

Explanatory Memorandum to The Local Government (Performance Indicators and Standards) (Wales) Order 2010.

This Explanatory Memorandum has been prepared by Local Government Policy Division and is laid before the National Assembly for Wales in conjunction with the above subordinate legislation and in accordance with Standing Order 24.1

Minister's Declaration

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of The Local Government (Performance Indicators and Standards) (Wales) Order 2010.

Carl Sargeant

Minister for Social Justice and Local Government

24 February 2010

Description

The Local Government (Wales) Measure 2009 (the Measure) was passed by the National Assembly for Wales in Plenary on 28 April 2009 and received Royal Approval on the 10 June 2009. The overall intention of the Measure is to create a statutory regime which integrates long term community planning and shorter term local service improvement.

Under section 8 of the Local Government (Wales) Measure 2009, the Welsh Ministers may specify performance indicators and standards by which Welsh local authorities' performance may be measured.

This Order specifies twenty-one performance indicators for 2010-11 and also one standard that will come into force from 1 April 2012. The indicators are drawn from those that formed the basis of last year's (2009-10) national set of indicators that were specified under the now repealed section 4 of the Local Government Act 1999, and follow a consultation exercise. Each of the indicators is aligned to one or more of the Assembly Government's strategic priorities, and been chosen for their focus on outcomes.

Matters of special interest to the Constitutional Affairs Committee

None

Legislative background

Section 8 of the Local Government (Wales) Measure allows the Welsh Ministers to specify "factors" (performance indicators) by which Welsh improvement authorities' performance in exercising their functions, may be measured. In addition, the Welsh Ministers may also set "standards" to be met by Welsh Improvement Authorities in relation to some, all, or none of the performance indicators.

This Order, to be made under s.8 of the Measure, is subject to annulment in pursuance of a resolution of the National Assembly for Wales (s. 50(3)), and is required to be prepared in English and Welsh. It will need to be in force from 1 April 2010.

Purpose & intended effect of the legislation

The setting of local authority performance indicators is a continuation of established policy. Local authority performance indicators are kept under review by service-specific reference groups, comprising expert representatives from local authorities, Assembly Government policy directorates and other partner organisations such as the Wales Audit Office and the Welsh Local Government Association.

The subject specific reference groups suggest any changes to the statutory performance indicators only where strictly necessary, as there are clear risks to data continuity and thus the ability to analyse performance over time. For the most part they are simply changes of a technical nature to reflect current professional practice and wider changes to the law.

The proposed 21 indicators for 2010-11 are drawn from those that formed the basis of last year's (2009-10) statutory set of indicators and are broadly aligned to one or more of the Assembly Government's strategic priorities, and have been chosen for their focus on outcomes. In comparison to last year, there are only one or two minor changes to the proposed set as a result of responses received to the consultation.

One indicator relating to Energy Efficiency has been slightly amended in order to aid data comparison: "percentage *reduction* in carbon dioxide emissions in the non domestic building stock" has been amended to read "percentage *change* ...". In addition, following recommendation by the expert panel, the proposed indicators for 2010-11 that were set out in the consultation exercise, proposed that a social services indicator concerning older people supported in the community be deleted, and replaced by a new version.

During the consultation exercise, the Deputy Minister for Social Services wrote to the Social Justice and Local Government Minister specifically about the deletion of the old social services indicator as king for its retention. This view was backed by responses to a con-current consultation exercise conducted by the Local Government Data Unit (Data Unit) on a core, non-statutory set of indicators. As a result, the "old" indicator has been retained and the "new" indicator will be piloted in a small number of authorities during 2010-11 as part of the non-statutory set being run and developed by the Data Unit in conjunction with the WLGA.

Section 8 of the Local Government (Wales) Measure 2009 allows the Welsh Ministers to specify standards in relation to one or more of the performance indicators, and this Order sets a standard, or target, to be met by local authorities in respect of the indicator on waste management.

The Department for the Environment, Sustainability and Housing (DESH) is in the process of drawing up an Environment Measure that will, amongst other matters, make provision for the levying of penalties against local authorities that fail to meet certain recycling standards corresponding to targets set by EU Directive that local authorities are required to meet in future years.

As a result, the Order sets a 52% target for reuse/recycling of municipal waste in the financial years, 2012-13; 2013-14 and 2014-15.

The setting of waste management standards within this Order will not in itself lead to sanctions should an authority fail to meet them, but together with the DESH Measure, it will reinforce the need for authorities to meet the requirements of the EU Directive.

5. Consultation

The consultation exercise ran for 12 weeks and sought comments from the 22 Welsh local authorities, the Welsh Local Government Association, the Wales Audit Office, and other interested parties. The exercise was accessible to members of the wider community and general public via the Welsh Assembly Government's website.

The consultation elicited a total of 19 responses (including 14 from the 22 local authorities) and also one from the Deputy Minister for Social Services, Gwenda Thomas AM (see above). Overall, the responses were in support of the proposed set of statutory indicators. This broad support was not surprising given that the proposed indicators were very much a continuation from the previous year, and had been developed by the respective expert panels comprising local authority specialists and others.

Copies of the consultation responses can be obtained from Local Government Policy Division.

Regulatory Impact Assessment (RIA)

An RIA has not been prepared as the setting of local authority performance indicators for 2010-11 is a continuation of long standing policy and does not present novel circumstances to those affected. No impact is foreseen on the voluntary sector, business or charities.

The Order proposed Order has no impact on the statutory duties (sections 77-79 GOWA 06) and relevant statutory partners have been informed and consulted (sections 72-75 GOWA 06).