

LOCAL AREA AGREEMENT PERFORMANCE REWARD GRANT REPORT

1 Executive summary

- 1.1. The purpose of this report is to provide Cabinet with the latest position on the expected performance reward grant (PRG) for Wirral's 2005-2008 Local Area Agreement (LAA) stretch targets. The report also outlines the position regarding use of the performance reward grant which is expected to be received, based upon most recent forecast performance information.
- 1.2. **£7.905m** is expected to be achieved in performance reward grant which equates to 80% of the £9.824m available.
- 1.3. The stretch targets have been reviewed in terms of the contribution partners have made to their delivery, and it has been proposed that following the deduction of support costs and a contribution to the community and voluntary sector (the "Network"), the remaining amount of reward received is apportioned according to the contribution made to achievement. Based upon these calculations, the council would expect to receive a total of **£5.862m** in revenue and capital over two years.

2 Background

- 2.1 Wirral adopted its first LAA in April 2006 and simultaneously signed off 12 stretch targets to be delivered in partnership. The 12 stretch targets are measured by 22 performance indicators with the successful achievement of the targets attracting performance reward grant at the end of the stretch target period. The total performance reward grant available is £9.824m.
- 2.2 Wirral's LSP Executive Board has received regular reports on the progress made by partners toward achieving the stretch targets. The successful outcome is as a consequence of partnership working and a robust performance management framework.

3. Stretch target performance

- 3.1 The following outcomes have been achieved by Wirral's partnership during the stretch target period:

Safer communities

- Significant reductions in crime including burglaries, woundings and thefts of motor vehicles.

- Increased levels of domestic violence reporting, and associated reductions in domestic violence repeat incidents

Health and wellbeing

- Smoking cessation amongst black and minority ethnic groups – 249 individuals attending NHS Stop Smoking Services were still not smoking 4 weeks after the set quit date. This significant increase exceeds the stretch target of 100.
- The number of people in vulnerable groups accessing specialist alcohol treatment services has risen significantly to 545, against a stretch target of 340 people.
- Significant reductions have also been seen in unscheduled bed days occupied by older people.
- Older people receiving direct payments have increased dramatically from 2004/05 performance levels.
- The number of carers receiving reviews and specific services has increased significantly compared to performance prior to the stretch target being agreed.

Life chances for children and young people

- The Average Point Score (APS) for all pupils at Key Stage 3 increased from 2004/05 levels to 35.8% in 2007/08.
- 100% of Wirral schools have now achieved Healthy School Status in the National Healthy School programme, a dramatic increase from the 43.7% who had achieved this status prior to the commencement of this local area agreement target.

Strong local economy

- Current performance shows that 801 new business start – ups were supported through Wirral Biz or Business Link by 31st March 2009; of those which can be reported 12 months after start up 445 are still operating. The remaining 356 businesses have not yet reached the 12 month measure stage.

Living and working environment

- Improvements have been made to the cleanliness of Wirral's streets, with only 13% of land and highways assessed as having combined deposits of litter and detritus.

3.2 All of the above achievements have attracted performance reward grant and are as a direct result of the strong partnership working within Wirral and the robust performance management framework that the partnership has embedded. The partnership has made excellent progress towards delivering improvements to the lives of Wirral's residents and the hard work of all individuals who have contributed to this successful outcome is recognised.

3.3 The following priorities did not attract any performance reward grant based on the final levels of performance, however it is acknowledged that a great deal of effort has been focused in these areas:

- Numbers of young people in education, employment and training
- Drug users retained in structured drug treatment programmes
- Older people helped to live at home

3.4 Final performance is not yet known for the number of people receiving attendance allowance and pension credit therefore it has not been possible to calculate the expected Performance Reward Grant. Again, the efforts of all partners involved are recognised and it is expected that the outcome of this performance will be known at the end of November 2009.

4. FORECAST PERFORMANCE REWARD GRANT

4.1 The **current expectation of £7.905m** is based on the actual and forecast positions for each LAA reward element target. The reported performance for each stretch target is subject to a review and verification process by Wirral Council as the accountable body. The Council's Internal Audit Team is currently undertaking this work. Wirral Council is required to submit a claim for the performance reward grant by the 16th December 2009.

4.2 It should be noted that confirmation is still being sought regarding the award of performance reward grant for the key stage three performance indicators. This is as a result of the curtailment of key stage three tests prior to the full achievement of the stretch target. Wirral achieved the first part of the stretch target and has provided Government Office North West (GONW) with further evidence to demonstrate that the second part would have been met. Preliminary feedback from GONW has indicated the evidence submitted supports the assumption that Wirral would have met the second part of the indicator had tests continued. This remains subject to approval by the Department of Communities and Local Government which is expected in November. For the purposes of this report the full amount of performance reward grant (£818,635) for this indicator has been included in the expected figure.

4.3 It should also be noted that forecast performance figures are not available for two indicators provided by the Department for Work and Pensions (DWP); attendance allowance and pension credit. The successful achievement of these two indicators would attract £106,422 performance reward grant; however as forecast performance is not known at this stage this amount has not been included in the expected figure.

4.4 Appendix A of this report sets out the expected amounts of Performance Reward Grant (PRG) to be claimed.

5. PERFORMANCE REWARD GRANT ALLOCATION

5.1 Performance Reward Grant (PRG) for the achievement of stretch targets is payable 50% revenue and 50% capital over two years (2009/10 and 2010/11) as was reported to the LSP Executive Board in November 2008.

5.2 The provisional allocations approved by the LSP Executive Board and Cabinet have been updated below based on latest performance. These figures were reported to the LSP Executive Board on 11th November and the board agreed these figures. It should be noted that this includes the full allocation for achieving the key stage three (KS3) indicator; however the DWP indicators have not been included in this allocation as it is unknown at this stage if the levels of performance required will be achieved. The LSP Executive Board specified that all money awarded through the allocation of Performance Reward Grant is to be spent in Wirral.

Partner / agency	Capital allocation	Revenue allocation	Total allocation
Wirral Council (incl support costs)	£2,941,733	£2,919,880	£5,861,613
NHS Wirral	£548,477	£504,063	£1,052,540
Wirral Crime and Disorder Reduction Partnership	£439,537	£405,991	£845,528
Drug and Alcohol Action Team	£22,544	£22,355	£44,899
3 rd Sector (Network)	£0	£100,000	£100,000
Overall	£3,952,290	£3,952,290	£7,904,580

*It should be noted that the allocation to the Network is 100% revenue. Other partner allocations have been adjusted accordingly to ensure that the overall split of performance reward grant remains an equal 50% capital / 50% revenue split.

6. PUMP PRIMING GRANT

- 6.1 The Local Area Agreement received a pump priming grant (PPG) allocation of £1,063,100. Under the conditions of this grant it was a requirement that the PPG be expended by 31 March 2009. In addition to the PPG award the authority made a contribution of £200,000 available from its own resources to support delivery of the LAA.
- 6.2 Details of the final PPG expenditure per target are provided in appendix B. There were a number of minor variations between the final outturn and the individual revised grant allocations. Based upon the claims submitted an underspend of £2,074 was initially identified.
- 6.3 To maximise the PPG grant to 100%, the remaining £2,074 was initially allocated against Corporate Services as there was eligible expenditure in 2008/09 which could be used to meet the grant conditions. Subsequently, target 3 BME smoking cessation has requested additional funding towards expenditure occurred in 2008/09 and the LSP Executive Board has agreed to allocate £2,074 as a contribution to delivering this stretch target.
- 6.4 There was no restriction to the timing of use of the £200,000 funding provided by the Authority. The LSP Executive Board meeting of 20 January 2009 discussed the reward and PPG position. No additional bids were identified which would lead to the award of additional PPG reward grant in the remaining 2 months of the LAA. On this basis and as the Wirral contribution was unallocated, an allocation of £91,454 was agreed to fund Voluntary and Community Action Wirral ('the network') from April 2009. This leaves £108,546 funding available.
- 6.5 The Corporate Policy Team within the Council's Corporate Services Department has to date provided essential resources for coordinating and developing the Local Area Agreement (LAA). This team has previously received funding from pump priming grant and match funding from NHS Wirral to fund temporary posts within the team.

This provides funding for these posts until July 2010. The LSP Executive Board has agreed to allocate the remaining £108,546 to further extend these vital posts for the remainder of the 2008/11 LAA to support the work of the partnership and delivery of the LAA.

7. Financial implications

7.1 Subject to the achievement of the LAA stretch targets a projected reward grant of £7.905 million is anticipated over the financial years 2009/10 and 2010/11. The grant is 50% revenue / 50% capital. Cabinet agreed on 10 December 2008 to include a projected revenue amount of £1.4 million in the Projected Budget for 2009/10.

8. Staffing implications

8.1 There are no staffing implications for Wirral resulting from this report.

9. Equal Opportunities implications

9.1 There are no equal opportunities implications for Wirral resulting from this report.

10. Community Safety implications

10.1 There are no community safety implications for Wirral resulting from this report.

11. Local Agenda 21

11.1 There are no environmental implications for Wirral resulting from this report.

12. Planning implications

There are no planning, land use etc. implications for Wirral resulting from this report.

13. Anti-poverty implications

There are no implications for people from deprived communities in Wirral resulting from this report.

14. Social inclusion implications

There are no implications that will potentially exclude individuals or groups from accessing services resulting from this report.

15. Local Member Support implications

There are no issues mentioned in the report that are particularly relevant to a ward or a number of wards.

16. Background Papers

“Projected Budgets 2009-2011” 10th December 2008.

“Council Summons” 15th December 2008.

“Local Area Agreement Performance Reward Grant” 15th January 2009.

17. RECOMMENDATION

Cabinet is requested to note the expected performance reward grant and approve the indicative allocations outlined in section 5.2 which have previously been agreed by the LSP Executive Board on 11th November 2009.

Cabinet are asked to note the final position of the PPG expenditure and approve the following requests as agreed by the LSP Executive Board on 11th November 2009:

- Allocate the remaining £2,074 pump priming grant to NHS Wirral as a contribution for delivery of the BME smoking cessation target;
- Allocate the remaining £108,546 council contribution to the LAA is used to continue to fund temporary posts within the council’s Corporate Policy Team.

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This report was prepared by Lucy Beed and Pete Molyneux on 691 8006 and 691 3389 respectively.