

## **EXPLANATORY MEMORANDUM & REGULATORY IMPACT ASSESSMENT FRAMEWORK**

### **Explanatory Memorandum to the Local Government (Best Value Performance Indicators) (Wales) Order 2008**

1. This Explanatory Memorandum has been prepared by the Department of Social Justice and Local Government and is laid before the National Assembly for Wales in accordance with Standing Order 24.1.

#### **2. Description**

In 2003 the Assembly Government put in place a new performance measurement framework for local authorities in Wales. The framework contains both statutory and non-statutory performance indicators. The purpose of this Statutory Instrument is to update the current statutory indicators to reflect current professional practice and wider changes to the law. The Order revokes the Local Government (Best Value Performance Indicators) (Wales) Order 2005.

#### **3. Matters of special interest to the Subordinate Legislation Committee**

Although this instrument does not require the consent of UK Ministers, the changes to the indicators for non-devolved services are being amended to reflect the changes being proposed for the housing benefit and council tax benefit performance indicators that will also be set for English and Scottish local authorities from April 2008. Different arrangements apply in Northern Ireland, where social security is a devolved matter.

#### **4. Legislative Background**

The power to specify local government performance indicators by order is contained in Section 4 of the Local Government Act 1999. Those powers are powers of the Welsh Ministers. An order under s4 is subject to the negative procedure.

#### **5. Purpose and intended effect of the legislation**

- 5.1 All the national performance indicators in the framework are kept under review by service-specific reference groups, comprising of 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.
- 5.2 Changes to performance frameworks are made only where strictly necessary, as there are clear risks to data continuity and thus the ability to analyse performance over time. The subject specific reference groups have suggested the changes, to the statutory performance indicators. For the most part they are simply changes of a technical nature to reflect current professional practice and wider changes to the

law. In some cases we also propose to remove requirements separately to report numbers and percentages of, eg, children leaving school without a qualification, or of the tonnage of waste sent to landfill. Such requirements are unnecessary (as numbers are in any event needed to calculate percentages) and unhelpful (as absolute numbers do not reflect the scale of each local authority's operations and are thus not comparable between them).

- 5.3 The exceptions to this are the proposals for the performance indicators that relate to housing benefits and council tax benefits. As this is a non-devolved service the proposals reflect the changes being proposed for the performance indicators that will be set for English and Scottish local authorities from April 2008. A further non-technical change is the addition of a statutory performance indicator on pupil attendance at primary school to mirror the existing statutory indicator on pupil attendance at secondary school. This has been strongly supported by the education reference group and would also help to maintain pressure on what is perhaps the most obvious consistent service weakness across Welsh local government.

## **6. Implementation**

If this legislation is annulled, performance indicators for Welsh local government would be defective. In particular, they would not reflect wider changes to the law and to professional best practice. Indicators for non-devolved services would not reflect the changes being proposed for the performance indicators that will be set for English and Scottish local authorities from April 2008.

## **7. Consultation –**

These Statutory indicators were consulted upon as part of the wider annual consultation on the Performance Measurement Framework for Wales. Consultees included, local government, national park authorities, housing associations, the third sector and other stakeholders and interested parties. The fourth annual consultation was conducted from the 1<sup>st</sup> October to the 7<sup>th</sup> December 2007. The changes to the statutory performance indicators proposed in this Order are a result of representations received during the consultation.

## **8. Regulatory Impact Assessment**

I have read the Statement of Statutory Duties and have considered them in relation to this submission, which is not concerned with the development of policy. Therefore the Policy Appraisal checklist indicates that no statutory assessments are required.