



Report of: Chief Officer (Executive Support)

Executive Board

Date: 4 July 2007

Subject: Revised Corporate Planning Framework

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

There a number of drivers prompting a revision of the Council's corporate planning framework. These drivers include changes arising from the Local Government White Paper and the Local Government and Public Involvement in Health Bill, developments in regard to the Local Area Agreement and the Council's change programme.

This report identifies a number of key changes including: a move to an outcome based approach across our planning framework; the agreement of a set of key principles to underpin planning activity; a new planning framework to provide greater clarity and reduce duplication; a stronger emphasis on business planning within the Council; and, proposals to strengthen Elected Member involvement in corporate planning and LAA processes.

The report outlines the first phase in a move towards a new planning framework for the city.

The report proposes the merger of the new Local Area Agreement and the Council's Corporate Plan into a single document called the 'Leeds Strategic Plan' to cover the period 2008-11 supported by a separate Council Business Plan to guide business development, transformation and financial planning activity.

To ensure that Elected Members are at the heart of developments in respect of the new corporate planning framework, incorporating the new LAA, it has been agreed to establish a Member Reference Group, consisting of the three main party leaders (or their nominees), who will oversee the work of officers and advise on the best way to maximise involvement from a range of Elected Members and other stakeholders.

1.0 Purpose Of This Report

- 1.1 The purpose of this report is to propose some key changes to the corporate planning framework for the City. It provides the rationale for change, identifies a number of key principles to underpin a new approach to planning and outlines the first phase of a revised planning framework.

2.0 Background:

- 2.1 Our existing planning framework has worked well for a number of years and many aspects of it have been commended in previous discussions, assessments and inspections. It has enabled the city and the city council to have a clear set of priorities which inform both policy development activity and resource allocation.

- 2.2 However, we live in a changing world and with new policy requirements, greater expectations from citizens and a changing role for Local Authorities in terms of strategic leadership and place-shaping, it is important that we take this opportunity to further develop and improve our planning framework.

2.3 Why are changes needed?

- 2.4 **Outcome Based Approach.** The Council's change programme, influenced by national and local drivers, has introduced a whole conceptual change in thinking about the Council's approach to, and measurement of, its ambitions. Better results are being sought for Leeds citizens and other stakeholders through the development of an outcome based approach to prioritise our improvement activity. We need to understand what desired impact or effect is required, in terms that are meaningful to citizens and/or the place concerned, and be able to quantify the level of improvement required to achieve the outcomes agreed. We will need to examine new ways of working which will include, at the strategic level, prioritising and commissioning services on an outcome basis, whilst at the operational level it will require the linking of employee contributions at every level of the organisation to achieve the quantifiable improvements identified. An outcome based approach has been reinforced in all recent legislation from government. Therefore, this whole system change of thinking needs to be reflected in our revised approach to corporate planning.

- 2.5. **Leadership – Local Government as a Strategic Leader and Place-Shaper.** Government thinking emphasises the role that Local Authorities, particularly Elected Members, need to play in the developing place-shaping agenda. The White Paper (Strong and Prosperous Communities) and the draft Local Government and Public Involvement in Health Bill emphasise the legitimate leadership role that Local Authorities have to take in the place-shaping agenda.

- 2.6. With their democratic legitimacy, Local Authorities and their Elected Members must seize the opportunity to lead the place shaping agenda, providing the vision and leadership for the local partnership and their communities. This means that the leadership role of Elected Members will need to be enhanced, particularly in respect of partnership activity.

- 2.7. The development of a new Local Area Agreement (LAA) provides an ideal opportunity to respond to this leadership agenda as the new LAA will become the key tool in exercising this leadership responsibility. The new LAA will be the only place from April 2008 onwards where central government will agree improvement priorities and targets with local authorities and their partners. The focus of the new LAA is on what the Local Authority is "either doing on its own" or "in partnership with others" emphasising the clear leadership role that the Local Authority and its Elected Members need to have.

- 2.8. To ensure that Elected Members are at the heart of developments in respect of the new planning framework and the new LAA, it has been agreed to establish a Member Reference Group, consisting of the three main party leaders (or their nominees), who will oversee the

work of officers and advise on the best way to maximise involvement from a range of Elected Members and other stakeholders.

- 2.9. The 2008 -11 LAA will draw on priorities identified in the Vision for Leeds and become the key delivery plan for this strategy. There has been a recent recommendation by the Overview and Scrutiny Committee's Inquiry into Narrowing the Gap to create better connectivity between the Vision for Leeds, the Local Area Agreement and the Leeds Regeneration Plan. There is now an opportunity for the Council, utilising its statutory duty in leading the LAA, to provide a new clarity to planning processes in the city.
- 2.10. **Scrutiny Involvement.** In support of the new LAA and the leadership role of the Local Authority, the Local Government and Public Involvement in Health Bill will give new powers to Scrutiny Committees to review and scrutinise the actions of key named partners. This means that the contributions of partners will need to be clearly identified in plans at the strategic level.
- 2.11. **Locality Involvement.** Government thinking emphasises neighbourhoods as a focus for service delivery and governance. This thinking aims to enhance the local leadership role of elected members ensuring local citizens become more actively involved in priority setting and planning.
- 2.12. **Performance Assessment.** The new Comprehensive Area Assessment will provide an assessment of performance, risk and future prospects of local services provided by the local authority, either on its own or in partnership with others. The baseline of performance will be against a new national indicator set of 200 indicators and up to 35 improvement targets, plus 18 educational related targets. These indicators, and any others locally agreed, will need to be an integral part of monitoring and assessing progress in a future planning framework.
- 2.13. **Business Planning.** The Council's business planning arrangements are currently contained in a number of plans including sections of the Corporate Plan, the Annual Council Plan and the Financial Plan. The Audit Commission have previously identified service prioritisation as an area where the council needs to improve and provide a more transparent and coherent process to demonstrate the alignment of resources to priorities. Now that we are approaching the end of our current corporate planning cycle, consideration has been given to having a single Council Business Plan to guide business development and transformation and financial planning activities.

3.0 Main Issues

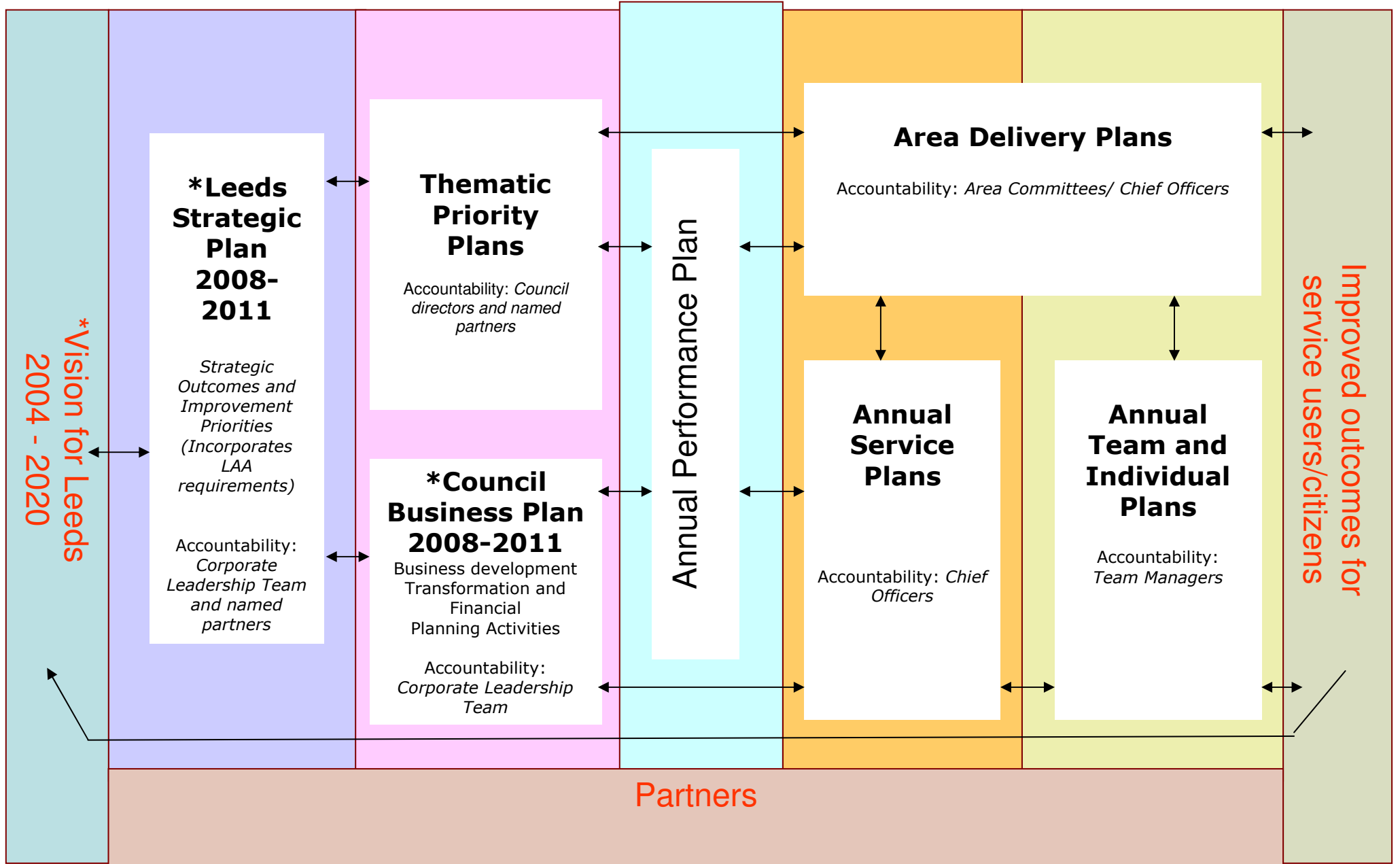
- 3.1. **Principles.** A series of principles need to underpin the development of a new outcome based approach to planning for the Council and these include:
- **Clarity in Terminology.** There is much confusion caused by the different use of terms. There is a need for labels such as 'outcome', 'target', 'indicator' to have the same meaning for all those commissioning, planning and delivering services and measuring their effectiveness. Work will be progressed to ensure consistency in the use of terminology.
 - **Connectivity and Streamlining.** The intention should be to produce a road map or 'golden thread' that links contributions at all levels to the Vision for Leeds outcomes and improvement priorities in the City. This 'golden thread' needs to be as streamlined as possible, reducing bureaucracy, improving understanding, within and across service provision, and facilitating effective partnership working.
 - **Accountability.** Responsibility for actions needs to be assigned in all plans. This will ensure that people understand their accountabilities and can be held to account for their delivery. Accountability is strengthened by having an outcome based approach accompanied by clear targets and indicators and a connected and streamlined framework.

- **Risk Analysis.** An assessment of risk needs to take place in all plans that form part of the planning framework.
- **Elected Member Involvement.** Elected Members have a key role to play in developing an outcome based approach, both in respect of providing the leadership that is required in respect of the place shaping and partnership agendas, but also in terms of identifying the priority outcomes for the city. Elected Members' knowledge of their local areas and local challenges should be fully utilised in determining priorities for the city.
- **People, Place and Partner Considerations.** An outcome based approach involves seeking the views of people for which the desired impact is being sought, either directly or through representatives or research. It also requires, where appropriate, key partner engagement in agreeing outcomes, targets and indicators and an understanding of their accountabilities for meeting the quantifiable improvements identified.
- **Evidence and Intelligence.** Robust evidence and intelligence is needed to inform the identification and selection of outcomes, targets and indicators at all levels of the planning framework. This needs to be available at different spatial levels and ideally include demographic, service user, incident and service perception data. It needs to be easily accessible and accompanied by a sound analysis that can be easily understood.
- **Performance Management.** A robust approach to managing performance is needed to assess and ensure outcomes are being achieved in all plans that form the planning framework. Targets and indicators need to adequately measure progress and achievement. They also need to relate to the relevant spatial level e.g. super output area, ward, area and city wide and be monitored and evaluated on a consistent basis. The performance required by people to achieve outcomes and targets needs to be clarified at all levels.
- **Challenge and Learning.** There must be a preparedness to challenge existing ways of doing things and be genuinely open to new ideas and good practice from any place or partner to improve planning processes.

4.0. **A proposal for a new City planning framework**

- 4.1. An outline for a new planning framework is shown on the next page. A brief description of the purpose of the key plans highlighted is provided below to aid consideration.
- 4.2. **Vision for Leeds 2004 to 2020.** Leeds' Sustainable Community Strategy that sets out the long term ambition and aspirations of the City. The Vision for Leeds was first published in 1999 and updated in 2004.
- 4.3. **Leeds Strategic Plan 2008 to 2011.** The key delivery plan for the Vision for Leeds. This plan would set out the key strategic outcomes and key improvement priorities over a three year period, to be delivered either by the Council on its own or in partnership with others. This plan would elevate the role of the current Corporate Plan to a broader level, encompassing the requirements of the local area agreement.
- 4.4. **Thematic Priority Plans.** Following agreement of our strategic outcomes, consideration will then be given to the preparation of Thematic Priority Plans. Thematic Priority Plans will be the key delivery plans for ensuring delivery of the relevant strategic outcomes and improvement targets detailed in the Leeds Strategic Plan. Some of these plans essentially already exist (e.g. Children and Young People's Plan) and they will, therefore, both inform, and be informed by, the development of the Leeds Strategic Plan. The themed priority plans will identify 'thematic outcomes' and linked targets and indicators, developed, as appropriate, with key partners and with reference to the new national indicator set which will be published in the Autumn.

Proposed Planning Framework



*Proposal that these plans form part of the Council's Budget and Policy Framework.

- 4.5. **Council Business Plan 2008 to 2011.** This plan would act as the key strategic driver for business development, transformation and financial planning activity for the three year period of the Leeds Strategic Plan. The plan would detail our priorities in respect of business change requirements, resource and financial allocation and business transformation activity in support, and in furtherance of, the outcome and improvement priorities determined in the Leeds Strategic Plan. It would replace the 'Modernising our Council' and 'Transforming Our Services' aspects of the current Corporate Plan and the currently separate Financial Plan. The plan would be produced primarily for internal Council use.
- 4.6. **Annual Performance Plan.** This plan would undertake a similar function to the existing Council Plan insofar as reviewing year-by-year progress against the agreed priorities in the Leeds Strategic Plan and Council Business Plan and outlining the priority activities for the next 12 months. It can also be used as a mechanism to review priorities if circumstances require outside of the formal 3 year Strategic Plan timescale.
- 4.7. **Area Delivery Plans.** These would set out how an area contributes to achieving the strategic outcomes and improvement priorities set out in the Leeds Strategic Plan and the Thematic Priority Plans, with a particular emphasis on local priorities. The plans would identify key actions for delegated services, influenced services and influence the spending of local area committee funding. Area Delivery Plans would be used by Area Committees to monitor progress regularly with deliverers of delegated services being held accountable. Area Delivery Plans will also inform priorities contained within Service Plans. Area Delivery Plans will be developed and overseen by the relevant Area Committee. A sub-set of Area Delivery Plans may be Priority Neighbourhood Plans which would aim to set out key actions to improve deprivation indices in key neighbourhoods and to increase service user and citizen involvement. Further work is required in respect of the area dimension to the corporate planning framework and further work will be progressed in this regard.
- 4.8. **Annual Service Plans.** These would set out how the service contributes to achieving relevant thematic outcomes, targets, indicators and improvement priorities set out in the Thematic Priority Plans and the Council's Business Plan. Each service plan would identify key actions, resource allocation issues and incorporate appropriate measures from the new national indicator set of 200 to assess progress against agreed priorities and expectations.
- 4.9. **Team and Individual Plans.** Below the Service Plan level, team managers may wish to set out within a team plan how their area/team will contribute to achieving key actions set out in the Service Plan. Individual team managers will be held accountable for achieving their contribution to relevant targets. Individual plans (as part of the personal development process) should be used to determine individual contributions and objectives to help achieve the priorities of the relevant Service Plan.
- 4.10 **Timetable for Implementation.** The intention is to have the Leeds Strategic Plan, Thematic Priority Plans and the Business Plan in place and operational from 1 April 2008. Implementation will need to recognise a number of key drivers:
- a) The new LAA is progressing at a pace and in July we will be starting detailed discussions with GOYH on potential improvement targets – these plainly, from our perspective, need to be linked to the key strategic outcomes to be developed as part of the Leeds Strategic Plan.
 - b) Involvement and engagement of Elected Members and key partners is critical if we are to secure broad agreement, support and ultimately leadership for ensuring determination of a new set of strategic outcomes and improvement priorities. In this respect, it is important, therefore, that both Members and partners are involved in the development of the outcomes during the period July to September 2007. To ensure that Elected Members are at the heart of developments in respect of the new planning framework and the new LAA, it has been agreed to establish a Member Reference Group, consisting of the three main party leaders (or their nominees), who will oversee the work of officers and advise on the best

way to maximise involvement from a range of Elected Members and other stakeholders.

- c) Beyond consultation with Members and partners it is also imperative that citizens, staff and broader communities of interest are communicated with, and consulted upon, in respect of our proposals. It is anticipated that this activity will take place during October 2007.
- d) In December 2007, we will be subject to a Corporate Assessment and Joint Area Review and it is imperative that we provide clarity for the inspection teams on our future ambitions and capacity to deliver. Our work in respect of the key plans (Leeds Strategic Plan, Thematic Priority Plans and the Business Plan) will be key in this regard as will evidencing the process we have gone through to demonstrate that our priorities are grounded in reality in terms of need and that there has been extensive consultation and involvement in their preparation.
- e) Whilst finalised plans are not needed until March 2008, it does need to be recognised that Service Plans will be being prepared in the early months of 2008 and again it is imperative that next year's Service Plans are informed by our new strategic outcomes and priorities.

5.0. Implications for Council Policy and Governance

- 5.1. This report has significant implications for the Council's policy and governance arrangements with the proposal for a new Council planning framework. It is proposed that the Community Strategy (the Vision for Leeds), Leeds Strategic Plan, the Council Business Plan and the Annual Performance Plan form part of the Council's Budget and Policy Framework requiring consultation with Scrutiny, prior to consideration by members of the Executive Board and final approval by Members of Full Council. The current exception that exists in respect of reporting the Council Plan to Scrutiny would continue to be required for the Annual Performance Plan as a consequence of the statutory requirements for producing this plan. Whilst it is not proposed that the Thematic Priority Plans form part of the Council's Budget and Policy Framework, there may be exceptions to this rule if there are particular statutory requirements associated with a particular plan.

6.0 Recommendations

- 6.1. It is recommended that Executive Board agree to:
 - (a) adopt the new corporate planning framework proposed in this report;
 - (b) refer to the Corporate Governance and Audit Committee the proposal to amend the Constitution as detailed at paragraph 5.1 above, and;
 - (c) request that the Chief Executive develops an implementation plan in accordance with paragraph 4.10 above.
 - (d) note the proposal to establish a Member Reference Group to oversee developments in respect of the new corporate planning framework and the new LAA requirements.