



Office of the
Deputy Prime Minister

Creating sustainable communities

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

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INTRODUCTION

The Outcomes Framework (OF) at Annex D of the LAA Guidance Note, (published June 2005) set out a list of possible indicators for inclusion in a Local Area Agreement (LAA). The Guidance Note explained that these indicators could also attract Performance Reward Grant (PRG) via the achievement of stretched targets, subject to negotiations between areas and Government Offices.

The following notes give advice on how to negotiate stretched targets (known as the LAA “reward element”) based on indicators in the OF. Appendix 1 provides supplementary advice on negotiating stretched targets for indicators not currently in the OF.] Areas will be proposing and negotiating with Government Offices, reward element stretched targets at the same time and as part of the same process as the development of the rest of the LAA.

PRG will be payable for additional stretched performance in comparison with targets in the rest of the LAA. Reward may only be attached to priorities for improvement locally. The measures must be robust and the additional stretch in performance must justify the PRG for the target in question. General principles relating to the “without” and “with reward” positions are given at section 2 of Annex A. Specific information is given in relation to each indicator in the main part of this guidance.

Achieving Value for Money when negotiating the reward element

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). It is for GOs and areas to weigh these factors, and their local application and agree on a level of stretch which achieves the maximum possible value for money in the local context.

Local PSA stretch targets were and are intended to be achievable but also suitably challenging, and provide the maximum possible VFM. This should continue to be the aim when GOs negotiate the reward element of LAAs with areas.

If a stretched target cannot be signed off because it does not deliver value for money, there are a number of possible solutions. These are given in section 3 of Annex A.

Constructing targets where there is no established baseline available

Ideally, proposed measures will always have an established baseline representing current performance. However, this is not always the case – 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 methodology and data collection until the GO has agreed that the subject is a priority for improvement locally.

It is possible to construct a target where the baseline is not known. Section 4 of Annex A gives some examples.

Indicators with a geographical or group focus

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. These are listed in Section 5 of Annex A.

Use of surveys

Specific guidance on surveys is available in Section 6 of Annex A. Cross-references to this section are also made in the relevant indicator specifications in the main guidance.

Financial Incentives

Two grants are available. Pump Priming Grant (PPG) is paid to authorities to help establish actions which will assist with delivery of the stretch. PPG will be paid in one sum with the first monthly instalment of pooled LAA funding (ie at the end of April 2006 for 2nd phase LAAs). 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 does not depend on the achievement of stretched targets. Authorities and partners are expected to contribute some of their own resources towards the achievement of stretched targets. PPG must not be construed as paying for the performance improvement.

The other grant is the Performance Reward Grant (PRG), which is paid on successful completion of the stretched targets. A 60% threshold for attainment exists – so if 75% of the stretch is achieved, the Local Authority is paid 75% of the available PRG. If 59% of the stretch is achieved, the authority receives nothing. PRG is based on the Net Budget Requirement (NBR) of an authority four years before the end of the LPSA period (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. Payment of PRG is half capital, half revenue.

PRG will normally be paid in two equal shares in the first and second financial years following the end of the stretched target period. An authority should submit its PRG claim, with evidence that it has been internally audited, to the GO, with the authority's Chief Executive's signature. The GO will add any necessary commentary and then refer the claim to the ODPM, who will arrange for the appropriate amount of PRG to be paid direct to the authority.

LAA Review

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 stretched targets and their consequent levels of PRG have been agreed and signed off as part of the LAA, they cannot be reopened or re-negotiated.

This document

The remainder of this document sets out detailed notes on negotiating stretched targets for the indicators in the OF.

CHILDREN AND YOUNG PEOPLE BLOCK

Outcome: Stay Safe

INDICATOR

The number of 0-15 year olds killed or seriously 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/dft_rdsafety/documents/page/dft_rdsafety_033570.pdf

INDICATOR

Re-registrations on the Child Protection Register

This is not acceptable as an indicator for reward targets due to the high risks of creating perverse incentives. See paragraph 145 of ODPM document "Local Area Agreements Guidance" (June 2005)

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>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

The definitions to be used should follow the national PSA for stability of placements. In some circumstances (for example if an authority is already performing well on the national PSA measure) it may be possible to consider other measures such as increasing the percentage of children who had been looked after continuously for at least 4 years; who were currently in a foster placement where they had spent at least 2 years (PAF D35); or reducing the percentage of children looked after at 31 March with three or more placements during the year (PAF A1). An authority would however have to demonstrate a strong case for using an alternative measure.

Period of Measurement

Financial years.

Determining stretching performance

"Without reward": Year-on-year improvement anticipated to meet the national PSA target.

"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 in cohorts will generally be a concern in establishing value for money so this indicator would tend to form part of a basket of measures, and outcomes would most likely be measured using a three year average to maximise volume. An approximate acceptable level of stretch would be an average 5% improvement over the three years.

INDICATOR

Percentage of care cases completed in the courts within 40 weeks

Source of data: Local authority data

Department owner: DCA

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 local authorities 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 to 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.

Determining Stretching Performance

Stretched performance would need to exceed the current national DCA PSA target but 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 (as required by the Protocol) within the required time. 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.

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. Interim reports would also be needed so that LAs could track progress.

Step in Process	LA Case Management Obligation
Step 1 – The Application	LA File and serve documents (as required by action 1.5 of the Protocol) by Day 3
Step 4 – The Case Management Conference	LA to serve all case management documents and court bundle no later than 5 days before the Case Management Conference
Step 6 – The Final Hearing	LA to file case management documents and court bundle or index of court documents no later than two days before the final hearing

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.

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 Care Centres	Percentage of Reward	Performance Level Magistrates' Courts	Percentage of Reward
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.

INDICATOR

Percentage of 11-15 year olds who state they have been bullied in the last 12 months

Percentage of 10-19 year olds admitting to a) bullying another pupil, and b) attacking, threatening or being rude due to prejudice around ethnicity and religion.

Source of data: No standard source

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 Section 6 of Annex A.

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.

INDICATOR

Fear of crime and anti-social behaviour

Please refer to related indicator in the Safer and Stronger Communities block.

Outcome: Be Healthy

INDICATOR

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; the number of conceptions to under-18 year of age per thousand females aged 15-17. The PSA technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>. An alternative indicator is the percentage improvement in performance against the all-England rate of decline in teenage conception.

Period of Measurement

Calendar year.

Determining stretching performance

“Without reward”: a year-on-year improvement anticipated to meet the Local (top-tier LA) PSA target.

“With reward”: This will vary depending on local circumstances. In earlier examples we have agreed a stretch of 10 conceptions saved per thousand females and a 3% improvement in performance against the national rate of decline in teenage conceptions.

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

Incidence of obesity among children under 11 – Halting the Year on Year rise in Childhood obesity

Source of data: There is currently no national standard source of data. The Department of Health plans to issue guidance on measuring children’s height and weight to enable performance management of the NHS Local Delivery Plan monitoring line on childhood obesity. The guidance is expected to be published in late 2005.

Definitions of age, obesity, record source, timeframe and population base will be subject to agreement with DfES. It is anticipated that plans required by DH will focus on prevalence of obesity among school aged children aged 5 to 10 years, in line with monitoring definitions to be developed.

Direct measurement of delivery of the PSA target to halt the rise in obesity among children under-11 at national level will be derived from the Health Survey for England.

Areas wanting to improve child health may want to consider using the National Healthy Schools Standard indicator (point 14 in the Healthier Communities Block) until the Department of Health issues guidance on childhood obesity indicators.

Department owner: DH

Necessary clarifications/qualifications about the indicator

Performance without the stretch 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 stretched performance should therefore be beyond that agreed through LDPs.

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 T.J. Cole et al). Height and weight are needed to calculate BMI. Definitions of overweight and obesity in children vary. In the interest of consistency, DH guidance will specify which BMI-for-age cut-off point will be used for the purpose of local performance monitoring.

The target can be measured by comparing the percentage of obese and overweight children in a particular population over time.

Measurement and interventions must be aimed at all children, to help minimise the risk of stigma and bullying of children who are obese. The evidence supports a whole-school approach, but only supports individual interventions when this involves the whole of the child's family. Parental consent is needed on an "opt-out" basis (i.e. parents need only reply if they wish their child to be excluded). Letters must be taken home by children within the cohort and given to parents or guardians informing them of the programme, with parents asked to reply if they do not want their child to take part. For ethical reasons, good screening practice, and to minimise the risk of stigmatisation and bullying, full confidentiality of height and weight measurements is required. Measurements should not be disclosed to individual children or their parents. Measurement of height and weight must be conducted by trained individuals, such as specialist workers, school nurses, primary care nurses or trained school staff and routinely recorded. Equipment used must be calibrated.

Determining stretching performance

Baseline measurements can be taken from existing BMI cohort data, if epidemiological studies or local data collection has previously occurred which fulfils the measurement criteria specified above. In the absence of robust baseline data, measurement can take place at the start of the LAA period and a judgement can be made about the likely "without reward" position based upon trend data.

The "with reward" position can be expressed as a percentage point reduction in prevalence from the without position. The level of stretch required for the cohort is a 0.8 percentage point reduction in obesity per year of the agreement.

Determining the level of reward

The specific link between obesity and an increased risk of morbidity or mortality has not been investigated sufficiently to be able to associate specific BMI levels with specific outcomes. 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. Interventions affecting whole school years have previously equated to half a target.

INDICATOR

Infant mortality – numbers at local level are small, therefore in terms of agreeing Reward Element LAA targets the three proxy measures below are acceptable

Proxy Indicator (1)

Smoking during pregnancy

Source of data: Local Delivery Plans and monitored through DH LDPR data collection (line numbers 4254, 4255 & 7101)

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).

Period of measurement

Final year of the LPSA Period. Data is collected quarterly.

Determining stretching performance

Performance "without reward" 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 previously been half a target for smaller authorities or a quarter target for larger authorities. 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.

Proxy Indicator (2)

Breastfeeding Initiation Rates

Source of data: Local Delivery Plans and monitored through DH LDPR data collection (LDPR Line numbers 7101, 7102, 7103)

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 or a stillbirth where the gestation period was 24 weeks or longer. Count the number of mothers (maternities), not the number of babies (deliveries)

Period of measurement

Final year of the agreement. Data is collected quarterly.

Determining stretching performance

Performance "without reward" 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 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. Additional breastfeeding mothers have previously constituted a half-target. Whole targets have been agreed where both initiation and continuation of breastfeeding at 6 weeks after birth have been included.

Proxy indicator (3)

Infant mortality Rate – reduce infant mortality by reducing 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

Reducing mortality rate from suicide and undetermined injury per 100,000 directly age standardised population

Source of data: Local Delivery Plans and monitoring data from ONS Mortality statistics from death registrations and European standard populations. Standardised rates by SHA are calculated by the National Centre for Health Outcomes Development (NCHOD).

Department owner: DH

Necessary clarifications/qualifications about the indicator

This may be suitable within a package of measures to improve health, or in areas with small numbers it may be advisable to consider alternative indicators available on road traffic injury and death.

Determining stretching performance

Stretch will need to be decided based on the scale of figures. Where low numbers of figures for either component are a concern, the degree of stretch may be difficult to accomplish or too low to attract sufficient reward grant for this to be a stand-alone target.

Period of measurement

Due to small numbers per year, a three year rolling average is advisable for this indicator.

Determining the level of reward

The scale of the reduction will need to be taken into account, with expertise provided by Directors of Public Health as to how challenging a reduction in suicide and undetermined injury is in the local area. Life years gained as a result of the intervention can be used to inform the level of reward. Targets on suicide and undetermined injury have previously justified a third of a target.

INDICATOR

Access to CAMHS

Department of Health is continuing to develop indicators.

INDICATOR

Average alcohol consumption

For the purposes of a Reward Element target this indicator might be expressed more clearly as:

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

Source of data: To be measured using Survey of Smoking, Drinking and Drug Use among Schoolchildren, scored on questions 14 and 32

Department owner: DH

Necessary clarifications/qualifications about the indicator

This survey is to be directly referred to when defining terms in this indicator. The survey must be administered to the standards set for the national survey DH Guidance on Survey Administration (see below). 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 agreement period if no other suitable data is available. Anticipated trend data over the agreement period can be used to set the "without reward" 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 Reward Element period.

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. Targets reducing alcohol consumption have previously justified half a target.

INDICATOR

Percentage of children who are regular smokers

Source of data: To be measured using Survey of Smoking, Drinking and Drug Use among Schoolchildren, scored on questions 8 and 203.

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, as defined in the survey
- 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 and where relevant DH Guidance on Survey Administration (see below). It is advised that these indicators are used together to give a fuller picture of young people's 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% applied 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 Reward Element period.

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 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. Targets reducing children and young people smoking have previously justified half a target.

INDICATOR

Diagnostic Rate of new episodes of STIs among U16 and 16-19 year olds: The number of new diagnosis of gonorrhoea per 100,000 population

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 reward" performance can be determined from targets already set within Local Delivery Plans. "With reward" 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

Diagnostic Rate of new episodes of STIs among U16 and 16-19 year olds: 2. the percentage of the sexually active population aged 15-24 accepting screening 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 reward" performance can be determined from targets set within Local Delivery Plans, once agreed. "With reward" 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

Percentage of children 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 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.

Period of measurement

Measured by a survey at the end of the LAA Reward Element 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 have been combined with other school-based health indicators to make a whole target.

INDICATOR

Harm caused by illegal drugs:

1. The percentage of young people taking illegal drugs in the last month

Source of data: The Survey of Smoking, Drinking and Drug Use among School children, scored on any of questions 39, 46, 54, 61, 68, 75, 82, 89, 96, 103, 110, 117, 124, 131,139. Selection of questions should be based on specific concerns in the locality (for example, Q131 should be selected if there are local concerns about solvent abuse).

Department owner: DH

Necessary clarifications/qualifications about the indicator

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, DH Guidance on Survey Administration. 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 Reward Element period.

Determining stretching performance

Current performance is established by baseline survey. The "without reward" position should be established by reference to the baseline and agreed trend data. The degree of stretch for the "with reward" 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' 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 Grant will be payable on 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.

INDICATORS

Harm caused by illegal drugs:

2. Numbers of young people under 18 in treatment for illegal drug use

Source of data: The indicator should be measured via the National Drug Treatment Monitoring System (NDTMS) records where available

Department owner: DH

Necessary clarifications/qualifications about the indicator

This target includes children in the geographical area/s looked after outside of the geographical area/s. Treatment is tiers 2, 3 and 4 as defined by the Health Advisory Service (2001) Substance of Young Needs Review. The target should state that accessing drug treatments means engaging in the drugs services and signing up to a care package with a specialist worker. Numbers retained in treatment is another available indicator.

Period of measurement

Financial year. This can be measured over the final year of the LAA Reward Element or cumulatively over three years.

Determining stretching performance

Current performance should be established on the basis of NDTMS data where available. "Without reward" performance should be agreed on the basis of current performance and known trends. For the "with reward" performance, 25% is an acceptable standard stretch over existing agreed service improvements to be achieved by the end of the LAA Reward Element period.

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 targets on drug treatment have been half-targets where small additional numbers of individuals are accessing treatment, and whole targets where large additional numbers are accessing treatment. Retention in treatment or other children's targets can also be combined with this target to constitute a whole target.

INDICATOR

Percentage of 5-16 year olds participating in a minimum of 2 hours per week of high quality PE and school sports

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. The PSA technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>

Period of Measurement

Academic year, and usually final year of the agreement.

Determining stretching performance

"Without reward": performance anticipated 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 **SSC Block**.

INDICATOR

The percentage of young people participating in at least 1 hour of moderate intensity sport and physical activity daily 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:

'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?'

'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.

Period of measurement

Surveys at the start and end of the LAA Reward Element period.

Determining stretching performance

Current performance is established by baseline survey. "Without reward" 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 reward" 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.

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 justified half a target, and have been combined with percentage participation in school-based activity and leisure facilities access indicators to form whole targets.

INDICATOR

Smoking during pregnancy

Please see infant mortality proxy indicator 1, above.

INDICATOR

Breastfeeding initiation

Please see infant mortality proxy indicator 2, above.

INDICATOR

Availability of safe play areas and opportunities

Source of data: Local data

Department owner: DCMS/DfES

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...."

This indicator can also be used as part of the "Enjoy and Achieve" outcome.

Determining stretching performance

The indicator can be drafted as an agreed stretch above the baseline, either a number or percentage. The local 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.

Levels of performance will to some extent depend on local circumstances and should be determined at local level with Government Offices. For some LAs the numbers involved could be low. In such cases the indicator should be assigned an appropriately low level of Performance Reward Grant

Determining the level of reward grant

The following factors should be taken into account in determining 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
- 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

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

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 BRM.

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.

INDICATOR

NEET target for teenage parents

Please refer to general NEET target in “Enjoy and Achieve”

Outcome: Enjoy and Achieve

INDICATOR

Half days missed through authorised and unauthorised absence expressed as a percentage of total number of half day sessions attended

Source of data: DfES School & College Achievement and Attainment Tables
<http://www.dfes.gov.uk/performance/tables/>

Department owner: DfES

Necessary clarifications/qualifications about the indicator

Standard attendance for a pupil is 380 half-day sessions in a school year. The school year for attendance measurement purposes ends on 31 May.

Period of Measurement

Academic year to 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 it would be reasonable to double the unit cost reward.

INDICATOR

Level of development reached at the end of the Foundation Stage, including narrowing the gap in the 30% most disadvantaged super output areas

Percentage of young children attaining pre-school standards of competence (Percentage of children achieving point 6 (good) levels of attainment in PSED at the end of the Foundation Stage, and Percentage of children achieving point 6 (good) levels of attainment in CLL at the end of the Foundation Stage)

Source of data: DfES Foundation Stage Profile National Results

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 PSE 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 7 year olds achieving level 2 at key Stage 1

Educational achievement of 7 year old looked after children compared to their peers

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

<http://www.dfes.gov.uk/rsgateway/DB/SFR/s000488/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/s000580/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/s000569/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; 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 would be acceptable here.

INDICATOR

Percentage of 11 year olds achieving level 4 in English and maths

Pupils achieving the expected level at Key Stage 2 resident at the time of baseline calculations in the two most deprived super output areas in any Neighbourhood Renewal Fund local authority

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

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/VOL/s000580/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000569/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. 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 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.

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.

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

Percentage of 14 year olds achieving level 5 in English, maths, science and ICT

Pupils achieving the above levels resident at the time of baseline calculations in the two most deprived super output areas in any Neighbourhood Renewal Fund local authority

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

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

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

<http://www.dfes.gov.uk/rsgateway/DB/VOL/s000580/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000569/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. 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.

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

Percentage of 16 year olds achieving equivalent of 5 A*-C GCSE

Pupils achieving the required levels resident at the time of baseline calculations in the two most deprived super output areas in any Neighbourhood Renewal Fund local authority

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

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/VOL/s000580/index.shtml>

<http://www.dfes.gov.uk/rsgateway/DB/VOL/v000569/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*-C **including** English and maths, 5 GCSEs at grades A*-G or even 1 A*-G depending on the circumstances in the authority. 5 A*-G or 1A*-G indicators may offer best value as part of a basket of indicators for particular vulnerable groups.

Period of Measurement

Academic Year. 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.

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

Take up of sporting opportunities by 5-16 year olds

Necessary clarifications/qualifications about the indicator

Some local authorities and partners might wish too use sport as part of the "Enjoy and Achieve" outcome. This indicator relates to the joint DCMS/DfES/DH PSA targets. For further guidance, please refer to the 2 hours PE and School Sport indicator under the "Be Healthy" outcome.

Determining stretching performance

Local authorities and partners may wish to use this indicator to focus on the provision of sporting opportunities outside of the curriculum as part of the "Enjoy and Achieve" outcome. In such cases, LAA authorities and partners must be providing at least 2 hours sport outside of school to be considered for reward grant. This will be in line with the aims set out in the *DCMS Five Year Plan: Living Life to the Full*.

Determining the level of reward grant

Determinations should be based on the "Be Healthy" 2 hour PE and school sport indicator (above).

INDICATOR

Take up of cultural and sporting opportunities among over-16 year olds

Necessary clarifications/qualifications about the indicator

This indicator allows local authorities and partners to adapt the DCMS PSA3 target to cover wider local populations. There are separate indicators relating to sports, the historic environment, museums and galleries and the arts:

- *Increasing the number who participate in active sports at least twelve times a year by 3 %, and increasing the number who engage in at least 30 minutes of moderate intensity level sport at least three times a week by 3%.*
- *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%.*

These indicators can also be found separately in the **Cross Cutting Block**. Please refer to these for additional guidance.

Determining stretching performance

To achieve the outcome, local authorities and partners can use a basket of these indicators. It will be down to the LA to decide on particular areas of focus.

Performance "without reward" will be established by the year-on-year improvement anticipated to meet the national PSA target. Stretching performance will therefore be beyond this.

Determining the level of reward grant

Guidance on the separate sports historic environment, arts and museum and galleries targets can be found under the "Enrich individual lives..." outcome in the Cross Cutting Outcomes block.

INDICATOR

Percentage of young children attaining pre-school standards of competence

Please refer above to – “Level of development reached at the end of the foundation stage, including narrowing the gap in the 20% most disadvantaged areas” (located at the beginning of “Enjoy and Achieve”)

INDICATOR

Number of educational opportunities for young people delivered by arts organisations, architecture and heritage bodies, sports organisations, museums and galleries, particularly in deprived areas

Source of data: local data

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

‘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 also count towards targets. 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 to make a specific presentation to a school group can be

included, although in the case of museums and galleries the loaning or delivery of an exhibit to a school is excluded.

Determining stretching performance

The target can be drafted as an agreed stretch above the baseline, either as a number or percentage. Local authorities will need to liaise with delivery partners to establish baselines. A local survey will need to be undertaken if no other method exists (See Section 6 of Annex A for guidance)

The stretch should reflect local circumstances. For some local authorities the number of opportunities/visits involved might be low. An appropriate level of Performance Reward Grant should be assigned to such a target.

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 LAs and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored
- 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

Increased numbers of school visits to historic and cultural sites

Source of data: local data

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

'School visits' 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 to make a specific presentation to a school group can be included, although in the case of museums and galleries the loaning or delivery of an exhibit to a school is excluded.

Historic sites are defined as historical attractions open to the public (buildings, monuments, landscapes and gardens) visited for academic study and recreation.

'Cultural sites' include museums, galleries and other exhibition spaces, as well as theatres, concert halls, opera houses and any licensed venue capable of sustaining reasonable performance and audience standards. This will cover

events such as carnivals, festivals and fringe events and performances by touring companies.

Determining stretching performance

The target can be drafted as an agreed stretch above the baseline, either as a number or percentage. Local authorities will need to liaise with delivery partners to establish baselines and measure target. A local survey will need to be undertaken if no other methodology exists.

The stretch should reflect local circumstances. In many instances the number of visits involved could be relatively low. This is likely to mean that the indicator is 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 LAs and partners to deliver the target, and whether the potential for achieving more through partnership or innovative methods of working has been fully explored
- 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 a broad range of high quality activities, both in and out of school, particularly by priority groups

Source of data: local data

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

This indicator relates directly to the DCMS PSA3 target to *increase the take-up of cultural and sporting opportunities by adults and young people aged 16 and above from priority groups*. There are separate indicators relating to sports, the historic environment, museums and galleries and the arts:

- *Increasing the number who participate in active sports at least twelve times a year by 3 %, and increasing the number who engage in at least 30 minutes of moderate intensity level sport at least three times a week by 3%*

- *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%*

These indicators can also be found separately in the **Cross Cutting Block**. Please refer to these for additional guidance.

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

LAs can also use the "Availability of safe play areas and opportunities" indicator as part of this.

Determining stretching performance

To achieve the outcome, local authorities and partners can use a basket of these indicators. It will be down to the LA to decide on particular areas of focus.

Performance "without reward" will be established by the year-on-year improvement anticipated to meet the national PSA target. Stretching performance will therefore be beyond this.

Determining the level of reward grant

Guidance on the separate sports historic environment, arts and museum and galleries targets can be found under the "Enrich individual lives..." outcome in the Cross Cutting Block. Guidance on children's play can be found under the "Be Healthy" outcome in this block.

INDICATOR

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

Source of data: LISU statistics

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

Children's activities are defined as: Under-5's sessions, targeted KS 1-2 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, although some services may include children up to the age of 16.

Determining stretching performance

Most library authorities will undertake activities in these areas. Therefore, a stretched performance should be demonstrated by the sustained use of library services as a result of these activities.

'Benefit' should be assessed on the basis of:

- Numbers of children with active memberships
- Numbers of participation in activities using Library Information Statistics Unit (LISU) definition
- Numbers in receipt of Bookstart, Bookstart Plus and the Bookstart Treasure Box offers
- Numbers of 4-12 year olds starting and completing summer reading challenge (further details on impact measures can be obtained from Museums, Libraries and Archives Council).

These should all be considered against the eligible population and the community need.

To establish baselines and measure performance, Government Offices should use LISU statistics to establish percentage engagement with child population in unitaries, metropolitans and counties. Stretch would be exceeding average percentage engagement in active membership and activities. Booktrust can offer penetration targets for Bookstart etc.

Determining the level of reward grant

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

These cover, among other things, cost per new 0-4 library member (Bookstart) and cost per starter (summer reading). An overall cost per visit measure can be used too, but such a measure cannot be broken down to show children separately.

Further details are available at:

www.mla.gov.uk/action/framework/framework_04a.asp

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

INDICATOR

Participation in learning through sustainable development

Please refer to related indicator at the end of this block.

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 and 20 and 40 minutes of a secondary school by public transport

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

Source of data: Local authority; Bus Operators; DfES

Departmental owner: DfT accepts that this comes within the scope of access. The outcome might be more easily tackled through educational achievement and attendance targets

Necessary clarifications/qualifications about the indicator

The geographical areas that are being tackled within the target, both originating and destination; the hours being served, the cohorts and the forms of transport, need to be specified.

Setting a target that increases accessibility for specific groups of people is unlikely to be practical for the purposes of the reward grant element of LAAs as the numbers in such limited groups are unlikely to represent value for money. GOs should assign an appropriately low level of Performance Reward Grant to such a target if an area wished to pursue.

Period of measurement

Measurement in final year; measure services at same times of year.

Determining stretching performance

“Without reward”: commitments put forward by the authority as part of their Local Transport Plan 2 accessibility strategy.

“With reward”: whatever level the Government Office (GO) (in consultation with accessibility policy colleagues within DfT) believe to be necessary to achieve an adequate increase in the accessibility situation.

Determining level of reward

The GO will need to exercise judgment, taking into account local circumstances, such as local transport links and the location of schools.



Outcome: Achieve Economic Well Being

INDICATOR

The percentage of 19 year-olds who reach level 2+ qualifications and above

Source of data: Learning and Skills Council

Department owner: DfES

Necessary clarifications/qualifications about the indicator

Definitions as per the national PSA. The national PSA target is for a 3 percentage point improvement (on 2004 baseline) by 2006, and a 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.

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 FFT 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 the 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

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 national PSA. The technical notes can be found via the following link: <http://www.dfes.gov.uk/SR2004/PSA/>

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/>

INDICATOR

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

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.

INDICATOR

Cleaner, safer, greener public spaces and quality of the built environment in deprived areas:

The number of Green Flag Award-winning parks or green spaces within a local authority area

Source of data: ODPM (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 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

Department owner: ODPM

Necessary clarifications/qualifications about the indicators

The 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 is applied to district and unitary authorities only 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 and County Council managed country parks can contribute to the district level target. For them the targets should apply to 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 owner or managed by the local authority itself; it may be run by another public or private organisation and still count¹. However, the local authority should be able to demonstrate how they have worked with other organisations to achieve the GF standard.

Period of measurement

Calendar years. Current performance taken from awards given in July 2005. End will be measured by the number or increase in GF winners in the final year.

Determining stretching performance

"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 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.

¹A Green Pennant is an equivalent award given to a community run space. A LA may propose an alternative or additional target relating to Green Pennants.

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.

Determining the level of reward

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.

INDICATOR

- ***Level of material deprivation and low income***
- ***Percentage of children living in low-income households (only measurable down to regional level)***
- ***Percentage of children in households with no one in work (only measurable down to regional level)***

Necessary clarifications/qualifications about the indicator

LAs may wish to look also at the 'Reduction in Poverty' indicators in the Cross Cutting Block.

Determining stretched performance

As we do not have national statistics it would not be possible to set a target relative to any national average. 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.

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

Source of data: Data collected through CCIS (Connexions Customer Information System) and returned to 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 proportion of young people NEET varies widely throughout the year, so it is important that indicators relate to a specific month. This would normally be the end of November, when the year's summer school and college leavers have settled into their next activity.

NEET data should be adjusted to take account of young people whose current situation is not known. 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.

The definition of NEET and arrangements for data collection are set out in the Connexions Management Information Requirement and Guidance – 2005-06. Targets will be set and monitored on this basis.

Period of Measurement

'Spot date', usually end November.

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"
- "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

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.

Both 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 November – for teenage mothers.

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. Doubling the unit cost for vulnerable groups would be acceptable. Low numbers in cohorts will generally be a concern in establishing value for money so this indicator would tend to form part of a basket of measures and outcomes would most likely to be measured using a three year average to maximise volume.

INDICATOR

Stock and take up of childcare for all families:

Increase the stock of Ofsted registered childcare by reducing turnover within childcare market and closure of childcare providers

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

Encourage an increase in the take up of childcare by lower income working families

Source of data: Local authorities will need to identify data sources (see Necessary Clarifications)

Department owner: DfES

Necessary clarifications/qualifications about the indicator

As a prerequisite of considering this indicator Local Authorities will first have to demonstrate a robust and effective method of assessing the take up of childcare by lower income working families within their local area. DfES can provide support in developing a survey. The survey should be able to:

- identify lower income families;
- monitor the growth in the proportion of working families that use formal childcare; and,
- compare growth in the take up of formal childcare by this group with that of all working families

For the purpose of this indicator, formal childcare is defined as care registered by OfSTED, or approved via the Childcare Approval Scheme. Any childcare provided by relatives, friends or neighbours is excluded, even if payment is made. Lower income families are defined as working households whose income is in the lower two quintiles of income.

Period of Measurement

1 April to 31 March.

Determining stretching performance

“Without reward”: in line with the national PSA which is set at increasing take-up by 50%².

“With reward”: beyond the national PSA level.

Determining the level of reward

² The national PSA level is provisional and will be confirmed in Spring 2006. Local Authorities should consult the Sure Start website for the confirmed figure.

The additional take up of childcare by low income families 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 benefits to low income working families, and the funding already provided to meet the national PSA target. It would be reasonable to allow proportionately more for improvements in take up of childcare in the 30% most disadvantaged super output areas within a LA area.

INDICATOR

Increase the following:

- 1. Number of approved childcarers under the Childcare Approval Scheme in the local authority's area***
- 2. Number of schools offering access to the core offer of extended services:***
 - A. Childcare, 8am-6pm, year round, on site or at a nearby provider with supervised transfer arrangements
 - B. varied menu of activities such as sports, music, arts and special interest clubs
 - C. Parenting support including information sessions at key transition points, formal parenting support programmes and opportunities for children and parents to learn together
 - D. Swift and easy referral to specialist support services such as speech therapy, child and adolescent mental health services, intensive behaviour support and sexual health services
 - E. Community access to ICT, sports and arts facilities, including opportunities for adult learning

Source of data: School Census Data; Nestor records for Childcare Approval Scheme

Department owner: DfES

Necessary clarifications/qualifications about the indicator

- 1) For each local authority area we will have details from Nestor who administer the scheme, about figures of approved childcarers since the scheme started up in April 2005 until present. The local authority will need to provide an estimate of the number of childcarers in their area eligible for the scheme. The LEA has a statutory duty to review provision of childcare in their area and information from this review would form the basis for the estimate. The national performance indicator underlying the PSA is for 15,000³ approved childcares under the scheme by 2008. From the base information, and size of LA area, we would negotiate a target figure for approvals for the given LA area.
- 2) None.

³ The 15,000 level is provisional; it will be confirmed after an analysis of the first year's operation of the scheme. Local Authorities should consult the Sure Start website for the confirmed figure.

Period of Measurement

Calendar year.

Determining stretching performance

- 1) Stretch would be applied as a percentage – DfES suggest a without reward figure of 20% on the baseline figure.
- 2) Performance without reward grant would be established by an average trajectory towards the target that by 2008 50% of primary schools and a third of secondary schools will provide access to this core offer, with all schools doing so by 2010. Stretching performance will therefore be to a faster trajectory than normal.

Determining the level of reward

- 1) Regard should be given to the cost of providing the health and safety training required by the conditions of the approval system to become an approved childcarer.
- 2) Regard should be given to the proportion of schools being supported to provide access to extended services within areas of disadvantage (30% most deprived super output areas).

INDICATOR

Percentage of lone parents in sustainable employment

Please refer to related indicators on employment for disadvantaged groups, in the Cross Cutting Block.

INDICATOR

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

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

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 moneylines 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

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 the 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.

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 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. As the target

implies, it is about participation – and participation in the democratic process is voluntary – it may be that the measure should be increased access or opportunity.

If the target remains as scripted it could be achieved by simply adding a degree of compulsion to pupils voting. As not all school councils are alike – a target should contain a minimum expectation – i.e. frequency of meetings, published minutes, details of achievements etc.

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

INDICATOR

Voluntary and community engagement – please refer to related target in SSC Block

INDICATOR

Reduce levels of offending – please refer to related target in SSC Block

INDICATOR

Crimes brought to justice – please refer to related target in SSC Block

INDICATOR

Permanent and fixed period exclusions from school

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

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%. 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.

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 related indicator at the start of the **CYP Block**.

INDICATOR

Percentage of 18-24 year olds who are self-employed, manage own businesses or have thought seriously about starting their own business

Please refer to related indicator on adult entrepreneurialism in **Economic Development and Enterprise Block**.

INDICATOR

Develop self confidence and successfully deal 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.

INDICATOR

Number of young people volunteering in culture and sport

Source of data: Local survey data

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

Formal volunteering is defined as “giving unpaid help through groups, clubs or organisations to benefit other people or the environment”. This will exclude forms of volunteering that are difficult to distinguish from neighbourly help. The difficulty with the wider definition is in having sufficient assurance of the materiality of what is measured, since the descriptions people could be expected to respond to are necessarily fairly broad.

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.

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, LAs and partners need to take into account regularity and commitment, not just time spent volunteering. Therefore, indicators based around 1 hour per week formal volunteering will be acceptable.

It is likely the indicator will be measured by survey. LAs and their partners should use the approach established for Best Value surveys. Baselines for sports volunteering can be provided by making reasonable estimates from existing national or local datasets where available, but will need to be confirmed when data becomes available from Sport England's *Active People Survey*.

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

In many instances the numbers of people involved could be low. This is likely to mean that the indicator is 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

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
- 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

INDICATOR

Youth participation in sustainable development activities

Source of data: There is no nationally available data. However, if the local authority is able to produce their own robust, auditable data, then this indicator can be considered for reward. This data may be used in conjunction with other youth participation indicators such as:

- volunteering and community engagement
- participation in a broad range of high quality activities both in and out of school, particularly by priority groups

Department owner: Defra

Necessary clarifications/qualifications about the indicator

This indicator has not been used before for an LAA and there is considerable flexibility as to how it can be measured at the local level.

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

Please refer to relevant section within the general volunteering guidance, located in the **SSC Block**.

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

Raise standards in English, maths and science in secondary education so that by 2008, in all schools located in the districts in receipt of NRF, at least 50% of pupils achieve level 5 or above in each English, maths and science

Source of data: As measured and published in the DfES performance tables

Department owner: DfES

Period of measurement

Academic years. Current performance taken from latest academic year with audited figures.

Determining stretched performance and level of reward

The stretch element for this indicator is about achieving greater improvement in the most deprived areas. Greater weighting should be given, therefore, to

schools with the highest proportion of children in receipt of Free School Meals (FSMs).

SAFER AND STRONGER COMMUNITIES BLOCK

Outcome: To reduce crime, the harm caused by illegal drugs, and to reassure the public, reducing the fear of crime and anti-social behaviour

The suggested indicators under the crime reduction outcome are by no means exhaustive. Areas should also be mindful that where guidance on targets and indicators already exists (for example Statutory Performance Indicators (SPI) in the Police Performance Assessment Framework (PPAF), such indicators, where similar and useful, may be used.

INDICATOR

British Crime Survey 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.

INDICATOR

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)

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 crime, domestic violence, and alcohol-related violence, sexual assaults and other types.

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.

INDICATORS – domestic violence

- ***Increase in the number of incidents of domestic violence reported annually either directly to the police or through a third party***
- ***Increase in the number 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 offences brought to justice (convicted) as proportion of total number of reported incidents/sanction detections***
- ***Reduce repeat incidents of domestic violence reported annually either directly to the police or third party* as a proportion of the total number of incidents reported in the same period***

Source of data: Police recorded crime (incidents); CPS (numbers per CPS area of number of people found or pleading guilty on a DV case) – offences brought to justice

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

*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. Repeat victimisation is measured by counting the number of incidents of domestic violence reported in a 12-month period (April-March) and the proportion of those incidents that are repeats, that is, the number of incidents where the same victim was victimised on a second or third occasion. It measures the number of incidents not the number of victims and calculates the proportion of incidents reported. This indicator is best expressed as a percentage rather than in whole number terms.

The list of indicators set out above is not exhaustive but follows those within our national domestic violence delivery plan. The response to addressing domestic violence involves a wide range of agencies, including health and the probation service. Where robust figures can be produced, authorities can also explore these areas when looking to develop indicators.

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

Regional analysis on current activity combined with the estimated level of domestic violence within the Area can provide some focus in determining a challenging target. We would expect authorities 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 HO has published research on the costs of domestic violence (Walby S, 2004, DTI Women and Equality Unit <http://www.homeoffice.gov.uk/rds/violencewomen.html>) that can be used as a guide to determining whether the level of stretch is defensible in relation to the amount of the reward grant payable.

INDICATOR

Reduction in the number of criminal damage incidents [in area] recorded by police.

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.

INDICATOR

People's perception of ASB - a percentage reduction in people's perceptions of anti-social behaviour

Source of data: Local survey (for example BVPI) based on the seven strands of ASB as measured in British Crime Survey

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

The Government strongly supports authorities' work on tackling anti-social behaviour (ASB). However, for reward target purposes, there are some potential measurement difficulties. Existing systems for measuring ASB as defined in the Home Office development and practice report, "Defining and Measuring Anti-Social Behaviour" (Together tackling anti-social behaviour, www.together.gov.uk/article.asp?c=458&aid=3228) are not in the main sufficiently robust to use as a basis for the payment of reward grant. Existing measurement systems will develop over the next few years and new systems will be piloted.

We recommend that areas use a public perception survey approach for ASB targets. The enhancement in performance should be sufficiently ambitious in order to agree ASB targets based solely on a perception survey. A starting point is the ASB BVPI suite of measures that should give an accurate picture of local people's perceptions of the extent of ASB, and thus provide a good guide to the effectiveness of the interventions. The survey methodology should be robust in order to provide a satisfactory basis for determining entitlement to the reward grant. Local authority data on perception for 2003 is available from the Local Government User Satisfaction Survey that might provide a useful baseline against which to measure future performance.

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 will be counted toward achievement of the stretch target.

Combinations of Indicators

There is also scope for measuring the outcome / success of initiatives taken to reduce ASB, alongside a perceptions survey. In proposing indicators, authorities 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 ASBOs) coupled with a “change in behaviour” (such as improvements in school attendance).

Some other examples of potential “behaviour” measurements might be: a reduction in the proportion of people breaching an ASBO; or a reduction in proportion of people who breach Orders (including ASBOs, injunctions, dispersal orders).

In addition, there are some types of ASB, typically environmental or other criminal activity, which are recorded as a crime type (usually by the police) and might actually be using a sufficiently robust existing measurement system (for example, criminal damage, incidents of graffiti, abandoned cars and fly-tipping). This activity may be only one aspect of a local ASB problem, but may actually be the issue that is giving rise to the greatest local concern. Measuring this by itself would give only a limited picture of ASB but might be used together with a perception survey to form an ASB focussed target, or as part of a package of indicators for an environ-crime target, under the general ASB heading.

It is not the intention of Government to constrain an Area’s choice of issues and we appreciate there are variations across the country. However, we want to try and avoid approaches that are unlikely to result in viable reward targets.

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

Regional analysis on current activity combined with the estimated level of ASB within the Area can provide some focus in determining a challenging target. 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. Areas should take into a number of factors, including the level and nature of concern in the area and current performance, as it is more difficult to reduce an already low level of perception.

Determining the level of reward

Authorities need to consider the enhancement in performance in terms of the potential reward grant. Our 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 improving people's perceptions of 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).

INDICATORS

Drug related acquisitive crime:

- ***A percentage reduction in public reporting that local drug dealing and drug use is a problem***
- ***Reduction in the number of drug-related acquisitive crime***

Source of data: British Crime Survey; 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.

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.

INDICATOR

Proportion of adults saying that they are in fear of being a victim of crime - a reduction in the percentage of people surveyed who are in "fear of being a victim of a personal crime"

Source of data: Determined by local survey and British Crime Survey

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.

INDICATORS

- ***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

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.

INDICATORS

- ***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.

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 Victimization Survey 2002 provides some costing for the installation of security equipment in crime prevention terms: www.crimereduction.gov.uk/business42.htm#w44

INDICATORS

Proportion of offenders who re-offend within 12 months

Youth Justice

- ***Reduce the number of young people who re-offend within 24 months of receiving a substantive outcome***
- ***Reduce year on year the number of first time entrants to the Youth Justice System***
- ***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.

INDICATORS - Prolific and priority offenders (PPO)

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.

- ***Number of PPOs who show a reduction in their offending, over a 12 month period, following inclusion in the PPO scheme***
- ***Increase in the percentage of those 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***
- ***Increase the proportion of PPOs judged as having sustainable and settled accommodation at the end of their contact with probation***
- ***Increase in the number of PPOs who successfully achieve the Basic Skills Award in custody or community***

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

We recognise that this is difficult without an existing target relating to reductions in offending by PPOs. Clearly 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 HO is waiting for results of evaluation of current PPO schemes. 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.

INDICATORS - Reducing adult reoffending

- ***Reduce the proportion of offenders who re-offend within 12 months***
- ***Reduce the number of offenders who are homeless/rough sleepers/staying in night shelters***
- ***Increase the proportion of offenders who have suitable accommodation at the end of their contact with probation***
- ***Increase the proportion of offenders who successfully achieve the Basic Skills Award***

Source of data: Mainly Probation Service data. [The National Offender Management Service is developing local reconviction measures, with the aim of introducing this from April 2006, which would provide a base-line in year one.

Department owner: Home Office

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 (ROM).

Period of measurement

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

Determining stretching performance

The National Offender Management Service (NOMS) has a commitment in the Home Office five-year Strategy Plan to reduce re-offending of adult and young offenders by 5% in 2007/08, and 10% by the end of the decade. A stretch will have to be negotiated locally, and take account of the contributions that local partnerships can make, including other existing performance indicators, which will have an impact on delivery of mainstream services to ex-offenders.

Determining the level of reward

The amount of stretched performance (that is, the number of offenders who do not reoffend) can be divided into the amount of Reward Grant available. The resulting figure is defensible by using data on re-offending costs for the CJS. It may be possible at a local level to factor in costs that might be incurred by other agencies, which have to deal with the consequences of re-offending, such as health and housing services.

In judging the value of a target that includes both an indicator to reduce 12-month 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.

INDICATOR

Number of young adults dependent on illegal drugs and legal substances, e.g. alcohol / tobacco

Please see guidance on this topic under the **CYP** and **HCOP Blocks**.

Outcome: To empower local people to have a greater voice and influence over local decision making and the delivery of services

INDICATOR - Community engagement / civil renewal

- ***Proportion of adults who feel able to influence decisions of public bodies locally***

INDICATOR - community cohesion

- ***Proportion of adults who say that people from different backgrounds get on well in their area***

INDICATOR - Volunteering

- ***Number of people reporting that they have engaged in formal volunteering for an average of two hours a week or more over the previous year***
- ***Number of people engaging in (defined) formal volunteering activity (direct measurement)***

Source of data: Local surveys

Department owner: Home Office

Necessary clarifications/qualifications about the indicator

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.

When using a perception survey, the actual question being 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.

Where people have engaged in formal volunteering in the sports and cultural sectors, authorities can consider an average of two hours a week or less. In many cases these sectors depend on volunteering for service delivery, but the volunteers actually give less than two 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 one hour a week i.e. the length of one lesson.

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.

Determining the level of reward grant

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

An increase in number of UNHCR nominated refugees who are accepted and provided with integration support for resettlement within the local authority area over and above an initial baseline of 200 refugees resettled over the target period

Source of data: Gateway Protection Programme (GPP) Team in IND, who would normally work very closely with the Local Authority

Department owner: Home Office

Necessary clarifications/qualifications for the above indicators

Local Authorities deciding to take up this target would be contributing towards the UK's international obligations in accepting and resettling refugees on a humanitarian basis under the Gateway Protection Programme (GPP). An authority may already have agreements under the NASS Dispersal programme. The GPP would be separate from the NASS dispersal programme and therefore an additional acceptance of refugees directly from refugee camps abroad. Many LAs will already be participating in the GPP. The stretch, therefore, would be applicable for the acceptance of Gateway Refugee numbers that are in addition to a baseline caseload of 200 Gateway refugees resettled over the period of the agreement.

The Home Office provides costs for intensive integration support during the refugees' first year of resettlement and will therefore

- nominate the refugees that will be placed in the LA area;
- work with the LA to ensure community cohesion issues are addressed within the LA's proposals; and

- ensure the quality of proposed resettlement and support services to be provided, including value for money issues, will meet HO standards. This would normally cover accommodation and casework support, including signposting and access to services, e.g. health, education (including English for Speakers of other Languages) employment and volunteering opportunities.

Gateway Refugees accepted as part of a swap agreement with NASS dispersal targets will not be counted against these indicators.

Period of measurement

Financial years over the target period. Performance will be measured in the end year of the target period.

Determining stretching performance

We would expect authorities to accept a baseline of 200 Gateway refugees over the target period. The stretch will be determined on a sliding scale for additional refugees that are accepted and resettled within the Area above the baseline number. Credits, for reward purposes, will be measured per additional caseloads of 50 refugees resettled.

Determining the level of reward

The Home Office provides costs for intensive resettlement support during the refugees' first year of resettlement. Therefore participation in the programme would be at a minimum cost to the local authority. The stretch of accepting additional numbers of refugees above the baseline numbers would also be at a minimum cost. Therefore, a challenging stretch would be required to meet value for money against the reward grant.

However, it is recognised that accepting new refugees within established communities, social factors (in particular community cohesion) must be taken into account. Therefore, successful resettlement of the new arrivals and their positive contribution to the local community and economy can be seen as real value for money for the purposes of the reward grant. For example, case studies show they have been successful in finding employment, work placements, vocational training and in volunteering.

Outcome: To have cleaner, greener and safer public spaces

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

Source of data: Local resident surveys

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

This indicator could be measured using BV89 and / or a combination of other indicators such as the environmental quality, crime or housing indicators described elsewhere in this document.

If an area wished to demonstrate a narrowing of the gap in these type of indicators conditions will need to be attached to ensure a reward only becomes payable if area wide targets are met. This is to ensure that the gap is narrowed by an improved performance in the targeted neighbourhoods, rather than a decline in the whole area. GOs must ensure that a reward only becomes payable for an overall improvement.

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

Cleanliness of the neighbourhood, percentage of the area falling short of a tolerable standard

Source of data: BVPI 199a - 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) and fly-posting (BV199c) and these could be used as the basis for a stretch target in this area. Stretch targets to include parts 199b and 199c should only be considered if they are proposed together with part 199a (see explanation below). Part 199d on fly-tipping is not suitable to use for stretch targets so the guidance below on fly-tipping must be followed.

Department owner: Defra

Necessary clarifications/qualifications about the indicator

The most recent BVPI 199a score for the authority will indicate the degree to which this should be a priority locally. It will also indicate the feasibility of stretching performance beyond expectations.

BV199a (street cleanliness):

- Over 30% - This means there is a significant issue with litter and detritus in the area and that progress needs to be made to meet the national benchmark. If an authority has such a score but is not considering a street scene target, GOs should consider carefully the authority's reasons for excluding this priority.

- 20-30% - These scores are around the national benchmark but an LA could certainly consider stretching performance from these levels.
- 14 – 20% - These are better than the current national benchmark and so suggest there is not relatively speaking a problem with litter / detritus in the area. An LA may still see this issue as a priority (e.g. because of residents' perceptions) but significant stretch may be difficult to attain especially at the lower end of this scale.
- 0 – 14%. Councils with these scores are the highest performers and therefore should not be looking to target this issue.

From 2005, BV199 has been enlarged to measure graffiti, fly-posting and fly-tipping (for fly-tipping see below). These measures do not yet have any baseline data. Defra anticipate most authorities will return scores of between 3 – 7 % for both graffiti and fly-posting. Defra believe that scores of under 10% should indicate that these issues are not a priority locally. In addition, with confidence intervals likely to be up to 3%, stretching performance already below 10% it would not make for a workable or robust indicator.

In the future, BV199 b and c may be used as indicators for stretch targets if graffiti and / or fly-posting were a significant problem in the area. This should be reflected in scores of over 10% on this BVPI. These indicators could then be used to complement a target around 199a.

Period of measurement

Financial years - the performance improvement will usually be measured in the final year of the agreement.

Determining stretching performance

Defra expect LA performance in this area to be improving over time. So without reward figures will generally show an improvement on current performance. National and regional benchmarks are set annually by Defra. The Government national benchmark for BV199 is 25% based upon 2004/05. The “without reward” position can be determined by assuming a natural improvement of 2.5% per year (rounded up to 8% as an overall improvement over three years) from the baseline year.

If the authority’s current performance is more than 25%, the assumption has to be that they would attain the benchmark without a stretch target.

In the case of BV199 b and c the stretch should take the score below 5%, from a starting point above 10%.

To establish a “with reward” streetscene target an LA should look for an additional significant stretch over and above the natural improvement described above.

Determining the level of reward

Where a GO wishes to judge whether a target in this area 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

households in an area (e.g. if there are 70,000 households in an area and the stretch is 3%, 2100 households can be said to have benefited). When this number of households is divided by the amount of Reward Grant on offer, the GO lead should consider whether the resulting amount is justifiable as a cost per household for one year's improvement. This can be based upon a commonsense view of how much a typical household might consider a reasonable cost for this improvement.

It is possible to combine BV199 with other indicators e.g. abandoned vehicles (now BVPI 218b), public perception of street cleanliness (BVPI 89), quality of footways (BVPI 187) and fly-tipping (which utilises data from fly-capture).

A target which includes BV199 b and / or c could only justify a small amount of the PRG (e.g. 10%) of a street scene target. A stretch of 5% or more would represent value for money for the target.

INDICATOR

Fly-tipping – the number and type of fly-tipping incidents

Source of data: The 'Flycapture' database.

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

Fly-tipping is the illegal disposal of any type of waste. Fly-tips can be small or large; anything from a single black bag of dumped rubbish, up to thousands of tons of demolition waste.

The returns capture the number of incidents recorded by waste type, location, size, and the cost of clear-up. Actions taken are also recorded in terms of the number and cost of different types of action, prosecution outcomes, plus the number and amounts of fine. 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.

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 authorities with the highest incident levels to offer an incidents reduction target.

For this indicator, 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. GO's should ensure that local authorities submit Flycapture returns fully, accurately and consistently, in accordance with official guidance provided within the Flycapture system.

In the past some authorities have objected to an incident-reduction stretch target because they cannot be sure that their proposed measures will reduce the incidence of fly-tipping. They might offer instead a target to increase the amount of prosecutions and other enforcement actions, because they can exercise greater control over this type of target achievement. It should be remembered that increasing convictions is not in itself an outcome-based, i.e. the public will not directly benefit from greater numbers passing through our courts, but they will benefit from reduced amounts of fly-tipping. There can be many reasons for fly-tipping and many measures to combat this activity, so it is best to aim directly at the desired outcome (fewer new fly-tips) and stress that the specific measures used are for the authority to decide, and beyond the scope of the LAA reward element target.

Councils may wish to focus upon local problem areas and 'hotspots'. Unfortunately a concentration of such efforts can cause fly-tipping to migrate to different geographical locations. When this happens, nothing in the LAA should discourage the council from 'following the action'. This can only be done by ensuring that present 'hotspots' and problem areas are not specified within the LAA conditions.

Period of measurement

Financial years. Current performance is latest financial year figure already audited. The reward element target should be measured in the final year of the LAA, not an average or cumulative amount.

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 LAA period. Typically in the past this has meant a 5-10% reduction from the present baseline number of incidents without the reward element target.

Performance with the reward grant is likely to be negotiated as a further reduction in incident numbers, beyond that indicated above. The GO should assess whether or not the stretch represented value for money in terms of the amount of reward on offer. A typical stretch with the reward target would be an additional reduction that matches the reduction offered without the reward.

Determining the level of reward

When setting individual targets for local authorities, the value (relative to the amount of reward) 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 value 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.

At the time of writing Defra and ODPM have agreed to continue discussions about how targets can be further refined in the future, and tailored to specific

local needs. For instance, rather than depending upon a simple incidents-reduction target (that will include every size of incident, from one black bag to tonnes of demolition waste), it should be possible to give greater recognition to reducing the number of large incidents. As the Flycapture dataset becomes more robust with time, it will be become easier to provide more individualised targets.

INDICATOR

Tonnes of waste disposed of in landfill

Source of data: BVPI 82d (provided authority supplies evidence on diversion of non-biodegradable recyclates)

Department owner: Defra

Necessary clarifications/qualifications about the indicator

With the introduction of the Landfill Allowance Trading Scheme, a waste disposal authority will be able to sell or bank the future surplus landfill allowances generated by increasing the rate of diversion of biodegradable municipal waste from landfill. Therefore to avoid funding an authority twice to achieve the same outcome a stretch target based on diversion of waste from landfill must focus on the diversion of non-biodegradable household waste (such as glass, metals and plastic) going to landfill.

BVPI 82d focuses on the diversion of all household waste going to landfill, i.e. it does not split the biodegradable and non-biodegradable fractions. So the authority has to base its indicator upon BVPI 82d, but provide hard evidence of how it intends to increase its diversion of non-biodegradable material (i.e. through focussing on collection of non-biodegradable recyclates through extension of existing recycling schemes or introduction of specific recycling schemes) and / or provide a robust indication of the reduction in non-biodegradable household waste going to landfill (through the provision of supplementary / alternative data).

Period of measurement

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

Determining stretched performance

Performance "without reward" is likely to be determined by current plans to divert household waste from landfill – and in particular the non-biodegradable content. Current plans can be determined by examining each authority's annual allowance for the quantity of biodegradable municipal waste sent to landfill (under the Landfill Allowance Trading Scheme). For example:

- Local Authority X's allowance for the amount of municipal biodegradable waste sent to landfill for 2007/08 is 77 422 tonnes
- So in order not to exceed this allowance we would expect Local Authority X in 2007/8 to landfill around 113 000 tonnes of municipal waste
- As, on average, household waste forms 87% of municipal waste, a good performance – without the reward grant - for total tonnage of household

waste sent to landfill by Local Authority X would be around 98 310 [this figure is measured by BV 82d(ii)]. Of this figure, 66 850 tonnes would be biodegradable and 31 460 tonnes would be non-biodegradable because, on again, average, non-biodegradable waste makes up 32% of municipal waste sent to landfill

It is important to understand how realistic an authority is being, therefore it is useful to ascertain what quantity of household waste each material represents (the authority can do this by dividing the tonnage of the material by the total tonnage data of household waste generated). You can then check the estimated figures for each material with the average figures for these materials in the make-up of household waste, which are as follows - Glass: around 7%; Metal: around 5-10%; Plastic: around 15%.

Performance "with reward" grant should be negotiated as a reduction in the amount of household waste sent to landfill. To measure this we would expect, on average, a 10% stretch in performance – this will be measured by BV82d (ii) or a stretch that would represent sufficient value for money. For example we would expect Local Authority X to reduce the amount of household waste sent to landfill from 98 310 tonnes to 88 479 tonnes. We would in particular seek to ensure that this stretch would consist mostly of tonnes of non-biodegradable material. We would expect the without performance (of say 66 850) to be substantially (i.e. 50% plus of the total stretch) reduced (to say 61 935).

Determining the level of reward

You should also ensure that the authority is not receiving government funding for the same projects proposed for the achievement of its stretch target. You can request from the authority the delivery plan/s that they would have had to prepare to justify receiving the funding (further to details on specific projects and on what the funding will be spent, it often contains a proposed recycling target which is useful to compare with their latest predictions). There are three separate streams which are detailed below:

- the National Waste and Minimisation and Recycling Fund has been making ring fenced grants to all English Local Authorities to support sustainable waste management projects since 2002/03 and has now entered it's final year of operation. The type of projects that are sponsored include kerbside collections of both dry recyclables and compostable garden and kitchen waste, bring banks, household waste recycling centres as well as processing infrastructure like composting facilities and Materials Reclamation Facilities (MRFs). The budget for 2005/06 is £45m and the overall budget over the four years of operation is over £270m. A proportion of the fund is distributed on Defra's behalf to London authorities under the banner of the London Recycling Fund (LRF) by London Waste Action (LWA) through a three way agreement between the department, the Association of London Government and the Greater London Authority. The budget for the LRF for 2005/06 is £6.85m. Both the NWMRF and LRF have now fully allocated their budgets for the current financial year and there are no further bidding rounds currently planned.

- The Fund will run in parallel to the unringfenced Waste Performance and Efficiency Grant (WPEG) for this year before that fund supersedes it in 2006/07. The Waste Performance and Efficiency Grant will support new and more efficient ways to deliver waste reduction and increase recycling and diversion from landfill. Local authorities will receive £45m in 2005/06, £105m in 2006/07 and £110m in 2007/08. In 2005/06, £40m will be allocated according to a formula designed to reflect individual local authorities' need to spend on waste. The remaining £5m in 2005/06 will be distributed as part of a pilot programme focusing specifically on local authority incentives for households to recycle and reduce waste. The grant is not, however, ring fenced and there are no specific requirements to invest the funding under the Waste Performance and Efficiency Grant in a particular way.
- Local authorities are also eligible for (ring-fenced) funding under the Private Finance Initiative (PFI). The PFI credits represent the largest source of additional funding available to Local Authorities for waste infrastructure - notionally a maximum of £40m per project (there is some flexibility to support a single scheme with more than £40million where such a scheme demonstrates exceptional value for money). The main policy criteria is that a project should deliver a challenging stretch in the performance of the authority against both its recycling / composting targets and its landfill allowance obligations. Forecast demand from local authorities for PFI credits indicate that 19 authorities are expected to bring PFI projects forward for approval in the current SR period, including strategically important ones at Lancashire and Greater Manchester (where PFI credits have already been allocated and approved) Merseyside and Essex.

When setting individual targets, the value for money provided by the stretch is gauged by firstly establishing a pounds per tonne figure – this is achieved by:

i) dividing the with Reward Grant on this indicator by the number of additional tonnes of waste that will be diverted from landfill as a result of the stretch

ii) you should then work out a rough figure for the cost of diverting each tonne of recyclable material in for the authority. This is in two parts: the cost of collection and the cost of reprocessing. A general cost of collecting each tonne of waste can be derived from a waste collection authority's waste recycling credit (for shire authorities - as they are only waste disposal authorities – you could work out an average waste recycling credit of each of its constituent waste collection authorities). Waste recycling credits are a sum of money that a waste collection authority will pay to third parties for every tonne of waste which the collection authority has not had to collect. Alternatively you could obtain the numerator figure of the latest BVPI 86 data and divide this by the total tonnage of waste collected by that authority to obtain a figure for the cost of collecting each tonne of recyclable material (again for shire authorities, you could work out an average for each of its collection authorities).

The cost of actually reprocessing each material will vary and so rather than attempt to work out how much it should cost, one possibility is to find out the sum of the authority's Waste Disposal Credit – this is a sum of money that a waste disposal authority pays to its waste collection authorities for each tonne of recyclable material delivered to it. The value of a recycling (disposal) credit to be paid by a waste disposal authority is currently set by statute at a level equal to the expenditure which the authority would have incurred in disposing of the waste at a cost per tonne equal to its average cost per tonne, at the relevant time, of disposing of similar waste using its most expensive disposal method for waste collected in the relevant area. This figure will be more than the cost of reprocessing and will represent a good indication. Unitary authorities collect and dispose of their own waste, therefore you should use the default levels as set by statute.

By adding the two figures together, you should have a good guide to how much it is costing the authority to divert each tonne of material.

There is no study into the cost of collecting/recycling according to the authority's local circumstances, however, the recycling credits (both for recycling and disposal should represent this cost).

iii) The pounds per tonne figure from ii) can then be compared to the pounds per tonne figure in i). If the pound per tonne figure is close to the cost of dealing with each tonne figure, then it would represent value for money. If the figure is too high, you should request that the authority stretches further the amount of tonnages diverted – this can sometimes be a bartering process until the figure is as near as possible to the cost of dealing with each tonne figure.

iv) If the proposed stretch is on just one or two materials (such as plastic or glass) then you need to work out how much of that plastic or glass the authority is currently diverting – as a proportion of household waste. If the authority is exceeding the average amounts for that material (given above) then it is acceptable for the pounds per tonne figure of the Reward Grant in iii) to be higher as recycling of this material would be becomes increasingly more difficult.

v) If the authority is receiving any of the funding outlined above and that money is being used to fund schemes that will directly contribute towards an authority's efforts in meeting an LAA Reward Element target, then again the pounds per tonne figure of the reward in iii) should be much lower, i.e. the authority will have to propose an increase in the tonnes recycles.

vii) If the stretch would still not be value for money, then the amount of PRG apportioned to this target could be reduced.

INDICATOR

Environmental quality

Source of data: BVPI 199 - Please see guidance above; 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?

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; therefore unless an LA carries out its own annual version of this survey it will be difficult to use this indicator.

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

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

Source of data: BV218b - Audited local authority data

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.

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

Financial year. Measurement of the stretch performance is usually in the final year of the LAA but could also be done cumulatively over two or three years.

Determining stretching performance

In agreeing the without reward position it is reasonable for the GO to expect the LA to improve performance by 7.5% (2.5% pa natural improvement over three years) on the number of abandoned vehicles removed within 24 hours of being legally able to do so.

The with reward position should aim to increase the number of vehicles being removed within 24 hours of being legally able to do so by a significant percentage over and above the 2.5% per annum natural improvement.

Determining the level of reward

In order to confirm that the amount of stretch can be justified compared to the level of reward GOs should divide the amount of reward apportioned to this indicator by the number of vehicles represented by the proposed enhancement in performance. The resulting figure has to be justifiable in terms of several factors such as the actual cost of removal, the likelihood of abandoned vehicles causing environmental damage, being the source of fires and the general benefit to a community of speedier removal.

INDICATOR

Increased household recycling

Source of Data: BVPI 82a, 82a (ii), 82b & 82b (ii) or information on particular materials from authority's own reports and/or MWMS/ Waste Data Flow

Department owner: Defra

Necessary clarifications/qualifications about the indicator

Under the Landfill Allowance Trading Scheme, a waste disposal authority is able to sell or bank the future surplus landfill allowances generated by increasing the rate of diversion of biodegradable municipal waste from landfill. Therefore an authority's stretch target will need to be significantly more stretching because any efforts to increase the recycling rate (of biodegradable material such as green waste, paper, cardboard, and some textiles) will directly help an authority in meeting its landfill reduction targets and potentially gain landfill allowances which it can subsequently sell (potentially earning hundreds of thousands of pounds).

Alternatively a LPSA target based on recycling and / or composting of household waste could focus on the recycling of non-biodegradable household waste (such as glass, metals and plastic).

Please note that BVPI 82a & b focuses on recycling of all household waste, i.e. it does not split the biodegradable and non-biodegradable fractions. So the authority could base its target on BVPI 82a & b but must provide hard evidence of how it intends to increase recycling of non-biodegradable material OR it could base its stretch on individual materials. For these purposes, the data from the Municipal Waste Management Survey/Waste Data Flow or the authority's own data is acceptable.

Determining stretching performance

For stretches on an authority's recycling and composting rate (as measured by the sum of BV 82a and b):

1. The latest data on Best Value Performance Indicators is published around December (data published in December 2005 is for the financial year 2004/5). The latest figures for BV 82a and b will give the best indication of how an authority is currently performing.
2. LAA reward element targets are unsuitable for authorities lagging behind their statutory targets. An authority's performance "without reward" will need to be above the statutory performance standard nearest to the year in which the stretch performance is measured (authorities must achieve a stretch on their statutory performance standards). At present there are no standards set post 2005/06 - *Defra plan to consult on future standards in Autumn 2005, however, it is likely that there will be future statutory targets for local authorities*). In the meantime, you should ensure that performance without reward is above the authority's 2005/06 target. It is also possible to extrapolate expected performance without reward by drawing a straight line between the 2005/06 statutory performance standard and the 30% national target in 2010/11 (the national target for that year). Performance above the line would be considered good performance.
3. The authority will need to provide data on the amount (%) and actual tonnage of household waste recycled in the baseline year and the final year of the LPSA period (for example if the LAA runs from 2005/06 to 2007/08, the authority will need to provide data for the financial years 2004/05 and 2007/08. Authorities should have a good idea of how many tonnes their

particular schemes are expected to yield (including those to be implemented). It may be more difficult for an authority to provide accurate data for the total tonnage of household waste produced each year. Therefore to ascertain a rough recycling and composting rate it is acceptable to predict a growth rate of 3%. However, the final stretch must be measured through actual performance under BVPI 82 a and b for the stretch year. The authority will then be able to meet the target through increasing recycling in line with its predictions and / or through efforts to minimise or constrain the total waste generated.

4. An authority should also provide supplementary data on the tonnage of non-biodegradable material it currently recycles. It should then provide details of how many tonnes it predicts by the end of the LAA period. An authority can provide this information from its own reports and / or MWMS / Waste Data Flow.

If an authority is also able to stretch its performance on just one single non-biodegradable material or a combination of non-biodegradable materials. The authority would need to provide tonnage data on the amount it is currently recycling of the material/s and an estimate of tonnages recycled by the end of the LAA period. Performance "with reward" grant should be an increase in performance of the recycling of the chosen materials significantly above what would have been expected and yield a tonnage stretch which, when divided by the performance reward grant would represent value for money.

It is important to understand how realistic an authority is being, therefore it is useful to ascertain what quantity of household waste each material represents (the authority can do this by dividing the tonnage of the material by the total tonnage data of household waste generated). You can then check the estimated figures for each material with the average figures for these materials in the make-up of household waste, which are as follows - Glass: around 7%; Metal: around 5-10%; Plastic: around 15%.

Where an authority wishes to target its recycling and composting rate (as measured by the sum of BV 82a and b) performance with the reward grant should be an a significant increase in the recycling and composting performance that would be expected without the stretch target (lower performing authorities should stretch by a higher percentage whilst flexibility will be offered to the best performing authorities because of the increase costs in stretching performance at that level). For example an authority predicting a recycling / composting performance of 20% without the reward would be expected to reach a 22% rate with the reward target (a 10% stretch).

The stretch will also depend on the value for money aspect it represents.

Determining the level of reward

1. You should also ensure that the authority is not receiving government funding for the same projects proposed for the achievement of its LAA reward element target. You can request from the authority the delivery plan/s that they would have had to prepare to justify receiving the funding (further to

details on specific projects and on what the funding will be spent, it often contains a proposed recycling target which is useful to compare with their latest predictions). There are three separate streams which are detailed below:

- the National Waste and Minimisation and Recycling Fund has been making ring fenced grants to all English Local Authorities to support sustainable waste management projects since 2002/03 and has now entered it's final year of operation. The type of projects that are sponsored include kerbside collections of both dry recyclables and compostable garden and kitchen waste, bring banks, household waste recycling centres as well as processing infrastructure like composting facilities and Materials Reclamation Facilities (MRFs). The budget for 2005/06 is £45m and the overall budget over the four years of operation is over £270m. A proportion of the fund is distributed on Defra's behalf to London authorities under the banner of the London Recycling Fund (LRF) by London Waste Action (LWA) through a three way agreement between the department, the Association of London Government and the Greater London Authority. The budget for the LRF for 2005/06 is £6.85m. Both the NWMRF and LRF have now fully allocated their budgets for the current financial year and there are no further bidding rounds currently planned.
- The Fund will run in parallel to the unringfenced Waste Performance and Efficiency Grant (WPEG) for this year before that fund supersedes it in 2006/07. The Waste Performance and Efficiency Grant will support new and more efficient ways to deliver waste reduction and increase recycling and diversion from landfill. Local authorities will receive £45m in 2005/06, £105m in 2006/07 and £110m in 2007/08. In 2005/06, £40m will be allocated according to a formula designed to reflect individual local authorities' need to spend on waste. The remaining £5m in 2005/06 will be distributed as part of a pilot programme focusing specifically on local authority incentives for households to recycle and reduce waste. The grant is not, however, ring fenced and there are no specific requirements to invest the funding under the Waste Performance and Efficiency Grant in a particular way.
- Local authorities are also eligible for (ring-fenced) funding under the Private Finance Initiative (PFI). The PFI credits represent the largest source of additional funding available to Local Authorities for waste infrastructure - notionally a maximum of £40m per project (there is some flexibility to support a single scheme with more than £40million where such a scheme demonstrates exceptional value for money). The main policy criteria is that a project should deliver a challenging stretch in the performance of the authority against both its recycling / composting targets and its landfill allowance obligations. Forecast demand from local authorities for PFI credits indicate that 19 authorities are expected to bring PFI projects forward for approval in the current SR period, including strategically important ones at Lancashire and Greater Manchester (where PFI credits have already been allocated and approved) Merseyside and Essex.

2. When setting individual targets, the value for money provided by the stretch is gauged by firstly establishing a pounds per tonne figure – this is achieved by"

i) dividing the reward grant for this indicator by the number of additional tonnes of waste that will be recycled/composted as a result of the stretch

ii) you should then work out a rough figure for the cost of recycling each tonne of recyclable material in for the authority. This is in two parts: the cost of collection and the cost of reprocessing. A general cost of collecting each tonne of waste can be derived from a waste collection authority's waste recycling credit (for shire authorities - as they are only waste **disposal authorities** – **you could work out an average waste recycling** credit of each of its constituent waste collection authorities). Waste recycling credits are a sum of money that a waste collection authority will pay to third parties for every tonne of waste which the collection authority has not had to collect. Alternatively you could obtain the numerator figure of the latest BVPI 86 data and divide this by the total tonnage of waste collected by that authority to obtain a figure for the cost of collecting each tonne of recyclable material (again for shire authorities, you could work out an average for each of its collection authorities).

The cost of actually reprocessing each material will vary and so rather than attempt to work out how much it should cost, one possibility is to find out the sum of the authority's Waste Disposal Credit – this is a sum of money that a waste disposal authority pays to its waste collection authorities for each tonne of recyclable material delivered to it. The value of a recycling (disposal) credit to be paid by a waste disposal authority is currently set by statute at a level equal to the expenditure which the authority would have incurred in disposing of the waste at a cost per tonne equal to its average cost per tonne, at the relevant time, of disposing of similar waste using its most expensive disposal method for waste collected in the relevant area. This figure will be more than the cost of reprocessing and will represent a good indication. Unitary authorities collect and dispose of their own waste, therefore you should use the default levels as set by statute.

By adding the two figures together, you should have a good guide to how much it is costing the authority to recycle each tonne of material.

There is no study into the cost of collecting/recycling according to the authority's local circumstances, however, the recycling credits (both for recycling and disposal should represent this cost).

iii) The pounds per tonne figure from ii) can then be compared to the pounds per tonne figure in i). If the pound per tonne figure is close to the cost of dealing with each tonne figure, then it would represent value for money. If the figure is too high, you should request that the authority stretches further the amount of tonnages recycled – this can sometimes be a bartering process

until the figure is as near as possible to the cost of dealing with each tonne figure.

iv) If the proposed stretch is on just one or two materials (such as plastic or glass) then you need to work out how much of that plastic or glass the authority is recycling – as a proportion of household waste. If the authority is exceeding the average amounts for that material (given above) then it is acceptable for the pounds per tonne figure of the LPSA reward in iii) to be higher as recycling because recycling of this material becomes increasingly more difficult.

v) If the authority is receiving any of the funding outlined above and that money is being used to fund schemes that will directly contribute towards an authority's efforts in meeting its LPSA stretch, then again the pounds per tonne figure of the LPSA reward in iii) should be much lower, i.e. the authority will have to propose an increase in the tonnes recycles.

vi) If an authority's stretch comprises the diverting of tonnes of biodegradable material then the pounds per tonne figure of the LPSA reward in iii) will need to be much lower than the cost figure. [

vii) If the stretch would still not be value for money, then it could instead be possible to include the target within a basket of indicators.

INDICATOR

Level of noise nuisance in residential neighbourhoods

Source of data: Robust local authority data for:

- The levels of total and repeat complaints.
- 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. A 10–15% drop in total or repeat complaints might be reasonable, but complaints are likely to rise as the local authority becomes more responsive to problems or locals become more aware of the service. In the long-term the volume of complaints should level out and an assessment of improvements in the service provided should become easier.

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

Air quality – local concentrations of specific air pollutants

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 (AQMAs) 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 AQMAs in respect of sulphur dioxide due to industry.

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. The authority should also propose outcomes with the target, such as reduced pollution, fewer premature deaths or hospital admissions

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

Measurements taken in the final year of the LAA target.

Determining stretched performance

Performance "without reward" is likely to be determined by assessing the existing air quality action plan (AQMA) that the authority has in place and the measures it is undertaking over the relevant period.

Performance "with reward" 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 whether a target can be justified in terms of the amount of reward on offer several factors should be considered such as, 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. 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. Defra cannot therefore offer more specific in this guidance and GOs would need to contact the Defra policy lead for advice.

INDICATOR

To protect and enhance biodiversity – to conserve and enhance wildlife and the rural landscape and to promote access and understanding by all

Based on The Countryside Agency's "Countryside Quality Indicators" and the England Biodiversity Strategy progress indicators, targets can be set around the following:

- Condition and change in condition of SSSIs / or sites with significant biodiversity interest
- Management of council owned landholdings/buildings to achieve biodiversity objectives
- Numbers of farmland/woodland birds
- Volunteer time spent in conservation activity (but see guidance on volunteering above)
- Number of visits to nature reserves
- Priority species status or priority habitat status/condition*
- Ratio of area of local nature reserve to population
- Developing woodland and hedgerows

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. Biodiversity action plans have been put in place 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 of 2002.

Determining stretching performance

The "without reward" position agreed must be in line with Defra's national PSA 3 target to increase by X% from 2002 or 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 2002 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. 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.

Outcome: To improve the quality of life for people in the most disadvantaged neighbourhoods and ensure service providers are more responsive to neighbourhood needs and improve their delivery

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 or the community engagement / civil renewal indicators described elsewhere in this document.

If an area wished to demonstrate a narrowing of the gap in these indicators, conditions will need to be attached to ensure a reward only becomes payable if area wide targets are met. This is to ensure that the gap is narrowed by an improved performance in the targeted neighbourhoods, rather than a decline in the whole area. GOs must ensure that a reward only becomes payable for an overall improvement.

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.

Outcome: To increase domestic fire safety and to reduce arson

INDICATORS

Measures relating to, for example, accidental domestic fires, deliberate fires, 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 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 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 2005/06 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 2003' available on the ODPM website (tables 3.3, 5.4, A1 www.odpm.gov.uk/index.asp?id=1125059)

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.

Outcome: Cultural services, including libraries, historic environment and sport, better meet the needs of their communities (especially in disadvantaged areas)

INDICATOR

Libraries service standards and impact score, and cultural participation, satisfaction and access indicators

Source of data: Local authority data

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

The details of indicators used for libraries are given at www.mla.gov.uk/action/00action.asp.

Determining stretching performance

As performance against these indicators is measured in the Comprehensive Performance Assessment, authorities will need to consider their own performance against standards, the thresholds for CPA, and whether they can achieve significant improvement.

Determining the level of reward grant

Libraries are a statutory service and authorities have a duty to provide a comprehensive and efficient library service. To justify a Performance Reward Grant authorities will need to demonstrate that they are achieving improvement greater than that which would normally be expected, or are improving at a faster rate.

Authorities and Government Offices will need to consider the following factors:

- The extent to which the Library service is increasing and maximising its contribution to the priorities for the area expressed in the LAA and the shared priorities for Central and Local Government.
- Current performance and the authority's plans for achievement against library standards during the life of the agreement, including any particular challenges that the authority faces.
- Local circumstances e.g. urban or rural, levels of deprivation and social exclusion, public transport links, historic level of performance, participation, etc.
- Whether the potential for achieving more through partnership or innovative methods of working has been fully explored.
- Whether the proposals can reasonably be expected to deliver the anticipated impact, and are utilising good practice.
- Comparisons with evidence from delivery of similar targets in LPSA round 1 (where available), that the proposal offers good value for money and is sustainable.

Outcome: Better life chances for adults of a working age.

INDICATORS

Level of homelessness:

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

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 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.

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

Attainment of qualifications relevant to employment

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

INDICATOR

Increased take-up of adult learning opportunities through public libraries

Source of data: Local authority data

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

Adult learning opportunities should be defined as courses offered by or in the library (definitions of planned sessions for a fixed length of time are used in the MLA impact measures).

Determining stretching performance

Registration and the completion of courses should be used to measure performance. Libraries collect attendee hours for adult learning sessions.

To determine stretch, negotiations will need to take into account levels of need (e.g. levels of educational attainment from community profiles collected for MLA impact measures) related to take-up and use. The degree of need and therefore the target will vary locally.

Determining the level of reward grant

Please refer to the guidance given below in relation to the indicators, "Number of adults gaining basic skills as part of the Skills for Life Strategy" and "Number of adults who are supported in achieving at least a full first NVQ level 2 qualification or equivalent". The value of Reward Grant that could be justified for participation or starting a course will be much less than that which could be justified in relation to a substantive qualification which will confer a lifetime benefit.

Outcome: A better quality of life for all age groups

INDICATOR

People living in poor housing

Please see guidance in the **CYP Block** for advice on this indicator.

INDICATOR

Percentage of households within 15 and 30 minutes of a major centre by public transport

Please see guidance in the **HCOP Block** for advice on this indicator.

Outcome: A reduced cost of conducting everyday life

INDICATOR

Time needed to carry out a representative set of everyday activities

Source of data:

- Local Transport Plan (LTP) Transport Statistics: Roads (TSR4) team at DfT to check what data may be available centrally and what data the authority might need to collect and the feasibility of this
- Roads Performance (RP1) team at DfT, for a steer on development of the various indicators and potential conflict with other transport targets

Department owner: DfT where this indicator refers to level of transport congestion

Necessary clarifications/qualifications about the indicator

The average person delay (time lost per person per kilometre travelled, measured against a reference journey time derived from a reference speed).

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). Justification that an accurate representation of the local network is being put forward should be provided.

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”.

Period of measurement

Surveys in base and final year. If applicable, survey methods and times should be in line with those used for parallel LTP targets.

Determining stretching performance

Performance "without reward" grant is likely to be determined by the performance of an authority in prior years. Consideration will also be given in

a large part to the LTP target that an authority has set or will be responsible for delivering (if part of a conurbation).

Performance "with 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

Outcome: Neighbourhood Renewal outcome on crime

INDICATOR

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

Necessary clarifications and qualifications for the above indicator

Please see guidance on crime targets above. Where an LA wishes to set a gap narrowing target, conditions will need to be attached to ensure a reward only becomes payable if area wide targets are met. This is to ensure that the gap is narrowed by an improved performance in the targeted neighbourhoods, rather than a decline in the whole area. GOs must ensure that a reward only becomes payable for an overall improvement.

Outcome: Neighbourhood Renewal outcome on housing

INDICATOR

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

Necessary clarifications and qualifications for the above indicator

Please see guidance on targets around people living in poor housing above. Where an LA wishes to set a gap narrowing target, conditions will need to be attached to ensure a reward only becomes payable if area wide targets are met. This is to ensure that the gap is narrowed by an improved performance in the targeted neighbourhoods, rather than a decline in the whole area. GOs must ensure that a reward only becomes payable for an overall improvement.

Outcome: Neighbourhood Renewal liveability outcome

INDICATOR

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

Necessary clarifications and qualifications for the above indicator

Please see guidance on neighbourhood cleanliness and crime above. Where an LA wishes to set a gap narrowing target, conditions will need to be attached to ensure a reward only becomes payable if area wide targets are met. This is to ensure that the gap is narrowed by an improved performance in the targeted neighbourhoods, rather than a decline in the whole area. GOs must ensure that a reward only becomes payable for an overall improvement.

HEALTHIER COMMUNITIES AND OLDER PEOPLE'S BLOCK

Outcomes:

Improved health of the population

Improved quality of life and independence of all older people

Increase number of older people who are productively engaged in the development and design of services to meet their needs

Achieve higher employment rates for over 50s

Neighbourhood Renewal outcome on health

INDICATOR

Mortality rate from cancer, heart disease and stroke and related diseases – heart disease and stroke in people aged under 75, per 100,000 directly age standardised population

Source of data: Local Delivery Plans (LDP), Strategic Health Authority (SHA) level, and monitored through Office of National Statistics (ONS) Mortality statistics from death registrations and European Standard Populations (www.statistics.gov.uk) and compendium of clinical and health indicators on National Centre for Health Outcomes Development (NCHOD) website (available to NHS users only <http://www.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 Primary Care Trusts (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

Inequalities gap between the fifth of areas with worst health and deprivation indicators and the population as a whole

- i) The gap in life expectancy for men between [local authority area/s or part thereof] and the England average as defined in ONS three year rolling averages of life expectancy at birth
- ii) The gap in life expectancy for women between [local authority area/s or part thereof] and the England average, measured as defined in ONS three year rolling averages of life expectancy at birth

Source of data: Office of National Statistics

Department owner: DH

Necessary clarifications/qualifications about the indicator

Authorities should be encouraged to target this intervention on those wards or areas with the worst health outcomes to maximise impact on health inequalities. These indicators should be used together unless it is only one sex within the population that has marked inequality in life expectancy compared to the national average.

Period of measurement

At the end of the agreement (three year period). Where alterations in life expectancy will be difficult to achieve in a three year period, exceptionally up to 5 year periods may be acceptable, with consequent later receipt of reward grant for that target.

Determining stretching performance

Current performance is the difference between average life expectancy for men/women in the specified geographical area and the national average life expectancy for men/women. The current average life expectancy for the area, and national average life expectancy, should be stated in brackets.

The size of the population and the level of deprivation within selected areas will impact upon the level of stretch that is achievable. 0.15 years reduction in the gap between the selected geographical area average and the national average is a standard acceptable stretch. However with smaller populations, or less deprived areas, more stretch would be required.

Determining the level of reward

The improvements in life expectancy expected/ life years gained should inform the level of reward. Agreements on life expectancy have previously justified a whole target.

INDICATOR

Health inequalities, as measured by infant mortality, life expectancy at birth and babies born with a low birth weight

For infant mortality and low birth weight see **Children and Young People's Block** Infant mortality Rate indicator. For life expectancy at birth see Inequalities Gap between the fifth of areas with worst health and deprivation indicators and the population as a whole indicator.

INDICATOR

Percentage of mothers who are breastfeeding at a child's 6-8 week check

Source of data: Primary Care Data

Department owner: DH

Necessary clarifications/qualifications about the indicator

This indicator should be used in conjunction with the indicator recording breastfeeding initiation.

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). The definition of breastfeeding continuation should be agreed with the local breastfeeding coordinator, and take account of any programmes run locally and the most complete data source available locally.

Period of measurement

Cumulative figure over the period of the agreement.

Determining stretching performance

The projection of breastfeeding continuation trends in the area should form a 'without' measure. This improvement in breastfeeding continuation should be of a similar scale as LDP agreed increases in breastfeeding initiation in the area.

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. Small increases in additional mothers continuing breastfeeding have previously justified a half-target. Whole targets have been agreed where both initiation and continuation of breastfeeding at 6 weeks after birth have been included.

INDICATOR

Adult smoking rates- number of 4-week smoking quitters who attended NHS Stop Smoking Services per 100,000 population

Source of data: LDP and monitored through NHS Stop Smoking Services return.

Department owner: DH

Necessary clarifications/qualifications about the indicator

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 have previously justified a half target; large additional numbers of quitters 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

Incidence of obesity among children under 11 as part of a strategy to tackle obesity in the population as a whole- number of recorded obese individuals completing a personalised weight management programme

For obesity among children under-11 see **Children and Young People's Block** Incidence of obesity among children under 11 indicator.

Source of data: Primary Care Data

Department owner: DH

Necessary clarifications/qualifications about the indicator

Baseline 2004/2005 Forecast Outturn, or SHA planning process figures. Baseline data, in the absence of this data, can use DH synthetic estimates of 16+ Obesity, Synthetic Estimates of Lifestyle Behaviour 2005, DH. Recorded obese individuals is the total number of people aged 15-75 years on GP register, recorded as having a BMI of 30 or greater in the last 15 months. Personalised Weight Management is defined as adhering to DH Obesity Care Pathway guidance 2005 and DH Weight Loss Guidance 2005. There must be clear record keeping to illustrate the weight management programme uses these procedures and individuals complete personalised weight management programmes.

Period of measurement

Period of the agreement (cumulative figures).

Determining stretching performance

Standard acceptable stretch on this indicator is a 20 percentage point increase on the number of recorded obese individuals completing a personalised weight management programme. This will vary according to the population concerned and the existing percentage receiving personalised weight management.

Determining the level of reward

The costs of health care avoided and improvements in life expectancy, through achievement of lower BMI for obese individuals, should inform the level of reward.

INDICATOR

Under 18 Conception rate

Please see **CYP Block** "Be Healthy" indicator

INDICATOR

Number of people killed and seriously injured in road accidents

Source of Data: As measured by Police STATS 19 figures for each calendar year. Since 2005 BVPI 99a has been the same as STATS 19

Department owner: DfT

Necessary clarifications/qualifications about the indicator

Killed or seriously injured. 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

On request of the local authority motorways may be excluded from the target, but not trunk (A) roads as they are an integral part of the road network in a local authority and the authority can affect the road casualty situation on trunk roads through safety education.

Period of measurement

Calendar years. May be a final year target or an average over the years of the agreement.

Determining stretching performance

Performance "without reward" grant is likely to be determined by an examination of the progress of an authority in the last few years. Consideration will also be given in a large part to the Local Transport Plan (LTP) target that an authority has set or will be responsible for delivering (if part of a conurbation).

Determining the level of reward

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. Consideration will also be given on how well an authority has been delivering against its 2010 targets.

Nationally, a little under 10% of the total of those killed or seriously injured are fatalities. Local evidence of the proportions of each should be preferred but this national figure should be used if local evidence is thought atypical of the likely future mix of fatalities and serious injuries. The source evidence is at: http://www.dft.gov.uk/stellent/groups/dft_rdsafety/documents/page/dft_rdsafety_033570.pdf

INDICATOR

Access to i) crisis services and ii) child and adolescent mental health services

The Department of Health will provide guidance on these indicators when completed.

INDICATORS

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

Percentage of households (including those without access to a car) within 15 and 30 minutes of a General Practitioner (GP) by public transport

Source of data: Local Authority and DfT. Software is available from DfT

Department owner: DfT

Necessary clarifications/qualifications about the indicator

DfT is working on accessibility indicators. Setting a target that increases accessibility for specific groups of people may not be practical for the purposes of the Reward Element of LAAs due to low numbers.

Period of measurement

By survey at the same times of year for baseline and target.

Determining stretching performance

Performance "with" the Reward Element will be based on whatever level the Government Office(GO) (in consultation with accessibility policy colleagues within DfT) believe to be necessary to achieve an adequate increase in the accessibility situation.

Performance "without" the reward element is likely to be based on the commitments put forward by the authority as part of their Local Transport Plan 2 accessibility strategy.

Determining the level of reward

There is no current guidance on what is acceptable in terms of value for public money. The GO will need to exercise judgment.

INDICATOR

Proportion of older people supported to live in their own home

- i) reducing the number of people aged 65 and over being admitted to residential/nursing care (Moving in indicator)
- ii) increasing the number of people aged 65 and over being discharged from residential/nursing care (Moving out indicator)

Source of data: Local social care data

Department owner: DH

Necessary clarifications/qualifications about the indicator

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 overall effect of improved performance in these areas would be that the numbers of people aged 65 and over moving into residential/nursing care, or supported by the council in residential/nursing care should be reduced.

These indicators can be used as a total package or in any combination. The council will need to demonstrate the reduction in admissions to residential/nursing care over the 3-year period of the agreement.

People will be deemed to have 'moved in' to residential/nursing care if they have remained there for a continuous period of 6 months during the life of the agreement. Shorter stays will not be counted. People who move into

residential/nursing care, who die before the end of the six month period will not be counted. Neither will self-supported residents who subsequently are funded by the council.

To be counted for the Moving out indicator, people will 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. They will have a new care plan and 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. People who die after 6 months at home are also eligible to be counted.

Determining stretching performance

The council should provide the necessary baseline information at the start of the performance period.

CSCI is responsible for Performance Assessment of councils and their Performance Assessment Framework includes indicators which provide a background to the council's performance. Indicators of specific interest include:

- B11 Intensive home care as a percentage of intensive home and residential care;
- C26 Admissions of supported resident aged 65 and over to residential/nursing care;
- C28 Intensive home care;
- C32 Older people helped to live at home;
- C51 Direct payments.

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

The target can be drafted as an agreed stretch above the baseline, either a number, a percentage or using the same format as the PAF indicator. However, the actual numbers will be required to calculate the reward element. Previously agreements for supporting individuals to live in their own home have justified a full target.

INDICATOR

Evidence of improved wellbeing of older people (number of elderly people reporting a good quality of life)

- i) improving the quality of life of people aged 65 and over using home care services or receiving direct payments on an ongoing basis (Quality of Life indicator)

Source of data: Independence and Quality of Life of Older People Questionnaire

Department owner: DH

Necessary clarifications/qualifications about the indicator

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 agreement 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 and people aged 65 and over who receive 'ongoing' Direct Payments at the time of the survey. An 'ongoing' direct payment is defined as a payment that has been made to cover a period of at least a month at the time the sample is taken and is not for a one-off service such as a short break or item of equipment.

The same questionnaire should be used for the baseline and for the end of the performance 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 extremely satisfied
- I am very satisfied
- I am quite satisfied
- I am neither satisfied nor dissatisfied
- I am quite dissatisfied

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

I am very dissatisfied
 I am extremely dissatisfied

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 extremely satisfied
 I am very satisfied
 I am quite satisfied
 I am neither satisfied nor dissatisfied
 I am quite dissatisfied
 I am very dissatisfied
 I am extremely dissatisfied

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 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 agreement. 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 agreement period will be added to give the overall target figure to be achieved. For reward element 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. Indicators C51, Direct payments is of specific interest.

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

Number of Schools Achieving Healthy Schools Status

Source of data: Healthy Schools Coordinators

Department owner: DH/DfES

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, a full non-smoking policy.

Period of measurement

To be determined locally, with a maximum two year period.

Determining stretching performance

Current performance is the number of schools that have achieved the 2005 Healthy School Status. The 2005 Healthy School Status Standards are being published in Autumn 2005. Schools previously holding National Healthy School Status are not counted in this baseline, only those achieving the new more challenging standards. Previous NHSS status can, however, indicate the level of stretch that is appropriate.

As all schools should be aiming for NHSS status by 2009. Built in stretch in the specific criteria achieved (as detailed in qualifications about the indicator), is necessary. Achievement of the target by an earlier date is a further available form of stretch. Ideally, all schools within an area should be aiming for NHSS status within the target.

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

INDICATOR

Suicide rates

Please refer to **CYP Block**.

INDICATOR

Alcohol and drugs consumption needs

See also alcohol and drugs indicators in **CYP Block**.

Performance in this area can be identified using the following indicators:

- i) Numbers in structured treatment*
- ii) Percentage of clients aged 19+ who, at the time they were discharged, had remained in structured treatment for at least 12 weeks from the date of triage.

* Across all modalities of treatment

Source of data: National Drug Treatment Monitoring System

Department owner: DH

Necessary clarifications/qualifications about the indicator

Data from Key Performance Indicators of the National Treatment Agency (NTA) (National Drug Treatment Monitoring System) for reviewing the performance in each Drug Action Team area.

Period of measurement

Three year period. Data available annually. Either in numbers 12 months to the end of the agreement or cumulatively in period of the agreement; each client to count once only

Determining stretching performance

Average acceptable stretch is in the region of 5% improvement over agreed 2008 NTA targets (2008 Milestones) for the area concerned. These figures should be translated into absolute numbers of individuals treated for calculation of value for money.

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. Home Office expertise of the social costs of drug use should also inform the level of reward.

INDICATOR

Alcohol and drugs consumption

Performance in this area can be identified using the following indicators:

- i) Number of women consuming more than 14 units a week in an average week
- ii) Number of men consuming more than 21 units a week in an average week

Source of data: General Household Survey

Department owner: DH

Necessary clarifications/qualifications about the indicator

To be measured using General Household Survey question:

'Thinking now about all kinds of drinks, how often have you had an alcoholic drink of any kind during the last 12 months?'

Almost every day	1
5 or 6 days a week.....	2
3 or 4 days a week.....	3
once or twice a week	4
once or twice a month	5
once every couple of months.....	6
once or twice a year.....	7
not at all in last 12 months	8

* Code DrinkOft

DH Guidance on Survey Administration should be adhered to in the administration of this survey.

It is recommended that, where relevant, interventions to decrease excess alcohol consumption are focused on disadvantaged groups and areas to reduce health inequalities. Baseline binge drinking estimates are available in DH Synthetic Estimates of Healthy Behaviour, 2005. However the target should cover the whole population

Period of measurement

Survey during final year of the agreement.

Determining stretching performance

Dependent on the size of the survey and survey population characteristics.

Determining the level of reward

The costs of health care avoided (such as hospital admissions) and improvements in life expectancy, through reduced alcohol consumptions, should inform the level of reward. Home Office expertise of the social costs of alcohol use should also inform the level of reward

INDICATOR

Income Levels – annual average income of specified older people: suggested measures are: take up of specified benefits e.g. attendance allowance, Council Tax Benefit, Pension Credit, Housing Benefit

INDICATORS

Prevention services to proactively support older people before the point of crisis

Provision of low-level care and support

Performance in this area can be identified using the following indicators:

- i) the number of people aged 65 and over being admitted to residential/nursing care (Moving in indicator);
- ii) the number of people aged 65 and over being discharged from residential/nursing care (Moving out indicator);
- iii) the quality of life of people aged 65 and over using home care services or receiving direct payments on an ongoing basis (Quality of Life indicator).

For guidance notes see above indicators 'Proportion of older people supported to live in their own home' and 'older people reporting a good quality of life'.

INDICATOR

Transport planning and provision that takes account of needs of older people in availability and accessibility. DfT is working on accessibility indicators. Increase in public transport patronage is acceptable as a proxy indicator.

INDICATOR

Number of local bus passenger journeys originating in the authority area undertaken each year as reported by the bus operators

Source of data: Bus operators BVPI 102 data is that reported by the bus operators to local authorities who in turn report the figures to ODPM. The data is audited by the Audit Commission. These figures can be verified by DfT who receive the figures from bus operators on a regional basis and then organise this by local authority area.

Department owner: DfT

Necessary clarifications/qualifications about the indicator

The indicator must state the time period over which the number of bus journeys are to be counted and which journeys in addition to those counted in BVPI102 are to be used as part of the measurement.

Only count bus passenger journeys originating from in the authority. Local service is defined in section 2 of the Transport Act 1985 or the Greater London Authority Act 1999. 'Originating in the local authority' meaning that the journey started in the local authority. Cross boundary journeys are included.

The BVPI indicator includes all bus operators serving the general public, but not school buses, or 'dial-a-ride' services. However school children travelling on a bus operating a local service available to the general public whether for free or not, should be counted.

Local authorities are expected to collect this information themselves from all the bus operators in their area. Where an adjustment has been made by the authority this should be noted.

The coverage of the indicator must be stated to show whether it includes all or only a selection of the bus services in the authority area. Additional services may be added to the indicator depending on the context in which the target is being proposed e.g. school buses, or 'dial-a-ride' services.

Period of measurement

May be measured in final year or over the course of the agreement.

Determining stretching performance

Performance "without" the Reward Grant will be determined by looking at the current growth target figures for the authority in combination with the 2010 target that it has been set. This figure is then compared to the figures showing the authority's performance against the target for previous years. Local engineering and construction work that may influence the figures, such as the building of new bus stations, must also be considered.

Performance "with" the Reward Grant must show a significant increase in passenger numbers despite any downward trend. Less deterioration or standing still from current performance is not acceptable.

Determining the level of reward

The GO will need to exercise judgement. Value will depend on any additional delivery factors such as the communities which will be aided by this target (e.g. elderly persons, rural and socially excluded communities, etc). Care should be taken over the inclusion of Quality Bus Partnership routes where maximum performance is already factored in. Services such as dial- a- ride if not linked to a wider patronage target are very unlikely to be value for the reward grant.

INDICATOR

Take up of pension credit

Please refer to Income levels annual average income of specified older people above.

INDICATOR

Levels of emergency hospital admissions of people aged 65+ (also, Innovations Forum target on unscheduled bed days 75+)

Source of data: Number of emergency unscheduled acute hospital bed days (defined in the Department of Health guidance for Local Delivery Plans 2005-2008) occupied by a person aged 75 or over in NHS hospitals.

Department owner: DH

Necessary clarification/qualifications about this indicator

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 agreement 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%. 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.

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

Number of falls of older people inside and outside the home – admissions and readmissions to hospital for falls-related injuries

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

Level of physical activity and use of sports facilities, especially by priority groups and older people and in disadvantaged areas

(a) number of adults participating in at least 30 minutes of moderate intensity sport on three or more days each week on average over a year - as agreed DCMS/DH/DFES/ODPM/Sport England) ; or

(b) number of adults participating in at least 30 minutes of moderate intensity sport and physical activity on 5 or more days each week on average over a year

Source of data Sport England's National Active People Survey and Local Survey; Sport England Guidance or IPAQ Survey

Department Owner: DH/DCMS/DfES

Necessary clarifications/qualifications about the indicator

- a. The indicator is included in the Public Service Agreement (PSA) for sport and is a key target in Sport England's *The 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.

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 the overall target recommended by the Chief Medical Officer to optimise health benefits. 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 early 2006. Authorities may need to carry out their own survey work at the end of the agreement.

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*.

- b. This indicator measures achievement against the Chief Medical Officer's recommendations on the levels of physical activity needed to optimise health benefits. Recording performance against this indicator is collected by survey. Indicator to be measured with standard International Physical Activity Questionnaire (Self Administered Short Format) standard questions 3 and 4 and IPAQ scoring protocol (<http://www.ipaq.ki.se>). IPAQ encompasses physical activity in addition to formal exercise, including daily physical activity such as gardening and walking.

Determining stretching performance

- a. 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 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 early 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 exceeding 1% (in addition to the confidence interval calculated for the survey methodology).

If this indicator is used in relation to a specific intervention, where participation level 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

b. Current performance is established by baseline survey. An agreed timeframe by which baseline survey information is available should be included in the target draft. The target can be drafted as an agreed stretch above the baseline, either a number or percentage. At minimum this should equate to a 3 percentage points increase in the number of adults fulfilling the Chief Medical Officer's recommendations for physical activity (30 minutes a day, 5 days a week) if a specific cohort is selected. For whole population surveys, the stretch should equate to a minimum of 1 percentage point increase (to gain sufficient level of reward grant this percentage point score, or population size, may need to be larger).

Determining the level of reward grant

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

INDICATOR

Evidence that older people's needs and aspirations are included in the Community Plan/Strategy and that services and amenities give particular consideration to older people

Refer to indicators on community participation **Safer and Stronger Block** and 'Evidence of improved well being of older people' above.

INDICATOR

Numbers of older people in hard to reach groups access and participate in community activity

Please refer to community participation in **Safer and Stronger Block**.

INDICATOR

Number of older people using libraries, volunteering, 'participating more generally'

Please refer to cultural indicator and to community involvement indicators in **Safer and Stronger Block**.

INDICATOR

Number of accidents befalling older people

Cross refer to indicators for wider populations e.g. **Safer and Stronger Block**, Fires and Killed and Seriously Injured.

INDICATOR

Number of older people who express a fear of crime

Please refer to fear of crime indicator in **Safer Stronger Communities Block**.

INDICATOR

Number of older people living in decent homes

Please refer to decent homes indicator.

INDICATORS

Number of employees over 50

Number of job opportunities for people over 60/65

Please refer to employment indicators.

INDICATOR

Local Food Procurement

Please refer to **Cross Cutting Block**.

INDICATOR

Rights of Way Rights of Way - access to the countryside: to increase visitor access to the countryside (physical activity) and improve rural business competitiveness

The Outcomes Framework suggests a number of indicators by which performance can be measured: change in the number of users of strategic footpaths and rights of way; rateable value added to rating lists due to loss of agricultural exemption on existing property (including property subdivided); proportion of rural small and medium sized enterprises with significant e-commerce capability; number of employees of rural small and medium sized enterprises accredited under the Quality Edge Programme.

To date, the indicator in this area most frequently used has been the percentage of the total length of rights of way which are easy to use by the general public (BVPI 178), and it is this to which the following notes refer.

Necessary clarifications/qualifications about the indicator

Authorities should use the C S S 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 Agreement 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 any reward element 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 the reward element 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 stretch performance 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.

INDICATOR

Air Quality – concentrations of specific air pollutants

Please refer to Cleaner, Greener, Safer Outcomes in **SSC Block**.

Outcome: Neighbourhood Renewal Outcome on Health

INDICATOR

Reduce premature mortality rates and reduce inequalities in premature mortality rates between wards/neighbourhoods, with a particular focus on reducing the factors for heart disease, stroke and related diseases (CVD), smoking, diet and physical activity

The reward element targets for this outcome will use the relevant methodologies specified in this guidance appropriate to the area in question.

ECONOMIC DEVELOPMENT AND ENTERPRISE BLOCK

Outcome: Increase economic growth and productivity of locality.

INDICATORS

GVA Per Capita (using earnings data)
Output (using earning X employment)

Source of data: National Statistics/ONS

Departmental owner: ODPM

Necessary clarifications/qualifications about the indicator

Gross Value Added (GVA) measures the value of all the goods and services produced in an area. But measurement problems can mean that estimates of GVA baselines and future performance become increasingly less rigorous the smaller the area and the shorter the timescale being proposed. Moreover, because it measures all output, GVA is influenced to a large degree by factors outside the local economy- including the global economic/ environmental and national fiscal and monetary policies, and changes within industries. GVA may therefore not be attractive to areas as a basis for reliable measures of output; at the local level it does not give the type of reliability on which to base targetry.

A more accurate way of assessing local economic development and enterprise is likely to be found via other indicators in this block, such employment rates, skills levels, new businesses created and demonstrating growth, businesses attracted to the area, VAT registrations, etc. If such indicators are heading in the right direction, it will be a good sign that the fundamentals for sustainable economic performance are being addressed.

Determining stretched performance

Determining the level of reward

If an area does propose a GVA – predicated approach to measuring economic growth and local productivity as the basis for stretched targets, the GO will need to see evidence that the area has plans to effectively address the difficulties described above around measurement problems and external influences.

INDICATOR

Reduction in score on indices of multiple deprivation (IMD).

Source of Data: For information on the IMD, please use the link below:

<http://www.swo.org.uk/imd2004/index.asp>

The IMD 2004 contains seven Domains of deprivation: Income deprivation, Employment deprivation, Health deprivation and disability, Education, skills and training deprivation, Barriers to Housing and Services, Living environment deprivation and Crime. Each Domain contains a number of indicators. The criteria for inclusion of these indicators are that they should be 'domain

specific' and appropriate for the purpose (as direct as possible measures of that form of deprivation); measuring major features of that deprivation (not conditions only experienced by a very small number of people or areas); up-to-date; capable of being updated on a regular basis; statistically robust; and available for the whole of England at a small area level in a consistent form.

Departmental owner: ODPM

Period of measurement

Some measures within the IMD have different measurement periods. Some use financial years and others academic years. Therefore when a domain or ward is chosen it is necessary to establish which measures are to form the basket of indicators for the target.

The baseline performance is taken from 1994/1998 five year average. The period of measurement would depend upon the domain being targeted for improvement and the periods of measurement for the indicators within the domain.

Necessary clarifications/qualifications about the indicator

The Indices are a snapshot in time of the deprivation in any given area, and can be available to ward level and below (super output areas). They can be used to assess relative deprivation in any of the seven domains compared with other local authorities. The 2000 index can also identify performance at sub-local authority level (wards).

The IMD can therefore be used as an accurate measure to demonstrate deprivation in any given domain or local authority area as a priority for improvement locally. The authority and can be used as the baseline for performance improvement.

The IMD is updated at set points in time when significant new data is available and can become incorporated.

If an authority wishes to improve performance in a given domain, they will need to identify the relevant measures within that domain (and when they are updated) so that they can assess performance against the specific measures after the three years.

Determining stretched performance

The "without reward" position would depend upon the funding received locally and whether any local targets have been set for the relevant domains or measures within them.

The "with reward" position would need to demonstrate an achievable but challenging improvement from the "Without reward Position". The factors to consider include the funding the authority receives, geographical circumstances and comparative performance of other wards and local authorities sharing similar and different characteristics.

Determining the level of reward

Factors to consider when calculating value for money judgements include the difficulty in improving performance in the area of focus, the number of people affected by the increase in performance, and the knock on effects of these benefits for the wider community.

Outcome: Increase employment and reduce unemployment and inactivity in locality

INDICATORS

Employment rate

Inactivity rate

Unemployment rate

Please see the suite of indicators in the 'Reduction in Poverty' outcome section of the **Cross Cutting Block**.

Outcome: Promote growth and sustainability of enterprise and small business

INDICATOR

Total entrepreneurial activity rate (GEM)

In seeking measures of entrepreneurial activity, please consider other indicators, singly or in combination, drawn from throughout this Block. Data from the Global Entrepreneurial Monitor (GEM) Annual Research Programme is collected at the national level and using the data at the local level is not recommended.

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

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.

Drawbacks are that the data may not be comprehensive.

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

Number of businesses seeking advice from Business Links (a proxy indicator for “Number of businesses assisted to improve their performance”)

Source of data: Business Link Management Information

Department owner: DTI

Necessary clarifications/qualifications about the indicator

There is evidence of a link between seeking advice and growth, although the causality is not clear. However, this is considered to be a suitable proxy indicator for businesses assisted to improve their performance, as an increase in the number of businesses seeking advice is a positive sign of future growth intentions and the dynamism of the business.

The data source is “intensively assisted” customers of Business Links. These are customers with 'an agreement between both parties (BLO and business) of significant input in either time or money from the business'. Local Authorities would need to contact their local Business Link to obtain data for their particular area.

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).

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 businesses seeking advice from Business Links must offer value for money for the performance reward grant. Factors to take into account are the change to business performance (GVA, employment etc) and the cost of providing the business support.

Indicator

Level of reported crime against business

See also the notes on the business crime indicators in the **Safer, Stronger Communities Block**.

Source of data: To be developed locally

Department owner: DTI

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, 2009 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).

Outcome: To support the sustainable growth, and reduce the failure, of locally owned businesses

INDICATOR

Business failure rates

Qualifications/clarifications of the indicator

The use of a business survival or failure rate measure is not recommended because there is evidence that 'churn' (businesses entering and leaving the

market) is a productivity driver. So a stretched target based on survival might perversely encourage the support of inefficient firms. The indicator below on VAT registrations is recommended.

INDICATOR

Insolvency levels

Qualifications/clarifications of the indicator

Nor recommended, because data are only published by region (DTI), county or court-house (DCA).

INDICATOR

Labour productivity (output per worker)

This indicator depends on GVA at the local level and, for the reasons given at the start of this block, is not recommended.

Outcome: Increase skill levels of the local population with clear reference to local business need

INDICATOR

Number of adults gaining basic skills as part of the Skills for Life Strategy

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). 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.

INDICATOR

Number of adults in the workforce gaining Level 2 qualifications or equivalent

Source of data: LSC Individual Learner Record

Department owner: DfES

Necessary clarifications/qualifications about the indicator

The Adult Level 2 PSA target is to reduce by at least 40% the number of adults in the workforce who lack NVQ2 or equivalent qualifications by 2010 and working towards this, one million adults in the workforce to achieve level 2 between 2003 and 2006. The target relates to *economically active* adults (between the ages of 18 and 64 (males) and 18 and 59 (females)) achieving **first** Level 2, or academic equivalent) qualifications. Current surveys indicate that around 39% of full level 2 achievers are *firsts*, and thus count towards the PSA.

Details of the target criteria are set out in the technical note at: http://www.hm-treasury.gov.uk/documents/publicspendingandservices/publicserviceperformance/pss_table.cfm

The following types of 'learning aims' are considered to be a 'full' level 2: NVQ level 2; EDEXCEL first diploma; BTEC, SCOTVEC first or general diploma; GNVQ Intermediate, OCR/RSA Diploma; GCSEs grades A*-C (5 needed); A-Level (1 needed); AS level (2 or 3 needed). There are other vocational qualifications which count as full level 2s, depending upon the number of

guided learning hours (GLH) in which they are delivered. Local LSCs can provide information about this.

Period of measurement

Academic years: current performance taken from 2004/05 data on numbers of first full level 2 qualifications achieved.

Determining stretched performance

Performance without reward grant would be established by the performance anticipated in targets set by the Learning and Skills Council (LSC). Stretching performance will therefore be beyond this. The level of stretch that would be acceptable will vary according to local circumstances.

Determining level of reward

The additional number of adults in the workforce achieving level 2 qualifications 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 cost of achieving the qualification, as well as benefits to the individual in terms of higher earnings, the other benefits to the individual and to the wider community of having better qualified people, the funding already provided for the achievement of targets in this area, and the additional tax that government could expect to get back over the person's working life.

INDICATOR

Skills levels in particular business sectors

Source of data: Data will be available from Local LSCs, Sector Skills Councils, RDAs, Regional Skills Partnerships and Regional Economic Strategies.

Department owner: DfES

Necessary clarifications/qualifications about the indicator

Government Offices will need to ensure Regional Skills Partnerships (including LSC, Sector Skills Councils and RDAs) are involved fully in setting reward targets as the targets would need to fit within the overall sector/regional context and priorities. The LA would have to work with the partners to agree how best to deliver and meet needs.

Period of measurement

Financial Year.

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.

Determining level of reward

The additional number of adults achieving particular skills, to meet business sector needs if the target is achieved 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 cost of achieving the qualification, as well as benefits to the individual in terms of higher earnings, the benefits to the business sector and the funding already provided for the achievement of targets in this area.

Outcome: Increase investment and competition

INDICATOR

Previously Developed Land (PDL) redeveloped:

- Hectares of Land redeveloped for housing
- Hectares of Land redeveloped for commercial/employment uses
- Hectares of Land restored for public open space or assisted to revert to natural landscape

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

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

See congestion indicator directly above. Could also be used as part of an access indicator.

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.

Outcome: Support growth and productivity in specific local business sectors of importance (consistent with state aid rules)

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).

INDICATORS

Earnings by sector

Output by sector

As mentioned in the previous section on GVA, earnings and output data can raise difficulties with regard to degree of rigour and, at the local level, does not give sufficient reliability on which to base targetry. If there is a desire to focus efforts on a particular sector it is probably best for local authorities to focus attention on other indicators found in this block – particularly employment measures, new business measures, and business attracted to the area.

Outcome: Neighbourhood Renewal Outcome on Worklessness

INDICATOR

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

Source of data: Labour Force Survey, ONS. NRU and GOs will have this data at ward level

Departmental owner: ODPM.

Determining stretched performance

Performance should be negotiated by adding a percentage point or percentage points to the 1% increase in employment (see DWP PSA4) over the 3 year spending review period. In LAs with more than one ward in the DWP target the increase should be across the wards.

Determining the level of reward

This must be driven by local circumstances. LAs should employ local knowledge to judge how demanding the above percentage point in deprived wards would be. In areas of growing employment this would be relatively easy to achieve; in stagnant areas, an additional percentage point rise could be extremely demanding and require reallocation of resources and investment in partnership working. The rate of reward (and the trigger for the reward) should be set by the GO according to these local labour market conditions.

Outcome: To increase total entrepreneurial activity amongst the local population

INDICATOR

Number of new businesses created and demonstrating growth after 12 months. (Please see the note on the identical indicator earlier in this block)

Number of new businesses created in neighbourhood renewal areas

Source of data: Local data

Departmental owner: ODPM

Determining stretched performance

Reward should be given only where there is an increase beyond one percentage point in the national target for the self-employment rate in deprived wards, and where there is a narrowing of the gap with comparator local authorities in the region that are not NRF areas.

Determining the level of reward

LAs should use local knowledge to determine how demanding this percentage point increase would be. In areas of low historical entrepreneurial activity this would clearly be more demanding. The rate of reward (and the trigger for the reward) should be agreed with the GO according to these local economic conditions.

INDICATOR

Total entrepreneurial activity rate (GEM) (Please see the note on the identical indicator earlier in this block)

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

Net change in business stock (registrations – deregistrations) (ONS)

Qualifications/clarifications of the indicator

This indicator is not recommended because it is affected by de-registrations, and therefore not a reliable indicator of entrepreneurial activity for the reasons given in the business failure rates note above.

Outcome: To support the sustainable growth, and reduce the unnecessary failure, of locally-owned business

INDICATOR

Number of businesses assisted to improve their performance. (Please see the note on the identical indicator earlier in this block)

Number of businesses so assisted where there is LEGI support

Determining stretching performance

Performance should be negotiated by assessing how the LA influences the existing business support services to assist businesses in the deprived areas. Enhancing the attractiveness of the service will lead to more businesses using business link professional help to improve performance. The outcome should show a year on year increase in the number of businesses in deprived areas receiving assistance from business link which is higher than the overall regional average.

Determining the level of reward

LAs should work with the RDA to establish a reasonable amount of local stretch and level of reward.

INDICATOR

VAT deregistrations (ONS)

Qualifications/clarifications of the indicator

Not recommended because de-registrations are not a reliable indicator of entrepreneurial activity for the reasons given in the business failure rates note above.

Outcome: To attract appropriate inward investors, making use of local labour resources

INDICATOR

Number of businesses attracted to the area. (Please see the note on the identical indicator earlier in this block).

Businesses attracted to the area where there is LEGI support

Determining stretching performance

Increase in numbers of businesses in deprived areas which employ local people, where there is an increase beyond one percentage point and a closing of the gap with average numbers of businesses in other local authority or the region.

Determining the level of reward

Based on the value of the individual businesses to the local economy and the numbers of local people employed.

INDICATORS

Employment rate

Unemployment rate

Inactivity rate

Please see the suite of indicators in the 'Reduction in Poverty' outcome section of the **Cross Cutting Block**.

Extra Indicators of relevance to this Block which areas may wish to consider

INDICATOR

Proportion of the adult population thinking of starting a business

Source of data: National Research Opinion Poll by Acxiom.

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

Proportion of young people thinking of starting a business

Source of data: National Research Opinion Poll by Acxiom.

Department owner: DTI

Necessary clarifications/qualifications about the indicator

This measure is only possible in Local Authorities with large enough sample sizes in the young population (aged 16-34).

The NROP survey has a minimum sample size of 750,000 per annum nationally (GB). Data is available back to 2001 for trend analysis. A sample size of 1,000 or more young people 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". The age of the respondent and their partner are recorded, to enable an analysis by age group. Data are weighted back to official population estimates to ensure results are representative.

Some LA's may propose using the TEA index from the GEM UK survey. 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".

This measure is also a proxy for the success of new enterprise awareness activities in schools, and an indication that young people are making informed careers choices.

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. Performance "without reward" 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

Number of pre-start customers with Business Links.

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).

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

Self-employment rates

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).

CROSS CUTTING BLOCK

Outcome: Reduction in poverty

INDICATOR

Overall employment rate

REWARD ELEMENT INDICATOR

Such a target is best configured as a narrowing of the gap between the employment rate in a local authority area and the employment rate for the region/England

Source of data: Labour Force Survey - ONS

Department owner: DWP

Necessary clarifications/qualifications about the indicator

This indicator will normally be used to show the relative position of the local authority area employment rate with that of the region or England. It is a very challenging target to reduce the gap significantly since local partners and the LSP may only have a limited ability to influence the rate.

Although expressed as a percentage, the authority will need to say how many people the stretch represents to establish value for money.

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.

Period of measurement

Final year of the agreement, or as data availability dictates.

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

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

Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas

REWARD ELEMENT INDICATOR

The percentage of disabled / or Black and Ethnic Minority people employed by a local authority.

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 with the Council, 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

Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas

REWARD ELEMENT INDICATOR

*The percentage of claimants of Working Age Key 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: DWP

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

Employment rates of lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications, people with disabilities, and disadvantaged areas

REWARD ELEMENT INDICATOR

The gap between the percentage of those claiming Working Age Key Benefits (see indicator above) in named worst performing wards with*

the percentage of those claiming Working Age Key Benefits in the local authority area (or England)

Source of data: DWP

Department owner: DWP

Necessary clarifications/qualifications about the indicator

The relative nature of the indicator helps to future-proof the target against the performance of the wider economy. 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.

It will probably be necessary to remove the DLA component of the suite of indicators since DLA is not an out of work benefit.

Period of measurement

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

Determining stretching performance

The "without reward" position 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

Job Seekers Allowance unemployment rate

REWARD ELEMENT INDICATOR

The number of claimants in receipt of particular benefits

See also above indicator, 'The percentage of claimants of Working Age Key Benefits*'

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

Rate of economic activity

See **Economic Development and Enterprise Block** for a selection of indicators around economic activity.

INDICATOR

The number of clients (the number of people helped) from particular disadvantaged groups* or areas helped into work for a sustained period of at least 16 hours a week 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.

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:

- level of disadvantage of client group or difficulty in reaching them

INDICATOR

The number of people moving off inactive benefits

See above indicators on 'The percentage of claimants of Working Age Key Benefits' and 'The number of claimants in receipt of particular benefits'.

INDICATOR

The take-up of correct benefit and tax credit entitlements (CTC)

Source of data: DWP

Department owner: DWP

Necessary clarifications/qualifications about the indicator

- Take-up of CTC nationally is estimated to be around 80%. At a local level, take-up will be proxied by the ratio of CTC claimants to Child Benefit (Ch B) claimants.
- CTC and WTC Geographical statistics:
<http://www.hmrc.gov.uk/stats/personal-tax-credits/cwtc-geog-stats.htm>
- Child Benefit Geographical statistics:
http://www.hmrc.gov.uk/stats/child_benefit/geographical.htm

Period of measurement

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

Determining stretched performance

Because CTC is means-tested, the CTC: Ch B ratio would be lower than 1:1, even if CTC take-up were 100%. In particular, local authorities with an

average income higher than the national average should expect to have a ratio lower than authorities with national income above the national average.

Therefore stretch is best defined relative to the national average CTC: Ch B ratio. In particular, for local authorities with a ratio below the national average (and where this is not likely to be explained by higher income) the authority could seek to halve the gap between its ratio and the national ratio over the next three years.

Determining the level of reward

See criteria for the first indicator under the 'Reduction in poverty' outcome, plus:

- level of disadvantage of client group or difficulty in reaching them

LAA INDICATOR

The take-up of correct benefit and tax credit entitlements (CTC)

REWARD ELEMENT INDICATOR

The number of people helped to make successful new benefit claims

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.

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

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

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 transport access indicator in **CYP Block**.

Outcome: Reduction in pensioner poverty

INDICATOR

Number of pensioner households in receipt of Pension Credit and/or Council Tax Credit

See guidance under 'The take-up of correct benefit and tax credit entitlements' indicator above.

Outcome: Safer and healthier working lives

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

Necessary clarifications/qualifications about these indicators

It is not possible to measure these performance indicators at a local level. The Health and Safety Executive (HSE) is developing proxy indicators that could be used, and this work is expected to be completed in early 2006. 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).

Outcome: To empower local people to have a greater voice and influence over local decision making and the delivery of services

INDICATORS

The number of people who feel that they can influence decisions affecting their local area

- please refer to related indicator in the “To empower local people to have a greater voice and influence over local decision making and the delivery of services” section of the **SSC Block**

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

- please refer to related indicator in the “To empower local people to have a greater voice and influence over local decision making and the delivery of services” section of the **SSC Block**

The number of people engaging in (defined) formal volunteering (for a specific period)

- please additionally see the noted under this corresponding outcome in the **SSC Block**

The number of people reporting that they have engaged in formal volunteering for an average of at least 2 hours a week over the previous year

- please additionally see the noted under this corresponding outcome in the **SSC Block**

The number of people engaging in (defined) volunteering activity

- please additionally see the noted under this corresponding outcome in the **SSC Block**

Outcome: Enrich individual lives, strengthen communities and improve places where people live through culture and sport

INDICATOR

Take up of cultural and sporting opportunities by people aged 16 and above, in particular from priority groups or new users

Source of data: Local measurement

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

This indicator relates directly to the DCMS PSA3 target to 'increase the take-up of cultural and sporting opportunities by adults and young people aged 16 and above from priority groups'. There are separate indicators relating to sports, the historic environment, museums and galleries and the arts:

- *Increasing the number who participate in active sports at least twelve times a year by 3 %, and increasing the number who engage in at least 30 minutes of moderate intensity level sport, at least three times a week by 3%*
- *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%*

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

Period of measurement

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

Determining stretching performance

To achieve the outcome, LAA authorities and partners can use a basket of these indicators. It will be for them to decide on particular areas of focus.

The "without reward" performance will be established by the year-on-year improvement anticipated to meet the national PSA target, whilst performance "with reward" will be set at a challenging level beyond this.

Determining the level of reward grant

See notes under each of the following indicators.

INDICATOR

Visits by priority groups to historic environment sites

Source of data: Local measurement

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

Historic environment sites are defined as historical attractions open to the public visited for the purpose of academic study or recreation as defined by the user or visitor.

Priority groups: see indicator above for definition.

To count towards the target, a visitor must have attended a historic environment site at least once during a 12 month period. The authority will need to liaise with delivery partners to establish baselines and measure targets. A local survey should be carried out if no other method exists.

In many instances the number of people involved will be low and the indicator will be best used as part of a basket of indicators to avoid concerns about justifying the reward grant against the level of 'stretch' offered.

Period of measurement

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

Determining stretching performance

The "without reward" performance will be established by the year-on-year improvement anticipated to meet the national PSA target, whilst performance "with reward" will be set at a challenging level beyond this.

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 / rural, levels of deprivation and social exclusion, public transport links, historic levels of provision
- The type and scale of interventions required from 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
- 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

Source of data: Local measurement

Department 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 the reward element, this indicator can cover other national and regional museums/galleries as well as local authority or part-funded museums.

The definition of visits/usage contained in BVPI 170 should be used, and 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 local authority will need to liaise with delivery partners to establish baselines and form of measurement. A local survey will need to be undertaken if no other method exists.

'Under-represented groups' should be defined in conjunction with LAA authorities and partners.

Period of measurement

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

Determining stretching performance

Performance "without reward" would be established by an anticipated year-on-year improvement in line with the DCMS PSA3. Stretching performance "with reward" should therefore be more than 3% across the agreement.

In many instances the number of people involved could be low, and so the amount of reward grant allocated to this indicator will need to reflect this.

Determining the level of reward grant

See notes under the previous indicator.

INDICATOR

Attendance and participation in the arts by under-represented groups

Source of data: Local measurement

Department owner: DCMS

Necessary clarifications/qualifications about the indicator

'Under-represented groups' should 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.

Period of measurement

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

Determining stretching performance

Performance "without reward" will be established by the year-on-year improvement required to meet the national PSA target. For 2005-8 this will be over 3% across the agreement for attendance and over 2% across the agreement for participation. Stretching performance "with reward" will therefore be greater than this.

In many instances the number of people involved could be low, and so the amount of reward grant allocated to this indicator will need to reflect this.

Determining the level of reward grant

See notes under 'Visits by priority groups to historic environment sites' above.

INDICATOR

Rights of Way - to increase visitor access to the countryside (physical activity) and improve rural business competitiveness.

See Rights of Way guidance in the **HCOP Block**.

INDICATOR

Maintaining the character and distinctiveness of local communities by reducing the number of listed buildings at risk and effective management of conservation areas

Source of data: English Heritage and BVPI data

Department 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 local 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.

In many instances the numbers involved could be low, and so the amount of reward grant allocated to this indicator will need to reflect this.

Period of measurement

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

Determining stretching performance

Performance "without reward" should reflect any other targets set by the local authority or partners. Performance "with reward" should be an appreciable improvement on this figure that reflects the ability of the parties involved to reduce the number of listed buildings at risk and manage conversation areas.

Determining the level of reward grant

See guidance under "Visits by priority groups to historic environment sites" above.

Outcome: Sustainable communities which deliver sustainable development locally through reducing green house gas emissions and managing impacts of climate change

INDICATOR

Domestic Energy Use

See guidance under 'Fuel Poverty' below.

INDICATOR

Renewable electricity generated / electricity generation (from renewable and non-renewable sources)

Source of data: Local measurement

Department owner: DTI

Necessary clarifications/qualifications about the indicator

As DTI does not publish local level indicators of renewable energy generation, estimates will usually originate from the LA itself or from arrangements the region has put in place to monitor renewable installations at a sub-regional level. The local authority must therefore be clear about the source of its data both for the baseline and final delivery. As much background as possible (e.g. list of individual projects in the local area) to the figures should be provided.

As local level estimates of energy use are still at an experimental stage, and as local estimates of energy generation from conventional sources are not available, targets and indicators should usually be set in terms of MW installed renewables capacity or MWh electricity generated from renewables. Targets should not be set as a percentage of local energy consumption or generation (though authorities may also wish to calculate this from a MW or MWh target).

The exception is if the objective set is for building-integrated renewables. In this case targets might be set on the basis of an average % of the electricity for new developments over a certain size, and/or local authority buildings, being provided from renewable sources embedded in or situated near (and physically linked to) the building.

In all cases, indicators and targets should relate to actual installations in the local area, not the take-up of green electricity tariffs. Additionally, the definition of renewable sources should include only technologies currently eligible for the Renewables Obligation.

GOs should be prepared to consider indicators relating to renewable heat (rather than electricity) on a case by case basis.

Determining stretched performance

The "without reward" figures for MW installed capacity or MWh electricity generated by renewables should be considered in relation to any regional and sub-regional targets already set (for example, in RSS, to fulfil the requirements of PPS22). The "with reward" target should exceed any local target and deliver an appreciable improvement on the 'without' position' that reflects the ability of the authority and partners to influence this indicator.

Targets set for building integrated renewables should be considered in relation to standards set by other local authorities nationally, and follow these same principles.

Local authorities supporting building-integrated renewables within the planning system (in line with PPS22) often seek provision of around 10% of the electricity used by new medium or large business or residential (e.g. blocks of flats or groups of 5 or more houses) developments from building-integrated renewables.

An average for new developments in the local area may be a little lower than 10%. A target for the percentage of renewable electricity used by council-owned property should generally be much higher.

Determining the level of reward

Overall, local authorities need to provide a convincing case that the achievement of any target relates directly to actions they have taken.

Generally, all local authorities will need to show how they have put in place a positive planning framework for renewables, in line with PPS22. But this alone is not sufficient to drive new investment.

Other levers available to a local authority might include: organising funding for renewable installations (particularly community projects); improved standards for housing & regeneration projects, requiring incorporation of renewables; use of planning powers to drive incorporation of embedded renewables in new developments, in line with PPS22; use of renewable energy in own buildings; awareness raising with local communities and businesses.

The local authority contribution must demonstrate 'added value' to national programmes, rather than simply diverting national funding support away from other areas. For example, if the local authority contribution depends strongly on support for specific new projects (e.g. a community renewables project, or a new housing or regeneration projects), it will need to show that it is leveraging in funding beyond existing national grant schemes (e.g. from regional or EU resources).

INDICATOR

Fuel Poverty

Source of data: SAP data

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).

However, the definition is complicated by the fact that household income can prove difficult to ascertain. Therefore, other factors can be used in support of this definition and to allow a stretch target to be developed.

The most common and robust of these is the overall energy efficiency of a household as measured according to the Standard Assessment Procedure (SAP) rating. It has been proven 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 alleviate fuel poverty via the SAP ratings.

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.

Outcome: Sustainable communities which deliver sustainable development locally through reducing cleaner more efficient production, products and services, and shifts in consumer/citizen consumption patterns through choosing lower impact goods and services

INDICATOR

Energy efficiency of housing stock and or operational property (often though not exclusively measured by CO2 reduction)

See guidance under 'Fuel poverty' above.

INDICATOR

Emissions by sector (domestic, public, transport, industry etc)

See guidance under 'Emission of greenhouse gases' below.

INDICATOR

Transport - Modal split and travel to work modal split (walking and cycling)

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.

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

Water quality

See guidance under 'River quality' below.

INDICATOR

Businesses participating in environmental management systems (which have been certified to a national standard such as ISO 14001 or BS 8555)

Source of data: A national database of UK organisations with accredited certification to ISO 14001 has been compiled by the Institute of Environmental Management and Assessment, using data supplied by UKAS accredited Certification Bodies, and this is supported by Defra. IEMA will also be responsible for compiling a central register containing key data on all companies participating in BS 8555.

Department owner: Defra

Necessary clarifications/qualifications about the indicator

A 'stretch' target has not been negotiated to date using this indicator, but environmental management has become a core business issue for many organisations. 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.

Period of measurement

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

Determining stretching performance

The "without reward" position should reflect any targets already owned by the authority and its partners, or it may be based upon trend data. Maintaining current performance may be acceptable if a strong case can be made, but deterioration from current performance is not permissible.

"With reward" performance should show an appreciable improvement on the 'without' position' that reflects the ability of the authority and partners to influence businesses adoption of EMS.

Determining the level of reward grant

The beneficial effect of EMS adoption to local business productivity should be considered, as well as the environmental value of less waste production and reduced energy consumption.

INDICATOR

Businesses participating in corporate social responsibility initiatives

Source of data: Local collection, with reference to national standards etc.

Department owner: DTI

Necessary clarifications/qualifications about the indicator

CSR is a concept whereby companies integrate social and environmental concerns in their business operations, and in their interaction with their stakeholders, on a voluntary basis.

Projects and actions undertaken by businesses can span a very wide range of subjects; this note concentrates on environmentally-friendly CSR, but stretched targets around other types of CSR projects could be based on the similar principles.

There is a huge amount of advice and information available to businesses – both large corporations and SMEs – on how to engage in cleaner and more efficient production of products and services. Guidance and advice in this area can be found at: www.sustainable-development.gov.uk

Local authorities who are interested in proposing a stretched target around business take up of environmentally friendly CSR will need to have a good sense of how much is being done in this area already by local businesses; the interest among local businesses in (and the scope for) doing more; and ways in which the authority might make a contribution (including a possible emphasis on working with local SMEs who may have a less developed grasp of the range of environmentally – friendly initiatives available to them).

Period of measurement

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

Determining the amount of stretched performance

Authorities will need to have good data on current local activity to set a credible baseline. Baselines might be set in terms of numbers of businesses engaged, or numbers of individual projects, or a combination of both. From this the LA will need to propose a credible "without reward" forecast of such activity three years on, based on their planned work with local businesses in this field. The "with reward" target should then be a challenging but

deliverable amount of extra engagement by the local business sector above that.

Determining the level of reward

GOs and local authorities will wish to have regard to published advice on the costs of implementing individual EMS schemes, and other improvements to processes and services by businesses; and advice on the likely savings in public finance terms arising from business engagement in environmentally friendly CSR initiatives.

INDICATOR

Proportion/value of spend on sustainable procurement

Source of data: 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 its own robust, auditable data, then this indicator can be considered for reward.

Department owner: Defra

Necessary clarifications/qualifications about the indicator

A stretch LPSA target in this area has not been negotiated to date, and developing a reward target in this area would involve significant work with Defra.

Sustainable procurement offers many opportunities including

- Reducing environmental impacts
- Using public resources more efficiently e.g. through reduced energy
- 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

Period of measurement

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

Determining stretching performance

The local authority would need to hold a data set stretching back three previous years to project a trend into the future, and this will form the basis for the "without reward" position. Maintaining current performance may be acceptable if a strong case can be made, but deterioration from current performance is not permissible.

"With reward" performance should show an appreciable improvement on the 'without' position that reflects the ability of the authority and partners to influence sustainable procurement.

Determining the level of reward

The beneficial effects of sustainable procurement should be considered, including the reduced environmental impact from less energy and water usage, and less waste. The role of the authority in stimulating the sustainable goods market and leading by example might also be considered.

LAA INDICATOR

Emission of greenhouse gases

REWARD ELEMENT INDICATOR

Improving the energy efficiency/carbon performance of operational property and/or community organisations (third and private sectors) and/or housing stock. This will often though not exclusively be measured by reduction of CO2 emissions.

N.B. If the indicator (or the target) is solely about generation from renewable sources then please refer to the guidance issued by DTI.

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 will 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.

INDICATOR

Local Food Procurement: % of food products used within the public sector being locally produced and supplied

Source of data: There is no nationally available data at this stage so the local authority will have to produce its own robust and auditable data if this indicator can be considered for reward.

Department owner: Defra

Necessary clarifications/qualifications about the indicator

A 'stretch' target in this area has not been developed or negotiated to date, but a local authority wishing to pursue this indicator for reward could 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.

There is, however, no single definition of local food. 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.

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, and this will form the basis for the "without reward" position. Maintaining current performance may be acceptable if a strong case can be made, but deterioration from current performance is not permissible.

"With reward" performance should show an appreciable improvement on the 'without' position that reflects the ability of the authority and partners to influence local food procurement.

Determining the level of reward

The beneficial impact to the local economy and the maintenance of local food production and supply should be considered, as well as the associated benefits from reduced congestion.

Outcome: Sustainable communities which deliver sustainable development; protecting natural resources and enhancing the local environment and community's enjoyment of it

INDICATOR

Priority species status or priority habitat status / condition

See guidance under 'Protect and enhance biodiversity' in **SSC Block**.

INDICATOR

Ratio of area of local nature reserve to population

See guidance under 'Protect and enhance biodiversity' in **SSC Block**.

INDICATOR

Farming and environmental stewardship - land covered by environmental schemes

Source of data: Currently there is no national data on new stewardship schemes, although this is being established. There is data on schemes up to 2004.

Department owner: Defra

Necessary clarifications/qualifications about the indicator

A 'stretch' target in this area has not been developed to date. Data to 2004 includes land covered by Environmentally Sensitive Areas Scheme, Countryside and Arable Stewardship Schemes and Entry Level Scheme pilots.

The local authority would need to hold a data set stretching back the three years prior to an agreement to project a trend into the future.

Determining stretching performance

Expected performance "without reward" will depend on local circumstances. Some improvement from current performance will be expected unless a strong case can be made for maintaining current performance, especially as the current trend is that the proportion of land included in environmental schemes is increasing.

"With reward" performance should show an appreciable improvement on the 'without' position that reflects the ability of the authority and partners to improve farming and environmental stewardship.

Determining the level of reward

The nature of the local area and the difficulty in establishing such schemes should be considered, including the work done by local authority with farmers to promote schemes. The beneficial value of better stewarded land should also be acknowledged, though it is necessarily difficult to quantify.

INDICATOR

Public access to or condition of green spaces

See guidance under 'Cleaner, Safer, Greener' outcome in **SSC Block**.

INDICATOR

River water quality

Source of data: Environment Agency

Department owner: Defra

Necessary clarifications/qualifications about the indicator

A 'stretch' target in this area has not been developed or negotiated to date, and as such a reward target in this area would involve significant work with Defra.

This 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 monitored by the Environment Agency:

- Biological river water quality: grading is based on the monitoring of small animals which live in, or on the bed of, rivers and canals
- Chemical river water quality: concentrations of phosphates, nitrates

Determining stretching performance

Expected performance "without reward" will depend on local circumstances. Some improvement from current performance will be expected unless a strong case can be made for maintaining current performance.

"With reward" performance should show an appreciable improvement that reflects the ability of the authority and partners to improve river water quality, and it should take into account confidence intervals where necessary.

Determining the level of reward

The costs of influencing the factors that determine river water quality will provide a basis for the level of reward, though consideration should also be given to the beneficial value of improved river and water quality to users and consumers.

INDICATOR

Emissions of air pollutants

See guidance on air quality indicator in **SSC Block**.

INDICATOR

Dwelling density (new housing)

Source of data: Local authority data

Department owner: ODPM

Necessary clarifications/qualifications about the indicator

PPG3 encourages higher-density housing development in areas well served by public transport. Local authorities may set standards appropriate to their areas that are consistent with PPG3.

Period of measurement

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

Determining stretching performance

Since PPG 3 was published in 2000, the overall trend is for a steady increase in the density of new housing. An authority could project forward the current

trend to establish a "without reward" target, and this should also reflect existing plans and targets. "With reward" targets should not just match existing national or local trends.

Where councils are considering housing density targets, it will be worth considering:

- how the local and national trend data compare
- whether it is possible to make a robust and sensible assumption about the performance expected "without reward"
- whether it makes sense locally to provide a financial incentive to the council and its partners to increase further the density of new housing

Determining the level of reward

Establishing the extent to which a particular increase in housing density contributes to sustainability is problematic, making it difficult to judge the level of reward grant justified. GOs will therefore need to compare the level of reward grant with the notional building costs of the additional housing provided. This should provide a bottom line against which to judge such proposals.

INDICATOR

Domestic water use

Necessary clarifications/qualifications about the indicator

This indicator is not suitable for reward grant. There is limited scope for local authorities to influence this indicator, and there are a very wide range of factors to take into account when calculating water consumption, making reliable estimates very difficult. Also, the data is not collected by local authorities or government departments but by the independent regulator OFWAT.

INDICATOR

Rights of Way - to increase visitor access to the countryside (physical activity) and improve rural business competitiveness

See Rights of Way guidance under **HCOP Block**.

Annex A

Section 1 – Checklist for viable targets if they do not appear in the Outcomes Framework

- The target reflects an agreed local priority for improvement
- The target will measure something that is important to the local community and offers a tangible benefit
- The target does not cover an area better measured by an outcome in the existing framework.
- The target should not run a serious risk of a perverse incentive
- The indicator is well defined and all parties are clear on exactly what is being measured
- The indicator uses robust data
- Performance at the start and end of the delivery period is the same in order to compare like with like
- Dates of measurement are explicitly set out
- The target should offer challenging but realistic stretch
- The stretch offered must justify the reward grant in terms of value for money
- The Performance Reward Grant allocated to each measure must be clear

Section 2 – General principles relating to 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 reward action (and a Government Office may be justified in asking for more):

- ◆ any existing declared 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 in the minority, especially the last category, which would be rather 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.

Remember: The enhancement/stretch for which authorities are rewarded is the difference between the “without” and “with reward” figures, not the difference between current performance and the “with reward” target. Any improvements expected without reward action are not eligible for reward under the scheme as they should be achieved in any event.

Section 3 – Possible solutions to value for money issues

1. Agree a higher level of stretch or less PRG for the target in question.
2. Use two or three-year cumulative targets rather than a simple “end year” target. (However, note that this is only possible where different cohorts are to be measured – it would not work where a target is already expressed as a “snapshot” to take account of an overall improvement over the period because, in such instances, an improvement made in (say) year one, would also be counted again in year two and again in year three.
3. Add in an additional indicator or indicators.
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 allocation overall. **Note:** Ministers have said that this is not an “easy option”; policy leads must be content

that the stretch offered is challenging and that to ask for more would make a target unrealistic.) The choice is then between dropping the target altogether and varying the Performance Reward Grant allocation, 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 with issues of stretch. Any variance of Performance Reward Grant must be explicitly set out in the agreement.

6. Reducing the reward grant available. (**Note:** Ministers have agreed to this in only exceptional circumstances and have said that it must not apply to more than one target. If a target is worth less than a “whole” share of Performance Reward Grant and reallocating amounts under the variable scheme mentioned above is not possible, an authority can agree to simply reduce the amount of reward grant that is available for the target overall. Understandably, this is not something that Local Authorities and their partners will want to agree to lightly.)

Section 4 – Indicators where there is no established baseline

An example of a target set with no established baseline:

Current Performance (year ending 31 March 2004)

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% (e.g. 5%) more children on current performance spending an average of 2 hours per week across the whole school year on high quality PE and school sport within and beyond the curriculum

Performance target with the reward element of the LAA

Y% (e.g. 15%) more children on current performance spending an average of 2 hours per week across the whole school year on high quality PE and school sport within and beyond the curriculum

Enhancement in performance with the reward element of the LAA

An increase of y% minus x% points (e.g. 10% points) of children spending an average of 2 hours per week across the whole school year on high quality PE and school sport within and beyond the curriculum

Condition of grant:

The Performance Reward Grant for this target will be lost if the current performance is not agreed by [date agreed by Local Area and Government Office.]

Note: Targets must stipulate the values that x and y (as used in the example above) have before the agreement is signed off. These values cannot be agreed at a later date. The idea is that once current performance is verified, an absolute figure (either actual number or percentages) will be inserted, allowing final calculation of the “without” and “with PSA” targets. Improvements can either be expressed as simple percentages or percentage points, but again, targets must be very clear as to which.

Government Offices may need to protect the position in terms of value for money. In this case, a similar target to the one above will be constructed, but with the additional feature of having minimum figures set as alternatives. An example is given below.

Current Performance (year ending 31 March 2004)

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

5% more children from current performance, or 250 extra children (whichever offers the greatest improvement) spending an average of 2 hours per week across the whole school year on high quality PE and school sport within and beyond the curriculum

Performance target with the reward element of the LAA

15% more children from current performance, or 750 extra children (whichever offers the greatest improvement) spending an average of 2 hours per week across the whole school year on high quality PE and school sport within and beyond the curriculum

Enhancement in performance with the reward element of the LAA

An increase of 10% of children from performance, or 500 extra children (whichever offers the greatest improvement) spending an average of 2 hours per week across the whole school year on high quality PE and school sport within and beyond the curriculum

Condition of grant:

The Performance Reward Grant for this target will be lost if the current performance is not agreed by [date agreed by Local Area and Government Office.]

Theoretically, a similar clause could be inserted to set an uppermost limit of stretch to protect the Local Authority position.

Note: Agreeing targets in accordance with the formula will create “Unfinished Business” (i.e. that the final figures will need to be confirmed after signing). It is important to try and keep Unfinished Business to a minimum (after signing, GOs will move on to negotiating new agreements and Local Authorities and partners will want to concentrate on delivery). It is envisaged that the remaining Central Team in ODPM will keep a record of all Unfinished Business.

Section 5 – Indicators with a geographical or group focus – points to consider

1. Are the identified groups/areas actually the hardest to tackle?

If particular groups or areas are highlighted as those where action is most needed, it is important to verify that this is actually the case. Targets focussing on the “wrong” sectors of society are not likely to bring about the sorts of changes that the reward scheme is designed to bring about.

2. Is data robust enough?

This is always an important consideration. But it may be even more so where data is required at a particular local level. If figures can be extrapolated, targets can be pursued on this basis. But we must be clear that this is actually the case.

3. Is there a risk of displacement?

One of the biggest considerations in terms of focussed targets relates to the risk of displacement. 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. Action taken to deliver stretch is entirely a matter for Local Authorities and partners, but likely schemes would include greater police presence and offering households more equipment to deter burglars. This is entirely defensible, but there is the possibility that offenders could become aware of this and target “softer” areas.

Reward grant cannot be paid out where an improvement in some areas is offset by a deterioration in others/overall. Therefore, if a focus is to be allowed in such instances, it is necessary to negotiate a condition relating to performance in the non-targeted areas/of the non-targeted groups. 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. Examples are given below.

Indicator by which performance will be measured

Percentage of children attaining at least Level 4 in Key Stage 2 English in the specified schools (need to list)

Special condition:

X% of children are expected to attain at least Level 4 in Key Stage 2 English in [Local Authority Area] by the academic year ending Summer 2008. If the percentage of children attaining at least Level 4 in Key Stage 2 is below this level, all of the Performance Reward Grant available for this indicator will be forfeit.

Indicator by which performance will be measured

Level of street cleanliness in the specified Districts (need to list)

Special condition:

The overall performance in the remaining Districts (need to list) is expected to be an average of y% by the financial year ending 31 March 2008. If performance is worse than this figure, 30% of the Performance Reward Grant available for this target will be lost.

Indicator by which performance will be measured

Number of burglaries in key wards (need to list)

Special condition:

The performance expected “without reward” action in the remainder of [Local Authority Area] is that there will be no more than z number of burglaries in the calendar year ending 31 December 2008. 10% of the Performance Reward Grant will be lost for every increase of 10 burglaries above this level (e.g. 100% of the PRG will be lost if the total number of burglaries in the remainder of the area is higher than $z+100$)

(Note: these are only examples and do not necessarily reflect the position of the particular Departments concerned on the specific targets.)

This may not be a consideration in every single case, but is likely to be important in the vast majority of focussed targets. One potential exception is reducing the prevalence of smoking in specific areas, where a focus is unlikely to cause an increase in rates in other parts of the Local Authority area.

In practice, conditions can sometimes be just as difficult to negotiate as targets (e.g. where should the threshold be set – the short answer is where performance of the non-targeted groups/areas is expected to be at by the end of the target period without PSA action). If conditions can be agreed on this basis, targets can be signed off – otherwise, we would recommend that the target covers the whole area (but of course, Local Authorities and partners could keep specific pledges and records for internal purposes).

4. Are there any other possible perverse incentives?

Apart from the point above on displacement, there may be other considerations. 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. This is more likely if a number of targets look at the same specific people/places.

5. Will the stretch be defensible in value for money terms?

A target may offer good stretch relative to the current performance, but it must also satisfy the usual value for money considerations. By restricting the cohort size in focussing on particular groups or areas, it may be more difficult to justify the reward grant on offer. Specifically, where targets have a particular focus, it may be possible to pass this hurdle by adding in other groups or areas without widening the focus to the whole of the area. For instance, if a target focuses on the four poorest performing schools and does not justify value for money, this criterion might be satisfied if additional schools are introduced into the scope of the target. Or if a target looks at domestic violence in two Districts and the stretch cannot be justified on that basis, it may be acceptable if performance in a further District is added. Another way of achieving VFM would be to pay less PRG on the target in question.

Section 6 – Calculating confidence intervals for surveys

The guiding principle in using surveys as the basis of the reward element is that we must be certain that the stretch achieved is a genuine improvement and not due to the vagaries of the survey. This means that targets based upon the use of surveys will have to aim for a very significant stretch in performance to be justified. In assessing the beneficial value of the outcome in relation to the reward, the confidence interval of the surveys used to establish the baseline and demonstrate the final position in relation to the target has to be accounted for appropriately.

We would expect that the best industry standards would apply to the conduct of these surveys as reflected in the guidance on conducting Best Value surveys. It is essential that the methodology used for the baseline survey is replicated as exactly as possible for the final survey.

A target attracting a reward element will have to specify the questions to be asked and the confidence interval (margin for error) that will be acceptable as a maximum, at a 95% confidence level, for the specific questions to be asked. Survey sizes and methodology will have to be decided with these stipulations in mind. Having met these stipulations the results of the survey can be applied to the population as a whole in determining the value of the reward in relation to the outcomes achieved.

Where surveys are to be used as measures, it is important that the position on confidence intervals is made clear at the time of signing. Confidence intervals will traditionally trigger a range target (i.e. that to show success, the target will be between two values - e.g. a target of 10%, with a confidence interval of +/- 2% would be achieved if the end result is anywhere between 8% and 12%). However, in targets where reward grant is available, we need to be absolutely clear about what threshold has to be attained in order for money to be

payable (especially when bearing in mind that there is a 60% threshold for attainment).

In order to avoid confusion in the future, a target needs to be expressed as one single figure, rather than a range, stating clearly that it has taken the confidence interval into account. Using the example above, the Government Offices would need to calculate value for money on the basis of the actual stretch offered, excluding the confidence interval (i.e. 10%). In terms of expressing the final target, in order to achieve a 10% stretch, the figure offered would need to be 12% points.

Therefore, it is a matter of negotiation to see if the target offered can justify the reward grant if the confidence interval is included (so, in the example above, is 8% sufficient stretch)? Ultimately, targets need to be expressed along the following lines:

"Without reward"

No change from current performance

"With reward"

10% points improvement from current performance

Enhancement

A 10% points improvement (including a 2% confidence interval)

This shows that the target is a 10% points improvement from current performance (in order to satisfy the confidence interval), but that value for money has been assessed on the 8% points stretch. We realise that in this way, the confidence interval will always be positive (i.e. it skews against authorities) but this is necessary in order to ensure value for money. We are sympathetic however, in trying to take the overall level of improvement required into account when assessing whether or not the stretch is reasonable. Value for money will be assessed against the whole population covered by the indicator, not just the number of people in the survey as the survey is deemed to be representative of the whole cohort.

Note: it is clear that the confidence interval must not be larger than the stretch offered.