

REPORT TO: STOCKPORT PARTNERSHIP BOARD

REPORT FROM: Corporate Director, Business Services, Head of Policy and Scrutiny and Head of Improvement and Performance

SUBJECT: The Local Area Agreement (LAA)
a. Reward Target Performance Summary 2006-10 agreement
b. Review and Refresh of 2008-11 agreement

DATE: 31 March 2009

A. Reward Target Performance Summary 2006-10 agreement

Performance Summary

This report provides an overview of performance against the LAA Reward Targets at 3rd Quarter 2008/09.









Improved performance is reported in relation to delivery of LAA Reward Targets, with 87% projected to be on track, which translates to approximately £6.7 million of the £7.7m performance reward grant available. Reward Target 11 worklessness is now forecast to exceed the 110 target by achieving 114 sustained employment placements for lone parents and those on incapacity benefit, which would secure an additional £170k in reward grant.

The targets to improve Foundation Stage achievement remains the biggest challenge, with just one of the four elements forecast to be above the threshold for payment of Reward Grant. This area has, however shown significant improvement in the last academic year, with performance well ahead of peer authorities.

There are also some challenges ahead in meeting the targets to maintain breastfeeding rates, but additional intensive support for first time mothers is now being provided to boost performance in the last two quarters.

The forecast for reducing the number of 16-18 year olds not in employment, education or training (NEET) remains significantly below target, with a slightly worse end of year forecast than last quarter (7.1% in Q3 up from 5.8% in Q2).

Summary of Indicators

	PI Status		Long Term Trend	
	This PI is on target.	14	 The value of this PI has improved in the long term.	18
	This PI is slightly below target.	3	 The value of this PI has worsened in the long term.	3
	This PI is significantly below target.	4	 The value of this PI has not changed in the long term.	0
	Data is not available at this time	1	 Data is not available at this time	1







Total Projected Performance Reward Grant: £6,716,177, 87% of total Reward Grant available.

Part	RT1	RT2	RT3	RT4	RT5	RT6	RT7	RT8	RT9	RT10	RT11	Total PRG
a	£217,968	£0	£781,645	£70,073	£641,081	£961,622	£641,081	£641,081	£166,681	£641,081	£641,081	
b	£126,934	£153,860		£110,114		£320,541			£314,130			
c	£126,934	£0		£0					£96,162			
d		£0							£64,108			
Total Forecast PRG	£471,836	£153,860	£781,645	£180,187	£641,081	£1,282,163	£641,081	£641,081	£641,081	£641,081	£641,081	£6,716,177
Total PRG Available	£641,081	£641,081	£781,645	£500,518	£641,081	£1,282,163	£641,081	£641,081	£641,081	£641,081	£641,081	£7,692,974
% of PRG forecast	74%	24%	100%	36%	100%	100%	100%	100%	100%	100%	100%	87%
Shortfall	£169,245	£487,221	£0	£320,331	£0	£0	£0	£0	£0	£0	£0	£976,797

The exact amount of PRG earned will only be known when the performance against reward targets is audited. Due to the time lag in receiving data against some indicators it is anticipated that Stockport will not be in receipt of PRG until January 2010.

Performance Reward Grant is payable in two instalments one in 2009/10 and a further in 2010/11, each consisting of 50% revenue and 50% capital.

**1. Children and Young People
Reward Target 01: Increasing breastfeeding initiation rates.**









PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART1a	(a) breastfeeding initiation rates	Aim To Maximise	£217,968 (34% of £641,081)	72.6%	70.8%	72%		71.4%	71%		
LAART1b	(b) continuation that is sustained to primary visit	Aim To Maximise	£126,934 (20% of £641,081)	53.2%	51.9%	57.2%		56.5%	59%		
LAART1c	(c) continuation that is sustained to 28 days.	Aim To Maximise	£126,934 (20% of £641,081)	45.4%	44.4%	46.5%		46%	48%		
Projected Performance Reward Grant			£471,836 (74%)								

1. Children and Young People



Reward Target 02: To improve the level of development reached at the end of the Foundation Stage, including narrowing the gap in the most disadvantaged super output areas.

Academic Measures

NB: Reward Targets 2, 3 & 4a and b report on academic year end and as such, final year performance for academic year 2008/09 will not be available until summer 2009.





PI Code	Description	Aim is to...	Projected Performance Reward Grant	2006/07	2007/08			
				Value	Value	Target	Status	Long Trend
LAART2a	(a) % of children achieving good levels of attainment in Personal, Social and Emotional Development (PSED) at the end of the Foundation Stage outside the top 20% Index Multiple Deprivation (IMD)	Aim To Maximise	£0 (0% of £641,081)	86%	87.5%	90.46%		
LAART2b	(b) % of children achieving good levels of attainment in Communication, Language and Literacy (CLL) at the end of the Foundation Stage outside the top 20% Index Multiple Deprivation (IMD)	Aim To Maximise	£153,860 (24% of £641,081)	76.1%	78.9%	80%		
LAART2c	(c) Reduction in the gap between the % of children achieving good levels in PSED at the end of Foundation Stage between areas within the top 20% IMD and other areas of Stockport	Aim To Minimise	£0	21.2%	17.8%	9.15%		
LAART2d	(d) Reduction in the gap between the % of children achieving good levels in CLL at the end of Foundation Stage between areas within the top 20% IMD and other areas of Stockport	Aim To Minimise	£0	23.9%	18%	13.34%		
Projected Performance Reward Grant			£153,860 (24%)					



1. Children and Young People
Reward Target 03: A year on year improvement in aggregated pupil achievement at GCSE.

				2006/07	2007/08			
PI Code	Description	Aim is to...	Projected Performance Reward Grant	2006/07	2007/08			
				Value	Value	Target	Status	Long Trend
LAART3	A year on year improvement in aggregated pupil achievement at GCSE. Annual aggregated number of children and young people achieving five A* - C including English, Maths and Science at Key Stage 4.	Aim To Maximise	£781,645 (100%)	1,502	1,729	1,506		
Projected Performance Reward Grant			£781,645 (100%)					



1. Children and Young People

Reward Target 04: Reducing overall levels of permanent and fixed term exclusions in secondary schools and reducing the percentage of 16-18 year olds not in education, employment or training.

PI Code	Description	Aim is to...	Projected Performance Reward Grant	2006/07	2007/08			
				2006/07	2007/08			
				Value	Value	Target	Status	Long Trend
LAART4a	Permanent exclusions in high schools (3 year average)	Aim To Minimise	£70,073 (14% of £500,518)	47	53	53		
LAART4b	School days lost by fixed term exclusions (3 year average)	Aim To Minimise	£110,114 (22% of £500,518)	7,094.5	5,351	7,502		





PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
NI 117 LAA RT4c	Percentage of 16 to 18 year olds who are not in education, employment or training (NEET)	Aim To Minimise	£0 (0% of £500,518)	6.9%	N/A	N/A	7.1%	7.1%	5.8%		
			Projected Performance Reward Grant								
			£180,187 (36%)								

2. Safer and Stronger Communities
Reward Target 05: Reducing Fear of Crime.



PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART5	The percentage of people who respond that they are "very worried" about burglary, car crime, robbery or assault by strangers.	Aim To Minimise	£641,081 (100%)	12.6%	N/A	N/A	N/A	N/A	22.4%		
Projected Performance Reward Grant			£641,081 (100%)								

2. Safer and Stronger Communities



Reward Target 06: Reducing alcohol-related violence and anti-social behaviour in public spaces ('double reward' target).

PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART6a	Alcohol-related violence and anti-social behaviour in public places: (a) the number of all woundings, excluding Domestic Violence woundings, in Stockport	Aim To Minimise	£961,622 (75% of £1,282,163)	1,365	264	516	775	1,033	1,807		
LAART6b	Alcohol-related violence and anti-social behaviour in public places: (b) the number of incidents of criminal damage in Stockport	Aim To Minimise	£320,541 (25% of £1,282,163)	5,048	1,272	2,263	3,499	4,665	5,050		
Projected Performance Reward Grant			£1,282,163 (100%)								









2. Safer and Stronger Communities
Reward Target 07: Reduction of drug related acquisitive crime.

PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART7	The number of drug related acquisitive crimes	Aim To Minimise	£641,081 (100%)	13,849	3,440	6,546	10,021	13,361	13,808		
Projected Performance Reward Grant			£641,081 (100%)								

2. Safer and Stronger Communities
Reward Target 08: Reducing adult prevalence of smoking



PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART8 NI123 L1	NI 123 Local 1: Number of four week quitters in deprived communities (lowest 2 quintiles) - cumulative over 3 years	Aim To Minimise	£641,081 (100%)	1,794	1,907	2,180	N/A	2,373	2,373		
Projected Performance Reward Grant			£641,081 (100%)								

4. Older People
Reward Target 09: Increasing the financial independence of older people.

PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART9a	The number of people aged 60 or over that are helped by Stockport Council to make successful new, increased or adjusted claims in respect of a) Disability Living Allowance or Attendance Allowance,	Aim To Maximise	£166,681 (26% of £641,081)	2,477	2,794	3,064	3,339	3,623	3,213		
LAART9b	The number of people aged 60 or over that are helped by Stockport Council to make successful new, increased or adjusted claims in respect of b) Pension Credit,	Aim To Maximise	£314,130 (49% of £641,081)	921	1,052	1,147	1,244	1,351	1,313		
LAART9c	The number of people aged 60 or over that are helped by Stockport Council to make successful new, increased or adjusted claims in respect of c) Council Tax Benefit,	Aim To Maximise	£96,162 (15% of £641,081)	445	486	540	598	649	578		
LAART9d	The number of people aged 60 or over that are helped by Stockport Council to make successful new, increased or adjusted claims in respect of d) Housing Benefit	Aim To Maximise	£64,108 (10% of £641,081)	171	189	211	232	252	236		
Projected Performance Reward Grant			£641,081 (100%)								



4. Older People

Reward Target 10: Improving support to help older people remain in their homes.

PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART10	The number of supported admissions of people aged over 65 to permanent residential or nursing care, as measured by National Social Care PAF Indicator C72 numerator. (Target is a cumulative reduction from baseline)	Aim To Minimise	£641,081 (100%)	799	892	993	1,074	1,173	1,221		
Projected Performance Reward Grant			£641,081 (100%)								

5. Economic Development and Enterprise

Reward Target 11: An improvement in the employment levels and economic well being, among jobless lone parents and individuals on incapacity benefits in the Borough.

PI Code	Description	Aim is to...	Projected Performance Reward Grant	2007/08	Quarters			Annual			
				2007/08	Q1 2008/09	Q2 2008/09	Q3 2008/09	2008/09			
				Value	Value	Value	Value	Value	Target	Status	Long Trend
LAART11	Number of jobless lone parents and people on incapacity benefits in the borough that are helped by Stockport Metropolitan Borough Council into sustained employment	Aim To Maximise	£641,081 (100% of £641,081)	19	27	46	63	114	110		
			Projected Performance Reward Grant								
			£641,081 (100%)								

B. Refresh of the 2008-11 Local Area Agreement

1. Introduction and Purpose of Report

1.1 New model Local Area Agreements must include up to 35 'designated' indicators from the National Indicator Set, and 11 statutory Department for Children, Families and Schools indicators, targets for which must be agreed with Government through the regional Government Office.

1.2 Designated indicators can be supplemented by local indicators to ensure the agreement reflects the full ambition of an area as set out in the Community Strategy and other key partnership strategies. Local indicators fall into 3 main categories:

- Non-designated National Indicators (where targets can not be agreed with Government Office)
- Local indicators (where no national indicators exist to capture local priorities)
- Disaggregated indicators (where targeted action in a particular locality or with a particular group will be fundamental to achieving an over-arching local priority)

Indicators have been disaggregated by geography, such as Priority Neighbourhood, Children's Centre Reach Area; and equality groups including gender, age, ethnicity, and disability to address local inequalities.

1.3 Targets for local indicators do not have to be agreed with Government Office but will form the basis of Audit Commission judgements about the ambition and achievement of an area as part of the Comprehensive Area Assessment.

1.4 Stockport's new model LAAs was signed off by Department for Communities and Local Government and came into effect on 1st July 2008, 3 months after the beginning of the financial year and the original intended launch following delays issuing national guidance which impacted on local negotiations.

1.5 An annual 'review and refresh' process was built into negotiations to ensure LAAs remain current and relevant to a local area and to address issues which could not be concluded under the timeframe for the initial negotiation.

1.6 The purpose of this report is to seek the Board's endorsement of the final agreement as submitted to Communities and Local Government (CLG).

2. Stockport's LAA

2.1 Stockport's LAA includes 27 indicators and 30 designated targets, agreed with Government Office, (Appendix 1)

2.2 A further 49 local indicators are proposed to complement the designated indicators which will measure the delivery of improvement across the outcomes of the Community Strategy (Appendix 2).

2.3 The agreement has been grouped under five 'themes' in accordance with government guidelines with a theme lead taking responsibility for negotiations, including this refresh.

2.4 The refresh of the agreement was overseen by a Core Group consisting of theme leads and lead partners.

3. The Refresh

- 3.1 The scope of the refresh was agreed with Government Office following a review of progress to date.
- No changes will be made to the selection of designated indicators as this was considered in detail during the negotiation process.
 - Where baseline data was available at the point of sign off and targets were agreed with Government Office, these targets will not be refreshed unless issues of data quality relating to the baseline have been identified.
 - Where baseline data has become available since the sign off targets will be set for the first time.

LAA Core Group agreed the refresh would further develop local and disaggregated indicators which could not be progressed in the timeframe allowed for the initial negotiations to maximise the local value of the agreement, and its focus on reducing inequalities.

- 3.2 Communities and Local Government have not taken into account the anticipated impact of the recession when re-negotiating targets. Reward guidance issued following the negotiation process states that targets agreed as part of this refresh will be eligible for performance reward grant. A further refresh of targets will take place in winter 2009/10, however any revised targets will not be taken into account for reward purposes, with the exception of 9 'economic indicators'. This means that for Stockport only 2 targets can be renegotiated in 2010 and still qualify for PRG:
- NI153 – Worklessness in worst performing neighbourhoods (Lower super output areas with more than 25% benefit claimants)
 - NI 155 – Affordable Housing

The LAA Core Group agreed that designated targets should be rated according to whether there is high, medium or low risk of achieving them in light of the recession and taking into account other risk factors including availability of resources. The risk rating against each target is detailed in appendix 2.

- 3.3 Based on recently announced government guidance it is estimated that the achievement of **all** designated targets in the new LAA will result in performance reward grant of around £1.77m becoming available to the Partnership after the LAA ends in March 2011. No reward will be payable if an area's average performance is below a minimum level (60%).
- 3.4 The Government has made no dedicated grants available to either pump prime or deliver new model LAAs as was the case with the previous LAA. Government has provided increased flexibilities to local areas through the removal of ring fences on existing grants to create the Area Based Grant, and there is an expectation this, with mainstream funding, will be aligned to deliver LAA targets.

4. Recommendations

That the Board:

- 5.1 Endorse the revised LAA and continue to support its delivery, and;
- 5.2 Continue to monitor performance against the LAA targets receiving 6 monthly performance reports.