



ITEM REF NUMBER:	13/ 2008	MEETING DATE:	10 December 2008
ITEM TITLE:	LAA Refresh and Annual Review 2008-09		
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1. Summary

This report sets out the main issues raised to date in the LAA Annual Review Process 2008-09. The Board is asked to consider these and make any comments. It is envisaged that detailed negotiations will take place with the Government Office for London during December and January. A further report, with more detailed proposals, will be brought to the Board meeting on 28 January 2009.

The current LAA is enclosed separately within the bundle of papers for the meeting, together with an appendix containing an easy to understand list of definitions.

2. Recommendations

The Board is asked to:

- 2.1 Endorse the positions set out in Sections 4-9 of the report, as a basis for negotiation with the Government Office for London and partner organisations.

3. Background

3.1 The main features of the LAA and annual review were outlined in a report to the last Board meeting. It was noted that the purpose of the annual review is:

- to identify the contribution that LAAs are making to the delivery of better outcomes
- to address any issues around delivery, including risks and good practice
- to help assess and benchmark progress
- provide an opportunity to revise, by exception, particular targets to reflect changes in local circumstances or national priorities.

3.2 The Board was also advised that the review is likely to be focused on local capacity and delivery arrangements but also unresolved issues, such as indicators that, for various reasons, were not finalised at the time the LAA was signed. A separate report on the present agenda covers the draft improvement plans. The present report is concerned with proposed changes to the LAA, as a precursor to negotiations with the Government Office for London (GOL). It is envisaged that GOL will wish to meet with the Board at its January meeting.

3.3 For 'designated' (i.e. national) targets, the main issues are as follows:

- targets within an LAA may be revised either at the initiation of the responsible authority (i.e. the Council) or at the initiation of the Secretary of State.
- a 'revision' may involve changing or removing an existing designated target.
- the revision proposal must outline the changes that are being proposed and to whom the revised target is to relate (i.e. the bodies that have consented to help deliver the target).
- the responsible local authority must consult each partner authority and any other persons who appear appropriate.
- the same duty of cooperation in agreeing changes to or the removal of targets, also applies, as does the requirement on the responsible local authority to have regard to its Sustainable Community Strategy and the requirement on the responsible local authority and partners to have regard to any guidance issued by the Secretary of State.

3.6 Once the revision proposal has been submitted to the Secretary of State, s/he may then either:

- approve the revision proposal
- reject the revision proposal
- request it be revised further (though only if s/he had originally directed the revision)

3.9 Local improvement targets within the approved LAA may be amended or removed from the LAA by the responsible authority. The responsible authority must have the consent of each partner authority to whom the target relates before they may amend or remove a non-designated local improvement target and must also consult any other persons to whom the target relates.

3.10 There are a number of issues that were unresolved at the time the LAA was signed off, or which need to be addressed in the refresh for other reasons. These are set out below with the lead partnership/service area identified in bold together with a brief summary of the proposed action.

4. Indicators Where the Definition Was Not Available

4.1 The Government released a consultation on draft definitions, which closed on 31 October and aims to publish the final definitions in December 2008. One indicator in the LAA is affected:

- NI 32 - Repeat incidents of domestic violence - **Safer Southwark Partnership**

Final definitions for this indicator will be published in December 2008. If the final definition is the same as that proposed in the government's consultation paper, it will be possible to get one year's full data relating to 2008-09. However, it is necessary to have two years' data to calculate an outcome for the indicator, which relies on a two-year comparison. Therefore it will only be possible to establish a baseline when the 2009-10 data is published. Likewise, it will only be possible to confirm a target for 2010-11 at that time. It is unlikely to be possible to produce targets or a baseline until after the end of 2009-10.

5. Indicators Where the Baseline Was Not Available

5.1 Five National Indicators in the LAA, for which baseline information was not available when the LAA was agreed, will need to have targets negotiated:

- NI 146 - Adults with Learning disabilities in employment - **LBS Adult Social Care**

It is envisaged that proposed targets will be developed at the January meeting of the Employment, Living & Learning Sub Group of the Learning Disabilities Partnership Board.

- NI 150 - Adults in contact with secondary mental health services in employment - **LBS Adult Social Care**

National baselines and/or targets have not been finalised and we are still waiting for confirmation regarding what will contribute to this target overall. The Government has provided a definition but it is broad and the method of counting it - which in theory is straightforward - is regarded as problematic. This will need to be followed up with GOL. In the meantime we will continue to collect data as per the 2006/07 Cabinet Office targets (18% for Southwark) and will adjust our systems once the above is finalised/confirmed.

- NI 15 - Serious Violent Crime - **Safer Southwark Partnership**

Due to a change in definition, it will not be possible to establish a baseline for this indicator until the end of 2008-09. However, as data has been collected during 2008-09, it will be possible to set targets for 2009-10 and 2010-11. It is expected that targets will be set for each borough by the Police. Previous experience tells us that the changing economic climate could have an impact on crime patterns, for example what types of crime are committed, by who and in what locations. Safer Southwark is working with academics and partnerships to do more to predict and prevent changes and put in place necessary measures to manage any issues. Economic factors will need to be taken into account when setting future years' targets

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- NI 19 - Rate of proven re-offending by young offenders - **Safer Southwark Partnership/ YOT**

The recent economic downturn and its resulting social implications may have an impact on the rate of proven re-offending. However, a more significant pressure is policing practice and any increase in policing resources and activity, such as stop and search, will increase recidivism. The re-offending frequency rate is the average number of re-offences within 12 months per 100 young people in a cohort of offenders. The baseline (2005-06) frequency rate for Southwark is 75. The following targets are proposed:

- 74 (-1% reduction) for 2008/09;
- 73 (-1.5% reduction) for 2009/10, and;
- 71 (-2.5% reduction) for 2010/11.

- NI 111 - First time entrants to the Youth Justice System aged 10-17 - **Safer Southwark Partnership/ YOT**

A baseline and proposed targets for this indicator is set out below. This reflects the Youth Justice Board target for FTE of a 2% reduction per year over the next 3 years.

Baseline (2006/07 unless otherwise stated)	LAA Improvement Target, including those to be designated (shown with a *), and including education and early years targets			Partners who have signed-up to the target and any which are acting as lead partner/s (shown with a *)
	08/09	09/10	10/11	
2007/08 Baseline PNC data 471	2% reduction to 462	4% reduction to 452	6 % reduction to 443	Council* SSP* YS CS

The recent economic downturn and its resulting social implications may have an impact on First Time Entrants. However, a more significant pressure is policing practice, and any increase in policing resources and activity such as stop and search will increase the number of First Time Entrants. Though it is not clear what quantitative impact this will have on FTE, the Offences Brought to Justice (OBTJ) figure is likely to increase by ~ 10% which will result in an increase in FTEs.

6. Local Indicators without Targets

6.1 Although not something we have to agree with government, there is a need to agree definitions, establish baselines and set targets for two local indicators:

- Local ESOL Course indicator - **Employment and Skills Partnership**

A sub group of the Employment and Skills Partnership has met to review this indicator. A number of options have been considered and a shortlist is currently being reviewed in more detail by the Economic Development Team before a final recommendation is taken to the Employment and Skills Partnership in February 2009.

- Number of self employment registrations - **Enterprise Partnership**

The Government Office for London has been negotiating with HM Revenues and Customs on behalf of the Enterprise Partnership for release of self-employment registration data. Staff changes at GOL have slowed this process and we have yet to receive confirmation whether the data will be made available. If it is not, the partnership will need to adopt its second choice local indicator 'VAT registered businesses per 10,000 residents'. Baselines are available and targets have been agreed for this indicator.

7. Targets for Indicators Where Concerns Were Expressed in the Original Negotiations

7.1 At the time of the negotiation of the LAA, a number of concerns were raised that, for various reasons, were not resolved. The refresh presents an opportunity to return to these issues.

- NI 186 - Per Capita CO₂ emissions in the local area - **Sustainable Environment Partnership/ LBS Environment and Housing Department**

Defra data published since the LAA was signed show that, between 2005 and 2006, absolute emissions increased in Southwark by 1.34% and in Greater London by 3.3%, though, per capita, there was a 1.47% reduction in the borough-level figure, due to an increase of 5,000 in the estimated population. Emissions due to heating (gas use) have decreased and the council's active promotion of insulation and heating efficiency schemes have helped achieve this. However, it is increasing electricity use in the commercial sector that has driven overall emissions up. The biggest driver in increasing emissions is increasing use of electricity in the commercial sector. This is probably the most difficult emissions source for the council/LSP to influence (other than targeting partners' own electricity use). Southwark's original LAA proposal was based on Southwark Council's own Climate Change Strategy targets, which translated to a 1.74% reduction each year, as compared to year on year reductions of 2.83% that were eventually agreed in the LAA. The latter targets are not considered achievable. It is therefore proposed that Southwark should seek to amend the targets in the LAA to align with the Climate Change Strategy (i.e. 1.74% reduction per capita per annum).

- NI 112 - Under 18 conception rate - **Young Southwark/Healthy Southwark Partnership**

The targets for teenage pregnancy were set in line with the national Public Service Agreement. However, despite some good progress locally, the experience of the past few years shows that targets set in line with the national target are perhaps not appropriate to local circumstances. Furthermore, the conception rate in 2007 is much higher than anticipated, when the LAA was agreed. It is, therefore, proposed that the borough should seek to reduce the targets for this indicator to levels more in line with local circumstances that, whilst remaining ambitious, are both more achievable and motivational to staff and stakeholders. The table below shows the current LAA targets, with the proposed revised targets in bold. (NB The target for 2010-11 was left to be agreed at the present review.)

Baseline (2006/07 unless otherwise stated)	LAA Improvement Target, including those to be designated (shown with a *), and including education and early years targets			Partners who have signed-up to the target and any which are acting as lead partner/s (shown with a *)
	08/09	09/10	10/11	
74.2 2006	67.6 - 22.4% reduction (proposed change to 70 per 1000)	49.1 - 43.7% reduction (proposed change to 65 per 1000)	TBC (proposed change to 60 per 1000)	Council/PCT YS HSP

- NI 108 – KS4 for BME - **Young Southwark**

Education and DCSF only agree targets 2 years in advance so the 2010-11 target needs to be agreed. This will be done through a target setting process with DSCF in January.

- NI 40 - Drug users in effective treatment- **Safer Southwark Partnership**

Targets were agreed as a % increase on the 2007-08 baseline, which was not available at the time the LAA was agreed. When negotiating the LAA, target increases were agreed of 12%, 24% and 30% on the 2007-08 figure. The 2007-08 baseline figure is now available (1,460). The previously agreed % increases of 12%, 24% and 30% on the 2007-08 baseline translate as 1,635 in 2008-09; 1,810 in 2009-10 and 1,898 in 2010-11. It is proposed that these figures be incorporated into the LAA.

- NI 1 - % of people who believe people from different backgrounds get on well together in their local area - **Head of Strategic Partnerships/Stronger Communities Partnership**

Targets were set based on BVPI results. The 2009-10 and 2010-11 targets will need to be reviewed in light of the baseline from the first Place Survey. The final weighted data from the Places Survey will not be available until March-April 2009.

- NI 4 - People feel they can affect decisions in local area. - **Head of Strategic Partnerships/Stronger Communities Partnership**

The same situation applies as for NI 1.

8. Indicators Adversely Affected by the Economic Downturn

8.1 Government ministers have indicated that they are willing to reconsider targets that have been adversely affected by the economic downturn. All indicators relating to the economy will be affected by the downturn: employment is expected to fall, business failure will increase and growth will slow. The extent of these impacts is not quantifiable at present. All economic trajectories and forecasts (and those affected less directly, such as crime and housing supply) will need to take account of this, as more information becomes available. This will impact on a number of other indicators referred to elsewhere in this report as well as the following.

- NI 152 - Working age people on out of work benefits - **Employment and Skills Partnership**

It was previously agreed that targets for this indicator would be reviewed at the annual refresh in light of any improved performance from the additional impact of welfare reforms. In fact, with the economic downturn and projected increase in claimant levels, especially JSA, there is a need to revise the targets downward for 2008-09 and 2009-10. We do not yet have sufficient information to clearly examine the effect increasing unemployment is likely to have in the May 2009-10 period but it is proposed we should reserve the right to review this target again as more information becomes available. We cannot currently make a good estimate of the economic climate for 2010 and 2011, so it is proposed that we do not seek a reduction for that year at this stage but should reserve the right to do so once information becomes available nearer that time.

- NI 154 – Net additional homes provided. - **Housing Strategic Partnership**

The housing market has changed substantially during the last six months and it is likely that the rate of new building has slowed. Therefore this target may need to be reviewed. Housing and Planning officers are currently considering the evidence and trends.

- NI 148 – Care leavers in education training or employment - **Young Southwark**

Care leavers are a disadvantaged group, who through no fault of their own do less well than those in the general population. They have traditionally found employment in areas of the economy that have been particularly badly hit by the economic downturn, and so as a group, they are highly likely to be disproportionately affected. It is therefore proposed to seek to negotiate lower targets, as follows:

Baseline (2006/07 unless otherwise stated)	LAA Improvement Target, including those to be designated (shown with a *), and including education and early years targets			Partners who have signed-up to the target and any which are acting as lead partner/s (shown with a *)
	08/09	09/10	10/11	
64.4%	68% (proposed change to 58%)	71% (proposed change to 61%)	75% (proposed to 65%)	Council* YS* E & SP

- NI 45 - Young offenders engagement in suitable education, employment or training - **Safer Southwark Partnership**

The recent economic downturn and will hit this most vulnerable group and make it harder for individuals to leave the NEET group. It is proposed to seek to revise targets for this indicator downward by 10% per annum, as follows:

Baseline (2006/07 unless otherwise stated)	LAA Improvement Target, including those to be designated (shown with a *), and including education and early years targets			Partners who have signed-up to the target and any which are acting as lead partner/s (shown with a *)
	08/09	09/10	10/11	
80.8% March 08 (Latest performance is 72.5%)	85% (Proposed to change to 75%)	90% (Proposed to change to 80%)	90% (Proposed to change to 80%)	Council YS* E & SP

9. Other Indicators where Proposed Changes are Likely

9.1 A number of other changes are envisaged.

- NI 155 – Number of affordable homes delivered (gross) - **Housing Strategic Partnership**

In October 2008, the GLA notified the council of the Mayor's proposed new affordable homes target for the period 2008-09 to 2010-11. At 2,672 units this is nearly 20% higher than the current LAA target outputs. The Leader of the Council has written to the Deputy Mayor, Sir Simon Milton, expressing some concern and requesting that GLA and council officers meet to discuss our capacity to meet the new target and clarify the definitions used. Following these discussions it may be necessary to propose amendment of the targets. It should be noted that the borough's ability to meet more demanding targets will be influenced by external factors, since the council is largely dependent on its partner RSLs to provide new affordable homes and, more generally, on the house building market which is currently in difficulty.

9.2 In addition, when finalising the LAA, a number of indicators were ascribed to Healthy Southwark Partnership, which go beyond its terms of reference. Most of these are led jointly by the council and the PCT, and are more appropriately allocated to the relevant commissioning partnership in Health and Social Care, rather than a thematic partnership. The following changes are therefore proposed:

Indicator	Proposed Partner bodies (lead partner/s shown with a *)
NI 146 - Adults with learning disabilities in employment	Council*/PCT* Learning Disabilities Partnership/Employment and Skills Partnership
NI 150 - Adults in contact with secondary mental health services in employment	Council*/PCT*/ Mental Health Partnership/Employment and Skills Partnership
NI 130 - Social care clients receiving self-directed support	Council*/ Every Health and Social Care Partnership
NI 141 Vulnerable people achieving independent living	Council*/ Commissioning Body for Supporting People
NI 40 - Drug users in effective treatment	National Treatment Agency*/ SSP/ PCT/ Council