



Report of the Head of Policy and Performance

Meeting: Central and Corporate Functions Scrutiny Board

Date: 1st March 2010

Subject: Performance Report Quarter 3 2009/10

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1 Executive Summary

- 1.1 This report presents our key performance information against the Council Business Plan priorities for Quarter 3 2009/10. In addition since the last quarter the first set of reports under the Comprehensive Area Assessment (CAA) regime were released and the CAA reports are tabled with this report as a supplement to our own internal performance reports. Following on from the Q2 performance report, and the first set of CAA reports in December 2009, CLT identified a number of performance issues which warranted additional attention and focus. To this end it was agreed that the performance indicator report normally provided at Q3 should be supplemented by a small number of Action Trackers. Those trackers relevant to the Corporate and Central Functions Scrutiny Board are included with this report so that Members have the opportunity to more closely monitor these 'tagged' areas and can suggest, where necessary, further improvement action. In addition, the CAA Lead, Stephen Gregg, will also use these extra trackers to monitor our performance on an on-going basis throughout the year prior to a full refresh of CAA in December 2010.

2 Purpose of the Report

- 2.1 The purpose of this report is to present an overview of performance against our priority outcomes and high risk (tagged) performance areas at the end of Quarter 3 so that Members can monitor progress and, where necessary, recommend appropriate remedial action. In addition the CAA reports present an independent external assessment of our performance from the Audit Commission through the first round of the Comprehensive Area Assessment (CAA).

3 Background Information

- 3.1 This performance report includes a number of appendices of information and these are summarised below:

- **Appendix 1** – Any “tagged” action trackers from the Council Business Plan. These trackers include progress in the delivery of key actions/activities, updated key performance indicator results and any relevant challenges and risks. They include an overall traffic light rating assigned by the Accountable Officer and agreed with the Accountable Director.
- **Appendix 2** – Performance indicator report containing quarter 3 results for all performance indicator which can be reported in year from the Council Business Plan, National Indicator set and any key local indicator which are relevant.

This information is supported by two guidance documents to aid the reader in interpreting the actions trackers and the performance indicator reports.

- 3.2 The performance indicator reports have been revised slightly to include a direction of travel arrow which provides an indication of whether improvement is being made year on year. This compares the predicted year end performance for 2009/10 with actual year end performance for 2008/9. In order to simplify the interpretation of this column it should be noted that an **upward** arrow always indicates **improving** performance regardless of whether the indicator should rise or fall.
- 3.3 Since the Q2 performance was reported to Scrutiny the first set of reports under the Comprehensive Area Assessment (CAA) were released. The CAA is the new framework for the independent assessment of local public services in England. CAA has two main elements, which are linked and inform each other, these are:
- **Area Assessment** that looks at how well local public services are delivering better results for local people across the whole city, focusing on agreed priorities such as health, economic prospects and community safety, and how they are likely to improve in the future; and
 - **Organisational Assessment** of individual public bodies which for the council comprises two scored assessments – Use of Resources and Managing Performance. These scores are aggregated to produce a single score for the organisation.

In addition, the National Indicator Set (NIS) introduced from April 2008, is also used as a key evidence source for both the area and organisational assessments.

- 3.4 The CAA is an annual assessment co-ordinated by the Audit Commission through the CAA Lead (CAAL) but incorporates the views of all relevant inspectorates (eg Ofsted, Care Quality Commission, Her Majesty's Inspectorate of Constabulary etc). The Area Assessment examines how well local services are delivering improvements and progressing towards long term goals. The Area Assessment seeks to assess the effectiveness of partnership working, and the implementation of the sustainable community strategy and local area agreement. The CAA provides the public with direct access to information on performance and an independent assessment of the prospects for the local area. The Area Assessment is reported as a narrative and does not receive a numerical score or other rating; instead 'red' and 'green' flags are issued in relation to the progress being made in an area. It is important to note that 'red'

and 'green' flags are not the opposite of each other; they each have their own distinct purpose and criteria ie:

- Where the action being taken in an area to improve an important outcome is assessed by the inspectorates as unlikely to deliver the improvement sought, this may be highlighted as a significant concern using a red flag. It is important to note that a deteriorating outcome will not necessarily result in a red flag.
- Where exceptional performance or improvement is identified, or there are promising prospects for improvement through innovation, this may be highlighted as a source of learning for others using a green flag.

3.5 The Organisational Assessment covers the following key questions:

- Managing Finances – how effectively does the organisation manage its finances to deliver value for money?
- Governing the Business – how well does the organisation govern itself and commission services that provide value for money and deliver better outcomes for local people?
- Managing Resources – how well does the organisation manage its natural resources, physical assets and people to meet current and future needs and deliver value for money?
- Managing Performance – how well does the organisation manage and improve its services and contribute to wider community outcomes?

3.6 The first three questions are assessed in the annual Use of Resources Assessment. The Managing Performance theme is assessed by the CAAL using the National Indicator Set, judgements by other inspectorates eg the annual performance assessments on Adults and Children's services and through an on-going dialogue in conjunction with the Area Assessment. Both the Use of Resources and Managing Performance assessments are given a score on a scale from 1 (lowest) to 4 (highest) and the overall Organisational Assessment result is a combination of the two elements using the matrix below:

		Managing performance			
		Scores	1	2	3
Use of resources	1	1	1	1	1
	2	1	2	2 or 3	2 or 3
	3	1	2 or 3	3	3 or 4
	4	1	2 or 3	3 or 4	4

3.7 Therefore, within this model the CAAL has some discretion in weighing up the evidence and taking account of local context in determining which themes should carry more weight. The scores represent the following descriptors of performance:

Overall [organisation x] performs poorly/adequately/well/excellently		
1	An organisation that does not meet minimum requirements	Performs poorly
2	An organisation that meets only minimum requirements	Performs adequately
3	An organisation that exceeds minimum requirements	Performs well
4	An organisation that significantly exceeds minimum requirements	Performs excellently

4 Main Issues

4.1 In November 2009 the Q2 performance information for the Leeds Strategic and Council Business Plans was reviewed by CLT and they identified an number of areas of concern in terms of performance. In early December the first Organisational and Area Assessments reports under CAA were released and these reports also identified a number of areas of under-performance which the CAA Lead has identified for further investigation – these “tagged” areas are effectively the potential red flag areas for 2010. There was significant similarity between

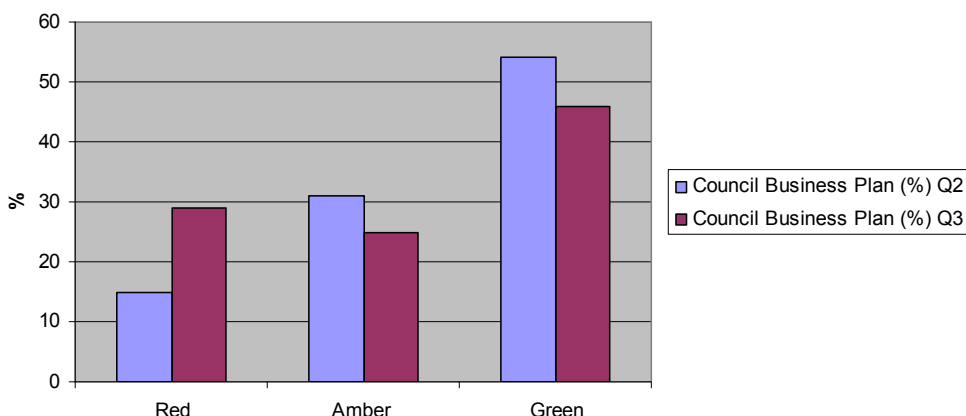
these two lists and in December CLT agreed that they wanted to collectively monitor these areas more closely but use the current performance management processes to do this. Therefore, it was agreed to produce action trackers quarterly for these “tagged” areas to enable more frequent updates and closer monitoring of these high risk areas. In addition, the CAA remains live during the year and there is an opportunity to refresh the information on the One Place website with any updates of key progress and activities.

Overall Performance Indicator Analysis

4.2 Of those indicators that can be reported quarterly for the Council Business Plan the proportion of those rated red, amber and green and the comparisons to the position at Q2 are shown in the table and graphs below.

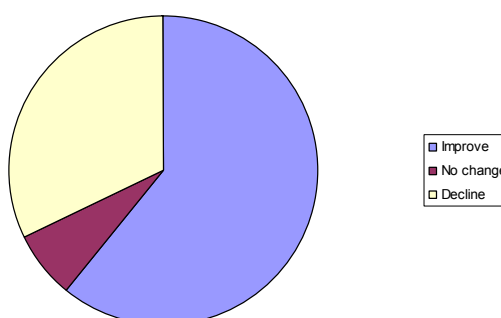
	Council Business Plan (%)	
	Q2	Q3
Red	15%	29%
Amber	31%	25%
Green	54%	46%

RAG rating of CBP Indicators



4.3 In terms of direction of travel the predicted year end performance of all CBP indicators has also been compared to the outturn from the previous year and the summary of this is shown below with just over 60% of indicators showing year on year improvement.

Proportion of CBP Indicators Improving year on year



CAA Reports

- 4.4 Since the last performance report to Scrutiny the CAA Organisational and Area Assessment reports have been released. Both reports were made available to members upon their publication back in December and both reports can be also be found on the intranet and internet as well as on the Audit Commissions One Place website. Therefore these reports are provided in Appendix 3 for discussion alongside the Q3 performance information to provide an independent perspective. However, the most relevant report for the Corporate and Central Functions Scrutiny Board is the Organisational Assessment.

Data Quality

- 4.5 The Corporate Policy and Performance Team have revised the criteria used to inform the data quality judgements that are included in Accountability reports for each performance indicator. A revised data quality checklist, with a built in scoring mechanism to determine the traffic light rating, has been produced. This has been successfully piloted in Children's Services and Environment and Neighbourhoods and is in the process of being rolled out across all reported indicators. In order to ensure consistency of reporting it is our intention to report these revised data quality traffic lights at Q4. Members should note that this will mean that some of the data quality traffic light ratings are likely to change as this more rigorous approach is implemented at year end.

5 Implications for Council Policy and Governance

- 5.1 The Leeds Strategic Plan and Council Business Plan is part of the council's Budget and Policy Framework. Effective performance management enables senior officers and Elected Members to be assured that the council is making adequate progress and provides a mechanism for them to challenge performance where appropriate. Effective performance management is a key element of the organisational assessment under the Comprehensive Area Assessment. The CAA examines and challenges the robustness and effectiveness of both our corporate performance management arrangements and those across the partnership.

6 Legal and Resource Implications

- 6.1 The Leeds Strategic Plan fulfils the Council's statutory requirement to prepare a Local Area Agreement for its area. These slightly revised performance reporting arrangements are achievable within current resources across the organisation.

7 Conclusions

- 7.1 This report provides the Board with a high level overview of the city's performance against the Council Business Plan as at the 31st December 2009.

8 Recommendation

- 8.1 Members are asked to;
- consider the Q3 performance reports and where appropriate, recommend action to address any specific performance concerns raised; and
 - consider the relevant parts of the organisational assessment report which are within the remit of the Board.