



Leicester
City Council

Local Public Service Agreements

March 2002

Draft Agreement



**LOCAL PUBLIC SERVICE AGREEMENT
BETWEEN
LEICESTER CITY COUNCIL AND
THE GOVERNMENT**

Introduction

1. Leicester City Council and the Government have made this Local Public Service Agreement (Local PSA) with the intention of further improving the services to local people that Leicester City Council provides. This agreement covers the period [*start date[1]*] to 31st March 2005.
2. The agreement records the present intentions of the Council and the Government. It is entered into by both in good faith, but it is expressly recognised that neither can fetter the future discretion of the Council or of Ministers and Parliament. The agreement is therefore not intended to create legal relations. Subject to that, the following points are agreed.

The Intentions of Leicester City Council

3. Leicester City Council will use its best endeavours to achieve more demanding performance targets than those it would be expected to achieve in the absence of this Local Public Service Agreement. These enhanced targets are specified in Schedule 1 to this agreement.

The Intentions of the Government

4. The intentions of the Government set out in this agreement are subject to the outcome of any statutory consultations and any necessary approval of the Treasury and Parliament.
5. The Government will implement the changes to statutory and administrative requirements set out in Schedule 2 to this agreement, subject to confirmation of the legal and operational feasibility of the changes described and to Parliamentary approval of any necessary legislation. The Government will also undertake the discussions with the Council described in Schedule 2.
6. It is recognised by Leicester City Council that, on further investigation, it may be necessary to modify the detail of the changes set out in Schedule 2 in ways that seek so far as possible, to give substantially the same extent of benefit to the Council. It is recognised by the Government that, if a change set out in Schedule 2 proves infeasible, it will use its best endeavours to provide an alternative that corresponds as closely as possible and has, so far as possible, substantially the same effect.
7. The Government will pay Leicester City Council a grant of ££1,039,690 in 2002/03 in support of the expenditures described in Schedule 3 to this agreement. The conditions attached to this "pump-priming" grant are also set out in Schedule 3.
8. The Government will pay a performance reward grant of £7.5 million to Leicester City Council, as set out in Schedule 4 to this agreement, if it achieves all the enhanced targets

specified in Schedule 1. Schedule 4 also sets out the grant it intends to pay if the Council secures a substantial improvement in performance that falls short of the target. The Schedule also stipulates the intended timing of payments of the grant. Leicester City Council undertakes to provide audited information confirming the extent of improvement in their performance relative to the Local PSA performance targets set out in Schedule 1, as a precondition for the determination and payment of the performance reward grant.

Date of Agreement: *[date signed[5]]*

For Leicester City Council[6]

For Her Majesty's Government[7]

.....
Cllr Ross Willmott
Leader of the Council

.....
[name] MP
Minister of State, Department for Transport, Local
Government and the Regions

.....
Rodney Green
Chief Executive

.....
[name] MP
Chief Secretary to Her Majesty's Treasury

The above ministers sign on behalf of their colleagues listed below [8] :

[name] MP, Secretary of State for [title]

etc

SCHEDULE 1: TARGETS

TARGET 1 (NATIONAL)

Raising educational standards in the city by increasing educational attainment at GCSEs.

Indicator(s) by which performance will be measured

Percentage of pupils obtaining 5 or more GCSEs at grades A* to C in the examinations in summer 2004.

Current performance

38% of pupils obtained 5 or more GCSEs at grades A* to C in the summer 2001 examinations.

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

45% of pupils obtaining 5 or more GCSEs at grades A* to C in the summer 2004 examinations. (Source: Education Development Plan)

Performance target with the Local PSA

46% of pupils obtaining 5 or more GCSEs at grades A* to C in the summer 2004 examinations.

Enhancement in performance with the Local PSA

1% increase in number of pupils obtaining 5 or more GCSEs at grades A* to C in the summer 2004 examinations.

TARGET 2 (NATIONAL)**Improving life chances of children and young people in care by increasing educational attainment at GCSEs.****Indicator(s) by which performance will be measured**

Local	Number of children leaving care aged 16+ with 5 GCSE's at grades A*-C
BV50	To increase the number of children leaving care with at least 1 GCSE at grades A*-G
QP9	To reduce the number of children looked after excluded from school

Current performance (at 31st March 2001)

Local	0 children leaving care achieved 5 GCSEs Grades A* -C
BV50	20% of children leaving care achieved at least 1 GCSE at Grades A*-G
QP9	5.08% of looked after children were excluded from school

Performance at the end of the period of the Local PSA**Performance expected without the Local PSA**

Local	6 children leaving care achieving 5 GCSEs Grades A* -C
BV50	40% of children leaving care achieving at least 1 GCSE at Grades A*-G
QP9	4% of looked after children excluded from school

Performance target with the Local PSA

Local	7 children leaving care achieving 5 GCSEs Grades A* -C
BV50	45% of children leaving care achieving at least 1 GCSE at Grades A*-G
QP9	2% of looked after children excluded from school

Enhancement in performance with the Local PSA

Local	1 additional child leaving care achieving 5 GCSEs Grades A* -C
BV50	5% increase in number of children leaving care achieved at least 1 GCSE at Grades A*-G
QP9	2% less looked after children excluded from school

TARGET 3 (LOCAL)

Improving life chances for Looked After Children by achieving an overall reduction in the number of Looked After Children.

Indicator(s) by which performance will be measured

Local Number of looked after children per 1000 of all children aged 0 –17 years.
PAF C23 Number of children adopted pro rata to the total number of Looked After Children.

Current performance (at 31st march 2001)

Local 6.3 looked after children per 1000 of all children aged 0-17 years (based on 518 LAC).
PAF C23 7.3% of children are adopted pro rata to the total number of Looked After Children.

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

Local 6.3 looked after children per 1000 of all children aged 0-17 years (based on 480 LAC).
PAF C23 6% of children are adopted pro rata to the total number of Looked After Children.

Performance target with the Local PSA

Local 5.8 looked after children per 1000 of all children aged 0-17 years (based on 441 LAC).
PAF C23 7% of children adopted pro rata to the total number of Looked After Children.

Enhancement in performance with the Local PSA

Local Reduction of 0.5 - looked after children per 1000 of all children aged 0-17 years (8%)
PAF C23 1% of children adopted pro rata to the total number of Looked After Children.

TARGET 4 (NATIONAL)

Enabling more older people to live as independently as possible by providing high quality pre admission and rehabilitation care.

Indicator(s) by which performance will be measured

Performance Assessment Framework

- A5 Emergency admission for older people 75+
- C26 Admissions of supported residents aged 65+ to residential care
- C28 Number of households receiving intensive home care per 1000 adults 65+

Current performance

2000 / 01

- A5 2.77% growth rate in emergency admissions for older people 75+
- C26 130 admissions of supported residents aged 65+ to residential care
- C28 9.2 households receiving intensive home care per 1000 adults aged 65+

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

- A5 2% growth rate in emergency admissions for older people 75+
- C26 125 admissions of supported residents aged 65+ to residential care
- C28 10 households receiving intensive home care per 1000 adults aged 65+

Performance target with the Local PSA

- A5 1.5% growth rate in emergency admissions for older people 75+
- C26 110 admissions of supported residents aged 65+ to residential care
- C28 12 households receiving intensive home care per 1000 adults aged 65+

Enhancement in performance with the Local PSA

- A5 0.5% reduction in growth rate in emergency admissions for older people 75+
- C26 15 reduction in admissions of supported residents aged 65+ to residential care
- C28 2 more households receiving intensive home care per 1000 adults aged 65+

TARGET 5 (LOCAL)**Addressing fuel poverty by improving the condition of housing stock in the private and public sector.****Indicator(s) by which performance will be measured**

Local	Average SAP (Standard Assessment Procedure) rating of Local Authority dwellings
Local	Average SAP rating of Private sector dwellings (Baseline to be established as part of PSA target)

Current performance (*calculated in August 2001*)

Local	Average SAP (Standard Assessment Procedure) rating of Local Authority dwellings = 55.5
Local	Average SAP rating of Private sector dwellings (Baseline to be established as part of PSA target) = less than 40 Figures is based on 75,000 households in Leicester had SAP <40 in 1994 – source: Leicester Energy Strategy). NB:Baseline to be established as part of PSA target

Performance at the end of the period of the Local PSA**Performance expected without the Local PSA**

Local	Average SAP (Standard Assessment Procedure) rating of Local Authority dwellings = 63
Local	Average SAP rating of Private sector dwellings = baseline plus 4 points

Performance target with the Local PSA

Local	Average SAP (Standard Assessment Procedure) rating of Local Authority dwellings = 63.5
Local	Average SAP rating of Private sector dwellings = baseline plus 7 points

Enhancement in performance with the Local PSA

Local	Increase of 0.5 points in average SAP rating of Local Authority dwellings
Local	Increase of 3 points in average SAP rating of Private sector dwellings

TARGET 6 (LOCAL)

Reducing health inequalities by reducing the number of adult smokers in Leicester.

Indicator(s) by which performance will be measured

Number of people smoking in manual working adult groups in Leicester

Current performance

33% of manual adults smoking
(Extract from ONS – Health in England 2000)

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

31% overall manual workers smoking by 2005

Performance target with the Local PSA

30% overall manual workers smoking by 2005

Enhancement in performance with the Local PSA

1% reduction in manual workers smoking by 2005

TARGET 7 (NATIONAL)

Making Leicester a safer place by reducing domestic burglary in the city.

Indicator(s) by which performance will be measured

BVPI 126 – number of domestic burglaries per 1000 households

Current performance

BVPI 126 – 28.2 domestic burglaries per 1000 households

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

To be agreed by Leicester Partnership Against Crime and Disorder, 28th March 2002

Performance target with the Local PSA

To be agreed by Leicester Partnership Against Crime and Disorder, 28th March 2002

Enhancement in performance with the Local PSA

To be agreed by Leicester Partnership Against Crime and Disorder, 28th March 2002

TARGET 8 (NATIONAL)

Making Leicester's roads safer by reducing road accident casualties.

Indicator(s) by which performance will be measured

Number of people killed or seriously injured on all roads in Leicester
(data from Leicestershire Police area database)

Current performance (baseline performance)

127 People killed or seriously injured on all roads in Leicester
(figures based on 1994-1998 average as per national targets and Local Transport Plan)

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA (December 2004)

100 People killed or seriously injured on all roads in Leicester
(based on national target in LTP)

Performance target with the Local PSA (December 2004)

89 People killed or seriously injured on all roads in Leicester

Enhancement in performance with the Local PSA

11 Less people killed or seriously injured on all roads in Leicester

TARGET 9 (LOCAL)**Making Leicester a cleaner and better place by improving the cleanliness of the city centre.****Indicator(s) by which performance will be measured**

Local	% of street inspections meeting the grade acceptable or above in the city centre under the Public Cleansing Contract Cleansing Index
Local	Reduction in the amount of graffiti / fly-posting and fly-tipping in the city centre

Current performance

Local	70% of street inspections meeting the grade acceptable or above in the city centre under the Public Cleansing Contract Cleansing Index
Local	No data available. Baseline to be established as part of the PSA by way of a quantitative survey of the amount of fly-posting/graffiti and fly-tipping in April 2002

Performance at the end of the period of the Local PSA**Performance expected without the Local PSA**

Local	69% of street inspections meeting the grade acceptable or above in the city centre under the Public Cleansing Contract Cleansing Index
Local	No reduction in the baseline level (amount of graffiti/fly-posting and fly-tipping in city centre)

Performance target with the Local PSA

Local	75% of street inspections meeting the grade acceptable or above in the city centre under the Public Cleansing Contract Cleansing Index
Local	Baseline minus 25% reduction in amount of graffiti/fly-posting and fly-tipping in city centre

Enhancement in performance with the Local PSA

Local	7% increase in number of street inspections meeting the grade acceptable or above in the city centre under the Public Cleansing Contract Cleansing Index
Local	25% reduction in the baseline amount of graffiti/fly-posting and fly-tipping in city centre

TARGET 10 (LOCAL)

Reducing housing inequalities by reducing the number of rough sleepers in Leicester.

Indicator(s) by which performance will be measured

Official count of rough sleepers on a particular night using DTLR methodology

Current performance

7 rough sleepers (April 2001)

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

7 rough sleepers

Performance target with the Local PSA

5 rough sleepers

Enhancement in performance with the Local PSA

2 rough sleepers

TARGET 11 (LOCAL)**Improving social and personal well being and enhance social cohesion by increasing cultural participation.****Indicator(s) by which performance will be measured**

BVPI117	Number of visits made per head of population to public libraries
ACPI 14b	Number of visits made per 1000 population to museums in person
ACPI 1a	Number of swims and visits to sports facilities per 1,000 population
Local PI	Number of people attending arts activities and events
PLS 6	Total number of electronic workstations available to users per 10,000 population
Local PI	Total Number of library ICT accesses in Leicester

Current performance (based on 2000/01 actuals)

BVPI117	6.2 visits to public libraries per head of population
ACPI 14b	890 visits to museums per 1000 population
ACPI 1a	5,084 swims and visits to sports facilities per 1000 population
Local	885,912 people attending arts activities and events
PLS 6	2.85 electronic workstations per 10,000 population
Local PI	50,556 library ICT accesses

Performance at the end of the period of the Local PSA**Performance expected without the Local PSA**

BVPI117	6.46 visits to public libraries per head of population
ACPI 14b	998 visits to museums per 1000 population
ACPI 1a	5,150 swims and visits to sports facilities per 1000 population
Local	899,201 people attending arts activities and events
PLS 6	6 electronic workstations per 10,000 population
Local PI	80,580 library ICT accesses

Performance target with the Local PSA

BVPI117	7.33 visits to public libraries per head of population
ACPI 14b	1067 visits to museums per 1000 population
ACPI 1a	5,586 swims and visits to sports facilities per 1000 population
Local	912,489 people attending arts activities and events

PLS 6 8 workstations per 10,000 population by 2004/5
Local PI Increase ICT accesses by an additional 7% to 86,220 accesses

Enhancement in performance with the Local PSA

BVPI117 0.87 visits to public libraries per head of population
ACPI 14b 69 visits to museums per 1000 population
ACPI 1a 436 additional swims and visits to sports facilities per 1000 population

Local 13,288 more people attending arts activities and events

PLS 6 2 workstations per 10,000 population by 2004/5
Local PI Increase ICT accesses by an additional 7% to 5,640 accesses

TARGET 12 (NATIONAL)

Improving access to council services by increasing delivery and take-up of electronically delivered services.

Indicator(s) by which performance will be measured

Local	Number of people making transactions electronically as a percentage of people making all transactions.
Local	Percentage of paid-for services available for electronic payment

Current performance

Local	No data is currently available for take up of electronic paid for services. This will be developed as part of the PSA process
Local	10% of paid-for Council services are available for electronic payment at present.

Performance at the end of the period of the Local PSA

Performance expected without the Local PSA

Local	Take-up at March 2003 baseline plus 20%
Local	80% of paid-for council services will be capable of electronic payment by March 2003

Performance target with the Local PSA

Local	Take-up at March 2003 baseline plus 100%
Local	90% of paid-for Council services will be capable of electronic payment by March 2003.

Enhancement in performance with the Local PSA

Local	80% increase in take-up at March 2003 baseline.
Local	10% increase in paid-for Council services capable of electronic payment by March 2003.

TARGET 13 (NATIONAL)**Improving employment opportunities for disadvantaged groups within the city.****Indicator(s) by which performance will be measured**

Local	Number of referrals by the Employment Service to Work Based Learning for adults;
Local	Number of people who start a WBLA training programme;
National	Number of people who commence employment following completion of a WBLA training programme. (<i>% and number</i>)

Current performance

April 2001 – March 2002 (actuals to Jan 2002 plus estimates for Feb/March)

Local	1027 referrals by the Employment Service to Work Based Learning for adults;
Local	347 people started a WBLA training programme;
National	17 people commenced employment following completion of a WBLA training programme (4.9% of those who started a training programme)

Performance at the end of the period of the Local PSA**Performance expected without the Local PSA**

Local	1,198 referrals by the Employment Service to Work Based Learning for adults (baseline + 5% year on year);
Local	405 starts a WBLA training programme; (baseline + 5% year on year)
National	Government target plus 5% (current target is 40% of starts on training programme into jobs)

Performance target with the Local PSA

Local	1,409 referrals by the Employment Service to Work Based Learning for adults (baseline + 10% year on year);
Local	476 starts a WBLA training programme (baseline + 10% year on year);
National	Government target plus 10% (current target is 40% of starts on training programme into jobs)

Enhancement in performance with the Local PSA

Local	211 additional referrals by the Employment Service to Work Based Learning for adults;
Local	71 additional starts a WBLA training programme;
National	Additional 5% of starts on training converted into jobs.

TARGET 14 (NATIONAL)

Increasing the efficiency, economy and effectiveness of council services.

Indicator(s) by which performance will be measured

Leicester City Council will devise a measure of cost-effectiveness, based on a basket of indicators, which it will seek to agree with the Department of Transport, Local Government and the Regions (DTLR) by a date to be agreed following further guidance from the department. The basket of indicators will be based upon the principles set out in the note of 6 August 2001 by the Local Government Public Service Agreement Division of DTLR "The Cost Effectiveness Measure".

This is subject to the council satisfying itself and DTLR of the practicality of operating such a measure.

Leicester City Council also agrees, in principal, that an increase in cost-effectiveness of 2% per year should be regarded as the performance achievable without a PSA, and that the target performance with a PSA will be set at a higher level. A firm agreement on the target is, however, dependent on consideration of the specification of the measure of cost-effectiveness that is eventually agreed.

Any required freedoms or flexibilities in order to meet this target will be negotiated with the DTLR by a date to be agreed.

Leicester City Council and DTLR agree that the portion of the Performance Reward Grant related to the cost-effectiveness measure, as specified in schedule 4 to this agreement, will relate to whatever measure of cost-effectiveness is incorporated in the agreement at the time entitlement is determined. If there is no agreed measure of cost-effectiveness, no Performance Reward Grant will be paid in respect of cost-effectiveness.

SCHEDULE 2: FREEDOMS & FLEXIBILITIES

The Government intends to make the changes specified below in various statutory and administrative requirements, as they relate to Leicester City Council. If the precise changes specified prove infeasible, the Government will use its best endeavours to achieve substantially the same effects by other means.

[If necessary It is noted that some of the changes are dependent on the outcome of consultation and/or can be brought about only with Parliamentary approval.]

[If necessary The legal and practical feasibility of some of these changes had not been established at the time that this agreement was concluded.]

In respect of Target 1 [To increase the percentage of pupils obtaining 5 or more GCSEs at grades A* - C]

Change 1

Within each of the Standards Fund categories listed below, permit the Council to use the amounts falling within those elements of the Standards Fund defined as being amounts retained by the Local Education Authority as a single total which could be applied without restriction to any of the purposes relevant to those sections of the Standards Fund; and subject to the agreement of the secretary of the state for Education and Employment, to permit the Council to apply amounts retained by the Local Education Authority to any of the purposes relevant to sections of the Standards Fund outside the Standards Fund category for which the amount was originally allocated.

For the purposes of this change, the relevant Standards Fund categories are School Improvement; Inclusion; Standards and Curriculum; Diversity and Excellence; and Teachers and Support.

Change 2

The Council is given assurance of a minimum resource allocation through the Standard Fund of 95% of the 2001/ 2002 allocation for the duration of the period covered by this Public Service Agreement; such assurance to be given by the Secretary of State for Education and Skills.

Change 3

The Government will work with Leicester City Council, with a view to reaching agreement (for implementation at a date to be agreed) by 1 April 2003, on the timetable and process for review and rationalisation of the number of Education based plans required to be produced by the Council under statute or departmental guidance. The objective of the review is to consolidate and rationalise insofar as possible into a single Education and Lifelong Learning Development Plan existing separate plan requirements. This will be done through exercise of the Secretary of State for Education and Skills' discretion or by order under Section 5 or Section 6 of the Local Government Act 2000 as appropriate.

Change 4

DfES to agree that, within overall retained funds, costs of strategic management and school improvement may be higher in recognition of the strategic role of the LEA in joining up initiatives and undertaking new pro-active work for the PSA.

Change 5

The DfES will extend in 2001/02 and subsequent years the £500 per pupil grant currently available to schools to pupils from asylum seeking families supported by the National Asylum Support Service to include Somali pupils on first arrival in Leicester from Holland.

The DfES will also agree, in consultation with the LGA, the wider issue of how future school funding arrangements will ensure equal opportunity for all children, whether they are asylum seekers or EU migrants.

Change 6

The DTLR will, in the case of the 2003/04 finance settlement, update the primary and secondary pupil counts to reflect additional persons from abroad that are not included in the pupil counts used in the settlement.

In respect of Target 4 [Provide high quality pre-admission and rehabilitation care to older people to help them live as independently as possible] and

In respect of Target 7 [To reduce domestic burglary]

Change 7

The Lord Chancellor's Department will enable the sharing of information between partners under the Data Protection Act, with specific reference to health and social care professionals to assist in the implementation of the Single Assessing Process and to Leicestershire Constabulary and the city council to assist in the reduction of domestic burglary.

In respect of Target 4 [Provide high quality pre-admission and rehabilitation care to older people to help them live as independently as possible]

Change 8

The government will grant flexibility in the application of registration criteria under the Care Standards Act to enable generic registration of care.

In respect of Target 8 [To reduce the number of people killed or seriously injured on Leicester's roads]

Change 9

The DTLR to give consideration to how safety camera fines can be re-invested in a wider range of preventive measures within the Leicestershire Police area to reduce casualties.

The DTLR also asked to give consideration to using the savings from the Exchequer from reductions in road accident casualties to fund such measures in the longer term.

In respect of Target 9 [To improve the cleanliness of the City Centre]

Change 10

The DTLR will establish arrangements which allow for receipts arising from Fixed Penalty Notices for littering (Environmental Protection Act 1990 Part IV Section 88) surrendered by Leicester City Council to the Secretary of State, to be repaid to the authority for use in relation to approved categories of initiatives to further improve street cleanliness in Leicester.

The DTLR will permit Leicester City Council to increase the maximum level of fixed penalty fines for littering from the current £25 to £50. This would be achieved by:

amending administrative arrangements for the collection of Fixed Penalty income from Leicester City Council or

by making an order under the power conferred by section 88 of the Environmental Protection Act.

Change 11

DEFRA are asked to consider the consolidation of the parts of law relating to the period of notice required before the local authority can enter and clear rubbish from a space designated as Relevant Land under the Environmental Protection Act (EPA) 1990. (relevant law S59 EPA, S34; Public Health Act (PHA) 1961; S6, Refuse Disposal (Amenities) Act (RD(A))1987; S78, PHA1936; S215, Town & Country Planning Act 1990). The local authority would be granted greater powers to have the land cleaned and would dispense with the process of designation and notice periods.

Change 12

DEFRA will relax the Town and Country Planning (Control of Advertisements) Regulations 1992 to permit the local authority to remove illegal fly-posting from any privately owned building without giving the required advance notification and without fear of prosecution by the owner of the fly-poster or the property.

In respect of Target 10 [To reduce the number of rough sleepers in the city]

Change 13

The DWP is asked to grant direct payments for housing costs from the Benefits Agency to landlord where the General Practitioner states this as necessary. This will broaden the capacity 'issue'.

Change 14

The Department of Health is asked to include of "alcohol" within the definition of "mental illness" under the Mental Health Act 1983.

Change 15

Under the NHS and Community Care Act 1990 related circular DoE 10/93 which extended the categories of people covered by the Act, the Department of Health is asked to extend the guidance further to include rough sleepers as Community Care Group.

In respect of Target 13 [To increase the employment rates of disadvantaged groups within the city]

Change 16

The DWP will relax the 6-month unemployment eligibility criteria for the Work Based Learning for Adults programme to give all unemployed people the opportunity to access appropriate training without having to wait for the qualifying period.

Change 17

The DWP will relax the Work Based Learning for Adults programme criteria concerning the requirement to carrying out Basic Skills Assessments. This would enable the Basic Skills Assessment to be carried out by a variety of agencies.

In respect of all targets

Change 18

The DTLR will guarantee a minimum increase in Government revenue funding in 2003/04 of 5% (after allowing for any functional changes or increases in taxbase) over government revenue funding received in 2002/03.

The delivery of all the PSA targets are dependent upon the authority receiving adequate revenue funding. The authority has a 3-year revenue budget strategy that sets out resource forecasts and spending priorities. It is estimated that an increase in government resources of less than 5% would impact on the council's overall ability to meet all PSA targets.

Change 19

Leicester City Council will work with the DTLR and DfES in order to identify solutions to funding difficulties that can be considered as part of the government's review of Revenue Grant Distribution and education funding for implementation by 2003/04.

Change 20 (Unsupported Credit Approvals)

The DTLR will consider requests to 'draw down' unsupported credit approvals, of up to £3m to pump prime investment needed to meet various PSA targets, in particular the cost effectiveness target.

The precise schemes to be funded from the UCA will be negotiated with the DTLR on the basis of demonstrating how investment will enable the council to meet the PSA targets being negotiated.

SCHEDULE 3: PUMP PRIMING GRANT IN SUPPORT OF INVEST TO SAVE OR INVEST TO IMPROVE PROJECTS

To assist in achieving the targets set out in this Agreement, the Government will make a pump priming grant of £1,039,690 to Leicester City Council as a contribution towards expenditure of an 'invest to save' or 'invest to improve' nature. This grant will be paid, subject to necessary Treasury and Parliamentary approvals, no later than the financial year following that in which this agreement was concluded.

The grant is intended to contribute to the costs of the projects detailed below in Table 1, to the extent shown in Column 2. It must be spent, during the period of this Local PSA, in accordance with this Schedule, or as otherwise agreed with the Government as likely to assist in achieving the enhanced performance specified in Schedule 1. Conditions protecting the proper protection of the use of public funds will apply.

Table 1

Target	Project	Planned council expenditure (£)	Indicative grant contribution (£)
1	<ul style="list-style-type: none"> ▪ Extend IQEA programme; ▪ Specialist teaching for Somali students; ▪ Learning Mentor for Year 9 students 	£456,500	£146,500
2	<ul style="list-style-type: none"> ▪ To employ 1 additional specialist to co-ordinate life chances work for looked after children 	£307,000	£87,000
3	<ul style="list-style-type: none"> ▪ To employ 1fte specialist to support adoptions and looked after children 	£190,000	£95,000
4	<ul style="list-style-type: none"> ▪ Review current care services ▪ Development of training strategy ▪ Additional capacity within the independent care packages 	£228,000	£130,000
5	<ul style="list-style-type: none"> ▪ Recruitment & training ▪ Computer and associated software ▪ Marketing and promotion 	£204,550	£54,900
6	<ul style="list-style-type: none"> ▪ Employ full-time health promotion 	£97,400	£84,400

	specialist		
7	<ul style="list-style-type: none"> ▪ Computer equipment and software ▪ Security equipment ▪ Employ area maintenance officer 	£136,300	£103,300
8	<ul style="list-style-type: none"> ▪ Research into road traffic accidents 	£89,600	£80,000
9	<ul style="list-style-type: none"> ▪ Employ Litter Warden and Education Officer ▪ Additional litter bins for city centre 	£180,000	£80,000
10	<ul style="list-style-type: none"> ▪ Employ local co-ordinator for homeless people 	£175,000	£90,000
11	<ul style="list-style-type: none"> ▪ Research on barriers to participation ▪ Education, promotion and awareness raising events 	£102,600	£80,100
12	<ul style="list-style-type: none"> ▪ Implementation of electronic payments system 	£110,000	£80,000
13	<ul style="list-style-type: none"> ▪ Research into drop out rates from training schemes ▪ Local incentive arrangements for training schemes 	£89,500	£80,000
Total		£2,366,450	£1,191,200*

** Note: Pump priming grant based on 14 targets. This will change following outcome of negotiations*

SCHEDULE 4: PERFORMANCE REWARD GRANT

Total potential grant

If the Council meets or exceeds all of its performance targets in Schedule 1 to the Local PSA, the total grant will be equivalent to 2.5 per cent of the Council's net budget requirement for 2001/02. The net budget requirement for Leicester City Council in that financial year was £301.9 million. The total potential grant is therefore £7.5 m.

The division between targets

The total potential grant is divided equally among the targets.

Where a target has sub-targets, unless otherwise specified the potential grant for the target is sub-divided equally among the sub-targets.

The reward for achievement on a target

The proportion of potential grant that is payable is the same as the proportion of the enhancement in performance that the Council achieves for each target or sub-target, subject to a maximum proportion of 100 per cent and a minimum of 60 per cent. If the proportion would be less than 60 per cent, nothing is included in the grant in relation to that target.

Payment of the grant

Main grant

The grant will be paid in two equal installments, one in each of the two financial years following the end of the Local PSA period, subject to the qualification below relating to interim payments on account.

Interim payment on account

Where the Council and the Government have agreed an interim level of performance in relation to a target (or sub-target), as specified in Schedule 1, and the Council achieves it, the Government intends to pay one-fifth of the relevant potential grant in the financial year before the first year in which the main grant would be due. This is treated as a 'payment on account'. The definitive calculation of the grant will be made as described above. The balance of the grant entitlement will be paid in equal installments in the two subsequent financial years. If the definitive calculation yields a grant entitlement less than the 'payment on account', the excess will be recovered.

Half of each installment of the grant will be eligible to support capital expenditure, and half will be eligible to support revenue expenditure.