

STRATEGIC SENIOR OFFICERS' GROUP
13 DECEMBER 2007

REWARD TARGET RISK ASSESSMENT

Purpose of Report

1. To update SSOG on the risk assessments and to seek endorsement for proposals for further investment of £460,000 in improving performance against reward targets (to be borrowed against the likely reward payments). SSOG decisions will subsequently be reported to Cabinet for approval.

Background

2. SSOG instigated a more detailed risk assessment for reward (or stretch) targets in the LAA before the end of year 1 owing to the high degree of performance risk being reported. Theme and outcome leads were asked to carry out a target risk and gap analysis as per the process outlined in appendix 1. The final stage of this assessment was to identify whether or not there was the potential to improve performance, where gaps were predicted, through changes to delivery including further investment.

Current Reward Target Risks

3. The current risk position as reported in TEN (to the end of September) is attached as appendix 2. Those targets for which further investment is sought are shaded. Improvement proposals were not made for some high risks targets because the prospects for improvement were not good.

Summary Improvement Proposals

Target	Further investment	60% Reward
Reduce the Number of Permanently Excluded Pupils	£40,000	£114,000
Increase Average Points Score at Key Stage 4	£100,000	£760,000
Improve the Quality of Life for Older People through increased direct payments and increased take up of benefits	£100,000	£716,000
Increase the number of Domestic Violence Incidents	£53,778	£304,800
Support Incapacity Benefit Claimants into work of 16 hours plus per week	£0	£0
Building Community Cohesion	£164,000	£760,000
	£457,778.00	£2,654,800.00

Reduce the Number of Permanently Excluded Pupils

4. Latest performance 96 permanent exclusions (2006/7), 100% target 69, 60% threshold 92. Potential Reward £190,000 (100%) 60% threshold is £114,000. Investment requested £100,000. This funding would add to an existing commissioning budget of £280,000 to purchase alternative educational packages for students.
5. Risks – New legislation from this year requires schools to set up alternative provision for students with fixed term exclusions after a 6 day period. This could drive more permanent exclusions. However, at this stage it is too early to assess the implications of this legislation.

Recommendation – support extra investment of £40,000.

Increase Average Points Score at Key Stage 4

6. Latest Performance 371 (2007), 100% target is 395 (2009), 60% threshold is 387. Potential reward - £1.27 million (100%) £0.76million (60%). Investment requested £100,000. This funding would support advisory teachers to work with upper schools on Maths and to deliver Easter holidays revision classes.
7. Risks – This remains a very stretching target despite recent improvements. However given the size of the potential reward further investment is recommended.

Recommendation – support extra investment of £100,000.

Improve the Quality of Life for Older People through increased direct payments and increased take up of benefits

8. This target falls into four parts. Support is being requested for those parts relating to increased take up of Attendance Allowance, Housing Benefit and Council Tax Benefit
9. Attendance Allowance - Latest Performance 16,000 (Nov 07), 100% target is 19,320, 60% threshold is 18,738.
Council Tax benefit – Latest Performance 20,923 (Nov 07), 100% target is 22,800, 60% threshold is 22,501.
Housing Benefit – Latest Performance 10,087 (Nov 07), 100% target is 10,760, 60% threshold is 10,476.

Potential reward - £1.2 million (100%), £720,000 (60%).

10. Risks – At the moment that are still difficulties obtaining accurate and up to date data. This means that it has not been possible to assess the success of the current investment in terms of increasing benefit claims. However, extra investment of £100,000 has been sought to extend the period of employment of the benefits promotion officer and assistant, publicity and resources for temporary staff to process claims if required.

11. Recommendation – Extra investment of £100,000 is agreed in principle subject to the analysis of data relating to quarter 2 and 3 claims in February. It is proposed that the decision to invest is delegated to the Chair of Leicestershire Together in consultation with the Chair of SSOG.

Increase the number of Domestic Violence Incidents

12. Success will be assessed based on performance within the financial year 2008-09. Performance for 2006-07 was 6,053 and the latest performance for 07-08 (to end September) was 3,013 which is on track to achieve 43% of the stretch. The 100% target is 6,187, 60% threshold 6,067. Potential reward - £508,060 (100%) £304,836 (60%).
13. The investment requested is £53,778 for two one year half-time posts. One is to continue an outreach post at Women's Aid in Charnwood which has central government funding coming to an end this year. Charnwood contributes the largest number of reports within Leicestershire. The other post is for a project initiatives officer that will work across the County implementing recommendations from recent research into reporting by Teesside University.
14. Risks – There are none that are very significant except possible delays to recruitment for the new post. This target had always been considered achievable until this year and this extra investment is intended to ensure progress does not slip back once more.

Recommendation – Support extra investment of £53,778.

Support Incapacity Benefit Claimants into work of 16 hours plus per week

15. This target covers 87% of the potential reward for the overall Incapacity Benefit Reward target. The latest Performance is 47 (to the end of November 07) against a Target at 100% of 258, and 60% of 186. The potential reward is £1.1 million (100%), £660,000 (60%).
16. Investment requested - This is for two new Employment Development Officers for the Learn to Earn Initiative. This would give increased capacity to give a greater presence in Job centres; more engagement with Disability Employment Advisers and take a more proactive approach with regard to the Highcross Development.
17. Risks – These are considerable. Current performance for the last four months of 5 per month would need to increase to over 8. Furthermore a new government programme 'Pathways to Work' is to be rolled out from April 2008. LCC is not a Pathways provider and those with Pathways contracts are likely to take clients who might otherwise come to this project. DWP have been asked to assist in this matter but at the time of writing no further progress has been reported.
18. Recommendation – Further investment to support this target is not recommended owing to the size of the gap remaining to achieve the 60% threshold, the further risks to the target from the roll-out of the Pathways to

Work programme and the lack of evidence as to how performance can be accelerated sufficiently to achieve the 60% threshold. Furthermore it is recommended that a report be prepared on the pros and cons of the reinvestment of the LAA funding for this initiative to support other targets. This project was awarded £450,000 LAA funding over 3 years and £508,000 from the LSEP.

Building Community Cohesion

19. This target is split into three parts and will be measured by a repeat of the 2006 Social Capital Survey in 20 neighbourhoods. The target is a 6% increase on the baselines. Pump priming money was invested to undertake the Social Capital Survey and a funding package was put together to employ 7 part-time community workers to use the surveys results to target support for community activity including an additional £70,000 LAA funds this year. Further funding to cover the costs of those workers for 2008-09 has not been achieved and there is a real danger of losing the staff. The investment requested is £164k for 2008-09. Reward grant - £1.2 million (100%), £720k (60%)
20. Risks – Given that the target is measured by a survey there will always be a risk that the activity supported by the workers will not have impacted on the people in the survey sample. Furthermore there are a complex set of factors that may affect perceptions and these are not easy to control. However this is mitigated by the fact that the geographical focus is tightly defined

Recommendation - support funding of £164k.

Resource Implications

21. A report elsewhere on the agenda addresses LAA funding issues. If this package to allocate further funding to the achievement of the reward targets is approved it is proposed that the County Council be requested to borrow further resources of up to £460,000 against the receipt of reward funding.
22. If all the reward targets are met total reward funding of £15.4m would be received. At this stage it is difficult to assess the overall risks of non achievement as three targets relate to the findings of surveys that take place at the end of the LAA (this relates to reward funding of £3.8m) and there are uncertainties around other targets. Although it is inevitable that some targets will not be met it is anticipated that the additional borrowing on top of the initial borrowing of £1.4m could be repaid from reward grant. It is anticipated that the County Council will require some comfort that in the unlikely event that reward funding is not available that the partnership will consider the appropriateness of using other LAA funding resources to repay the funding.

Recommendations

23. SSOG is asked to endorse the funding recommendations made in paragraphs 4 to 19 above and request that the County Council make available £460,000 to invest in improved reward target performance. This

will be subject to final approval from Leicestershire County Council's Cabinet.

24. With regard to the Incapacity Benefit target (paragraphs 14 to 17) SSOG is asked to agree to the further investigation of the pros and cons of redirecting the LAA funds (approximately £150,000) to support other targets.

25. With regard to the Older People's Well Being target (paragraphs 8 to 11) SSOG is asked to delegate final release of the funding to the Chairs of SSOG and Leicestershire Together Board.

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