighbourhoods**

* neighbourhood element and neighbourhood management pathfinders

Source of data: Local resident surveys (see section 7 of the annex at the end of this document for general advice on using random sample surveys as the basis of Reward Targets).

Department owner: DCLG

Necessary clarifications/qualifications about the indicator

This could be measured by a specific survey designed to establish resident perceptions, which could be combined with the survey suggested for the following indicator.

Topics covered in satisfaction surveys, as well as the overarching headline question about how satisfied a respondent is with their neighbourhood as a place to live, might include whether the area got much / slightly better over the last three years and perceptions of an improvement in quality of life in the area.

If an area wished to have a stretch target for resident satisfaction, GOs need to be convinced that the proposed stretch is over and above what improvement might reasonably be expected to be achieved in the absence of a reward element target. That could include looking at time series data and trajectories, where available.

If a local authority specifies a target in relation to only part of their area, the guidance in section 6 of the annex at the end of this document will need to be considered.

Period of measurement

The difference in performance between two surveys, a minimum of three years apart.

Determining stretched performance

See specific guidance on the indicators chosen elsewhere in this document.

Determining the level of reward

See specific guidance on the indicators chosen elsewhere in this document.

INDICATOR

- **Percentage of residents satisfied with delivery of local services and believing service providers are more responsive to their needs**

Source of data: Local resident surveys

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

This could be measured by a specific survey designed to establish residents' perceptions around this question or by using BV89 and / or a combination of other indicators such as the environmental quality, crime, housing, health, education worklessness or the community engagement / civil renewal indicators described elsewhere in this document and the quality of services related to them, e.g. satisfaction with the police service.

If a local authority specifies a target in relation to only part of their area, the guidance in section 6 of the annex at the end of this document will need to be considered.

Period of measurement

This would depend upon the indicator chosen.

Determining stretched performance

See specific guidance on the indicators chosen elsewhere in this document.

Determining the level of reward

See specific guidance on the indicators chosen elsewhere in this document.

INDICATOR

- **Percentage of residents who feel that their local area is a place where people from different backgrounds can get on well together**

Please refer to related civic renewal indicator above (page 79).

IMPROVED HOUSING CONDITIONS WITHIN THE MOST DEPRIVED NEIGHBOURHOODS/ WARDS

INDICATORS

- **The two year combined sample (2005/6 to 2006/7) from the continuous English Household Condition Survey (EHCS) reporting in 2007 confirms that the reduction in the number of non-decent social sector dwellings is more than 50% of the total reduction in the number of non-decent social sector dwellings since 2001**
- **The two year combined sample (2007/8 to 2008/9) from the continuous EHCS reporting in 2009 confirms that the reduction in the number of non-decent social sector dwellings is more than 50% of the total reduction in the number of non-decent social sector dwellings since 2001**

A Decent Homes bidding round for Round 6 ALMOs and Housing Stock Transfer will be launched in May 2006.

Revised Decent Homes guidance is currently begin drafted to coincide with the bidding round launch. Once this guidance has been finalised, information will be issued on how this relates to LAAs

INDICATOR

- **To increase the number of affordable housing units secured via planning agreements**

Please refer to related indicator in the Economic Development and Enterprise Block.

INDICATOR

- **Reduce homelessness in the local area**

Recommended methods of measurement:

- a) Number of Homeless Acceptances
- b) Number of households in temporary accommodation
- c) Average length of stay in days for households in temporary accommodation

Definitions

a) **Acceptances:** households found to be eligible for assistance, unintentionally homeless and falling within a priority need group (as defined by homelessness legislation), and consequently owed a main homelessness duty by a local housing authority.

b) **Temporary accommodation:** households in temporary accommodation (excluding applicants who are recorded as “homeless at home”), as arranged by a local housing authority as a discharge of their statutory homelessness functions.

c) Number of days spent in temporary accommodation until the homelessness duty is brought to an end.

Source of data: Local authority P1E returns

Department owner: ODPM

Necessary clarifications / qualifications for the above indicators

The preferred indicator here is number of households in temporary accommodation (TA), to reflect the Homes for All commitment to halve the number of households in TA by 2010.

Reductions should be in absolute numbers, rather than percentages.

Indicators can be focussed on one area (e.g. reduction of acceptances due to domestic violence or reduced use of B&B as temporary accommodation). However, in these cases overall reductions should also be included (as a condition) to ensure we do not create any perverse incentives (to focus on one area of the service or group of clients to the detriment of others) and are not paying reward grant if overall performance is falling.

Experience to date has also shown that focusing on a specific client group or type of accommodation does not, in the majority of cases, provide a large enough cohort to offer value for money.

LHAs may suggest using local data sets. To date, we have steered these agreements to using robust national statistics, as reported through the P1E form. In some instances, BVPIs have also been used as indicators.

However, in the case of BVPI213, it is worth noting that there is currently no historic data and so it is difficult to set targets. In cases where this PI has been used, this has been as one of a suite, with the percentage of reward grant weighted towards P1E data.

Period of measurement

Financial years - usually measured by in the final year of an LAA agreement but can be cumulative over one or two years.

Determining stretching performance

As with all indicators, targets should be challenging but achievable. They should be agreed in the context of regional and national trends and the Homes for All commitment to halve the use of temporary accommodation (for households that have experienced homelessness) by 2010. (Note: Local authorities that had more than 100 households in temporary accommodation at the end of December 2004 should have in place an action plan that shows how they will meet the 2010 target which should include yearly projections for TA use).

Targets should be agreed, looking at regional performance (acceptances / TA use per 1,000 households). Poor performing LHAs should look to be reaching the regional average at the very minimum. When using TA indicators, the LAA process should enable a LHA to meet the HfA commitment early.

Determining the level of reward

The factors a GO should take into account in deciding whether the level of stretch can be justified in terms of the amount of reward on offer should include the costs of processing a homelessness application and providing temporary accommodation. Additionally, costs in terms of poorer educational achievement, health outcomes etc for households who have experienced homelessness could be considered.

INDICATOR

- **Level of energy efficiency of housing occupied by vulnerable groups (measured by SAP rating)**

Source of data: SAP data in vulnerable households

Department owner: Defra

Necessary clarifications/qualifications about the indicator

The basic definition of a fuel poor household is one that needs to spend more than 10% of its income on all fuel use and to heat its home to an adequate standard of warmth (defined

by the World Health Organisation as 21°C in the living room and 18°C in other occupied rooms).

A vulnerable household at risk of fuel poverty is defined as a household containing resident(s) who are elderly, long-term sick / disabled or low income families with children.

A robust method of determining when a household can be said to be taken to a level where there is minimal risk of fuel poverty is the overall energy efficiency of a household, as measured according to the Standard Assessment Procedure (SAP) rating. It is reasonable to state that the risk of fuel poverty is minimised in cases where a household has a SAP rating over 65.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

Performance 'without reward' will be dictated by existing policies in place to eradicate fuel poverty, such as Warm Front, and any targets set by the local authority.

'With reward' performance should show an appreciable improvement that reflects the ability of the authority and partners to eradicate fuel poverty via the improvement of SAP ratings in housing likely to be occupied by vulnerable groups most at risk of fuel poverty. Local authorities should demonstrate where their particular expertise – in terms of targeting and identifying those most at risk in their area – can add value to existing programmes and/or arrangements.

Local authorities may also consider the incorporation of Benefit Entitlement Checks to improve household income.

Determining the level of reward

The potential impact of fuel poverty should be borne in mind when considering the reward grant justified:

- **Social impact:** fuel poor households need to spend a large portion of income on fuel, compromising spending on other necessities. Fuel poverty can also exacerbate social exclusion in that families, or older householders, are often reluctant to venture outdoors, or to invite friends, relatives or community figures into a cold house.
- **Health impact:** Treatment of cold-related illnesses and conditions is estimated to cost the NHS approximately £1billion per year. Cold conditions heavily impact on circulation, and around half of excess winter deaths are circulatory in cause. The number of excess winter deaths in England and Wales is estimated to be between 25,000-45,000 per year.
- **Economic impacts:** fuel poverty schemes generate additional disposable income, which in turn boosts the local economy. Fuel poverty can also lead to lower productivity, as per the health risks above.
- **Environmental impact:** installing more efficient heating and insulation has an impact on the reduction of carbon emissions in the domestic sector – for example, the Government's flagship fuel poverty programme, Warm Front, is estimated to save up to 0.3MtC by 2010.

However, in considering the level of reward, it is important to note that many of the existing activities that local authorities are encouraged to seek to link in with in specifying a stretch target (for example Warm Front) are already centrally funded. As such, the process of delivering measures under Warm Front is already paid for, and Government would be reluctant to 'double fund' this area by allocating a reward grant for the installation of the measures per se.

Therefore, what local authorities may seek to gain reward for should be evidenced in the context of the wider benefits outlined above. It should also be set in terms of the value that their input is adding, which again may link back to use of their local area expertise improved targeting and identification of the most vulnerable households.

INDICATOR

• Number of vulnerable households in fuel poverty

Source of data: Number of households in fuel poverty

Department owner: Defra

Necessary clarifications/qualifications about the indicator

The basic definition of a fuel poor household is one that needs to spend more than 10% of its income on all fuel use and to heat its home to an adequate standard of warmth (defined by the World Health Organisation as 21°C in the living room and 18°C in other occupied rooms).

There are a range of local level indicators that can be used to estimate the number of households in fuel poverty, and to subsequently ascertain the extent to which individual households have been removed from fuel poverty. The most commonly used is the Affordable Warmth Index, which considers the required spend for a household to maintain an adequate standard of warmth in relation to its actual income.

Defra can advise on the nature of these indicators, or on the feasibility of developing an individual method for a specific local authority.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

Performance 'without reward' will be dictated by activity from existing policies in place to eradicate fuel poverty, such as Warm Front, and any targets set by the local authority.

'With reward' performance should show an appreciable improvement that reflects the ability of the authority and partners to remove households from fuel poverty. Local authorities may also consider the incorporation of Benefit Entitlement Checks to improve household income.

Determining the level of reward

The potential impact of fuel poverty should be borne in mind when considering the reward grant justified:

- Social impact: fuel poor households need to spend a large portion of income on fuel, compromising spending on other necessities. Fuel poverty can also exacerbate social exclusion in that families, or older householders, are often reluctant to invite friends, relatives or community figures into a cold house.
- Health impact: Treatment of cold-related illnesses and conditions is estimated to cost the NHS approximately £1billion per year. Cold conditions heavily impact on circulation, and around half of excess winter deaths are circulatory in cause. The number of excess winter deaths in England and Wales is estimated to be between 25,000-45,000 per year.
- Economic impacts: fuel poverty schemes generate additional disposable income, which in turn boosts the local economy. Fuel poverty can also lead to lower productivity, as per the health risks above.
- Environmental impact: installing more efficient heating and insulation has a significant impact on the reduction of carbon emissions e.g. government's flagship fuel poverty programme, Warm Front, is estimated to save up to 0.3MtC per year.

INDICATOR

• Successful referrals to the Warm Front Scheme

Source of data: Take-up of the Warm Front Scheme

Department owner: Defra

Necessary clarifications/qualifications about the indicator

The basic definition of a fuel poor household is one that needs to spend more than 10% of its income on all fuel use and to heat its home to an adequate standard of warmth (defined by the World Health Organisation as 21°C in the living room and 18°C in other occupied rooms).

A robust method of determining when a household can be said to be taken to a level where there is minimal risk of fuel poverty is the overall energy efficiency of a household, as measured according to the Standard Assessment Procedure (SAP) rating. It is reasonable to state that the risk of fuel poverty is minimised in cases where a household has a SAP rating over 65. The Government's main tool for tackling fuel poverty in the private sector is the Warm Front Scheme, which aims to raise households to this level of SAP rating where possible. Fuel poverty is especially prevalent in the private sector, (private sector housing accounted for around 80% of households in fuel poverty in 2004)

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

Performance 'without reward' will be dictated by baseline figures relating to take-up of Warm Front.

'With reward' performance should show an appreciable improvement that reflects the ability of the authority to work with the Warm Front Scheme Manager to improve take-up.

Local authorities may also consider the incorporation of Benefit Entitlement Checks to improve household income.

Determining the level of reward

The potential impact of fuel poverty should be borne in mind when considering the reward grant justified:

- Social impact: fuel poor households need to spend a large portion of income on fuel, compromising spending on other necessities. Fuel poverty can also exacerbate social exclusion in that families, or older householders, are often reluctant to invite friends, relatives or community figures into a cold house.
- Health impact: Treatment of cold-related illnesses and conditions is estimated to cost the NHS approximately £1billion per year. Cold conditions heavily impact on circulation, and around half of excess winter deaths are circulatory in cause. The number of excess winter deaths in England and Wales is estimated to be between 25,000-45,000 per year.
- Economic impacts: fuel poverty schemes generate additional disposable income, which in turn boosts the local economy. Fuel poverty can also lead to lower productivity, as per the health risks above.
- Environmental impact: installing more efficient heating and insulation has a significant impact on the reduction of carbon emissions e.g. government's flagship fuel poverty programme, Warm Front, is estimated to save up to 0.3MtC per year.

However, in considering the level of reward, it is important to note that, whilst we encourage local authorities to link in with Warm Front in specifying a stretch target, the Scheme is already centrally funded. As such, the process of delivering measures under Warm Front is already paid for, and Government would be reluctant to 'double fund' this area by allocating a reward grant for the installation of the measures per se.

Therefore, what local authorities may seek to gain reward for should be evidenced in the context of the wider benefits outlined above. It should also be set in terms of the value that their input is adding, which again may link back to use of their local area expertise improved targeting and identification of the most vulnerable households.

TO INCREASE DOMESTIC FIRE SAFETY AND TO REDUCE ARSON

Indicators at neighbourhood and priority group level to be agreed in negotiation.

Suggest measures relating to, for example, accidental domestic fires, deliberate fires and fire injuries.

Source of data: FDR returns

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

Where relevant, all definitions should be taken as those used in FDR guidance.

Current performance is available for the baseline in most cases, though in some areas this cannot be confirmed due to the difference in LA and FRA boundaries. The FRA may well be much larger than the authority and actually contain a number of local authorities, however the Fire Research and Statistics Division can pick out data for some calendar years for some types of fire (primary), and a target established on this basis will have to be dated differently from the financial years of the agreement.

Accidental and/or deliberate primary and/or secondary fires

Numbers of primary and secondary fires as recorded by the Fire and Rescue Service on the FDR1 and FDR3 returns. If both accidental and deliberate primary fires were within scope of the target, BVPI 142ii - primary fires per 10,000 population - could also be used. However, the 'reward element' target will be framed in terms of actual numbers i.e. the numerator for these BVPIs.

In theory, there is an element of discretion at the margins when the Fire and Rescue Service comes to classify an incident as primary or secondary. Of the three elements that distinguish the two types of fire - involvement of property, presence of casualties and number of appliances which attend an incident - the presence of casualties and number of appliances or otherwise is quite clear cut. The involvement of property could on first impressions seem more ambiguous. However all data supplied by FRAs is validated by ODPM.

There are many more secondary fire incidents reported each year than primary fire incidents. However, it must be borne in mind that the costs associated with the two differ greatly, with the cost of primary fires that much greater since they involve property and/or people. In terms of deliberate fires, it is only those that are primary that count towards ODPM PSA3.

Deliberate primary and/or secondary fires in vehicles

Primary Fires - as recorded in FDR1; Secondary - as recorded in BVPIs

2006/07 Supplementary Data Collection; Deliberate - including malicious and doubtful; Vehicles - as FDR (94) section 3 code list

BV 206(ii) and (iv) report primary/secondary vehicle fires as a rate per 10,000 population. However, the 'reward element' target will be framed in terms of actual numbers i.e. the numerator for these BVPIs.

Fire Injuries

Injury - non-fatal casualty: Persons requiring medical treatment beyond first aid given at the scene of the fire.

BV143 (ii) reports the number of injuries (excluding precautionary checks) arising from accidental fires in dwellings per 100,000 population. However, the 'reward element' target will be framed in terms of actual numbers i.e. the numerator for these BVPIs.

In LPSAs negotiated to date local authorities have been asked to exclude precautionary checks from any count as they do on injuries arising from accidental fires (BV143 (ii)). Given that FRAs often advise anyone involved in a fire to attend hospital for a check-up, the intention in excluding such checks was to avoid a target being achieved through the FRAs no longer providing such advice.

Period of measurement

Typically financial years but see details in test above. Stretch is usually measured in the final year of an LAA period.

Determining stretching performance

Performance "without reward" is likely to be determined by: current local and national trends; trend line to National PSA (where applicable); other funding streams such as Community Fire Safety Arson Control Forum; local factors.

Performance "with reward" is likely to be negotiated upon a considered view of current trends and what a Fire and Rescue Authority might be expected to deliver within the timeframe of the agreement, and also what would be considered the minimum improvement defensible for the potential reward grant. In the case of deliberate primary fires, any stretch target will consider performance in relation to the National PSA target to reduce these types of fire by 10% by 2010.

Determining the level of reward

The economic costs of fires are well established. These can be found in 'The Economic Cost of Fire: Estimates for 2004' available on the ODPM website (tables 3.6, 4.5, Annex A & B www.odpm.gov.uk/index.asp?id=1124891).

There is no standard PRG split as such for the various types of incident. This would depend on how much stretch was being offered and the relative costs of reducing each incident.

REDUCE RE-OFFENDING

Reducing adult reoffending (including through addressing the housing and support needs of offenders)

INDICATORS

- Reduce the proportion of offenders who-re-offend
- Percentage of offenders into suitable accommodation at the end of an order/licence compared with the start (Reducing Re-offending Delivery Plan shadow measure 2006-2007)
- Increase the number of offenders who successfully achieve the Basic Skills Award
- Number of offenders in receipt of housing-related support services funded by Supporting People

See related indicators at page 68 above.

Source of data: The National Offender Management Service (NOMS) is developing a measure in support of the re-offending indicator during the course of 2006/07. It is intended that this will be provided by NOMS to local partners at the LCJB/Probation Area level for 2007/08, adding no additional burdens to local areas. Data on accommodation needs and basic skills is available at Probation Area level.

Department owner: Home Office; Supporting People = DCLG

Necessary clarifications/qualifications for the above indicators

Tackling reoffending is a Government priority and should contribute to an Area's efforts in reducing the levels of crime and increasing public confidence in the criminal justice system. The indicators above focus on improving services that will contribute to reducing reoffending.

Prison Service has a Key Performance Indicator (KPI) to increase the number of prisoners released from custody with somewhere to live and Probation Areas are measuring the proportion of offenders in suitable accommodation at the end of their order or licence. The

standard offender assessment tool (OAsys) provides useful data that could be used alongside that gathered by local housing departments to measure performance. Probation Areas will also have data to support a basic skills indicator. Local partners and partnerships may have measures that can contribute to these indicators, for example, prisons and probations, LCJBs, CDRPs and Supporting People.

In developing these indicators, areas should develop links to the Regional reducing re-offending action plans that are being led by the Regional Offender Manager.

Period of measurement

Financial years. Performance is usually measured in the end year of target period.

Determining stretching performance

NOMS has a commitment in the Home Office Strategic Plan 2004-08 to reduce re-offending by 5% by 2007/08, and by 10% by 2010. A stretch will have to be negotiated locally set against any existing data on performance,

Determining the level of reward

In judging the value of a target that includes both an indicator to reduce reoffending and an indicator around accommodation or basic skills, GOs must ensure they value the stretch of each indicator separately. The "value" of an accommodation or basic skills indicator resides in the improvement in opportunities for the individual offender of having accommodation or skills. These should not be valued on the basis that they will also contribute to reduce reoffending, where that beneficial outcome has already been rewarded by the indicator for reducing reoffending. No detailed costs are available. GOs should seek to negotiate levels of stretch that can be justified in relation to the harm caused by offenders and the costs to the community, if their offending behaviour continues.

INDICATOR

- **Number of prisoners with an address to go to on discharge (existing Reducing reoffending Delivery Plan KPI)**

This indicator is measured by the Prison Service and therefore might not be suitable for reward targets. Areas might want to use the accommodation indicator listed above instead

INDICATOR

- **Number of prisoners who are registered with a general practice in the area to which they go to on discharge.**

This indicator is measured by the Prison Service and therefore might not be suitable for reward targets. Areas might want to use the basic skills indicator listed above and in the EDE block instead.

INDICATOR

- **Proportion of prolific and other priority offenders judged as having settled accommodation at the end of the contact with probation.**

As per the accommodation indicator above.

INDICATOR

- **Number of offenders in settled and suitable accommodation at the end of order / licence.**

This indicator is not suitable for reward targets.

IMPROVED SERVICES FOR VICTIMS OF DOMESTIC VIOLENCE THROUGH TARGETED SCHEMES

INDICATOR

- **Number of victims of domestic violence enabled to remain in their own accommodation through sanctuary schemes**

This indicator is considered unsuitable for a reward target.

INDICATOR

- **Reduction in number of cases accepted as homeless due to domestic violence**

Please refer to homelessness indicator above (pages 114).

INDICATOR

- **Number of perpetrators of DV who are evicted as a result of contravening clauses in their tenancy agreement (BVPI 1225)**

This indicator is considered unsuitable for a reward target.

ENRICH INDIVIDUAL LIVES, STRENGTHEN COMMUNITIES AND IMPROVE PLACES

INDICATOR

- **Take up of cultural opportunities by people aged 16 and above, in particular from priority groups or new users**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

This indicator allows LAA authorities and partners to adapt DCMS PSA3 sub-indicators to cover local populations:

- *Increasing the number who participate in arts activity at least twice a year by 2% and increasing the number who attend arts events at least twice a year by 3%.*
- *Increasing the number accessing museums and galleries collections by 2%.*
- *Increasing the number visiting designated Historic Environment sites by 3%.*

Increased participation in library activities and the number of LEA schools/sixth form colleges achieving Artsmark accreditation can also be used to achieve this outcome:

Libraries - participation can be measured through total visits or broken down by numbers participating in reader development, adult learning sessions or People's Network use. Further guidance can be obtained from the Museum, Libraries and Archives Council.

Artsmark – refer to the *Take up of cultural opportunities by 5-16 year olds* for further guidance (see page 44).

Determining stretching performance

To achieve the outcome, LAA authorities and partners can use a basket of these indicators. It will be down to the LAA authority to decide on particular areas of focus.

For indicators based on DCMS PSA3, performance 'without LAA' will be established by the year-on-year improvement anticipated to meet the national PSA target. Stretching performance will therefore be beyond this.

For any libraries-based indicators, performance 'without LAA' would be established by the year-on year improvement anticipated to meet relevant Public Library Service Standards and Impact Measures. Stretching performance will therefore be beyond this.

Determining the level of reward grant

When considering the level of stretch offered in relation to the potential performance reward grant, authorities and DCMS will need to consider the following factors:

- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of participation or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to best effect, and what other resources are being used to support achievement.
- Whether the proposals can reasonably be expected to deliver the anticipated impact on activity levels
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

- **Visits by priority groups to historic environment sites, especially from ethnic minority, socially deprived groups and people with disabilities**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

Historic environment sites are defined as historical attractions open to the public (buildings, monuments, landscapes and gardens) visited for the purpose of academic study or recreation as defined by the user or visitor.

Priority groups are defined as:

- Those people with a physical or mental disability i.e. defined by themselves as having any long-standing illness, disability or infirmity that limits their activities in any way;

- Those people from black and minority ethnic groups i.e. defined by themselves as Asian or British Asian (Indian, Pakistani & Bangladeshi, Other Asian Background); Black or British Black (Black Caribbean, Black African, Other Black Background); Mixed Ethnicity; Chinese and Other Ethnic Groups (This priority group is the total group i.e. as black and minority ethnic, not individual ethnic groups);
- Those people in socio-economic groups C2, D and E i.e. as defined by themselves, through NS-SEC and then mapped across to C2DE.

Determining stretching performance

Performance without LAA would be established by the year-on-year improvement anticipated to meet the national DCMS PSA target (3%). Stretching performance will therefore be beyond this.

To count towards the target, a visitor must have attended a historic environment site at least once during a 12 month period.

The LAA authority will need to liaise with delivery partners to establish baselines and measure targets.

If the number of people involved is likely to be low then the indicator would best used as part of a basket of indicators, to avoid concerns about the worth of the enhancement in performance compared with the potential reward grant.

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

- **Visits by new users to museums, especially from under-represented groups**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

This indicator links directly to *BVPI 170: Visits to and Use of Museums*, which LAA authorities should refer to for guidance. For the purposes of LAA, this indicator can cover other national and regional museums as well as local authority or part funded museums.

'Visits' can be interpreted to include usage of and accessing museums' collections e.g. enquiries and website hits for research purposes or taking part in an activity organised by a national or regional museum, including outreach. The definition of visits/usage contained in BVPI 170 should be used.

'Under-represented groups' should be defined in conjunction with LAA authorities and partners.

This indicator can also be used to cover national or regional galleries.

Determining stretching performance

Performance without LAA would be established by the year-on-year improvement anticipated to meet the national DCMS PSA target of increasing the number accessing museums and galleries collections by 2%. Stretching performance will therefore be beyond this.

To count towards the target a visitor must have attended/accessed/used a museum/gallery collection at least once during a 12 month period.

The LAA authority will need to liaise with delivery partners to establish baselines and measure targets.

If the number of people involved is likely to be low then the indicator would best used as part of a basket of indicators, to avoid concerns about the worth of the enhancement in performance compared with the potential reward grant.

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

INDICATOR

- **Attendance and participation in the arts by under-represented groups**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

'Under-represented groups' will need to be defined in conjunction with LAA authorities and partners.

'Attendance' is defined as at least one attendance in at least two of the following activities per year: plays, ballet, contemporary dance, opera, classical music, jazz, art galleries/exhibitions and theatre performances.

'Participation' is defined as having engaged in at least two of the following activities per year: writing stories, plays or poetry; doing any ballet or other dance; playing a musical instrument for own pleasure; writing or composing a piece of music; performing or rehearsing a play or drama; painting, drawing, print-making or sculpture and crafts.

Further guidance on attendance and participation is also available in the PSA3 technical note on the DCMS website at

http://www.culture.gov.uk/about_dcms/publicserviceagreements.htm

Determining stretching performance

Performance without LAA would be established by the year-on-year improvement anticipated to meet the DCMS national PSA target *to increase the number who participate in arts activity at least twice a year by 2% and increase the number who attend arts events at least twice a year by 3%*. Stretching performance will therefore be beyond this.

If the number of people involved is likely to be low then the indicator would best used as part of a basket of indicators, to avoid concerns about the worth of the enhancement in performance compared with the potential reward grant.

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Difficulty in engaging target groups/population.
- Anticipated positive impact on target population/cohort.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

Whether the proposals can reasonably be expected to deliver the anticipated impact on participation levels

INDICATOR

• **Maintaining the character and distinctiveness of local communities by reducing the number of listed buildings at risk and effective management of conservation areas (BV219)**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

'Listed buildings at risk' are identified by English Heritage in its annual *Buildings at Risk Register* (which covers grade I and II* buildings). Additional buildings may be selected from a local building at risk register prepared by the LAA authority.

This indicator also links directly to *BVPI 219: Preserving the Special Character of Conservation Areas*. 'Effective management' of conservation areas can be measured by:

- Percentage of conservation areas in the local authority area with an up-to-date character appraisal;
- Percentage of conservation areas with published management proposals.

LAA authorities should refer to BVPI 219 and guidance published by English Heritage (see www.helm.org.uk) for further details.

Determining stretching performance

This target can be drafted as an agreed stretch above the baseline. The LAA authority should liaise with delivery partners to establish baselines and measure targets.

If the number of people involved is likely to be low then the indicator would best be used as part of a basket of indicators, to avoid concerns about the worth of the enhancement in performance compared with the potential reward grant.

Determining the level of reward grant

The following factors should be taken into account when trying to determine the level of reward grant. They should be seen as guidelines and not as an exhaustive list:

- Any available cost benefit analysis
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of provision or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to the best effect, and what other resources are being used to support achievement.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

AFFORDABILITY OF RURAL HOUSING

INDICATOR

- **Increase the availability of affordable rural housing units**

Please refer to guidance elsewhere in this document related to the availability of affordable housing (page 114).

However, GOs should ensure that reward is only paid if an area-wide target is met. This will ensure that the gap is narrowed by an improved performance in targeted

neighbourhoods. GOs must ensure that a reward only becomes payable for an overall improvement (i.e. there should be no distinction between urban and rural).

HEALTHIER COMMUNITIES AND OLDER PEOPLE

IMPROVED HEALTH AND REDUCED HEALTH INEQUALITIES

INDICATORS

- **Spearhead Areas: Reduce health inequalities between the local authority area and the England population by narrowing the gap in all-age, all-cause mortality**
- **All other areas (optional for Spearhead Areas) – reduce health inequalities within the local area, by narrowing the gap in all-age, all-cause mortality**

Spearhead Areas

Reduce health inequalities between the local authority area and the England population, by narrowing the gap in all-age all-cause mortality

For all other Areas

(Optional for Spearhead Areas)

Reduce health inequalities within the local area by narrowing the gap in all-age all-cause mortality

Source of Data

Office of National Statistics Death Registrations, ONS Mortality Statistics Series

Department Owner: DH

Necessary clarifications/qualifications about the indicator

The DH will provide data at local authority level for all-age all-cause (AAAC) mortality.

This indicator is contributing to the DH PSA targets to reduce the inequalities gap between the fifth of areas with the worst health and deprivation indicators and the population as a whole for life expectancy, cancer and heart disease, stroke and related diseases. Details of DH PSAs are available at:

http://www.dh.gov.uk/AboutUs/HowDHWorks/ServiceStandardsAndCommitments/DHPublicServiceAgreement/PublicServiceAgreementArticle/fs/en?CONTENT_ID=4106188&chk=zYiEVM

Spearhead area targets will compare AAAC in the overall local authority population against the national average. Non-spearhead areas can compare AAAC of their overall local authority population and a sub-group and sub-area within the local authority. This should be either a geographical area or group of disadvantage, and can be targeted with a view to reducing inequalities in infant mortality or other inequalities between population groups. For example, some local authorities may wish to focus on the most deprived wards in their area, or black and minority ethnic groups where these groups are experiencing poorer health outcomes than average.

Period of Measurement

At the end of the agreement (three year period)

Determining stretching performance

The Department of Health will publish, on the basis of analytical modelling of need, the stretch required of Spearhead Areas. Trajectories in non-spearhead areas will be locally determined.

Determining the level of reward

Stretch targets on health inequalities have previously justified whole targets.

REDUCE PREMATURE MORTALITY RATES AND REDUCE INEQUALITIES IN PREMATURE MORTALITY RATES

INDICATOR

• **Reduce premature mortality rates from heart disease and stroke and related diseases so that the absolute gap between the national rate and the rate for the district is reduced by [x]% by 2010 [x to be agreed as part of the contribution to the reduction in the gap between the Spearhead Group and the England average (national PSA target)]**

ALL other areas - reduce health inequalities within the local area, by narrowing the gap in all age all cause mortality.

NB: Please refer to guidance on the following DH indicators for further details that may be relevant to this indicator:

- Spearhead Areas: Reduce health inequalities
- Mortality rates from heart disease and stroke in people aged under 75
- Number of four week smoking quitters
- Smoking prevalence
- Number of recorded obese individuals losing weight through a personalised weight management programme
- Percentage of individuals consuming five portions of fruit and vegetables a day
- Proportion of adults achieving at least 30 minutes of moderate intensity physical activity

Sources of data

ONS Death Registrations and Mortality Statistics

Local Delivery Plans

Quality and Outcomes Framework (QOF) data

Department owner

ODPM

Necessary clarifications/qualifications about the indicator

This indicator contributes to the DH PSA targets to improve life expectancy and narrow the inequalities gap in life expectancy by focusing on reducing a major cause of premature death and ill health – cardiovascular disease (coronary heart disease and stroke). There are also considerable variations in the impact of CHD and stroke that need to be addressed; for example men of working age in the lowest social class are more than 50 per cent more likely to die of CHD than men in the overall population; there are particularly high CHD rates in people of South Asian descent; and rates of stroke among Black Caribbean and Indian men are much higher than the general population.

Although this indicator relates to closing the gap between the national and district mortality rates, it would be preferable for targets to reduce inequalities *within* the district as well.

Moreover, stretch targets should not be designed so that they have the unintended consequence of increasing health inequalities within the district (i.e. they should be deliberately aimed at the harder to reach groups and areas).

It is particularly recommended that, where relevant, stretch targets and related interventions should focus on local BME communities, as they often suffer the worst health outcomes.

When agreeing stretch targets, attention could be paid to interventions related to prevention and effective management of the key risk factors for CVD – smoking, obesity, healthy eating, physical activity and hypertension – but it should be recognised that different interventions have short, medium, and long term effects, which may affect the proposed trajectories. (For example, lifestyle changes such as healthy eating, and focusing on children’s health, will take much longer to make an impact on health and CVD mortality rates than smoking cessation and the prescription of anti-hypertensives.) It is important to address the longer term interventions as well as the ones that are most likely to make an impact by the 2010 targets.

Data should be available from local as well as national sources. For example, GPs should be able to provide data from their records detailing patients at high risk and whether interventions are reaching priority groups.

Period of measurement

Rates in the 12 months to the end of the agreement

Determining the stretching performance

Please refer to the DH indicator for guidance on an acceptable stretch in the reduction of ‘mortality rates from heart disease and stroke in people under 75’. DH guidance on the stretch required of Spearhead Areas may also provide a helpful starting point.

The stretch reduction in the absolute gap between the national rate and the rate for the district will be dependent on the percentage already agreed in relation to this indicator. An acceptable target will be based on the amount of attention paid to improving outcomes in identified, high risk, deprived groups and areas.

Determining the level of reward

The costs of health care avoided as a result of the preventative work carried out, and reductions in health inequalities, through targeting of disadvantaged groups and areas, should inform the level of award.

REDUCE PREMATURE MORTALITY RATES AND REDUCE INEQUALITIES IN PREMATURE MORTALITY RATES BETWEEN WARDS/NEIGHBOURHOODS WITH A PARTICULAR FOCUS ON REDUCING THE RISK FACTORS FOR HEART DISEASE, STROKE AND RELATED DISEASES (CVD) (SMOKING, DIET AND PHYSICAL ACTIVITY)

INDICATOR

- **Reduce the gap in premature mortality rates between the most deprived 20% of wards/neighbourhoods and the least deprived 20% of wards/neighbourhoods with a particular focus on reducing the gap in smoking prevalence in those areas**

NB: Please refer to guidance on the following DH indicators for further details that may be relevant to this indicator:

- Spearhead Areas: Reduce health inequalities
- Mortality rates from heart disease and stroke in people aged under 75
- Number of four week smoking quitters
- Smoking prevalence
- Number of recorded obese individuals losing weight through a personalised weight management programme
- Percentage of individuals consuming five portions of fruit and vegetables a day
- Proportion of adults achieving at least 30 minutes of moderate intensity physical activity

Sources of data

ONS Death Registrations and Mortality Statistics

Local Delivery Plans

The Health Survey for England (particularly '2004 Health of Ethnic Minority Groups at: <http://www.ic.nhs.uk/pubs/hlthsvyeng2004ethnic/HSE2004Headlinerresults.pdf/file>)

General Household Survey

NHS Stop Smoking Services

Quality and Outcomes Framework

Locally commissioned surveys

Public Health Observatories (e.g. APHO publication 'Indications of Public Health in the English Regions' contains a chapter on 'Ethnicity and Health – available at http://www.nepho.org.uk/view_file.php?c=1049)

Department owner

DCLG

Necessary clarifications/qualifications about the indicator

This indicator addresses the need to reduce inequalities *within* local areas and places the emphasis on targeting deprived groups and neighbourhoods. There is a focus on reducing smoking, which is the main cause of preventable illness and premature death in this country and is more prevalent in the routine and manual group and amongst particular BME communities (e.g. Bangladeshi; Pakistani; Turkish).

There is considerable scope for developing meaningful stretch targets relating to this indicator, but it will be important to construct them so that 'narrowing the gap' elements are clearly demonstrated and realised. Local mapping, or the use of proxies, should identify the groups and/or neighbourhoods that need to be targeted. [Further details on successful targeting and mapping the needs of local populations can be found in the ODPM/DH publication *Creating Healthier Communities: a resource pack for local partnerships*, available by telephoning 0870 1226 236 or at <http://www.neighbourhood.gov.uk/publications.asp?did=1382>.]

Period of measurement

The period of the agreement

Determining the stretching performance

An acceptable stretch will depend upon the current gap between the most and least deprived quintile of wards/neighbourhoods, and on future trajectories.

Smoking cessation targets will have been established in LDPs. Any improvement agreed for the Reward Element should go beyond that agreed through the LDP process and

should focus on increasing the quit rate in deprived areas and amongst groups with particularly high prevalence (e.g. BME and routine/manual). Stretch targets can, in addition to increasing the *numbers* of people affected, look for a more robust means of measuring the success of the intervention. For example, where smoking cessation is currently measured by quitters at 4 weeks, a stretch target might require continued monitoring and support for quitters up to 16 weeks and 52 weeks, plus a relevant stretching target for number of 52-week quitters.

Determining the level of reward

Please refer to the DH indicators on 'number of four week smoking quitters' and 'smoking prevalence' for guidance (page 134). In particular, it should be noted that premiums have been placed on quitters from disadvantaged groups and areas.

INDICATOR

• Mortality rates from heart disease and stroke in people aged under 75

Source of data

LDPs (SHA level) and monitored through ONS Mortality statistics from death registrations and European Standard Populations (www.statistics.gov.uk) and compendium of clinical and health indicators on NCHOD website (available to NHS users only <http://nwww.nchod.nhs.uk/>)

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Mortality rate from heart disease and stroke and related diseases in people aged under 75 per 100,000 directly aged standardised population. Baseline data available from Local Delivery Plan. It is recommended that, where relevant, interventions to decrease mortality from cardiovascular disease are focused on disadvantaged groups and areas to reduce health inequalities.

Deaths from heart disease and stroke and related conditions: includes all circulatory disease- international classification of diseases ICD 10 codes 100-199 inclusive.

Age standardised mortality rates can be calculated following the methodology described in the paper located on the LDP support forum on STEIS, which PCTs can access.

Period of measurement

Rates in the 12 months to the end of the agreement

Determining stretching performance

Average acceptable stretch is a reduction of 10/100,000, although this will vary according to the areas and groups targeted.

Determining the level of reward

The costs of health care avoided and improvements in life expectancy, through improved chronic disease management, should inform the level of reward. Reductions in mortality have previously justified a whole target.

INDICATOR

• Road safety: numbers killed and seriously injured

Please refer to related indicator in the Children and Young People Block (page 17).

INDICATOR

• Number of four week smoking quitters

Source of data

LDP and monitored through NHS Stop Smoking Services return.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Number of 4-week smoking quitters who attended NHS Stop Smoking Services per 100,000 population, defined as:

Line1: Number of 4-week smoking quitters who attended NHS stop smoking services

Line 2:Population aged 16 or over (provided)

Line 3: Smoking quitters per 100,000 population

See DH guidance for detailed definitions:

www.dh.gov.uk/assetroot/04/07/81/16/04078116.pdf

As indicated in the DH Statistical Bulletin April 2003-March 2004 and communications to SHA tobacco leads and regional tobacco managers, the NHS smoking cessation services referred to in the 2001 guidance are now defined as the 'NHS Stop Smoking Services'. Further technical aspects remain as originally defined in the guidance of 2001.

Period of measurement

Cumulative over the period of the agreement. Data available quarterly

Determining stretching performance

The 'without' performance will have been established in the PCT LDP process as part of their contribution to meeting national targets. Any improvement agreed for the Reward Element should therefore be beyond that agreed through LDPs.

Determining the level of reward

The costs of health care avoided and improvements in life expectancy, through achieved smoking cessation, should inform the level of reward. Small additional numbers of quitters (approximately 1000) have previously justified a half target, large additional numbers of quitters (approximately 2000) have previously justified a full target. Premiums have been placed on quitters from disadvantaged groups and areas, where reductions in health inequalities are expected.

INDICATOR

• Number of test purchases of under age tobacco sales

Source of data

Local Authority, Trading Standards Officer data collection

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator is total number of premises where test purchasing is undertaken using volunteer children. The number where tobacco products are sold is expected to be recorded as standard practice but is not the scored element of this indicator. Test purchase are expected to form part of an assessment and enforcement programme where appropriate actions are taken against premises in breach of the Children and Young Persons (Protection from Tobacco) Act 1991.

Period of measurement

Cumulative number over period of agreement.

Determining stretching performance

An increase of 10% in the number of premises where test purchasing is undertaken using volunteer children should be a minimum level of stretch.

Determining the level of reward

Previous targets have used this indicator as a quarter-target, and as a supplementary or consolidating indicator alongside smoking quitters or smoking prevalence indicators.

INDICATOR

• Smoking prevalence

Source of data

Local Delivery Plan or Quality and Outcomes Framework

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Adult smoking rates- Smoking status among people aged 15-75 years as recorded in GP records.

Defined as:

Line 1: number of people aged 15-75 years on a GP register, recorded as being a smoker in the last 15 months.

Line 2: Number of people aged 15-75 years on a GP register, with a smoking status recorded in the last 15 months

Line 3: Total number of people aged 15-75 years on a GP register

Practice-based prevalence from Quality and Outcomes Framework records can be used if recording is in excess of 70%.

Period of measurement

Number at the end of the agreement period (LDP data available annually)

Determining stretching performance

Performance without the stretch will have been established in the PCT LDP process as part of their contribution to meeting national targets. Any stretch agreed for the Reward Element should therefore be beyond that agreed through LDPs.

Current performance should be established on the basis of existing prevalence information if practice recording is in excess of 70%. If recording is below this level, synthetic estimates from the Health and Social Care Information Centre of PCO level 2000-2002 prevalence of smoking or Public Health Observatory Local Area smoking prevalence estimates should be used. Health Survey for England reports smoking prevalence at SHA level which indicates current performance. Health Survey for England data at SHA level is available at :

<http://www.dh.gov.uk/publicationsandstatistics/publishedsurvey/healthsurveyforengland/healthsurveyresults>

If recording is not yet established, an agreed date by which the baseline data is available should be written in the agreement. Stretch, if baseline data is not available, should take the form of a percentage reduction from baseline prevalence. Achievable and challenging stretch for prevalence reduction varies on the basis of the population groups targeted and the current prevalence level. Standard acceptable stretch is in the region 2 percentage points reduction.

Determining the level of reward

The costs of health care avoided and improvements in life expectancy, through reduced smoking prevalence, should inform the level of reward. Prevalence should be converted to absolute numbers (using the size of population) to assess the amount of reward grant justified by the stretch offered. Estimated numbers of quitters as a result of the reduction in prevalence should be calculated. Small additional numbers of quitters (approximately 1000) have previously justified a half target, large additional numbers of quitters (approximately 2000) have previously justified a full target. Premiums have been placed on reductions in smoking prevalence in disadvantaged groups and areas, where reductions in health inequalities are expected.

INDICATOR

- **Number of recorded obese individuals losing weight through a personalised weight management programme**

Source of Data

Local Primary Care Trust data

Department Owner: DH

Necessary clarifications/qualifications about the indicator

This indicator is defined as:

- I) Number of individuals defined as obese reducing their weight by 5% through a weight management programme, and maintaining this weight reduction for a period of twelve weeks.
- II) Number of individuals defined as obese reducing their weight by 10% through a weight management programme, and maintaining this weight reduction for a period of twelve weeks.

Individuals are defined as obese if their Body Mass Index (BMI) is 30 or more. Overweight is defined as a BMI of 25-30. Referrals to weight reduction programmes can be from primary care Chronic Disease Management and General Practitioner referral. Targeting of high risk groups and groups or areas experiencing inequalities in health

relative to the general population is encouraged. Individuals cannot be double-counted, so should be categorised as either achieving a 5% weight-reduction or 10% weight reduction.

Determining stretching performance

Stretching performance will be dependent on the number of individuals affected by the programmes (size of cohort) in addition to the percentage of participating individuals achieving 5% or 10% weight reduction.

Period of measurement

Cumulative number over 3 year period of agreement.

Determining the level of reward

The negative impact on health and associated health costs of obesity should be taken into account in setting the target. Value for money, and attendant rewards, are per individual achieving 5% and 10% reductions in weight. Due to small numbers, adult obesity indicators have previously formed half targets, and have been combined with other health measures such as smoking cessation to form whole targets.

INDICATOR

• Numbers of individuals served by Community Mental Health Teams receiving crisis resolution, assertive outreach and early intervention

Source of Data

NHS Local Delivery Plan lines

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Crisis resolution line in LDPr, defined as the number of home treatment episodes. Data is a cumulative total and is collected quarterly. (Alterations to lines to improve data quality, made in September-December 2005 mean that data prior to this point is not directly comparable, but can be indicative for setting baselines and forming trajectories). Early intervention is defined as the number of people receiving Early Intervention services at a point in time: data is collected at the end of June, September, December and March. Assertive Outreach is defined as the number of people receiving Assertive Outreach services at a point in time: data is collected at the end of June, September, December and March.

Determining stretching performance

Performance should be over targets agreed in the Local Delivery Plan, and local improvement trajectories after this period. Performance is expected to improve, and targets should be formed with a rising baseline.

Period of measurement

Single point measurement in final year of agreement.

Determining the level of reward

Reward should be commensurate to the level of activity increase, and degree of targeting and access to services for disadvantaged areas and groups.

INDICATOR

• Number of schools achieving Healthy School Status

Please refer to related indicator in the Children and Young People Block (page 21).

INDICATOR

• Improved access to employment, training and housing for those in drugs treatment or leaving drugs treatment

Please refer to related indicator in the Economic Development and Employment Block – “Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas” (page 157).

INDICATOR

• Number of drug treatment completions

Revised indicators for drug treatment targets will be outlined in further guidance from the Department of Health.

INDICATOR

• Percentage of individuals consuming five portions of fruit and vegetables a day

Source of Data

The Health Survey for England Individual Questionnaire Fruit and Vegetable consumption (covering codes VFINT, VegSal, VegSalQ, VegPul, VegPulQ, VegVeg, VegVegQ, VegDish, VegdishQ, VegUsual, FrtDrnk, FrtDrnkQ, Frt, FrtC, FrtQ, FrtOth, FrtNotQ, FrtMor, FrtDry, FrtDryQ, FrtFroz, FrtFrozQ, FrtDish, FrtDishQ, FrtUsual).

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Dependent on the specific cohort, this survey will need to be administered by a trained independent individual or self-administered in a controlled environment (similar to exam conditions) with a trained individual available to answer questions.

DH Guidance on Survey Administration should be adhered to in the administration of the survey.

Period of measurement

Measured by a survey at the end of the LAA period.

Determining stretching performance

Acceptable stretch for this target is in the region of 10% over the baseline survey position.

Determining the level of reward

The costs of health care avoided and the impact on life expectancy, through improved diet, should inform the level of reward. Previous targets on increased fruit and vegetable consumption have justified quarter of a target, and has been combined with other school-based health indicators to make a whole target.

INDICATOR

• Number of new diagnoses of gonorrhoea

Source of Data

LDP and monitoring through the DH KC60 returns from GUM clinics reported to and analysed by the Health Protection Agency.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Number of new diagnosis of gonorrhoea per 100,000 population expressed as:

Line 1: Number of new diagnosis of gonorrhoea

Line 2: Population (provided)

Line 3: The number of new diagnoses of gonorrhoea per 100,000 population.

Data on gonorrhoea rates are currently available from the KC60 return made by GUM clinics. Rates at SHA level can be estimated by aggregating data for the clinics within each SHA. LDPs are expected to provide SHA rates and projections and note any particular local circumstances at PCT level. Organisations can also obtain further information, such as audits undertaken, from the Health Protection Agency at www.hpa.org.uk.

Period of measurement

Data collected quarterly and reported annually (calendar basis), number diagnosed during 12 months to end of the agreement.

Determining stretching performance

'Without' LAA performance can be determined from targets already set within Local Delivery Plans. 'With' LAA performance should exceed these levels by at least an amount which would justify the amount of reward applicable to the target.

Determining the level of reward

The costs of health care avoided, through treatment prior to complications, should inform the level of reward. Targets on gonorrhoea have previously justified a quarter of a target, and have been combined with other Sexual Health indicators to make a half target.

INDICATOR

• Number of new diagnoses of syphilis

Source of Data

Monitoring through the DH KC60 returns from GUM clinics reported to and analysed by the Health Protection Agency.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Number of new diagnosis of syphilis per 100,000 population expressed as:

Line 1: Number of new diagnosis of gonorrhoea

Line 2: Population (provided)

Line 3: The number of new diagnoses of syphilis per 100,000 population.

Period of measurement

Final year of three year period. Data collected quarterly and reported annually (calendar basis), number diagnosed during 12 months to end of the agreement.

Determining stretching performance

Baseline from the previous year should be taken into consideration, and stretch should be set on a trajectory that expects higher initial incidence (where detection and diagnosis increase) but a reduced diagnosis by final twelve months of agreement.

Determining the level of reward

The costs of health care avoided, through treatment prior to complications, should inform the level of reward. Due to small numbers, targets in this area have previously justified a quarter of a target. Targets in this area have been combined with other sexual health indicators, such as teenage pregnancy or chlamydia screening to constitute whole targets.

INDICATOR

- **Alcohol-related hospital admissions, rate per 100,000 population per year**

Source of Data

Public Health Observatory Community Profiles

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Public Health Observatory Community Profile data on alcohol-related admissions is provided by local authority area. Data available via APHO website www.apho.org.uk

This indicator is defined as the directly standardised rate for persons who were admitted at least once in a year for an alcohol related condition (ICD 10: F10, i42.6, K70, K73, K74, X45). Rate per 100,000 per year. HES data is used to calculate this rate. The indicator includes admissions that are directly (e.g. hepatitis) or indirectly (e.g. violent assault) to alcohol. It is hoped this indicator will be used as part of a broader strategy related to alcohol, including promotion of screening and brief interventions for hazardous and harmful drinkers.

Determining stretching performance

Current performance is established by a survey at the start of the LAA period if no other suitable data is available. Anticipated trend data over the LAA period can be used to set the 'without' performance. An acceptable level of stretch will be a minimum of a 2% reduction on both indicators.

A date by which baseline data will be available should be included in the agreement, if the data is not available by this date the target cannot be achieved.

Period of measurement

Final year measurement. Rate per 100,000 in final year of LAA.

Determining the level of reward

The value of Reward Grant that could be justified for reductions in rates per 100,000 should take account of the health costs avoided as a result of reduced alcohol consumption. Targets reducing hospital related admissions have previously formed whole targets.

INDICATOR

- **Percentage uptake of routine childhood immunisations**

Source of Data

Cover of Vaccination Evaluated Rapidly (COVER) data, Health Protection Agency.

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Data available by Strategic Health Authority and Primary Care Trust. Indicator is defined as number eligible and immunised divided by number eligible, expressed as a percentage.

Determining stretching performance

Stretching performance should involve targeting of improvements in immunisation uptake to disadvantaged areas and groups. This is to contribute to the national target to reduce health inequalities by 10% by 2010 as measured by infant mortality and life expectancy at birth, as reducing inequalities in early childhood illness will have a maximal impact on life expectancy. Stretching performance should be aligned with the national target, based on World Health Organisation recommendation of minimum 95% uptake. Baseline measurements are available from local Child Health Systems, and trajectories are expected to improve nationally without stretching targets (rising baseline). Stretching performance will vary according to the population groups or areas selected for the target.

Period of measurement

Final year measurement. Rate per 100,000 in final year of LAA.

Determining the level of reward

Reward should be higher where marginalised or disadvantaged areas and groups are targeted for improvements in percentage uptake.

INDICATOR

- Proportion of adults achieving at least 30 minutes of moderate intensity physical activity (as published in the outcomes framework). Only the indicator below should be used as the basis for a reward element target - rather than that detailed above).

INDICATOR

- **The percentage of the adult population participating in at least 30 minutes moderate intensity sport and recreational physical activity on three or more days per week.**

Source of Data

Sport England's national *Active People* survey (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Departmental Owners: DCMS/ DH

Necessary Clarifications/ qualifications for the above indicators

The indicator is included in the Public Service Agreement (PSA) for sport (to achieve a 3% increase by 2008 in the proportion of adults from priority groups achieving 30 minutes of sport and recreational physical activity on at least 3 days a week. Priority groups are defined as women, black and ethnic minorities, people with a limiting disability, and people from lower socio-economic groups).

This indicator has been recommended for inclusion in the Comprehensive Performance Assessment, and is a key target in Sport England's *The National Framework for Sport in England*. The definition of sport and physical activity is with the one used by the Council of Europe. It includes walking and cycling for recreational purposes and formal and informal sports.

This indicator should be used in the context of the Chief Medical Officer's recommendation that people undertake at least 30 minutes of moderate intensity physical activity on at least 5 days a week. Participating in sport and physical activity on at least three days a week for 30 minutes duration, and with at least moderate levels of intensity, will contribute towards this health recommendation. This frequency of commitment to participation in sport and physical activity will also increase the likelihood of longer term sustained involvement and maximise the opportunity for sport to deliver on other wider well being and social and economic objectives of Local Authorities.

Sport England's National *Active People* Survey will confirm the baseline position on this indicator for every local Authority in England in November 2006. Part-year results will start to emerge from Spring 2006. It is intended that the survey be repeated in three years time in 2008/9. Authorities may need to contribute to the costs of repeating the survey.

For further details on this indicator, LAA authorities and partners should refer to Sport England's guidance note *Sport Playing its Part in Local Area Agreements* on www.sportengland.org. Also refer to the Active People website at <http://www.activepeoplesurvey.com/>

The Departments of Health and Sport, and Sport England, have produced a briefing note on this indicator. For more information look on www.sportengland.org

Period of Measurement

October 2006 – October 2009

Determining Stretching Performance

Baselines must be confirmed before the target can be finalised. These can be provided by making reasonable estimates from existing national or local datasets where available, but should be confirmed when new data becomes available from the *Active People Survey* commissioned by Sport England. The survey samples 1000 residents in each district and unitary local authority in England, commencing in October 2005. It has been developed to specifically collect information to provide a robust and reliable measure of performance

against this indicator. Part year data will be available from Spring 2006, with the full year results for every local authority in England will be available from November 2006.

Achievement at the end of the agreement would be significant improvement on the baseline figure, with the annual rate of improvement equalling or exceeding 1.33%.

If this indicator is used in relation to a specific intervention, where participation levels are being recorded rather than obtained by survey, then the means of recording attendance must be specified at the outset, be robust, verifiable and maintained through the whole life of the agreement. See Sport England's monitoring and evaluation toolkit for advice on collection at the intervention level.

Determining the Level of Reward

When considering the level of stretch offered in relation to the potential performance reward grant, authorities, local health partners and DCMS will need to consider the following factors:

- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of participation or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to best effect, and what other resources are being used to support achievement.
- Whether the proposals can reasonably be expected to deliver the anticipated impact on activity levels.

INDICATOR

• Modal split and travel to work modal split (walking and cycling)

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

INDICATOR

• Percentage of children walking or cycling to school

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

INDICATOR

• Prevalence of obesity among primary school aged children

Please refer to related indicator in the Children and Young People Block (page 23).

INDICATOR

• Low birth weight births

Please refer to related indicator in the Children and Young People Block (page 25).

INDICATOR

- **Smoking during pregnancy and after birth**

Please refer to related indicator in the Children and Young People Block (page 25).

INDICATOR

- **Breastfeeding initiation and continuation rates**

Please refer to related indicator in the Children and Young People Block (page 26).

INDICATOR

- **Percentage of children who are regular smokers**

Please refer to related indicator in the Children and Young People Block (page 27).

INDICATOR

- **Percentage of young people drinking alcohol**

Please refer to related indicator in the Children and Young People Block (page 28).

INDICATOR

- **Percentage of children consuming five portions of fruit and vegetables a day**

Please refer to related indicator in the Children and Young People Block (page 29).

INDICATOR

- **Percentage of sexually active population aged 15-24 being screened for chlamydia**

Please refer to related indicator in the Children and Young People Block (page 31).

INDICATOR

- **Numbers of individuals under 18 in treatment and successfully completing treatment for drug abuse**

Revised indicators for drug treatment targets will be outlined in further guidance from the Department of Health.

INDICATOR

- **Air Quality – local concentrations of specific air pollutants**

Please refer to related indicator in the Safer and Stronger Communities Block (page 93).

IMPROVED QUALITY OF LIFE

INDICATOR

- **Number of people aged 75 or over admitted to hospital as a result of falls**

Source of Data

Hospital Episode Statistics

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator measures the number of people aged 75 and over admitted (emergency admissions) to hospital as a result of falls. To count in his target, a person aged 75 and over must be registered with a GP in the PCT area(s) relating to the council; people who are registered with a GP outside the council's PCT area(s) will not be counted, even if resident in the council's area.

HES data to be used, corresponding to ICD codes S72 excluding S72.4.

Determining stretching performance

Stretching performance should be over agreed delivery of reduced bed days for falls, and take into account the average number of bed days related to admissions for falls. Further stretch and emphasis on quality recovery and aftercare services can be included through use of rapid readmissions indicator.

Determining the level of reward

Increased life expectancy, quality of life and costs of treatment avoided because of reduced trips and falls, should inform the level of reward. Previous agreements to reduce falls have justified a whole target.

INDICATOR

- **Improving the quality of life of people aged 65 and over using home services**

Source of Data

Independence and Quality of Life of Older People Questionnaire

Department Owner

DH

Necessary clarifications/qualifications about the indicator

Evidence of improved wellbeing of older people (number of elderly people reporting a good quality of life). The survey to be used must be based on the Health and Social Care Information Centre (formerly DH) survey of the Independence and Quality of Life of Older People questionnaire. The next Health and Social Care Information Centre survey will be carried out in February 2006. The survey must include the 'satisfaction' question but the council can add any other questions it wishes. For LPSA purposes, the reward grant will only be paid on the improvement in responses to the 'satisfaction' question.

It is assumed that people aged 65 and over have a higher quality of life if they are able to remain in their own homes with support, and that this will be further enhanced if they have control over the support they receive i.e. through direct payments. The Independence and Quality of Life Survey is to be used with a sample of people aged 65 and over who use home care services

The same questionnaire should be used for the baseline and for the end of the LPSA period.

The 'satisfaction' question to be used for *home care recipients* is:

- (1) Overall how satisfied are you with the help from [Social Services] that you receive in your own home?

Please tick [✓] one box

I am <u>extremely</u> satisfied	<input type="checkbox"/>
I am <u>very</u> satisfied	<input type="checkbox"/>
I am quite satisfied	<input type="checkbox"/>
I am neither satisfied nor dissatisfied	<input type="checkbox"/>
I am quite dissatisfied	<input type="checkbox"/>
I am very dissatisfied	<input type="checkbox"/>
I am extremely dissatisfied	<input type="checkbox"/>

The 'satisfaction' question to be used for *direct payment* recipients is:

- (1) Overall, how satisfied are you with the services you purchase, using your direct payments?

Direct payments are the option for you to purchase some or all of the services you are eligible for directly yourself, using money provided by [Social Services]. This should not be confused with benefits that are usually paid directly into an account which are also called direct payments.

Please tick [✓] one box

I am <u>extremely</u> satisfied	<input type="checkbox"/>
I am <u>very</u> satisfied	<input type="checkbox"/>
I am quite satisfied	<input type="checkbox"/>
I am neither satisfied nor dissatisfied	<input type="checkbox"/>
I am quite dissatisfied	<input type="checkbox"/>
I am very dissatisfied	<input type="checkbox"/>
I am extremely dissatisfied	<input type="checkbox"/>

An improved outcome can only be demonstrated by responses to the first two of the seven options. The stretch is quantified as narrowing the gap between the percentage of people extremely or very satisfied and 100% and the LPSA target should be expressed in that way.

To ensure that the results from the survey are robust councils will be asked to achieve a minimum response rate of 50% to both the baseline and final surveys. They should also make sure that in conducting the survey they follow the Health and Social Care Information Centre guidance available at (add website address).

Determining stretching performance

Current performance will be established by administration of the baseline survey during the first year of the LPSA. Details of the council's previous survey are available to be used as background information.

For the survey, in addition to the agreed stretch the size of the confidence interval for the estimates from the survey at the end of the LPSA period will be added to give the overall target figure to be achieved. For LPSA purposes we need to ensure that the improvement in performance is being delivered, and that any 'stretch' in performance is not 'lost' in the confidence interval so we add the value of the confidence interval to the target to be sure of this.

CSCI is responsible for Performance Assessment of councils and their Performance Assessment Framework includes indicators which provide a background to the council's performance.

Further details can be found on CSCI's website -

http://www.csci.org.uk/council_performance/default.htm

Additionally the Annual Review Meeting letter, published on CSCI's website, http://www.csci.org.uk/council_performance/star_ratings/council_a_to_z/default.htm will indicate whether this user group has been identified as an 'area for improvement' and that the council's proposals fit with CSCI's expectations. A discussion with the Business Relationship Manager for the council is also essential before negotiating the target or the stretch.

Determining the level of reward

Targets in the area of older people's quality of life have previously justified a whole target.

INDICATOR

- **Percentage of households (including those without access to a car) within 30 and 60 minutes of a hospital with an outpatients' facility by public transport**

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

INDICATOR

- **Percentage of households (including those without access to a car) within 15 and 30 minutes of a GP by public transport**

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

INDICATOR

- **Local food procurement: percentage of all public sector organisations adhering to healthier nutritional standards**

Please refer to related indicator in the Economic Development and Employment Block (page 182).

INDICATOR

- **Transport planning and provision that takes account of needs of older people in availability and accessibility**

DfT is continuing to developing accessibility indicators. Increase in public transport patronage is recommended as a proxy indicator (BVPI 102).

INDICATOR

- **Rights of way and improved access to the countryside**

Please refer to related indicator in the Safer and Stronger Communities Block (page 98).

MAKING A POSITIVE CONTRIBUTION

INDICATOR

- **Numbers of older people using local facilities such as libraries, educational courses, leisure facilities, volunteering and participating more in the community generally, including services for older people helped to live at home**

Departmental owner: DCMS

Necessary clarifications/qualifications about the indicator

Libraries - participation by older people can be measured through total visits or broken down by numbers participating in reader development, adult learning sessions or People's Network use. Further guidance can be obtained from the Museum, Libraries and Archives Council.

The main indicator for older people using leisure facilities should be *Increase in the number of visits to swimming pools and sports centres by people aged over 60*. Further guidance on this and other proxy indicators can be found in Sport England's publication *Sport Playing its Part in Local Area Agreements*. It is acceptable for local authorities and partners to widen the definition of 'local facilities' to meet local circumstances.

Where older people are engaging in formal volunteering in the sports and cultural sectors, authorities can consider an average of one hour per week. In many cases the cultural and sporting sectors depend on volunteering for service delivery, but the volunteers actually give less than 2 hours a week in time. For example, out of 5.8 million sports volunteers aged over 16 in England, 40% contribute about one hour per week. Also, volunteering in schools is a key activity in the cultural sector and this can often be for 1 hour a week i.e. the length of one lesson.

Please also refer to indicators elsewhere in this block relating to independent living for older people and community engagement

INDICATOR

• Number of employees over 50

Please refer to related indicator in the Economic Development and Employment Block – “Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas” (page 157)

INDICATOR

• Number of job opportunities for people over 60/65, supported by appropriate training

Please refer to related indicator in the Economic Development and Employment Block – “Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas” (page 157).

INCREASE CHOICE AND CONTROL

INDICATOR

• Number of emergency unscheduled bed days occupied by a person aged 75 or over

Source of data

NHS Local Delivery Plans

Department Owner: DH

Necessary clarification/qualifications about this indicator

Number of emergency unscheduled acute hospital bed days is defined in the Department of Health guidance for Local Delivery Plans. In year bed-days of Finished Consultant Episodes (FCEs) where the admission method is reported as an emergency Hospital Episode Statistics (HES) field admissions method, codes 21, 22, 23, 24, 28) and where in-year bed days are defined as the difference between the date at the end of the episode and the date at the start of the episode, or 1 April of the data year (whichever is later). Data are on a commissioner basis.

For LPSA purposes emergency bed-days with the following primary diagnosis and external cause codes will be excluded:

- (i) Primary diagnosis codes
- (ii) A00-B9, relating to infectious and viral diseases
- (iii) O00-Q99, relating to abortion and complications and abnormalities arising in labour, delivery and the neonatal and prenatal periods
- (iv) External cause codes V01-V99, relating to vehicular accidents

To count in this target, a person aged 75 or over must be registered with a GP in PCT area(s) relating to the council; people who are registered with a GP outside the council's PCT area(s) will not be counted for the purposes of this target (even if resident in the council's area)

Period of measurement

Period of the agreement (cumulative number of bed days reduced).

Determining stretching performance

Stretch will be above the Local Delivery Plan agreed reductions. The standard required reduction is 5%. Projections beyond the LDP time period will need to be taken into account in setting the target. Where PCTs have a projected increase in the population aged 75 and over, this 'rising baseline' will need to be factored into the target setting. Primary Care Trusts should be involved in setting the target so that the LDP trajectory is always exceeded for reward element purposes.

Determining the level of reward

Increased life expectancy, quality of life and costs of treatment avoided because of reduced unscheduled bed days, should inform the level of reward. Hospital bed day reduction targets have previously justified a full target.

INDICATOR

• Proportion of older people supported to live in their own home

Source of Data

Personal Social Services Performance Assessment Framework and Local Social Care Data

Department Owner

DH

Necessary clarifications/qualifications about the indicator

Any one or combination of four indicators can be used:

- I) Older people helped to live at home (C32/ BVPI 54), defined as older people helped to live at home per 1,000 population aged 65 or over. Numerator of older people aged 65 or over helped to live at home at 31st March in end year. Denominator of population aged 65 or over (ONS mid-year estimate for 30th June of year).
- II) Intensive home care (C28/ BVPI 53), defined as households receiving intensive home care per 1,000 population aged 65 or over. Numerator of number of households receiving intensive home care (more than 10 contact hours and 6 or more visits during the week) during a survey week. Denominator of population aged 65 or over (ONS mid year estimate for 30th June of year).
- III) Reducing the number of people aged 65 and over being admitted to residential/nursing care (Moving-in indicator, local social care data). Individuals will be defined as having 'moved-in' to residential care if they have remained there for a continuous period of 6 months during the life of the agreement. Shorter stays are excluded. Individuals who move into residential nursing care, who die before the end of the six month period are excluded. Self reported residents who subsequently are funded by the council are excluded.

- IV) Increasing the number of people aged 65 and over being discharged from residential/nursing care (Moving-out indicator, local social care data). Individuals will be defined as having moved out if they have lived in residential/nursing care or long stay hospital for at least 12 months and have lived independently in the community for 12 months; with a new care plan, change in residence where they become tenants (with a rent book), live with family/friends or live with someone who is approved by a registered adult placement scheme. Temporary hospital stays will not affect eligibility provided they do not total more than six months of the qualifying period. Individuals who die after six months at home are eligible to be counted.

The overall effect of improved performance in indicators III and IV would be that the numbers of people in residential/nursing care should be reduced.

Period of measurement

Final year measurement at end of LAA period.

Determining stretching performance

Stretching performance should be negotiated with information from the Commission for Social Care Inspection (CSCI), responsible for performance assessment of councils. Data from the Performance Assessment Framework will provide background to the council's performance. Further details can be found at CSCI's website www.csci.org.uk/council_performance. Additionally, the Annual Review Meeting letter (published on CSCI's website) will indicate whether, in the star ratings process, this user group has been identified as an area for improvement and that the council's proposals fit with CSCI's expectations. A discussion with the Business Relationship Manager for the council is also essential before negotiating the target or stretch.

Determining the level of reward

Targets in the area of older people's quality of life have previously justified a whole target.

INDICATOR

- **Percentage of the population that are within 20 minutes travel time (urban areas by walking, rural areas by car) of three different types of sports facilities, of which one has achieved a quality assured standard**

Departmental owners: DfT/ DCMS

Necessary Clarifications/ qualifications for the above indicators

Easy access to quality sports facilities is one of the fundamental building blocks in providing the opportunity for getting people active and improving the health of the nation. This indicator looks at access in terms of travel time to quality facilities, using a walking travel time for urban areas, and a drive travel time for rural areas. The indicator uses the ONS Rural and Urban Area Classification 2004 to define urban and rural areas.

Together with physical access, the range of facility types is also essential in giving people a choice of different facilities. Greater choice in the different types of facilities which people have access to near where they live will increase the likelihood that people will become more active. The indicator is set at a choice of at least three different facility types, of which one must meet a recognised quality assurance standard, such as, QUEST,

out of a list of the following list of six facility types: Pools, halls, health & fitness, grass pitches, artificial turf pitches and golf courses

This indicator is also proposed by Sport England for inclusion in CPA.

Determining Stretching Performance

This indicator will be collected by Sport England through application of the Active Places sports facility database, census data and quality assurance lists. This analysis will be made available through Sport England website. The catchment analysis will be undertaken in September each year, and will be sent to the Audit Commission by October. Further details can be obtained from Sport England. A stretch of over 10% is deemed acceptable from current baseline score above the national average.

Determining the Level of Reward

When considering the level of stretch offered in relation to the potential performance reward grant, authorities, local health partners and DCMS will need to consider the following factors:

- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic levels of participation or particular problems in relation to communities.
- The type and scale of interventions required from LAA authorities and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the pump-priming grant is being used to best effect, and what other resources are being used to support achievement.
- Whether the proposals can reasonably be expected to deliver the anticipated impact on activity levels.
- Comparisons with evidence from delivery of similar targets that the proposal represents good value for money and is sustainable

Please also refer to related indicator “Transport – modal split and travel to work modal split” in the Safer and Stronger Communities Block (page 110).

INDICATOR

- **Adults and older people receiving direct payments on an ongoing basis**

Source of Data

Personal Social Services Performance Assessment Framework

Department Owner: DH

Necessary clarifications/qualifications about the indicator

Indicator defined as Performance Assessment Framework C51: Adults and older people receiving direct payments at 31 March of year per 100,000 population aged 18 or over (age standardised). This is a weighted average of four indicators which are calculated separately. The weight for each indicator is the percentage of the population of England aged over 18 and over that falls into the relevant age group (this achieves the age standardisation). The numerator is adults and older people receiving direct payments at 31 March (1. aged 18-64 2. aged 65-74 3. aged 75-84 4. aged 85 or over). Denominator is

the population of these ages (1. 18-64 2.65-74 3. 75-84 4. 85 or over). Source for this data is ONS mid year estimate for 30 June of that year. The NHS Health and Social Care Information Centre Website is at <http://www.ic.nhs.uk/>.

Period of measurement

Final year measurement at end of LAA period.

Determining stretching performance

Stretching performance should be negotiated with information from the Commission for Social Care Inspection (CSCI), responsible for performance assessment of councils. Data from the Performance Assessment Framework will provide background to the council's performance. Further details can be found at CSCI's website www.csci.org.uk/council_performance. Additionally, the Annual Review Meeting letter (published on CSCI's website) will indicate whether, in the star ratings process, this user group has been identified as an area for improvement and that the council's proposals fit with CSCI's expectations. A discussion with the Business Relationship Manager for the council is also essential before negotiating the target or stretch.

Determining the level of reward

Targets in the area of direct payments have previously justified a whole target.

ACHIEVE FREEDOM FROM DISCRIMINATION

INDICATOR

- **Services and amenities give particular consideration to older people**

Recommend a suite of indicators relating to services for older people from across this block.

INDICATOR

- **Numbers of older people in hard to reach groups able to access and participate in community activity**

Please refer to community participation indicators in the Safer and Stronger Communities Block (page 79 to 83).

ACHIEVE ECONOMIC WELL-BEING

INDICATOR

- **Numbers of older people in work**

Please refer to related indicator in the Economic Development and Employment Block – “Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas” (page 157).

INDICATOR

- **Annual average income of specific groups of older people**

Please refer to specific measures related to take up of benefits, such as attendance allowance, Council Tax Benefit, Pension Credit, Housing Benefit (page 55).

INDICATOR

• Take up of Pension Credit

Please refer to above indicator (page 55).

INDICATOR

• Level of energy efficiency of housing occupied by vulnerable groups

Please refer to related indicator in the Economic Development and Enterprise Block – “Improved energy efficiency/carbon performance of new housing stock” (page 94).

INDICATOR

• Number of vulnerable households in fuel poverty

Please refer to related indicator in the Safer and Stronger Communities Block (see pages 115 and 117).

INDICATOR

• Successful referrals to the Warm Front scheme (this could be acceptable as a stand-alone indicator but would be expected to be an intrinsic part of either of the two indicators above)

Please refer to related indicator in the Safer and Stronger Communities Block (see page 118).

INCREASE PERSONAL DIGNITY

INDICATOR

• Number of older people living in decent homes, whether social housing or privately owned

Source of data: BVPI data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

BVPI 184 is the Best Value indicator for non-decent social housing. It may be clearer for LAA reward element purposes to use the numerator of BV 184a only, rather than measuring the percentage of social housing which is non-decent. In any case, the absolute numbers, as well as the percentage, will be needed when negotiating targets.

Councils' priorities will usually cover both social and private housing. Local circumstances should determine whether LAA reward grant targets cover one or the other, or both areas. BV housing indicators measure dwellings, rather than numbers of people affected.

However, dwellings can be taken to equate to households, which seems a more practical measure of the outcome than trying to establish the number of individuals affected. There may be a case for focussing on particularly deprived areas or groups, and or families with children or older people. As a rule, this should be as well as (not instead of) the overall picture, to ensure additionality rather than substitution.

Determining stretching performance

“Without reward”: Current Housing Plans.

“With reward”: above this and other target expectations, but it cannot be at the expense of other Housing Plan targets.

Determining the level of reward

A simple approach to assessing whether the stretch in performance justifies the potential reward grant is by reference to the cost of bringing homes up to the decency standard. This will vary from area to area, depending on local housing and building costs and the position of the housing market generally, as well as the degree of work involved in bringing particular housing up to decency standards.

Government Offices should continue to use their knowledge of local costs and circumstances to reach a view on the relative "value" of local housing decency targets. It would seem reasonable to seek to establish an average "unit cost" to use as a benchmark above which reward grant could not be justified.

Different unit costs might be justified for different degrees of non-decency within the overall housing stock. (It is conceivable that different unit costs would be justified for different groups, e.g. vulnerable people, families with children or older people. But the logic of focussing on cost suggests that this would be over-refining the approach. Authorities should of course be focussing on the highest priority areas/groups.)

Local costs aside, it is generally desirable that Government Offices take a consistent approach to assessing the value of LAA reward grant targets. GOs may wish to convene a short discussion on the approach(es) taken to assessing Local PSA decent homes targets up to now, as one of the bits of work involved in coordinating LAA work. ODPM could help to facilitate such a discussion, while recognising that the expertise in this area lies within GOs.

REDUCE INJURIES AND IMPROVE HEALTH AT WORK

INDICATORS

- **Incident rate of fatal and major injuries at work**
- **Number of working days lost from work-related injuries and ill health**
- **Annual incidence rate of new cases of work related ill health**

It is not possible to measure these performance indicators at a local level. If local areas wish to develop related targets then the GO should contact DWP, who will refer them to the HSE to discuss the possibilities and feasibility of a target(s).

ECONOMIC DEVELOPMENT AND ENTERPRISE BLOCK

INCREASE EMPLOYMENT

INDICATOR

- An improvement by 2007/8 of at least one percentage point in the overall employment rate for those living in the Local Authority wards with the worst labour market position that are also located within the Local Authority District in receipt of NRF

Source of data

Labour Force Survey (LFS)

Departmental owners: DWP/ NRU

Necessary clarifications/ qualifications about the indicator

The small sample size means that the data will not be available for some wards.

The measurement used is not an average of four quarters but the Spring (March-May) quarter – this will not, therefore, take seasonal fluctuations into account.

Determining the stretching performance

Stretching performance should be agreed on improvement above the one per cent baseline, taking into account the impact that multiple levels of deprivation will have in some areas on their ability to exceed the baseline target.

Period of measurement

Four quarters to Spring (March-May) 2007

Determining the level of reward

The level of reward should be considered on an individual case basis, taking into account the impact that multiple levels of deprivation will have in some areas on their ability to exceed the baseline target.

INDICATOR

- A reduction by 2007- 08 of at least one percentage point of the difference between the overall employment rate for Great Britain and the employment rate of those living in the local authority wards with the worst labour market position that are also located within Local Authority Districts in receipt of NRF

Source of data

Labour Force Survey (LFS)

Departmental owners: DWP/ NRU

Necessary clarifications/ qualifications about the indicator

The small sample size means that the data will not be available for some wards.

The measurement used is not an average of four quarters but the Spring (March-May) quarter – this will not, therefore, take seasonal fluctuations into account.

Determining the stretching performance

Stretching performance should be agreed on improvement above the one per cent baseline, taking into account the impact that multiple levels of deprivation will have in some areas on their ability to exceed the baseline target.

Period of measurement

Four quarters to Spring (March-May) 2007

Determining the level of reward

The level of reward should be considered on an individual case basis, taking into account the impact that multiple levels of deprivation will have in some areas on their ability to exceed the baseline target.

INDICATOR

• **Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas**

Source of data: Local measurement

Department owner: DWP

Necessary clarifications/qualifications about the indicator

Both categories form part of the suite of Best Value Performance Indicators. Achieving a higher percentage doesn't necessarily mean more people have been recruited from Jobcentre Plus clients, it could be achieved by already employed people gaining jobs, or by increasing the number of existing employees who declare themselves as being disabled or from a Black and Ethnic Minority. To work out the level of reward grant justified any percentage increase will need to be translated into absolute numbers.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

The "without reward" will almost always be an improvement from current performance, though it may be permissible to maintain current position or allow a slight deterioration from it if a convincing case can be made.

"With reward" will need to be an improvement on the 'without reward' position.

Determining the level of reward grant

See criteria for the first indicator under the 'Reduction in poverty' outcome, plus:

- payment made by Jobcentre Plus to contractors for equivalent work
- level of disadvantage of client group
- number of Jobcentre Plus clients expected to be helped into employment

INDICATOR

• **The number of unemployed offenders that find and keep employment or vocational training for four weeks (shadow probation measure for those being supervised)**

Please refer to related indicator below related to employment of hard to reach groups (page 157)

INDICATOR

- **Reduce the incidence of child poverty, contributing to the national targets of halving child poverty by 2010**

Please refer to related indicators in the Children and Young People Block: "Level of material deprivation and low income," "Percentage of children living in low-income households" and "Percentage of children in households with no one in work" (page 53).

INDICATOR

- **Number of people claiming Job Seekers Allowance**

Source of data: DWP

Department owner: DWP

Necessary clarifications/qualifications about the indicator

The reward element activity would seek to increase the number of people in receipt of targeted benefits in the local authority area, and would normally include more than one benefit.

Targets that are focused on older people should be discussed and agreed with the Pension Service. Targets that involve Housing Benefit and Council Tax Benefit should be discussed and agreed with the DWP Local Authority Performance Division.

Determining stretching performance

The "without reward" will almost always be an improvement from current performance, though it may be permissible to maintain current position or allow a slight deterioration from it if a convincing case can be made.

"With reward" will need to be an improvement on the 'without reward' position.

Determining the level of reward grant

See criteria for the first indicator under the 'Reduction in poverty' outcome, plus:

- level of disadvantage of client group or difficulty in reaching them

INDICATOR

- **Reductions in the number of young people not in Education, Employment or Training**

Please refer to related indicator in the Children and Young People Block (page 49).

INDICATOR

- **Rate of economic activity**

A range of indicators from the Economic Development and Enterprise Block can be used to measure the local rate of economic activity.

INDICATOR

- **Number of people helped from disadvantaged groups and areas into sustained work of 16 hours a week or more for 13 consecutive weeks or more**

Source of data: Local authority data

Department owner: DWP

Necessary clarifications/qualifications about the indicator

Disadvantaged groups = the sick and disabled, lone parents, 50+, Black and Ethnic Minorities, and the low skilled.

This measure can be used to demonstrate stretched performance against an existing initiative run by the local authority or to show what will be achieved by a new project. Performance is measured by reference to client case notes.

The reference to 16 hours is important because it means that clients are not receiving out of work benefits. 13 consecutive weeks or more in a job is a good predictor of longer term sustainability.

Any initiative will need to concentrate on helping the hardest to reach and avoid dealing with clients who would normally be helped by Jobcentre Plus. There will need to be evidence from employers to verify that clients have been in work for at least 16 hours per week for 13 consecutive weeks or more.

Focusing on this outcome could also support the PSA target to eradicate child poverty and as such could feature as part of a child poverty reduction strategy.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

The "without reward" will almost always be an improvement from current performance, though it may be permissible to maintain current position or allow a slight deterioration from it if a convincing case can be made.

"With reward" will need to be an improvement on the 'without reward' position.

Determining the level of reward grant

Take into account:

- level of disadvantage of client group or difficulty in reaching them

INDICATOR

- **The number of people moving off inactive benefits***

*Jobseekers Allowance (JSA), Incapacity Benefit (IB), Severe Disablement Allowance, Disability Living Allowance (DLA), Income Support and National Insurance credits only (through JSA or IB)

Source of data: Local JCP data

Department owner: DWP

Necessary clarifications/qualifications about the indicator

This can be used at an authority or ward level and is based on DWP administrative data. Although expressed as a percentage the authority will need to say how many people the stretch represents to establish the level of reward grant justified.

One difficulty with this type of target is putting forward a convincing case as to what the performance will be 'without the reward element'. There are also risks to both sides from any change in the local or national economic climate.

There is also the consideration that the target could also act perversely to discourage people from claiming benefits to which they are entitled, and those who leave benefit do not always get work.

If the initiative is focused on particular wards it might be better to express the target in terms of reducing the percentage gap between the average take-up rate for the wards concerned and the local authority rate. It will probably be necessary to remove the DLA component of the suite of indicators since DLA is not an out of work benefit – it can be claimed whilst in work.

Period of measurement

Final year of the agreement, though scope for cumulative year targets.

Determining stretching performance

The "without reward" will almost always be an improvement from current performance, though it may be permissible to maintain current position or allow a slight deterioration from it if a convincing case can be made.

"With reward" will need to be an improvement on the 'without reward' position.

Determining the level of reward grant

See criteria for the first indicator under the 'Reduction in poverty' outcome.

INDICATOR

• The take-up of correct benefit and tax credit entitlements

Please refer to related indicator in the Children and Young People Block (page 55).

INDICATOR

• Percentage of a) people of working age and b) people in receipt of Jobseekers' allowance within 20 and 40 minutes of work by public transport

Please refer to related indicator "Transport – modal split and travel to work modal split" in the Safer and Stronger Communities Block (page 110).

INCREASING ENTERPRISE

INDICATOR

- **Local SME business survival rate**

This outcome is best measured VAT registrations – please refer to indicator below.

INDICATOR

- **Number of new businesses created and demonstrating growth after 12 months**

Source of data: ONS Inter-Departmental Business Register

Department owner: DTI

Necessary clarifications/qualifications about the indicator

New businesses created are measured by VAT registrations. An extract of all VAT-registered enterprises is taken each year for analysis purposes. For simplification purposes, the growth measure should be kept simple, for example all firms with at least 2 employees or a turnover of over £100,000 in the year after registration. This would be technically much easier than a measure linking together individual businesses' turnover and employment in the year of registration and the year following.

Note: Only businesses which reach the VAT threshold (currently £60,000 turnover per annum) have to register for VAT, although some do voluntarily register. Therefore VAT registrations data does miss some new businesses which are operating below the VAT threshold (or in VAT exempt sectors).

Note: New businesses can have more than one site (local unit) so some VAT registrations may include turnover and employment from outside the local authority.

Period of measurement

Annual.

Determining stretched performance

For a local authority to see a larger net change in the number of growth businesses than the regional (or England) average. Since the number of growth businesses may decrease as well as increase, as long as the decrease is smaller in the local authority district, stretched performance will be achieved.

Determining the level of reward

This target must represent value for money for the performance reward grant. Benefits can be seen in terms of re-generation of local communities, availability of local services, increased employment opportunities, a reduction in unemployment, increases in individual incomes per head, and increases in innovation, investment and skills due to new firm formation and increased competition.

INDICATOR

• Business satisfaction with business support provision

Source of data: Recommend local survey, no standard data exists (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Departmental owner: DTI

Necessary clarifications/qualifications about the indicator:

In the light of the Budget 2006 announcement about business support simplification, business support provision in LAAs must be fully linked to regional plans for business support, and integrated with such central brokerage providers as Business Link. LAAs should not be driving forward the continued creation of short term initiative and brands, but merging them, flexing what already exists and uniting the branding and access. A clear offering from the perspective of the customer is critical.

In capturing information about customer satisfaction it would be useful to include assessment of the ease of access to business support for the customer.

INDICATOR

• Number of people starting up in business or becoming self-employed, including those currently economically inactive

Source of data: National Research Opinion Poll by Acxiom (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Department owner: DTI

Necessary clarifications/qualifications about the indicator

The NROP survey has a minimum sample size of 750,000 per annum nationally (GB), which should provide an adequate sample for each Local Authority. Data is available back to 2001 for trend analysis. A sample size of 1,000 or more is considered necessary. This survey asks the question "Are you/your partner thinking about starting a new business" with the option of ticking "you", "partner" or "joint". It is a postal survey - but the methodology is being developed using other techniques to improve overall response. Data are weighted back to official population estimates to ensure results are representative.

Although not all people thinking about starting a business will actually start-up, this is thought to be a proxy measure of entrepreneurial activity.

Some LA's may propose using the TEA index from the GEM UK survey, which measures activity in new and nascent businesses. However, the sample sizes from this survey will not be large enough to be able to make assessments as a large change would be required to be sure that any increases are "statistically significant".

Period of measurement

Annual. Survey conducted January, results usually available December. Latest data available is for 2004.

Determining stretched performance

Stretched performance will need to be set at a level where there has been a statistically significant (at 90% confidence level) increase in the proportion thinking about starting a business. The increase required will depend upon the sample size in the area, and the baseline position, but it is likely to require a 2 percentage point increase in the proportion (for example from 10 to 12 per cent).

Performance without stretch will be to see an increase, which may not be statistically significant.

Determining the level of reward

Using local knowledge to determine how demanding an increase in people thinking about going into business would be. In areas with historically low levels of enterprise activity, this would clearly be more demanding. The rate of reward should be set by the GO according to these local economic conditions.

The benefits of an increase in the number of people considering going into business are an increase in local employment opportunities, and increase in local incomes. The costs are the cost of providing local business support.

INDICATOR

• VAT registrations

Source of data:

Small Business Service, based on data from the ONS Inter-Departmental Business Register. Data can be found at www.sbs.gov.uk/vats or on NOMIS at www.nomisweb.co.uk

Department owner: DTI

Necessary clarifications/qualifications about the indicator

We recommend a measure based on VAT registrations per 10,000 resident adults. To take into account changing economic conditions, a measure comparing the rate with the region or England average may be appropriate. However, total VAT registrations may also be considered as a measure of new business start-ups in an area.

Note: Only businesses which reach the VAT threshold (currently £60,000 turnover per annum) have to register for VAT, although some do voluntarily register. Therefore VAT registrations data does miss some new businesses which are operating below the VAT threshold (or in VAT exempt sectors).

Although data are based on the IDBR, local authorities should use the estimates published by the SBS which are adjusted to allow for recording lags.

VAT registrations are located at the 'Head Office' of the business, which may have sites (local units) in other areas of the UK. Local Authorities may wish to consider a measure of local units being created in their area as an indicator of economic development. Data on local units being created would need to be requested from the ONS Business Registers

Unit via a special data analysis, although some local authorities are already in receipt of data from the IDBR.

Period of measurement

Annual (calendar year).

Determining stretched performance

VAT registration rates to improve more than the regional (or England) average.

Determining the level of reward

The additional number of VAT registrations must meet value for money for the performance reward grant. The benefits of an increase in the number of VAT registrations are an increase in local employment opportunities, an increase in local incomes, and an increase in local output (GVA).

INDICATOR

• Self-employment rate

Source of data: ONS Local Labour Force Survey

Department owner: DTI

Necessary clarifications/qualifications about the indicator

Self-employment rates are measured as all self-employed people of working age divided by all people of working age. They are a proxy measure for the business stock – an increase in self-employment is a sign of more business activity by individuals.

Note: due to small sample sizes (450+ per LA) it may prove difficult to achieve a statistically significant increase in self-employment rates, so some smaller LAs may not be able to use this source. Also, although there is interest in ward-level self-employment data, the LFS sample is not sufficient to allow this level of analysis.

Period of measurement

Data available quarterly - rolling 4-quarter averages.

Determining stretched performance

"Without reward": A statistically significant increase (at the 90% Confidence level) in self-employment rates.

"With reward": A statistically significant increase (at the 95% Confidence level) in self-employment rates.

Determining the level of reward

An increase in self-employment rates must meet value for money for the performance reward grant. The benefits are an increase in local employment activity, an increase in local incomes, and an increase in local output (GVA).

INDICATOR

• New start-ups supported

Source of data: Business Link Management Information

Department owner: DTI

Necessary clarifications/qualifications about the indicator

Pre-starts are individuals who are thinking about starting up a business, and who are receiving advice and support from local Business Links on setting up a business.

There is evidence that those who receive advice at start-up are more likely to go on to run successful businesses.

Business Link data will not capture all those seeking external business advice but data on other sources used is poor. However, Local Authorities can consider other data sources if they can prove their validity.

Period of measurement

Quarterly (calendar year)

Determining stretched performance

Performance without reward grant would be established by the performance anticipated in targets agreed with the local Regional Development Agency. Stretch performance would be anything beyond this.

Determining the level of reward

The additional number of pre-start customers must meet value for money for the performance reward grant. Factors to take into account in considering the value for money are benefits to the individual of the advice received, and conversion rates into new start-up businesses which benefit the local community.

INDICATOR

• New social enterprises

Source of data

At a national level, the SBS Social Enterprise Unit (SEnU) and Analytical Unit are working on a national estimate of the Social Enterprise population, based on the Government definition of a social enterprise which is "A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners". However, no estimates at a Local Authority level will be possible as this is based on a sample survey which would not be robust at a local level.

However, if the local authority is able to produce its own robust, auditable data, based on the accepted definition of a Social Enterprise, then this indicator can be considered. It is suggested that Local Authorities used the questions already piloted in the SBS Annual Small Business Survey 2005 (questions 43 to 46) http://www.sbs.gov.uk/SBS_Gov_files/researchandstats/annual-survey-questionnaire-2005.pdf to help identify Social Enterprises, based on profits, sales, social objectives etc. since research in this area has shown that some businesses consider themselves Social Enterprises when they do not meet the definition, and vice versa.

Department owner: DTI

Necessary clarifications/qualifications about the indicator

Government Offices will need to ensure RDAs are fully involved in setting reward targets as the targets would need to fit within the overall regional context and priorities. A stretch LPSA target in this area has not been negotiated to date. The Local Authority would have to work with the Partners to agree how best to meet local needs, and how to collect the data required to set a baseline and suitable stretch targets.

Determining stretched performance

We would expect year on year improvement for the without reward target and stretching performance would be beyond this. The level of stretch that would be acceptable will vary according to local circumstances.

Period of measurement

For the LA to set.

Determining the level of reward

This should be driven by local circumstances.

INCREASING COMPETITION

INDICATOR

• Employment by sector

Source of data

See employment indicator in the cross-cutting section. Supplementary data may also be available from the Regional Development Agency, Business Link, Job Centre Plus, Learning and Skills Councils and Sector Skills Councils.

Department owner: HMT

Necessary clarifications/qualifications about the indicator

Any local policy efforts in this area must be entirely consistent with European State Aid rules and the local authority is fully responsible for ensuring this is the case. Government Offices will need to ensure that this indicator is appropriate given the circumstances and is fully consistent with the plans set out in the Regional Economic Strategy, and that RDAs are fully involved in setting any targets. The indicator is focused on local improvements above and beyond the trend rate.

Period of measurement

Financial year

Determining stretch performance

Performance without the reward grant will depend upon historical trends and the performance of the authority in this area in prior years. Consideration should be given to the degree of causality involved in agreeing targets in this area (i.e. to what extent are the trends the result of local authority activity).

Performance with the reward grant is likely to be negotiated by adding a percentage stretch improvement on the current position *above and beyond* trend. Again, this should be driven by a solid assessment of the degree of causality and outside factors that may be

driving trends (i.e. a growth beyond trend may be the result of highly noticeable external factors).

Determining level of reward

This must be driven by local circumstances. LAs, GOs and RDAs should employ regional and local knowledge to judge how demanding the targets are and also the degree of causality involved. The rate of reward (and the trigger for the reward) should be set by the GO according to these local labour market conditions (and external factors and trends).

INDICATOR

- **Number of businesses assisted to improve their performance**

Please refer to related indicator “New start-ups supported”

INDICATOR

- **Level of reported crime against business**

Source of data: To be developed locally – see guidance on page 67 above.

Department owners: DTI / Home Office

Necessary clarifications/qualifications about the indicator

Local Authorities will need to work with the Crime and Disorder Reduction Partnership to develop a suitable source for this measure, which may require a special survey to be conducted in 2006, 2010 and one or two interim points in time.

Period of measurement

Annual

Determining stretched performance

The level of stretched performance should be agreed locally, based on past trends and expected improvements.

Determining the level of reward

The cost savings of this intervention to be considered when agreeing reward are savings on police time, and costs to business (insurance claims, lost business during closures for vandalism etc).

INCREASING INVESTMENT

Indicators at neighbourhood and priority group level to be agreed in negotiation

INCREASING SKILLS

INDICATOR

Number of people assisted in their skills development to include:

- Number of adults gaining basic skills as part of the Skills for Life Strategy
- Number of basic skills awards to offenders in custody and the community

- Number of adults who are supported in achieving at least a full first level two qualification or equivalent
- Skills levels in particular business sectors
- Increased take-up of adult learning opportunities through public libraries

Source of Data

Learning & Skills Council data from Individualised Learner Record (ILR) returns, local authority data and data from Human Resources (HR) records in private organisations.

Department Owner

DfES

Necessary clarifications/qualifications about the indicator

Definitions and measurement as per the national PSA. The national PSA target is to improve the basic skill levels of 2.25 million adults by 2010, with a milestone of 1.5 million by 2007. The PSA technical notes can be found at <http://www.dfes.gov.uk/SR2004/PSA/>

The national Skills for Life PSA target measures the number of those aged 16 and above in England, who have left compulsory education excluding those in school sixth forms who significantly improve their basic skills. The target refers to numbers of adults not qualifications.

Improvement refers to the individual passing an appropriate attainment threshold in: Literacy, Numeracy or English for Speakers of Other Languages (ESOL) at Entry Level 3, Level 1 or Level 2

Based on the National Standards developed by the Qualification and Curriculum Authority.

Key Skills test in Application of Number or Communication at Level 1 or Level 2 GCSEs in Maths or English.

There will be portfolio-based assessment for some, especially those at the lowest skill levels. Guidance on what counts towards the Skills for Life target is set out in Section 8 of the Funding Guidance for Further Education in 2005/06, available on the LSC website at www.lsc.gov.uk. Although the very lowest levels, entry levels 1 and 2, do not contribute directly to the PSA target they are covered by the Skills for Life strategy and as such where need is identified at these levels provision should be made available.

Determining stretching performance

Performance without reward grant would be established by the performance anticipated in targets set by the Learning and Skills Council (LSC) and taking account of the outcomes of the 2006 spending review. Stretching performance will therefore be beyond this. The acceptable level of stretch will vary according to the size of the local authority and local skills needs and circumstances.

Determining the level of reward

The additional number of adults achieving basic skills if the target is met must offer value for money for the performance reward grant. Various factors need to be taken into account in considering the value for money including the relative costs of achieving the qualification, the benefits to the individual, other benefits to the wider community and the funding already provided for the achievement of adult basic skills targets.

INCREASE HOUSING SUPPLY IN A SUSTAINABLE WAY

INDICATOR

- **Increase housing supply in a sustainable way by at least 20% above the Sustainable Communities Plan baseline (i.e. pre-2003 levels), with overall housing growth of at least 500 homes per year in the local authority area**

Source of data: Local authority data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator and determination of stretched performance and level of reward

This is a long-term target and a 20% uplift in housing delivery above 2003 levels may not be achieved on an annual basis by the local area. However, if this uplift can be achieved by some areas annually, the target is a 20% uplift and the stretch would be a percentage uplift higher than 20% (e.g. 30% or above, depending on local circumstances), to be set by the relevant Government Office.

INDICATOR

- **Increase housing supply in a sustainable way by at least 20% above the Sustainable Communities Plan baseline (i.e. pre-2003 levels), with overall housing growth of at least 500 homes per year in the local authority area**

Source of data: Local authority data

Department owners: ODPM

Necessary clarifications/qualifications about the indicator and determination of stretched performance and level of reward

This is a long-term target and a 20% uplift in housing delivery above 2003 levels may not be achieved on an annual basis by the local area. However, if this uplift can be achieved by some areas annually, the target is a 20% uplift and the stretch would be a percentage uplift higher than 20% (e.g. 30% or above, depending on local circumstances), to be set by the relevant Government Office.

INDICATOR

- **Completion of preparatory works for major development sites, including: site clearance/remediation works and provision of site infrastructure to allow development to proceed**

Source of data: Local authority data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator and determination of stretched performance and level of reward

Local areas and Government Offices should agree realistic deadlines for the completion of preparatory works on major development sites. These milestones should be clearly set

out in the accompanying growth plan. If preparatory works are completed ahead of agreed deadlines, allowing for development to proceed more quickly, performance reward grant may be payable. The rate of reward and the trigger for it should be set by the relevant Government Office according to local circumstances.

INDICATORS

- **Completion of stages of construction for key infrastructure projects (e.g. town centre improvements, transport projects, health/education/civic/cultural amenities, green infrastructure)**
- **Completion of construction phases of housing for sale**

Source of data: Local authority data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator and determination of stretched performance and level of reward

Local areas and Government Offices should agree realistic deadlines for the completion of stages of construction of key infrastructure projects that support sustainable housing growth and housing for sale. These milestones should be clearly set out in the accompanying growth plan. If works are completed ahead of agreed deadlines, performance reward grant may be payable. The rate of reward and the trigger for it should be set by the relevant Government Office according to local circumstances.

INDICATOR

- **Number of homes delivered in the local authority area**

Source of data: Local data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator and determination of stretched performance and level of reward

Local areas and Government Offices should agree realistic deadlines for the completion of stages of construction of key infrastructure projects that support sustainable housing growth and housing for sale. These milestones should be clearly set out in the accompanying growth plan. If works are completed ahead of agreed deadlines, performance reward grant may be payable. The rate of reward and the trigger for it should be set by the relevant Government Office according to local circumstances.

INDICATOR

- **Number of jobs created or safeguarded in the local authority area**

Please see related indicators above

INDICATOR

- **Amount of private sector investment attracted to site/intervention**

Please see related indicators above

INDICATOR

- **Percentage of new housing within the growth point that meets level three in the Code for Sustainable Homes**

Source of data: Local authority data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator and determination of stretched performance and level of reward

Local areas and Government Offices should agree a baseline and target rate of new homes that meet at least level three in the Code for Sustainable Homes. This target should be set out in the growth plan. The rate of reward for exceeding this target and the trigger for it should be set by the relevant Government Office according to local circumstances. Alternative indicators/targets which promote greater sustainability in the provision of new housing may be negotiated between the local area and the Government Office.

INDICATOR

- **Improved energy efficiency/carbon performance of new housing stock (measured under sustainable production and consumption targets)**

Please refer to related indicator in the Safer and Stronger Communities Block (page 94).

INDICATOR

- **Investment in reclaiming and redeveloping brownfield land**

Source of data: National Land Use Database (NLUD), flows measured against annual returns provided by local authorities

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

Government policy is for at least 60 per cent of new housing to be provided through the reuse of PDL, or through the conversion of buildings. Equivalent targets do not exist for commercial/employment land uses but consideration is being given to the need for targets to be introduced for these uses. Between

2002 and 2005 around 25 per cent of long-term and medium-term derelict or vacant land [1] reverted to the natural landscape and a further 10 per cent was converted to public open space.

Period of measurement

Fiscal year preceding. The NLUD data is compiled as at 31st march each year, with local authorities being asked to complete their returns by 30th September.

Determining stretched performance

"Without reward": As a minimum, needs to meet the minimum target of 60 per cent for new housing on PDL, or through the reuse of buildings, or such locally agreed target that may be agreed in the absence of a sufficient supply of brownfield land and buildings. A locally agreed "without reward" target will also be needed for commercial/employment uses or for land to be restored for public open space or assisted to revert to natural landscape.

"With reward": Will need to be above the 60% (or targets agreed with ODPM brownfield policy team) for Housing. In addition, targets will need to be agreed for new commercial/employment development on PDL, for the 141 conversion of derelict and/or vacant land to public open space, or the assisted reversion to a natural state.

A minimum threshold size of 0.25 hectares has been applied to NLUD data collection since 2003. This was applied to encourage authorities to complete their returns, as these are not mandatory at present. The threshold has the effect of reducing the numbers of sites recorded in some authorities quite significantly, with only a relatively small reduction in land area. However, this results in small 'eyesore' sites falling below the radar in many authorities. A condition for achieving stretched performance is the inclusion in annual returns of sites below the 0.25 hectare threshold.

Determining the level of reward

The reward per hectare redeveloped for housing or commercial/employment use, or converted to public open space, or assisted to return to a natural state must be driven by local circumstances but should achieve value for money in every case. The rate of reward (and the trigger for the reward) should be set by the GO according to local circumstances with consideration being given to: the relative level of local demand for brownfield land; the length of time a site had remained derelict; the degree of remediation involved to prepare the land for development and the amount of private sector investment drawn in.

INDICATOR

• Level of local transport congestion

Source of data: Indicators under development by DfT

Department owner: DfT

Necessary clarifications/qualifications about the indicator

Average vehicle delay (time lost per vehicle kilometre, measured against a reference journey time derived from a reference speed). Average vehicle delay is the current mandatory Local Transport Plan (LTP) congestion indicator for those authorities required to set congestion targets in their LTPs and is specified in the LTP guidance of December 2004.

Average person delay (time lost per person per kilometre travelled, measured against a reference journey time derived from a reference speed). DfT is currently working with local

authorities in the ten largest urban areas to develop a new measure of average person delay (time lost per person per kilometre travelled, measured against a reference journey time), reflecting the network's purpose to transport people (and goods) rather than vehicles per se. However, average person delay is just one of a basket of indicators proposed by the Congestion Monitoring Working Group (CMWG) in 2004 following joint working with DfT and deemed suitable for monitoring congestion in the context of Local Transport Plans and to inform SR2004.

New indicators are under development by DfT.

Surveys in final year in same months as surveys for base data and target.

Authorities will need to set selected routes for monitoring and justify the level of temporal coverage (e.g. on the basis of most frequented, most congested, of strategic importance, etc). The proposal must be accompanied by a justification that it is an accurate representation of the local network.

In order to avoid perverse incentives to the authority, indicators may need to be qualified, e.g. "without reducing the number of people entering the city centre overall" or "without an increase in congestion (beyond what would be expected with normal traffic growth) on adjacent routes". In addition to the reward element criteria for a 'stretching' target beyond what is offered in the LTP, all proposed indicators should meet the following criteria:

- can be used for performance monitoring, i.e. can be measured and forecast;
- can be used to inform network management;
- can be used to provide meaningful information to the public;
- are relevant, robust and transparent, and ideally can be disaggregated at various temporal and spatial levels according to the uses identified.

Survey methods to collect data should be in line with those used for parallel LTP targets.

Determining stretching performance

Performance "without" the reward grant is likely to be determined by the performance of an authority in prior years. Consideration will also be given in large part to the LTP target that an authority has set or will be responsible for delivering (if part of a conurbation).

Performance "with" the reward grant is likely to be negotiated by adding a percentage stretch that is compounded year-on-year on top of their current LTP target, but consideration will also be given to how well an authority has been delivering against its 2010 targets.

Determining the level of reward

Value for money is assessed on the value of the time saved on the specified journeys (i.e. the reduction in delay), broken down by mode of transport. The basis of this appraisal can be found at:

http://www.webtag.org.uk/webdocuments/3_Expert/5_Economy_Objective/3.5.6.htm#1_2f

INDICATOR

- **Average travel to work times**

Please refer to above indicator "Level of local transport congestion"

INDICATOR

- **Rate of planning applications processed to the nationally set standards**

Source of data: Local data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

Planning Delivery Grant already rewards councils' performance on handling planning applications. PDG includes scope for rewarding performance over and above nationally set targets. There may therefore be relatively few planning authorities coming forward with proposals to attach performance reward grant to this indicator, given the likely difficulty of stretching performance beyond that assisted by PDG (there could be no question of rewarding the same performance improvement twice). This issue would need to be clarified early on during any discussions of such proposals.

Determining stretching performance

Stretched performance would by definition exceed the nationally-set targets, and the council's own expectations about exceeding those targets. In principle, it would also depend partly on current local performance, the recent rate of improvement etc. If there is scope to incentivise even more stretching performance, separately from and in addition to, PDG this can be discussed.

Determining the level of reward

The Planning Delivery Grant scheme would be a useful starting point when deciding a level of reward grant representing value for money for the stretch being proposed.

INDICATOR

- **Number of businesses attracted to the area**

Source of data: Ernst and Young European Investment Monitor (EIM)

Department owner: DTI

Necessary clarifications/qualifications about the indicator

Launched in 1997, the European Investment Monitor shows which companies are locating where in Europe, to monitor inward investment to an area. The location of the origin country is held, as well as employment details, sector etc of the inward investment.

Ernst and Young have a dedicated research team monitors more than 9,000 sources daily. The sources utilised encompass:

- Global, national, regional media
- Newswires, news sites
- Specialist industry sector / business media
- Location media
- Company web sites
- Government web sites

New, verified EIM projects are released to subscribers on a quarterly basis – one month after the end of each quarter, two months after year end.

135

Drawbacks are that the data may not be comprehensive - it does not include projects where there is no publicity or Mergers & Acquisitions (over 50% controlling interest) and some projects in the retail, utilities, hotel and leisure centre sectors. Data is therefore inconsistent with that collected by UKTI, with the help of the RDAs, in line with the inward investment output definitions agreed by the Committee on Overseas Promotion.

Free access to this data resource is enabled by the UKTI section of DTI for RDA's and some local authorities may already have access. A free 14-day trial is available via www.eyeim.com

Period of measurement

Annual (calendar or financial year), or quarterly

Determining stretched performance

Local Authorities should monitor past trends to set a stretch target for their area

Determining the level of reward

The following should be considered when deciding on the level of reward. The benefits of encouraging inward investment can be seen in terms of regeneration of local communities, availability of local services, increased employment opportunities, a reduction in unemployment, increases in individual incomes per head, and increases in innovation, investment and skills due to new firm formation and increased competition.

INDICATOR

• Reduction of vacancy rates of commercial premises

Source of data

Data on vacancy rates are published by ODPM at http://www.devolution.odpm.gov.uk/pub/177/CommercialandIndustrialPropertyVacancyStatisticsEngland200304PDF272Kb_id1146177.pdf

The following report highlights issues with the data and http://www.odpm.gov.uk/pub/261/TechnicalreportDevelopmentofcommercialandindustrialvacancystatistics_id1164261.pdf

Some local councils (for example Devon: http://www.devon.gov.uk/index/business/comprop/vc_property.htm) publish individual property details.

Departmental owner: DTI

Necessary clarifications/qualifications about the indicator

Some thought and consideration at a local level is required to decide whether vacancy rates is the most suitable measure, depending on what the local authority is trying to achieve. For example, a high rate could be due to low demand or unsuitable premises (supply issues). If the former (a low business density), then the indicators on businesses

attracted to the area, or VAT registration rates (start-ups) may be more appropriate. Published data on vacancy rates show that for some Local Authorities, annual data are subject to large fluctuations, and only by understanding the reasons for the large changes can a sensible target be reached.

As the target could be achieved by simply limiting the supply of business premises (e.g. demolition rather than regeneration), it is important that the total number of business premises is also taken into account in agreeing reward and targets. Also, new premises may be developed which take time to be filled, which could be a positive development in the long-run but might not show up immediately in a reduced vacancy rate. Therefore the creation of new business premises should also be tracked and a supplementary measure on this could also be included.

Government Offices will need to ensure RDAs are fully involved in setting reward targets as the targets would need to fit within the overall regional context and priorities. A stretch LPSA target in this area has not been negotiated to date. The Local Authority would have to work with the Partners to agree how best to meet local needs, and how to collect the data required to set a baseline and suitable stretch targets.

Determining the stretching performance

We would expect year on year improvement for the without reward target and stretching performance would be beyond this. The level of stretch that would be acceptable will vary according to local circumstances.

Period of measurement

For the LA to set

Determining the level of reward

This should be driven by local circumstances

INCREASING INNOVATION

INDICATOR

- **Increase total entrepreneurial activity among the population in deprived areas**

This outcome is best measured by VAT registrations – please refer to indicator above.

INDICATOR

- **Percentage of sales accounted for by new or improved products**

Source of data: Based on the Community Innovation Survey. First findings from the UK Innovation Survey 2005 is available at: http://www.statistics.gov.uk/articles/economic_trends/ET628.PDF (please see advice in section 7 of the annex to this document on issues around the conduct of random sample surveys as the basis of reward element indicators).

Regional Development Agencies may be an additional data source.

Departmental owners: DTI

Necessary clarifications/qualifications about the indicator:

The CIS covers some service sectors, and there is sufficient data at the regional level to compute indicators. But sub-regional indicators are not in general practicable to compute because of small numbers of responses.

Business support provision in LAAs must be fully linked to regional plans for business support, and integrated with such central brokerage providers as Business Link. LAAs should not be driving forward the continued creation of short term initiatives and brands, but merging them, flexing what already exists and uniting the branding and access. A clear offering from the perspective of the customer is critical.

Determining the stretching performance

The level of stretched performance should be agreed locally, based on past trends and expected improvements.

Period of measurement performance

For LAs to determine.

Determining the level of reward

Factors to take into account include the extent to which increases in innovation, investment and skills occur due to new firm formation and increased competition.

INDICATOR

• Number of patents granted

Sources of data:

This is based on data from the Patent Office and OECD for the UK as a whole. It cannot currently be sensibly computed at regional or local level. The Office for the Harmonisation of the Internal Market may hold relevant data - <http://oami.eu.int/en/default.htm>

Regional Development Agencies may hold some relevant data.

Departmental owners: DTI

Necessary clarifications/qualifications about the indicator:

Government Offices would need to ensure RDAs are fully involved in setting reward targets as the targets will need to fit within the overall regional context and take into account targets and measures data held by the RDAs.

Determining the stretching performance

Performance without reward grant would be established by the performance anticipated in targets agreed with the Regional Development Agency. Stretch performance would be anything beyond this. As no current regional breakdown of patent information is currently available it is difficult to determine a stretch target any other way.

Period of measurement performance

For LAs to determine locally

Determining the level of reward

This should be driven by local circumstances and regional priorities

INDICATOR

• Knowledge transfer from HEIs – spinouts created

Source of data:

Compiled by OST at a national level to meet the requirements of PSA2. The HEBIS survey includes these indicators for individual HEIs.

Regional Development Agencies may hold some data.

Departmental owner: DTI

Necessary clarifications/qualifications about the indicator:

Government Offices would need to ensure RDAs are fully involved in setting reward targets as the targets will need to fit within the overall regional context and take into account targets and measures data held by the RDAs.

Determining the stretching performance

The level of stretched performance should be agreed locally, based on past trends and expected improvements.

Period of measurement performance

For LAs to determine locally

Determining the level of reward

Factors to take into account include the HEI pattern and Research Assessment Exercise (RAE) distribution.

INDICATOR

• Facilitating Research and Development investment

Source of data:

Business R&D expenditure is compiled by ONS and published, at a regional level, in MA14, available on the ONS website (www.statistics.gov.uk)

Regional Development Agencies may hold some data.

Departmental owners: DTI

Necessary clarifications/qualifications about the indicator:

Government Offices would need to ensure RDAs are fully involved in setting reward targets as the targets will need to fit within the overall regional context and take into account targets and measures data held by the RDAs.

Determining the stretching performance

The level of stretched performance should be agreed locally, based on past trends and expected improvements. A year on year improvement would be expected.

Period of measurement performance

For LAs to determine locally

Determining the level of reward

The level of reward should be determined locally

INDICATOR**• Facilitating hi-tech businesses****Source of data:**

This collapses to a combination of Community Innovation Survey, Patent Office and R&D measures.

Regional Development Agencies may hold some data.

Departmental owners: DTI

Necessary clarifications/qualifications about the indicator:

Government Offices would need to ensure RDAs are fully involved in setting reward targets as the targets will need to fit within the overall regional context and take into account targets and measures data held by the RDAs.

Other indicators contribute to this indicator, and the measurement of facilitation is closely tied to business support indicators.

Determining the stretching performance

The level of stretched performance should be agreed locally, based on past trends and expected improvements.

Period of measurement performance

For LAs to determine locally

Determining the level of reward

The level of reward should be determined locally. This needs to take into account the regional landscape and the extent to which the intervention reflects the specific local needs.

DEVELOP SUSTAINABLE PRODUCTION AND CONSUMPTION**INDICATOR****• Increasing the number of businesses participating in environmental management systems****Data source**

A national database of UK organisations with accredited certification to

ISO 14001 has been compiled by the Institute of Environmental Management and Assessment from data supplied by UKAS accredited Certification Bodies and is supported by Defra. IEMA will also be responsible for compiling a central register containing key data on all companies participating in BS 8555.

Departmental owner: Defra

Necessary clarifications/qualifications about the indicator

This indicator has not been used before for an LPSA. However, It measures the number of businesses using externally certified environmental management systems.

Environmental management has become a core business issue for many organisations and many now use environmental management systems. Minimising the amount of waste that is produced, reducing energy consumption and making more efficient use of resources can all lead to financial cost savings, in addition to helping to protect and enhance the environment. The EMS must meet the requirements of the International Standard BS EN ISO 14001. Companies can also choose to implement the EMS using a flexible staged approach which breaks the process down into clearly defined manageable steps leading to UKAS accredited certification to the national standard BS 8555. .

Determining stretching performance

These national database and the central register (see data sources) could potentially provide a benchmark for the average number of businesses participating in the scheme according to local authority, post code or geographical region. Stretched performance would involve increasing the number of businesses participating above the national benchmark.

Determining the level of reward

Level of reward would have to be determined taking into account the following key factors:

- Current numbers of businesses participating and variance from national benchmark
- Cost reduced in an average business by implementing an EMS
- Evidence of improved performance data on e.g. waste, energy, and raw materials

Without reward": Depending on local circumstances - usually some improvement from current performance, but maintaining current performance may be acceptable. Deterioration from current performance not permissible.

"With reward": Will need to be better than current performance. Confidence interval needs to be accounted for when assessing levels of stretch.

To note

A stretch target in this area has not been developed or negotiated before and it is at this stage unclear exactly how this would work. Therefore developing a reward target in this area would involve significant work with Defra.

INDICATOR

- **Increasing the number of businesses participating in corporate social responsibility initiatives**

Source of data:

No comprehensive data on number of businesses participating on CSR exists. The availability of this information is premature as CSR is still developing within business and

no authoritative assessment has been made on CSR as yet. Main indicator is the number of companies producing CSR reports.

There are a number of websites which provide information in this area. These are:

www.audit-commission.gov.uk/areaprofiles

<http://www.neighbourhood.gov.uk/publications.asp?did=1414>

<http://www.bitc.org.uk/resources/research/statbank/index.html>

Departmental owner: DTI

Necessary clarifications/qualifications about the indicator

- Evidence of Local Authority agreement to support business take up of CSR
- Extent to which evidence required is focused on local businesses or large corporates spanning a number of localities.

Determining the stretching performance

As no quantitative evidence is available on current levels of business buy into CSR, it will be difficult to determine a stretched target around business take up of environmentally friendly CSR.

Period of measurement performance

To be determined locally and influenced by availability of data

Determining the level of reward

Local Authorities should monitor past trends to set a stretch target for their area.

Local Authorities should identify the potential benefits which an area might see in participating in CSR. Determining reward could be identified by the extent to which local businesses are operating with organisations from the third sector within a locality. They could plot developments in a business' given activities across a given time frame. They could also work with charities/local organisations to survey benefits gained by working with business.

INDICATOR

• Proportion of spend on sustainable procurement

Data sources

There is no nationally available data at this stage, although the Sustainable Procurement Task Force is working to produce an evidence base and key performance indicators which should be available by April 2006. However, if the local authority is able to produce their own robust, auditable data, then this indicator can be considered for reward.

Departmental owner: Defra

Necessary clarifications/qualifications about the indicator

This indicator has not been used before for an LPSA. However it could measure the proportion of spend by local authorities on sustainable procurement.

Sustainable procurement offers many opportunities including

- Reducing environmental impacts
- Using public resource more efficiently e.g. through reduced energy and reduced packaging
- Stimulating the market to innovate and produce more cost-effective, sustainable options for purchasers
- Setting an example to local businesses about taking sustainable development seriously.

Determining stretching performance

The local authority would need to hold a data set stretching back 3 previous years to project a trend into the future, with stretch to be applied. The stretch would be a substantial improvement on the current trend within the period of negotiation.

Determining the level of reward

To be negotiated. To potentially take into account the following

- Value of goods
- Reduction in resource use (e.g. energy, water, waste)

To note:

A stretch target in this area has not been developed or negotiated before and it is at this stage unclear exactly how this would work. Therefore developing a reward target in this area would involve significant work with Defra.

INDICATOR

• Percentage of food products used being locally produced and supplied

Departmental owner: Defra

Necessary clarifications/qualifications about the indicator

This indicator has not been used before for an LPSA. However it can measure the proportion of local food sourced by local authorities for the public sector (e.g. schools, hospitals, day-care centres, meals-on-wheels, nursing homes). Local food supports the local economy, boosts local enterprise and has the potential to reduce congestion (from lowering the amount of food transported around the country by road freight) & road accidents which costs £3.5bn per year. ,.

Sustainable food procurement can offer many opportunities:

- UK local economies more sustainable
- Small and medium sized more competitive
- Animal welfare improved
- Healthier happier communities
- More sustainable environment
- Savings from waste minimisation and reduce hospital stays
- Better performing students and workforce
- Diversity of ethnic and religious groups catered for

There is no single definition of local food. However the most widely accepted definition is that used by farmers' markets to identify producers who are entitled to sell there. This can be summarised as: food produced,

processed, traded and sold within a defined geographical radius, usually 30 miles.

There is no nationally available data at this stage, but if the local authority is able to produce their own robust, auditable data, then this indicator can be considered for reward.

Determining stretching performance

The local authority would need to hold a data set stretching back 3 previous years to project a trend into the future, with stretch to be applied. The stretch would be a substantial improvement on the current trend within the period of negotiation.

Determining the level of reward

To be negotiated. To potentially take into account the following

- Value of local goods
- Reduction in cost from congestion & road accidents
- Possibly a measurement of any savings gained from procuring locally, – if that is possible?

To note:

A stretch target in this area has not been developed or negotiated before and it is at this stage unclear exactly how this would work. Therefore developing a reward target in this area would involve significant work with Defra.

INDICATOR

• Recycling of non-biodegradable non-municipal commercial waste

Source of data:

Waste Data Flow or authority's own data

Department owner: Defra

Period of measurement

Financial years. End is measured by performance in final year of and is not cumulative.

Necessary clarifications/qualifications about the indicator

There are a number of measures that local authorities can take to improve commercial waste recycling:

- Helping small businesses to secure environmentally beneficial solutions through providing incentives, influencing them or building their capacity.
- Local authorities are required to arrange for the collection and disposal of commercial waste and they have the power to charge for this service. As part of their LAA they could do more on commercial waste by:
 - collecting goods for recycling at civic amenity sites, or at the kerbside, for small business and other commercial customers, at a reasonable charge;
 - using charging structures to increase business waste recycling.
- Local Authorities could stimulate markets for recycled products through their procurement decisions;

- Local Authorities could manage their own business to reduce waste and increase recycling and recovery;
- Local Authorities could facilitate engagement with business on advice on how to increase resource efficiency and realise the economic opportunities of recycling and energy recovery;
- Local Authorities could facilitate the procurement of recycling collection services for businesses (including local authority contracts providing for larger facilities that can serve businesses).
- Local Authorities could encourage the provision of recycling collection facilities in homes, shopping centres, workplaces and schools – using planning and other powers where appropriate.
- Use of variable charging, for example for business waste, so that the 'polluter' pays

Determining stretching performance

For all of the stretch targets, the following need to be established:

- The baseline (i.e. what is the current performance)
- The expected performance in the final year of the stretch without the stretch target (without)
- The expected performance in the final year of the stretch taking into consideration the stretch target (with)

The difference between the expected performance in the final year of the stretch without the stretch target and expected performance in the final year of the stretch taking into consideration the stretch target is the stretch performance.

Authorities will be able provide data on the current performance of the recycling of non-household municipal waste (i.e. commercial waste). Authorities have no specific obligation to recycle this waste but there are sufficient drivers in place that suggests that performance in this area will steadily improve year on year.

Authorities can measure performance on an individual project basis where the current performance, that is, the baseline could first be measured. In some cases this would be zero. The difference between what the authority expected to recycle before the LAA (in some cases zero) and what the authority expects to recycle with the LAA is the stretch performance.

Determining the level of reward

WCAs have a duty under section 45(1)(b) of the 1990 Act to arrange for the collection of commercial waste where requested to do so. Section 75(7) of the 1990 Act defines commercial waste as: “waste from premises used wholly or mainly for the purposes of trade or business or the purposes of sport, recreation or entertainment”. This definition excludes household waste, industrial waste, agricultural waste and waste from any mine or quarry.

Commercial waste which is collected by a WCA itself will be waste which comes into the possession or under the control of a WCA, and therefore waste which falls within the LATS regime. It is important for the effective and efficient running of the Landfill Allowance Trading Scheme that potential distortions are minimised. Any authority’s stretch target linked to a Performance Reward Grant will need to focus on the recycling of non-biodegradable waste as the Scheme already provides the authority with a huge incentive

to maximise its diversion of biodegradable municipal waste from landfill. Please refer to the separate guidance (page 101) on LAA Recycling targets for acceptable stretch indicators linked to Performance Reward Grant.

For other stretches, the pounds per tonne should be derived (by dividing the reward grant by the stretch performance) and the value for money should be determined with the authority and where appropriate in consultation with Defra.

INDICATOR

- **Proportion of renewable electricity generated/electricity generation from renewable and non-renewable sources**

Please refer to related indicator in the Safer and Stronger Communities Block (page 94).

INDICATOR

- **Improving the energy efficiency / carbon performance of operational property and/or community organisations (VCS and private sector) and/or housing stock**

Please refer to related indicator in the Safer and Stronger Communities Block (page 94).

Annex - LAA Reward Element Guidance

Section 1

Background to reward element targets - definitions of the terms used in the target descriptions.

Reward Element targets must clearly state the shared understanding of what has been agreed both between those who negotiated a target and those who are subsequently tasked with the delivery of the improved outcomes and the final auditing of their achievement.

Reward targets must reflect the most important priorities for improvement locally. There are however, no mandatory outcomes for reward element targets. The presumption will be that the local authority's view of the priorities for improvement locally will prevail, unless it seems significantly in conflict with the evidence. If this is the case GOs have a duty to challenge key omissions (both from the LAA as a whole and from the Reward Element) and are expected to insist on inclusion, if they feel there are sufficient grounds to do so.

When considering priorities for improvement, you may want to consider:

- priorities which were highlighted in CPA or other assessments as areas requiring improvement
- performance which is well below national averages / floor targets
- areas that local partners can justify as a focus for public funds
- the things that local people say they most want to see improved
- priorities drawn from the community strategy; the local neighbourhood renewal strategy; the neighbourhood renewal fund (NRF) improvement plans and other partners' plans and strategies
- an objective assessment of social, economic and environmental data showing the relative position of the area in comparison to others
- views of public, private and voluntary sector partners
- performance locally on the central-local priorities.

Do not be constrained by the blocks; although most high level priorities will fall within them you can negotiate any reward priority which does not sit neatly in a single block.

Once a priority for inclusion as a reward element target is agreed, the authority and GO should then agree the exact wording of the indicator/s by which this priority will be measured. It is therefore strongly recommended that as early in this process as possible the negotiation centres on a detailed draft of the target using the format specified in the LAA guidance (annex I 'Reward Element template' page 83). This template is reproduced below with advice (*in italics*) on what should appear under each heading.

LAA Reward Element template

Target number X

- *each target and indicator should be numbered as this makes the final claim for PRG easier.*

Outcome

- *a short headline description of what the authority and partners seek to achieve for their community by this target (e.g. reducing hospital admissions, improving road safety, etc.). The key priority for local people.*

Indicator (s) by which performance will be measured

- *A self-contained description of the indicator used to establish the figure used for 'current performance'. If the terms used could be open to interpretation then these must be defined in the notes section below. For recognised national measures, e.g. BVPIs a short reference to the relevant guidance is sufficient.*
- *If the measure is expressed as a proportion, the indicator should clearly define both the numerator and denominator and any reference period used.*
- *If more than one indicator is used, the indicators must be numbered and the performance data, etc. must correspond to this numbering throughout.*
- *A reference to the geographical area that a target covers should be included. It will be assumed that the target relates to the local authority area, but for targets where data may come from other organisations, e.g. Primary Care Trusts, Jobcentre Plus, Fire Service, etc., where organisational boundaries may not be co-terminus, it is good practice to make this clear in the indicator.*

Current performance

- *This is the "baseline", and must be the latest audited figures available.*
- *With some targets (e.g. road safety and waste management) it is good practice to consider trend data over a longer period of time and possibly unaudited data from the most recent year.*
- *If data for current performance is not available at the time of the negotiation see section 4 below.*

Performance at the end of the period of the Local Area Agreement ([insert period of measurement])

A clear expression of the period of measurement is crucial for each indicator. The options are explained below:

- *The most common approach is to measure the performance in the final year of the agreement (e.g. year ending 31st March 2010).*
- *A two or three year cumulative measure.*
- *Two or three separate indicators, one for each year of the agreement, each attracting a specified share of the PRG. An authority may have to set milestone or indicative targets for the first and second year of an LAA, but in respect of a Reward Element target must make it clear which measurement period will attract a reward.*
- *A count or survey at a particular point in time during the course of the three years.*
- *The tracking of a defined cohort of people through a particular period.*
- *LAs must make clear for each indicator whether their proposed measure references a financial, calendar or academic year or other period.*
- *The overall period of the LAA is expressed in financial years therefore if a target is based upon other types of year, the authority will need to decide which academic or calendar year they are referencing for a final year measurement (e.g. for in an overall 2007 to 2010 agreement, GCSE performance could be measured in either summer 2009 or 2010, subject to a minimum period of two and a half years between the start of the agreement and the end of the measurement period). If a later measurement period is used GOs, will expect more stretch.*

Performance expected without the Reward Element

- *This will be the figure for the indicator, that is expected to be achieved in the absence of the focus of a reward element target by the end of the target measurement period - see section 3 below.*

Performance target with the Reward Element

- *This is the higher figure areas expect to have achieved for this indicator by the end of the target measurement period, as a result of all activity generated by the reward element target - see section 3 below.*

Enhancement in performance with the Reward Element

- *This is the simple difference between the 'with reward' figure and the 'without reward', i.e. the extra performance over and above what would have been achieved. It must be expressed in the same terms as the indicator and is **not** the degree to which performance has improved above the current performance.*
- *GOs should ensure that 60% (the trigger point for payment of the PRG) of this enhancement is workable (i.e. it will represent at least one person or thing).*

Allocation of Performance Reward Grant

The amount of PRG allocated to this target is £.....(insert figure) and this will be divided between the indicators on this target in the following proportions (last bit is not required if there is only one indicator on the target).

Notes

The type of things to be included here are:

- *Any special conditions imposed, e.g. "No PRG is payable in respect of the indicator above unless....."*
- *An explanation of the methodology to be used to gather data to measure performance in relation to the indicator described, where this is not self explanatory from the indicator description. This is normally just a description of the method used to establish the baseline because the current performance and 'with reward' performance must be measured in the same way.*
- *Reference to any counting rules or national guidance relevant to the indicator.*
- *Any definitions used in the indicator that are open to interpretation.*
- *Any lists (e.g. of schools, wards, post codes, SOA's) that are referenced by an indicator.*
- *Any undertakings given by the authority, which are felt to be crucial to agreement of the target.*

Anything that is not immediately relevant to the target itself should be removed e.g. rationale for the target, negotiating background, unnecessary qualifications and comments upon the indicator, measurement periods or enhancement.

Section 2

The use of indicators not in the Outcomes Framework.

LAAs should be a source of innovation and allow people to look afresh at priorities. Departments and GOs are happy to consider locally designed indicators. LAs and their partners should however be mindful that this can be a difficult process and not sit easily within the LAA timescale.

The checklist below gives guidance on the criteria that GOs must consider before agreeing to the use of an indicator.

- The indicator reflects a well evidenced local priority for improvement.
- The target will measure something important to the local community and offer a tangible benefit.
- Improvement in the priority would not be better evidenced by an indicator already in the Outcomes Framework.
- The target would not create a perverse incentive - a target must avoid creating a situation where an authority and their partners might receive a reward for the delivery worse performance.
- The indicator is well defined and all parties are clear on exactly what is being measured.
- The indicator uses robust data – the best evidence of this is the extent to which current performance data is available and unambiguous. Where no current performance data is available, it may cause the GO to question the degree to which the LA and their partners can be confident that the outcome sought is a well evidenced priority.
- Current performance and performance at the end of the LAA will be measured in the same way, in order to compare like with like.
- The dates over which current performance and 'with reward' performance will be measured can be made explicit.
- It is possible to 'value' the enhancement, in relation to the PRG in a coherent and defensible way.

Section 3

General principles relating to agreeing the “without” and “with reward” positions.

The “without reward” position

Usually, this is based on the following considerations and is the minimum level of performance expected without the impact of a reward target (though a Government Office may be justified in asking for more):

- any existing targets agreed by the authority in question (either national or local)
- any targets declared as part of the wider LAA negotiation process
- current trends (national or local)
- existing projects / funding (implications of which need to be considered for the following three years)

As a bottom line, the “without reward” set must not contradict Departmental policy. “Without reward” positions could be worse than current performance if some or all of the following circumstances can be demonstrated:

- ◆ there are no national or local targets already in place
- ◆ current trends show that the position is steadily deteriorating
- ◆ evidence is available to suggest that this will continue
- ◆ existing target figures are recognised at the highest level (i.e. Ministerial) as being over-demanding and unlikely to be achieved

However, such situations are likely to be rare, especially the last category, which would be exceptional. Usually, the “without reward” position is expected to be better than current performance or at the very least equal to it.

The “with reward” position

The “with reward” target must be better than the “without reward” figure. The “with reward” figure can never be the same as the “without”, no matter how challenging the latter is, as the reward initiative is designed to incentivise improvements above and beyond those already expected.

Apart from in exceptional circumstances (which may well require clearance from Ministers), the “with reward” position will be better than current performance. A potential exception might be to bring performance back into line with an existing target recognised as being over-demanding, but this would be an extremely unusual position.

The stretch

The stretch set should be realistic, but challenging. It needs to represent a real improvement for local people, worthy of financial reward. In very exceptional circumstances, where Departments agree that a target is especially challenging or innovative it may be possible to lower the normal 60% threshold for attainment of the reward.

Section 4

Possible solutions where a GO is having difficulty justifying the reward in view of the value of the enhancement offered.

1. Agree a higher level of stretch.
2. Use two or three-year cumulative targets rather than a simple “end year” target. This approach is only possible where each unit used to measure performance is discrete, i.e. improvements in year one are not counted again in years two and three.
3. Add in an additional indicator or indicators to measure an extra dimension of the outcome.
4. Merge targets together. (This course of action is relatively drastic in that it could affect overall calculations on other targets.)
5. Vary the Performance Reward Grant allocated to a target. (**Note:** Ministers have said that this is not an "easy option"; policy leads must be content that the stretch offered is challenging and to ask for more would make a target unrealistic.) The choice is then between dropping the target altogether and varying the PRG allocation between targets, in which case, the latter is the better option. We would recommend that variable reward grant is kept as simple as possible to avoid confusion, but it can be useful to reflect the highest priorities and to help justify indicators. If the PRG available is not divided equally between the targets in a Reward Element, the amount of PRG allocated to each target must be clearly specified.
6. Reducing the overall PRG payable on an agreement. (**Note:** Ministers have agreed to this in only exceptional circumstances in the past and have said that it must not apply to more than one target. If a target is worth less than a “whole” share of PRG and reallocating amounts under the variable scheme mentioned above is not possible, an authority can agree to simply reduce the amount of PRG that is available for the whole reward element. Understandably, this is not something that Local Authorities and their partners will want to agree to lightly.)

Section 5

The use of indicators where there is no established data for current performance.

Ideally, proposed measures will always have an established baseline representing current performance. However, this is not always possible – particularly where local areas want to work in an innovative field, but do not want to invest large amounts of time and resources in establishing a data collection methodology, until the GO has agreed that the subject is a priority for improvement locally.

Where an authority wants to agree a target without any idea of current performance targets must stipulate the values of the ‘with’ and ‘without’ reward positions before the agreement is signed off. These values cannot be agreed at a later date or the negotiation reopened, if either party to the agreement is subsequently dissatisfied with the absolute numbers represented by the enhancement. These values will have to be set in terms of an improvement on the (currently unknown) baseline.

In some instances it may be practical to include a special condition in the agreement specifying what will happen in the event that current performance is found to be much better than anticipated. For example, on a target which specified an 8% enhancement a condition to the effect of, "if current performance is found to be 92% or more no PRG will be payable in respect of this target" might be prudent.

A firm deadline by which the details of current performance are provided to GO must be written into the agreement. Upon receipt of this information GO will provide a final draft of the target based upon that agreed. If the current performance information is not provided by the deadline specified in the agreement no PRG, can be paid in respect of the indicator.

Where it is necessary to agree to this type of target two examples are provided below which show how it might be achieved. The first, where the indicator is expressed in terms of a percentage, the second where an absolute number forms the basis of the measurement.

Example 1 – the indicator and enhancement can be expressed as a proportion.

Indicator by which performance will be measured

*The **percentage** of mothers who continue to smoke during and after pregnancy.*

Current Performance (year ending 31 March 2004)

X% To be finalised / established [*delete whichever is the least appropriate.*]

Performance at the end of the period of the LAA (year ending 31 March 2008)

Performance expected without the reward element of the LAA

X% - 5%

Performance target with the reward element of the LAA

X% - 10%

Enhancement in performance with the reward element of the LAA

5 percentage points

Condition of grant:

The Performance Reward Grant for this target will be lost if the figure for current performance is not agreed by [date agreed by Local Area and Government Office.]

If there is uncertainty about the absolute numbers underlying the percentages, Government Offices may have impose the following type of condition setting a minimum enhancement in performance needed to justify the value for money offered by the indicator. This number should be set at a level which takes account of the 60% trigger for payment of PRG.

'Special Condition

If the percentage detailed under 'enhancement in performance' above amounts to less than 50 people no *[or a reduced amount of]* PRG will be payable in respect of this indicator.'

Example 2 - the indicator is expressed as an absolute number but the improvement has to be expressed as a proportion.

Indicator by which performance will be measured

*The **number** of young people aged 11 to 19 years old using sports or leisure facilities in the local authority area.*

Current Performance (year ending 31 March 2004)

X To be finalised / established *[delete whichever is the least appropriate.]*

Performance at the end of the period of the LAA (year ending 31 March 2008)

Performance expected without the reward element of the LAA

$$Y = (X \times 5\%) + X$$

Performance target with the reward element of the LAA

$$Z = (X \times 15\%) + X$$

Enhancement in performance with the reward element of the LAA

$$Y - Z$$

NB – the above examples have only been used for illustration and should not be taken to imply a Departmental view on the indicators or level of stretch.

Section 6

The use of indicators with a geographical or group focus – points for GOs and local authorities to consider.

The idea of focusing on the hardest-to-reach places or people is commendable in principle and worthy of reward. But there are several very important considerations to bear in mind where such a focus is proposed.

- 1. Is GO satisfied that the authority has provided robust evidence that the groups or areas to be targeted are a priority?**
- 2. Is data robust enough?**

GO and the local authority must agree that the data is robust down to the level at which the indicator will operate and that the groups or areas targeted are clearly defined in the target description.

- 3. Will a reward only be payable if an overall improvement in performance across the area is delivered – not just a partial improvement secured by a redeployment of resources or displacement of problems?**

Reward Element targets must bring about an overall improvement across a local authority area. An improvement in performance must not be achieved in one part of an area just by a redeployment of resources from some groups of people or wards to another or the simple displacement of problems from one part of an area to another.

For instance, if a burglary target is to focus on half a dozen key wards, there is a possibility that burglary levels in other areas could increase.

In these situations it is necessary for GOs to negotiate a condition relating to performance with non-targeted areas or groups (or for the area as a whole). Breach of such a condition would result in a loss of Performance Reward Grant. Depending on the subject matter and policy position, this loss could either be total or graded.

The level of performance set in the special condition will generally be the level which would have been appropriate as the 'without reward' position, if the target focused upon the whole area. In practice therefore, conditions can sometimes be just as difficult to negotiate as targets.

Examples are given below of how targets might be worded in such situations.

Example 1

Indicator by which performance will be measured

Percentage of children attaining at least Level 4 in Key Stage 2 English in the specified schools (which have to be listed in the target).

Special condition:

No Performance Grant will be payable in respect of this indicator if upon target measurement in summer 2010 the percentage of children achieving level 4 at Key Stage 2 is less than X% in [Local Authority Area].

Example 2

Indicator by which performance will be measured

Level of street cleanliness in the specified Districts (which must be listed)

Special condition:

The overall performance in the remaining Districts (or the area as a whole) is expected to be an average of y% by the financial year ending 31 March 2010. If performance is worse than this figure, 30% of the Performance Reward Grant available for this target will be lost.

(Note: these are only examples and do not necessarily reflect the position of the particular Departments concerned on the specific targets.)

4. Might such a target create unintended consequences?

A focus on the hardest-to-reach groups is admirable, but local authorities and their partners need to consider any risks of alienating other groups / places in their areas.

Over three years the nature of a problem may change. A focus which appeared sensible in agreeing the target, may be less justified by the third year of an LAA and restrict the authority's ability to react to changed circumstances. The authority may therefore decide that it is best to frame the indicator as a whole area improvement, but focus delivery activity on the priority areas.

5. Will the stretch be defensible in value for money terms?

By restricting the cohort size in focussing on particular groups or areas, it may be more difficult to justify the reward grant on offer. A wider selection of groups or areas may have to be included to overcome this.

Section 7

Issues for GOs and local authorities to be aware of if a random sample survey is used as the basis of an indicator.

Random sample surveys can provide a useful way of measuring some perception based outcomes or when it is difficult to get reliable data via any other source. In using surveys as the basis for LAA reward element indicators there are several key principles that should be adhered to:

1. It is good practice to include something like the following wording in the notes to the target to make clear the expectations around the survey:
“The 'with reward' performance for this indicator will be measured by random sample using the *[inset the name of the survey]* survey, to be conducted in *[inset the month and year in which the survey to establish 'with reward' performance will be undertaken]*. In *[inset the month and year in which the survey to establish 'current performance' was conducted]* this involved a total of *[inset the number of respondents]* residents and the confidence interval at the 95% confidence level was +/- X% *[inset the confidence interval for the survey question/s upon which the indicator is based]*. The Council and their partners undertake to measure the 'with reward' position for this indicator by a survey achieving matching or better parameters for confidence level, confidence interval and response rate as those achieved in the survey used to establish current performance and following the same methodology employed in that survey. They will ensure survey methods follow accepted standards for the conduct of random sample surveys (e.g. National Audit Office – ‘ A practical guide to sampling / guidance for undertaking Best Value surveys’).
2. The indicator must make direct reference to the question asked of survey respondents and to the responses that will be counted toward achievement of the target. For instance, *‘The percentage of survey respondents who when asked the question; “To what extent do you agree with the following statement about your local neighbourhood? I feel I personally can influence decisions affecting my neighbourhood,” respond "strongly agree" or "tend to agree".’*
3. The measurement periods for survey based indicators are best expressed as the month and year in which the survey took place. One survey will be used to measure current performance and another to establish the 'with reward' position. Usually, these surveys are conducted at the same time of year to ensure statistical reliability. There should be at least three years between the two surveys.
4. In agreeing survey based indicators GOs must be certain that the stretch achieved reflects a genuine improvement and is not just due to the vagaries of the survey method. This is most easily achieved by ensuring that that targets based upon the use of surveys aim for a significant stretch in performance.

The impact of confidence intervals must be taken into account before agreeing a target. A survey result of 10%, with a confidence interval of +/- 2% at a 95% confidence level means we that we can be 95% certain that the result for the whole population surveyed lies between 8% and 12%.

The enhancement in performance aimed for in a survey based target must go beyond the confidence interval. A target with a +/-3% confidence interval, where

the enhancement in performance which would trigger a reward is less than 3%, will be unacceptable to GO.

5. GOs must also take account of the confidence interval in assessing the value for money of a target in relation to the PRG. In practice, this means discounting the confidence interval from the enhancement offered, before assessing the value for money. This compromise provides some assurance that the certain improvement likely to have been detected by the survey, would represent value for money. To perform this assessment it is recommended that GOs use the following method:
 - a. Subtract the confidence interval achieved in the baseline survey from the percentage stretch detailed in the target proposed under 'enhancement in performance' on the target description.
 - b. Establish how many people were in the target population surveyed across the whole area.
 - c. Use the percentage calculated at a) to work out how many people are likely to have benefited from the enhancement in performance across the whole area.

For instance, if a random sample survey is conducted among 200,000 adults in the LA area and a 6% improvement is specified in the target under 'enhancement in performance', with a +/-3% confidence interval on the baseline survey, it can be said with some certainty, that at least 6,000 people in the wider population are likely to experience the improvement detected by the survey. N.B. in this example the 'enhancement' shown on the final target description will be 6%.

6. Some consideration should also be given to whether the denominator used in a survey based measure is to be the 'number surveyed' or the 'number of respondents to the survey'. Which is appropriate will to an extent depend upon the outcome sought and the size of population to be surveyed and the method used to establish the baseline. Use of the number surveyed as the denominator may be appropriate where a high response rate is important and if the non-return of a survey could be viewed as akin to a negative response.
7. If the results of several survey questions are to be aggregated the method used to bring these results together must be clearly specified in the target notes.

Section 8

Allocation of the PRG between targets and indicators

Generally, reward element targets tend to be measured in the final year of an agreement, though cumulative two or three year measures and samples or counts at specific points in time and a cohort tracked over a period of time are also possible.

Over the course of a three year agreement an authority may wish to set purely indicative milestone targets for years one and two (with all of the PRG allocated to a measure based on year three) or may wish to specify three indicators (where achievement will be assessed in each year and PRG sought against the annual achievement in each year). Normally in this situation an authority will wait to claim the PRG after the end of the LAA.

Interim targets

If an authority wishes to set 'interim targets' with a view to claiming some of the PRG earlier than normal Ministers have now re-approved the mechanism that can be used to facilitate this. Only 20% of the overall PRG, allocated to a target can be claimed early and this can be claimed only if the target is fully achieved (i.e. there is no 60% threshold). PRG paid under these arrangements must however be repaid if the 60% threshold for the final target is not met. Any interim targets agreed must be cleared with Treasury officials before final approval (though this should be a formality and can be done via e-mail rather than an official submission).

“Super stretch”

Can be offered to any CPA “excellent” authority. The idea is that LAs and partners can agree targets for both the intermediate years, which are worth 15% of the total PRG each. These targets (like interims) must be met in full for PRG to be paid and will be reclaimed at the end of the delivery period if the 60% threshold for the final target is not met. Unlike interims, the early payment of PRG under this initiative is expected to “buy” extra final performance as the money is to be reinvested as further pump priming. Therefore, any targets will need to express the usual figures (i.e. current performance, “without reward” and “with reward”, but also the amount offered “with super stretch”). The value for money and level of stretch are assessed in the usual way, but the 'super stretch' figure must be better than the usual “with reward” target. Further advice on this issue should be sought from DCLG.

Variable reward grant

At the outset of a negotiation it is open to a local authority and their partners to take a view that certain priorities are more important or will be more demanding to address and therefore merit a larger share of the PRG than that allowed by an equal split of the PRG between the priorities identified. Therefore, whilst there is no automatic need for agreements to contain twelve reward targets, most LAs and partners begin by working to this model. Around twelve priorities has been found to offer a fair range of reward targets given the remits of local authorities and their partners.

Generally LAs negotiating LPSAs and LAA Reward Elements have commenced their negotiation from the assumption that each target is worth the same amount of PRG (this can again aid with partnership working).

However many targets present themselves each can have any number of indicators.

Reallocating PRG between targets and indicators should not be used as a means of short-circuiting the requirement that the enhancement achieved represents value for money in relation to the PRG payable. LAs should strive to set targets which aim for challenging but realistic levels of stretch. However, if a negotiation arrives at a point where the authority cannot reasonably offer additional stretch on some indicators, but the GO is having difficulty justifying the value for money of the target (toward then end of the negotiation?) GO may offer some reapportionment of the PRG between targets, if no other solution can be found.

Section 9

Enabling measures for reward element targets

Guidance is provided on these in annex E (page 60) of the main LAA Guidance referred to in the introduction above. If an authority considers the granting of an enabling measure a prerequisite to the achievement of a Reward Element target, it should make this clear in the business case and explain the reasons for this dependence (e.g. additional stretch has been offered on the assumption that the enabling measure will be granted, the 'with reward' performance can only be achieved if a particular barrier is removed, etc.).

Explorer partnerships

These should be viewed as a more fluid form of enabling measure.

Where an authority wishes to tackle an area agreed to be especially innovative or challenging and an additional enhancement in performance was believed to be possible through the collaboration of the local authority, GOs and / or Department responsible. Examples of collaboration might be sharing expertise and joining in with policy think tanks / consultation groups.

If GO and a Department agree an explorer partnership around a reward element target is appropriate, they might also wish to consider easing the 60% threshold for achievement of PRG, given the demanding nature of a target likely to be appropriate for such a partnership.