

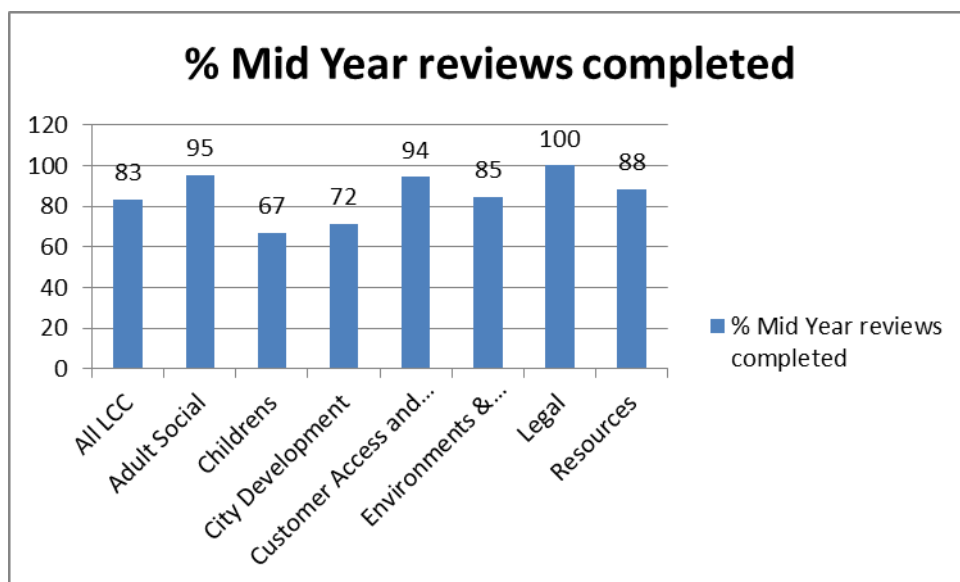
Value: Working as a team for Leeds

Priority: Staff have a clear understanding of their role as well as clear objectives and performance targets which are monitored through high quality appraisals.

Why is this a priority - Appraisals are important for ensuring staff perform at their best, enabling us to improve the services we deliver and help the council face its challenges. Appraisals also encourage staff to build skills and expertise and fulfil their career ambitions.

Overall Progress
AMBER

Story behind the baseline



Progress we have made

- 97.2% of main appraisals were completed earlier this year (Aug 2012). This is the council's highest ever total.
- We saw a drop to 83% for mid year reviews (January 2013). 12,266 of the 14,745 expected mid year reviews were completed, leaving 2479 outstanding.
- The number of outstanding mid year reviews is still significant, and it is important that we understand the reasons or issues that are preventing them from happening, especially as our performance at mid years did not match the high levels achieved at full year.
- 'Quality appraisals for all' remains a top priority for the council.
- Full and mid year appraisal reviews for all staff in 2012/13 have been conducted using the same, single council wide scheme
- New style performance ratings are to be used in appraisals for all staff from April 2013 onwards
- Appraisal returns using the Performance and Learning system are comparable with those through paper based routes (Mid year reviews – 82% and 84% respectively)

What do staff think

Via our Engagement Survey work, we know that quality appraisals are really important to staff. We also know that staff rate the quality of existing appraisals highly, and that having clear expectations, good feedback and performance and development discussions are valued. Via focus groups, we know that the staff are generally supportive of the new appraisal approach that has been introduced in 2012/13, but that there have been recent concerns expressed (through Trade Unions) regarding the introduction of performance ratings in April

What we did

In the last quarter, we have:

- Conducted mid year appraisal reviews
- Secured agreement to introduce Performance Ratings as planned in April 2013, following a period of dialogue with our Trade Unions
- Made changes to the Performance Ratings – having listened to feedback from staff, managers and trade unions
- Offered a range of training and support for managers linked to appraisals
- Offered PAL training for system champions
- Joint Working Group (HR and Unions) in place

New Actions

Make sure we are prepared for the introduction of performance ratings from April onwards:

- Heighten our communications between now and April, and continue to listen and act on staff and trade union feedback
- Ensure high levels of uptake for manager training – so that they are confident and prepared. Especially the Performance Rating Workshops
- Identify and tackle ‘hotspot’ areas around appraisal, performance and the introduction of ratings – take action, add extra support before April. Joint work between leadership teams, HR and Trade Unions.
- Explain how the end of year review process will work – who does what, and when
- Increase the day-to-day usage of the Performance and Learning system across the organisation and provide new types of support and training to help this.

What Worked Locally /Case study of impact

- Short, bespoke support sessions have really helped teams to understand and get the most from the Performance and Learning system. This has been needed on-top of the Champion training, suggesting that a new look at how we train on PAL would be useful.

Data Development

- Clarify how performance rating data will be shared, and the role leadership and management team’s play in ensuring fairness and consistency.
- Agree if/how we will capture and share appraisal information from paper forms (e.g. ratings, development needs) to form a single information set.

Risks and Challenges

- Getting clear messages through to all staff, particularly to address any questions and concerns around Performance Ratings
- Ensuring managers are prepared to use Performance Ratings, and that necessary fairness and consistency of application can be evidenced
- Identifying and tackling ‘hotspot’ areas for appraisal and performance in advance of April
- Making sure the PAL system is used as a day to day tool

Value: Being open, honest and trusted

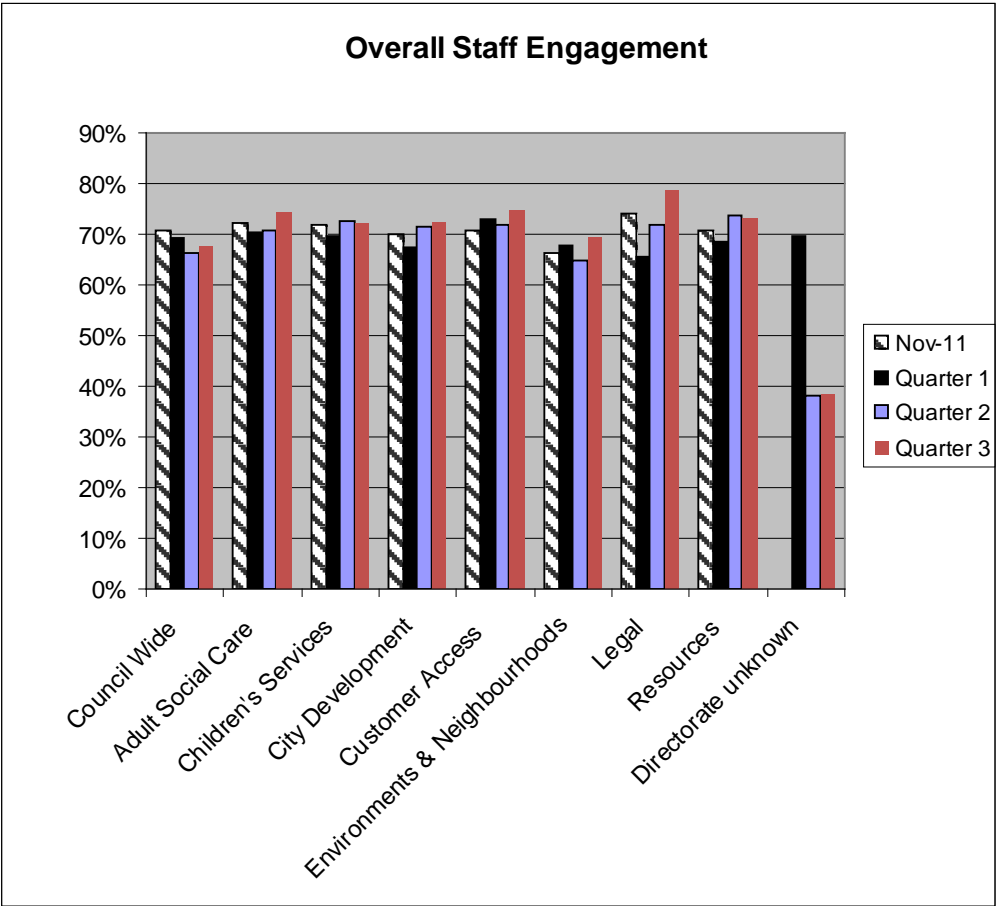
Priority: Staff are fully involved in delivering change and feel able to make an impact on how services are delivered

Why is this a priority - Effective staff engagement is essential to help the council meet the many challenges it faces, including improving productivity and service delivery. We recognise that there are many factors that influence staff engagement. These include the quality of leadership as well as whether staff feel listened to and valued and whether we are seen to be living the council values.

Overall Progress
AMBER

Story behind the baseline - Following on from the council-wide benchmarking survey in November 2011, 'pulse' surveys are now carried out each quarter. The Q3 sample comprised 1186 employees (955 online; 231 postal). CLT have agreed three main areas for improvement council-wide: 1. Fully embed the values and behaviours expected from our leaders and managers; 2. Quality two-way communications; 3. Managing change.

- Key Findings** – There are 3 key measures from the Q3 engagement survey:
- 1. **Response rate:** decreased from 34% in Q2 to 32% council-wide - these figures are slightly lower than Core Cities data (range is 36% to 51% overall). Online responses increased from 41% to 45% and postal responses decreased from 21% to 13%.
 - 2. **Engagement level** - the graph shows the overall engagement scores by directorate. The target for 2012/13 was set at 73% council-wide (or +2% from November 2011 for each directorate). The council-wide engagement measure has increased slightly from 66% in Q2 to 68% in Q3. However, this includes 169 staff (13% of all respondents) who did not state their service area/directorate and for whom the engagement levels were only 39%. At directorate level, engagement scores have remained static or increased since Q2 (Environments & Neighbourhoods and Legal have increased their engagements cores by 5% and 7% respectively) and all directorates, apart from Children's Services, have increased their engagement scores by +2% since November 2011 ("Green")
 - 3. **Performance gap** – The average Performance Gap has decreased very slightly (from -1.4 in Q2 to -1.2 in Q3, and down from -1.8 in November 2011), indicating that we are closing the gap overall between Importance and Performance. The Importance scores have shown very little change from Q2, while the Performance scores have remained the same or increased (average performance score has increased to 6.8 from 6.6). The things that employees say are most important to them are the things that the council does best (all within the 'your manager' section). The lowest scores are around managing change, feeling safe to challenge, and staff feeling their opinions matter at work.
 - 4. A new question was incorporated in Q3 asking whether the findings from previous surveys have been shared; 66% of all respondents said yes.



Over the last Quarter, directorate leadership teams have been working developing and refining action plans to increase staff engagement, and best practice has been shared between directorates through the HR Engagement Champions group.

There has been very little change in the 'Extra Mile' results since the Q1 survey, with responses indicating high levels of willingness to go the extra mile (relating to employees being willing to learn new skills, go beyond their normal duties, speaking positively about their job/the council etc).

What we did

- In Q2 2012/13, some respondents did not state their directorate/service area but it wasn't clear whether this was because they had missed that question by mistake. For Q3, the survey asked people to indicate 'prefer not to say' if they did not indicate a directorate or service area. This resulted in 169 (13%) council-wide who still gave no indication of service area or directorate; within each directorate, the % who said 'prefer not to say' or did not state a service area ranged from 0% (Legal) to 7% (CAP and Children's Services). The respondents who did not indicate directorate or service area typically had the lowest engagement scores within each directorate. These results indicate that anonymity is still an issue in certain areas (which may also account for some of the 68% of the sample who did not respond to the survey). If we are interested in evaluating engagement levels, the service area, whilst important, is less critical then engaging with staff to gain their views via the survey.
- Results of the previous 2 surveys (Nov2011 and Q1 2012) have continued to be shared at all levels of the organisation to ensure participants believe 'something happens' as a result of completing surveys (through tailored communications to directorate leadership teams; posters, targeted at all work place locations; email and internet communications [including dedicated intranet page]; Trade union meetings. However, only 66% of respondents said the results had been shared with them (range: 51% in Children's services to 83% in Resources).
- Activities reported in Q1 have continued within directorates. HR has worked with managers to really increase understanding of the data; managers are now more aware of the survey, the rich information it can provide and how to interpret the information to understand where action is needed.
- HR engagement champions have sought feedback from leadership teams on the format, content and frequency of the engagement survey, and meetings have been held with representatives of the staff networks to discuss best ways to capture equalities data if the survey is to remain anonymous. Any recommendations for changes will be presented to Best Council Board and CLT during Q4 2012/13, with a view to implementing any changes from Q1 2013/14.

New Actions

- Present review of the current survey / options for future surveys to Best Council Board (25.1.13) and CLT (26.2.13)
- Continue to raise the profile of engagement as a key management responsibility
- Carry on with the implementation of directorate action plans, and communicate progress, outcomes etc to staff at all levels
- Carry out the next quarterly survey (Q4 2012, to be launched Feb2013) to evaluate the impact of engagement activities
- Work with services with lower response rates to try and identify practical solutions to increase uptake
- Launch the Employee Panel before 31.3.13
- Continue to work with the 'Digital Divide' exercise to maximise the numbers of staff who can access the staff survey electronically
- Use the forthcoming appraisals to really embed the values and behaviours that will make a difference

Data Development - Work is being undertaken to increase the number of staff who can participate electronically in the survey to try and overcome the 'digital divide' problem.

Risks and Challenges – There is a risk that insufficient time between surveys to really embed and evaluate actions could result in lower engagement and lower response rates in future. Feedback from staff and managers indicate that the frequency is too high, and that the survey format is too complex, which reduces its perceived value as a management tool. Similarly, small sample sizes in some service areas, and using a different 25% each quarter (as a result of random sampling only 25% of the workforce) means that there may be significant variances in the data which are due more to sampling than real changes in engagement levels. This in turn could lead to managers losing confidence in the data/survey process. There is also a risk that managers may not fully use the opportunities offered by through appraisals to really embed the things that will drive up engagement levels (e.g. our behaviours and values through effective self-evaluation and feedback on performance against the behaviours/values).

Value: Working with communities

Priority: Local communities are consulted about major changes that may affect their lives.

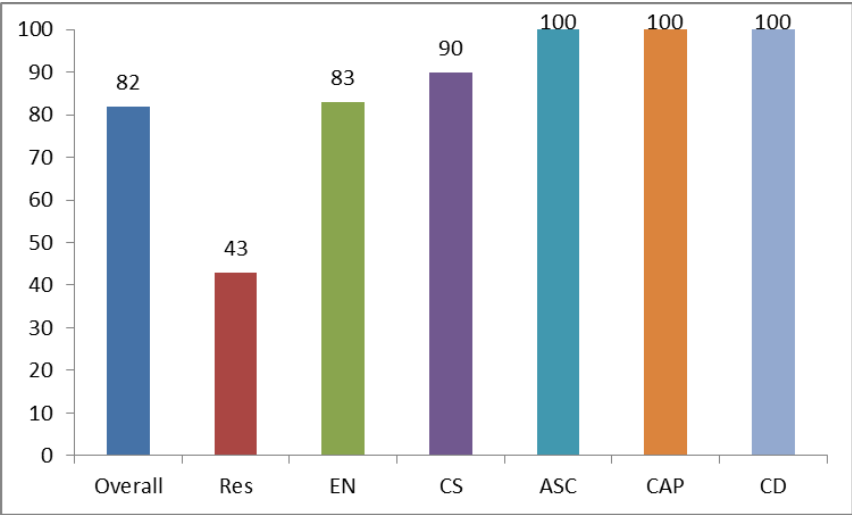
Why is this a priority - At a time when resources are limited we need to make sure we are providing the services that the public need in the most appropriate way. By providing clear evidence of public consultation we can ensure communities are effectively able to influence what we do.

Overall Progress:
Amber

Story behind the baseline

- Decisions continue to be closely scrutinised and challenged through the courts with any perceived weakness in the process - particularly around the quality and timeliness of public consultation targeted. We need to be confident that decision makers are able to make relevant decisions which are supported by clear evidence of public consultation that is timely and appropriate.
- The trend of improvement continues, the overall score rising from 73% in Q2 to 82% in Q3.
- To secure a 100% score by Q4 report writers need to follow some simple conventions when stating and explaining that a lack of consultation is acceptable. All but one report that failed to meet VAL3 criteria failed to state that consultation was not needed with the public, and why i.e. they are purely internal decisions.
- Most directorates are maintaining excellent performance, and Children's Services has made a major improvement from 20% to 90% in one quarter.
- Only one directorate took the opportunity to send reports for quality assurance prior to submitting them. They got 100%.
- The QA process highlighted that some reports lack detail and could be even stronger in this regard if section 4.1 included more detail of how people were consulted, and how their views affected the decision.
- There were good examples of evidencing user involvement in decisions, including, and increasingly, involvement in procurement processes. A few reports included very clear feedback on the results and outcomes of the consultation alongside adequate detail on the processes used.

Headline Indicator: Every year we will be able to evidence that consultation has taken place in 100 per cent of major decisions affecting the lives of communities



What do staff think 2012 data from the Healthy Communities Survey reveals how residents feel about getting involved and influencing decisions:

- 55% of respondents feel aware of ways to get involved in local decision making
- 43% of respondents feel the council involves residents when making decisions
- 19% of respondents feel that they have influence over local decision making
- 43% of respondents trust the council to make fair decisions
- 48% of respondents trust the council's communications most or all of the time.

What we did

- Launched and widely promoted 2012 Budget Consultation; have received 2000+ responses from public and c80 from VCFS organisations and businesses. Actively approached those working with under-represented communities throughout, including Equality Hubs and Assembly and Leeds Voice.
- Commissioned research with residents to support development of Customer Access Strategy
- Continued development of content for new community engagement toolkits
- Piloted new community engagement training with officers (Dec 12).
- Direct support from Partnerships team for key consultations e.g. Kirkgate Markets, Council Tax Support scheme, ALMO review.
- Transfer of engagement-related pages to new Website.
- Requested that Executive Board decision papers are sent at draft stage to Partnerships Team for comment and support for VAL 3.

What Worked Locally /Case study of impact

- The YouChoose Budget consultation exercise has resulted in relatively high response rates (2000+ v c150 in 2011) but also a number of very positive comments from residents taking part supporting this new and interactive approach, particularly the way it provides a lot of information to help people consider budget choices.

New Actions

- Ongoing delivery of Community Engagement Operating Framework including full set of Toolkits by February 2012, review of coordination and approval of consultation and the role of the Talking Point system starting January 2012.
- Use of intranet MySite functionality to establish searchable network of officers with consultation and engagement skills.
- Recommend that the Equality and Consultation report writing briefing sessions take place in areas of the council yet to achieve 100% in VAL 3.
- Collating next year's calendar of Citizens' Panel consultations
- Exploring additional resident-led performance indicators using data from Healthy Communities Survey (see above)
- Review of budget consultation with emphasis on what impact the results have had on plans and decisions
- Developing ways to support services' giving more influence to users/residents at earlier stages of design and decision-making (co-design, co-production) as e.g. ASC case studies already show.

Data Development

- All Executive Board papers to be sent as a pack to Partnerships Team for pre-submission vetting, by Corporate Governance (at CLT-pack stage)

Risks and Challenges There are still challenges associated with community engagement in Leeds, including reducing financial resources which is impacting the way we deliver engagement, the need to improve the coordination and efficiency of activity, and to robustly give evidence of the impact community engagement has on the decisions we take.

Value: Treating people fairly

Priority: Equality is given due regard in council policy and decision making.

Why is this a priority - We are committed to ending unlawful discrimination, harassment and victimisation and to advancing equal opportunities and fostering good relations. In order to achieve this we need to ensure that equality and diversity are given proper consideration when we develop policies and make decisions. By providing evidence that we have done this for our most important decisions, we can be sure that we are meeting our legal and moral obligations

Overall Progress:
Green

Story behind the baseline

A full quantitative analysis has been undertaken of the 69 major decision reports which fall within scope for this indicator. 94% (65) reports provided sufficient evidence, however 6% (4) did not include sufficient evidence to meet the specific criteria for this indicator. The Directorate breakdown of reports that met the criteria is; Adult Social Care 100%, Children's Services 100%, City Development 92%, Customer Access and Performance 100%, Environment and Neighbourhoods 100% and Resources 73%.

There has been another improvement since the last reporting period in the percentage of major decision reports that meet the criteria. Evidence of how due regard to equality in decision making is explicitly referenced within reports, and how it is being picked up and challenged in the signing off process is still an issue in some areas.

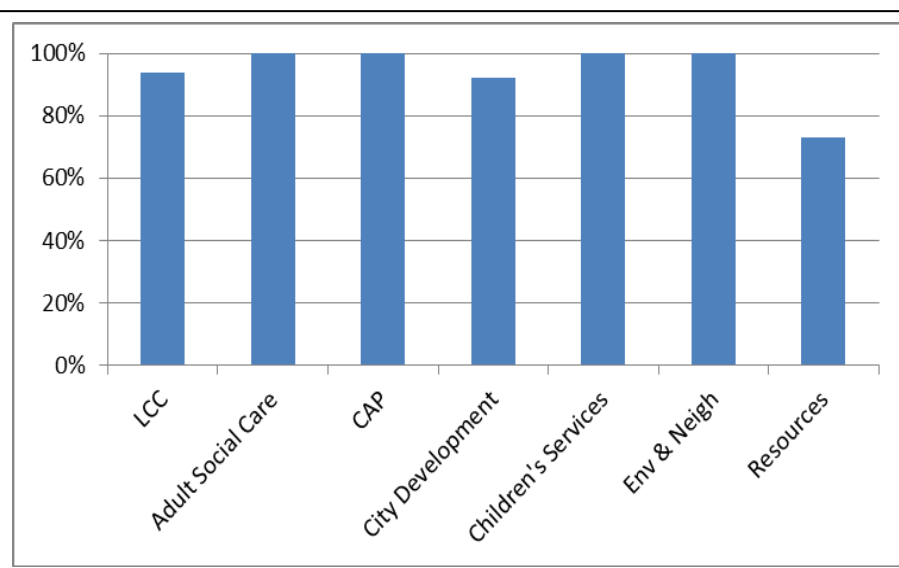
The qualitative analysis exercise undertaken to support the quantitative analysis has identified that the standard and quality of equality impact that have met the criteria are good. The reports that did not meet the criteria fail to adequately demonstrate that due regard has been considered.

The number of reports that are continuing to provide insufficient evidence are minimal and targeted work has and will continue to take place to address this.

In addition to the indicator and the decision making process equality is embedded across the organisation through the Equality Improvement Priorities which building on the strategic plans identifies the key equality issues in terms of delivering our stated priorities and the supporting intelligence that inform this. In addition the State of the City and the related Equality and Diversity position statement provide further analysis of the key equality issues for the city.

An equality scorecard is also produced by HR on a quarterly basis which provides a comprehensive presentation of staff equality data and supports the consistent monitoring and use of this data. This information is reviewed by the Equality and Diversity Board with key issues highlighted to HR Leadership Team, CLT and/or individual Directors as appropriate.

Headline Indicator: Every year we will be able to evidence that equality issues have been considered in 100 per cent of major decisions



An overview of the 2011 Census was published in late December 2012 and provides an updated demographic profile of the city. This clearly highlights that our communities are changing and our approaches to understanding and meeting needs will need to consider this.

- 51% of the population of Leeds are female and 49% are male and our older population continues to increase;
- Children (aged 15 and under) account for 18.3% of the population of Leeds, while people aged 65+ account for 14.6%.
- The BME population for the city is 18.9% compared to 10.8% in 2001
- 24.8% of all households in Leeds contain one or more people with a limiting long-term illness.

What we did

- A three monthly quality assurance exercise was undertaken on the new approach for the publication of EIA's with decision making reports
- Targeted feedback was given to those services where their reports failed to provide sufficient evidence for the indicator
- Further targeted and specific briefing sessions on 'due regard' were held during Q3
- The BME Challenge Forum have now started to consider educational attainment and BME communities following their challenge on employment and skills issues
- A joint conference of the Equalities Assembly and Third Sector Leeds was held to facilitate discussions around the Welfare Reform Act and the impact it will have on equality groups
- Planning work started on the Budget EIA
- Immediate feedback, support and challenge is still provided on EIA's, screenings and decision reports when requested by directorates.

What Worked Locally /Case study of impact

- The BME Challenge Forum have now agreed a joint approach with Employment and Skills on a communications strategy to highlight progress on current work and future employment and training opportunities.

New Actions

- Feedback to Directorates following the QA exercise for Q3 will take place.
- The annual equality improvement priorities progress report will now be produced in Q4 which will ensure that the updated Census 2011 data is included.
- A progress report and further area's for improvement on equality for 2013/14 will be considered by the Best Council Board. With a view to them continuing to maintain an overview and challenge progress.
- Follow on work will take place with the Equalities Assembly on how they can work with the council to provide support to people affected by the welfare reforms.
- Individual feedback will be given through services to report authors who did not meet the criteria this quarter to ensure future compliance
- Support work to develop a cross council approach to migration
- Targeted briefing sessions will be held with the Public Health Team
- Check and challenge of the Equality Improvement Priorities to be carried out by risk and performance board when reviewing the Q3 performance information.
- Options to better embed equality analysis within the State of the City to be considered in the current review of intelligence products.
- Role and contribution of staff equality networks in embedding equality across the council to be reviewed with a view to using them more effectively .

Data Development

- All directorates have considered or put in place an appropriate process to ensure reports are able to demonstrate due regard to equality has been considered and meets the criteria for this indicator

Risks and Challenges

Failure to evidence that due regard is given in decisions and policy making can result in; legal challenges e.g. in the form of judicial reviews which can be costly and time consuming; negative national publicity impacting on reputation; undermining of relationships with local communities and wasted officer and member time.

Value: Spending money wisely

Priority: All directorates deliver their budget action plan and stay within their approved budget

Why is this a priority - The financial climate we are in is challenging. Our funding from government is reducing and we have greater demands on our services. Through our budget-setting process we have developed a plan to manage with less, including doing things more efficiently, reducing the size of the council and changing the way services are delivered. It is vital that we stick to this plan and that all council services stay within their agreed budget and deliver on their budget action plans

Overall Progress:
GREEN

Story behind the baseline

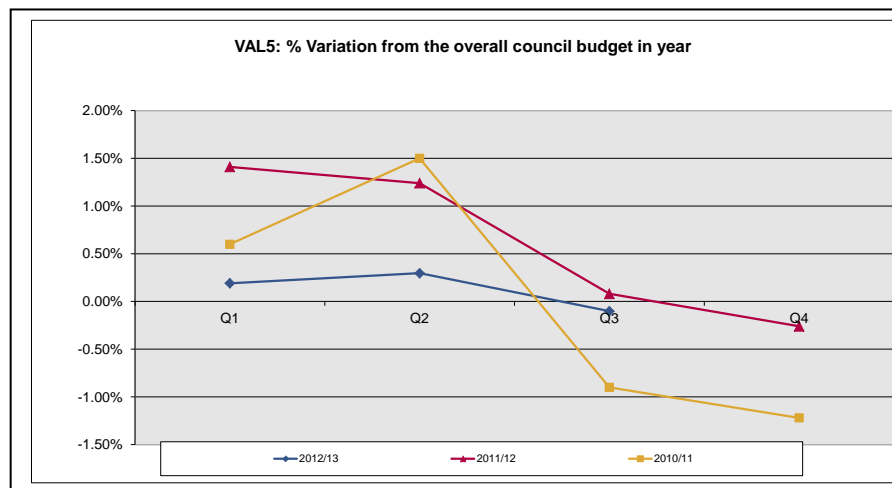
The 2012/13 budget was based on the second year of a two year funding settlement and the loss of government grant plus pressures on spending resulted in the Council needing to identify around £55m of savings.

By the use of one off funding sources, the scale of reductions required of services is significantly less than in 2011/12. It remains imperative that all actions agreed in the budget are delivered, and should identified savings not be achieved alternative funding options will be needed.

The position at the end of the third quarter is a projected underspend of £0.573m which represents 0.1% of the approved budget. There are continuing cost pressures within City Development and Environment and Neighbourhoods, offset by savings within Children's Services and Resources, which mainly relate to staffing. Within City Development the main pressures relate to energy and a projected shortfall in advertising income. Within Environment and Neighbourhoods there are continuing pressures around staff currently in managing workforce change and ongoing route backup pressures in refuse collection.

These directorate pressures have been offset by capital financing savings of £1.8m – see new actions for details.

Headline Indicator: No variation from agreed directorate budget in year



Directorate	Total (under)/overspend
	£000
Adult Social Care	45
Children's Services	(602)
City Development	1,346
Environment & Neighbourhoods	977
Resources excl commercial servs	(951)
Commercial Servs	450
Resources	(501)
Legal Services	(0)
Customer Access and Performance	(2)
Total	1,263
Corporate issues	
Capital Financing	(1,836)
Total	(573)

What do key stakeholders think The Council's Initial Budget Proposals for 2012/13 were the subject of public consultation via the internet site and a very limited number of responses were received. These comments, in addition to responses received from two Scrutiny Boards, the Third Sector and the Youth Council, were incorporated into the final budget report. The Council has just finished consulting on the 2013/14 budget, using the new 'YouChoose' model, and the results of this will be published as part of the 2013/14 budget report in February 2013.

What we did

- As part of the budget monitoring process, action plans built into budgets have been reviewed and the overall projection assumes the continuing delivery of action plans both corporately and within directorates.
- Work has progressed well on the review of residential and nursing placement fees and implementation is underway. Although there will be some shortfall in the budgeted reduction in fees, placement numbers approved in 2012/13 have been in line with the budget.
- Reducing the number of children and young people being looked after was one of the three obsessions identified within the Children and Young People's Plan in order to 'turn the curve'. The strategy adopted by Children's Services and partners is working and there are now less placements than anticipated in the budget model.
- Within Libraries, Arts and Heritage funding of £1.7m from the Arts Council was received after the budget had been set. The grant will fund a number of projects to improve facilities and exhibitions and increase community participation and visitor numbers.
- The void property budget was overspent in 2011/12 and this trend has continued in 2012/13. Whilst the service is proactively working to reduce the cost of void properties through demolitions and disposals, a release from the central contingency fund has been agreed pending the agreement of options and actions to address the issue going forward.

What Worked Locally /Case study of impact

2011/12 was the first year of operation of the Council's new projections module, through which budget holders are required to input year end projections for their cost centres. Completion rates are monitored on a monthly basis, and at the third quarter, 70% of cost centres had been completed in the period, compared to 62% at the start of the year.

New Actions

- Capital Financing - net savings of £1.8m have been identified. This reflects the continuation of low interest rates due to the economic downturn which has resulted in further savings in the cost of short term borrowing (£2.3m). In addition, a further £2.1m net saving is projected due to a change in the accounting treatment of borrowing costs charged to the HRA.
- The difficult economic climate is also having an adverse effect on section 278 income and capital receipts. A full review of anticipated 2012/13 section 278 receipts¹ has been undertaken at period 9 and there is likely to be a £1.7m shortfall and the level of capital receipts that are forecast to be available to support the revenue budget has been re-assessed at £0.9m less than the budget which assumed a stretched target for the capital receipts programme.
- The Council has published its Strategic and Financial Plan 2013/14 to 2016/17 which incorporates the Initial Budget Proposals for 2013/14. Since then, the Council has received the Local Government Finance settlement and the final budget will be submitted to Executive Board and Full Council for approval in February 2013.

Data Development

- Higher income collection has been achieved in Adults Social Care following the centralisation of the billing team in 2011/12.
- Following amendments to the FMS projections module, it has been possible to shorten the reporting period by a week and the transition was successfully completed with no issues.

¹ The Council receives income from developers to fund highways works which are required for new development schemes. These are known as section 278 agreements and the Council's 2012/13 revenue budget provides for income of £5.2m for such schemes.

Risks and Challenges The Council prepares and maintains a financial risk register which provides details of risks and consequences, existing controls to mitigate against these, the value in monetary terms, review dates and progress towards managing the risks. The register is prepared before the start of each financial year and is monitored on a regular basis. The register shows that at month 9, there are no very high or high risks.