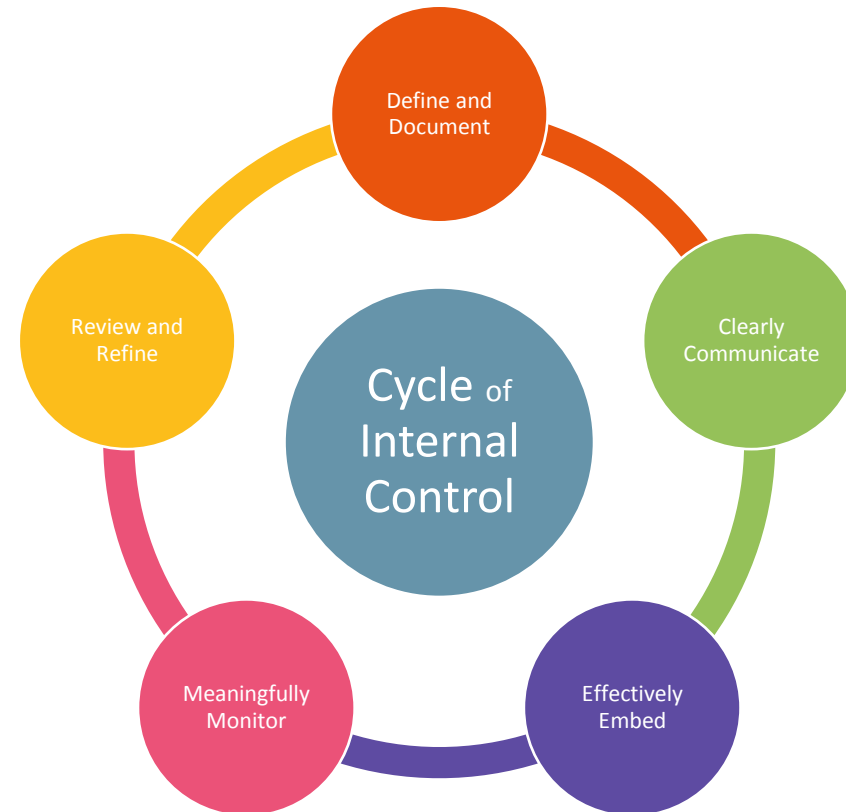


# Introduction

1. This report provides the Corporate Governance & Audit Committee with assurances relating to the adequacy and effectiveness of the council's corporate performance management arrangements; that they are up to date, fit for purpose, embedded and routinely applied.
2. The information in this appendix is based around a 'cycle of internal control framework' which consists of five aspects, seen in the diagram opposite.
3. The strategic ambitions, outcomes and priorities of the council are set out in the Best Council Plan (BCP) which provides the framework for the council's performance management arrangements. The BCP incorporates a set of Key Performance Indicators (KPIs) that help measure progress over time against the outcomes and priorities set out in the BCP.
4. The report provides a key source of assurance for the Committee to consider when approving the council's Annual Governance Statement.
5. The statement includes opportunities that have been identified to improve these arrangements.



## Define and Document

### 7. Policy and Strategy

8. The strategic ambitions, outcomes and priorities of the council are set out in the Best Council Plan (BCP) which provides the framework for the council's performance management arrangements. The BCP draws on local and national circumstances and policy developments, the latest socio-economic analysis, local and regional partnership plans, and the council's budget-setting processes, and is developed through engagement with partners, officers, and elected members, including members of scrutiny boards.
9. The most recent complete update of the BCP, covering the period 2020 to 2025, and was approved by Full Council on 12th February 2020. However, due to the coronavirus pandemic, there was a supplementary update in July 2020, to reflect the need for Leeds to be a safe city encompassing: safe travel; safe public spaces; safe delivery of services; safe education and safe working. As detailed in the Review and Refine section of this report, in October 2021, Executive Board agreed in principle to replace the Best Council Plan with a more externally facing and partnership focused Best City Ambition from February 2022.
10. The BCP draws on and links with a range of supporting council and partnership plans. As well as the Leeds Inclusive Growth Strategy and the Leeds Health & Wellbeing Strategy, the current BCP also refers to other supporting plans including the Safer Leeds Plan, the Children & Young People's Plan, and the Leeds Housing Strategy. Internally, it links with the council's financial plans and workforce strategies. The ambitions, outcomes and priorities set out in the BCP can only be delivered through a sound understanding of the organisation's longer-term financial sustainability which enables decisions to be made that balance the resource implications of our policies against our financial constraints. This is the primary purpose of the Medium-Term Financial Strategy which provides the framework for determining our annual revenue budgets.
11. The BCP incorporates a set of Key Performance Indicators (KPIs) that help measure progress over time against the outcomes and priorities set out in the BCP. More detail on the KPIs and their purpose can be seen in the Meaningfully Monitor section of this report.

12. Roles and responsibilities

13. The main roles and responsibilities for performance management within the council are:

Entity	Roles and responsibilities
Corporate Leadership Team (CLT)	The Chief Executive and Directors have high level responsibility for corporate performance management and receive quarterly updates on performance against the Best Council Plan KPIs. Directors also routinely discuss relevant performance issues with Executive members.
Directorate Management Teams (DMTs)	Directors and DMTs have responsibility for overseeing performance against the Best Council Plan priorities relevant to their service areas, and they review the quarterly updates before these are submitted to CLT. In addition, they also oversee a range of performance indicators.
Service Managers	Have day-to-day responsibility for monitoring operational performance. They provide routine updates and escalate concerns to DMTs.
Intelligence and Policy Service <sup>1</sup> (IPS)	Staff within this central team have responsibility for maintaining the systems and procedures that support the performance management framework and for co-ordinating performance reporting to relevant stakeholders.
Directorate Intelligence and Policy Teams <sup>2</sup>	Maintain performance frameworks tailored to the operational requirements of their service areas and coordinate the submission of performance information relating to their directorates required by the central IPS.
All council Staff	All staff should be aware of the Best Council Plan priorities which can be used inform both their service goals and their own appraisal objectives. Following a pause during the pandemic, appraisals resumed in summer 2021.

<sup>1</sup> The IPS takes the lead on the council's corporate performance management arrangements

<sup>2</sup> The Directorates of Adults and Health and Children and Families each contain a dedicated Intelligence and Policy function

#### 14. Democratic Oversight

15. Elected Members, including those from Scrutiny Boards, were fully involved in the development of the Best Council Plan, which is at the heart of our performance management arrangements. On a routine basis, democratic oversight of performance is facilitated through a range of reports submitted to Members, as detailed below:

Entity	Roles and responsibilities
Executive Board	Executive Board Members oversee performance relevant to their portfolio areas. Members receive a range of reports throughout the year including the council's Annual Corporate Performance Report that reflects on our overall progress against the Best Council Plan.
Corporate Governance and Audit Committee	Members have responsibility for reviewing performance management arrangements and gaining assurance that they are fit for purpose, up to date and routinely complied with. The Committee receives an annual report on the adequacy of the council's performance management arrangements.
Scrutiny Boards	Members oversee performance for the areas within their remit and receive reports containing performance data and an update on progress towards delivering the relevant priorities within the Best Council Plan. Scrutiny Boards have the ability to request additional, service specific performance information if considered necessary.

## Clearly Communicate

#### 16. General

17. The BCP 2020 – 2025 was published on the [Best Council Plan](#) webpages on the authority's Internet (leeds.gov.uk) and Intranet ('Insite') sites and widely promoted to staff through a banner on the front page of Insite and to the public via social media platforms. This is supplemented throughout the year by 'Best City' key messages from the council's Leader and Chief Executive to staff and partners. Communication on performance is also demonstrated in the Effectively Embed and Review and Refine (survey results) sections below.

## 18. Training

19. The council's performance management network is well established and made up of experienced staff. Performance management training delivered by IPS is usually on a 'one to one' basis for staff taking on new performance management responsibilities as part of their role. Training includes advice on how to complete Key Performance Indicator checklists (see point 20 below) and how to submit results for inclusion in the reports to DMTs and CLT. Training on performance management is tailored to the needs of individual services and is also included within wider training sessions covering the relationship between the BCP, performance and risk.

## 20. Guidance and information

21. Each BCP KPI is supported by a checklist containing explanatory and assurance information, including the source of the data, any known weaknesses or limitations to the data, the frequency and timetable of when results will be available, plus any baselines or targets. These are maintained by IPS and updated in collaboration with relevant service leads.

22. Each financial year, the IPS produces a timetable for reporting performance information to DMTs and CLT and shares this with key contacts to ensure that they can provide the required information at the correct time.

23. IPS staff remind key contacts that the data is needed two weeks ahead of the submission deadline and are on hand to support them should they have any difficulties or queries relating to their results.

## 24. Leadership

25. CLT and Elected Members are involved in the development of the BCP, as mentioned in the Roles and Responsibilities section of this report and are briefed on performance during the year via a range of reports submitted to, amongst others, CLT, Executive Board and all Scrutiny Boards. Directors also meet with the respective Executive Board portfolio holders to discuss performance.

26. The review of performance at CLT and DMT levels encourages a culture of 'continuous improvement' rather than one of 'blame'. Services and directorates raise matters about areas where improvement is required and report the actions being taken so that a collective discussion can take place to identify any further solutions.

## Effectively Embed

### 27. Stakeholder engagement

28. A wide range of stakeholder engagement takes place on the BCP and performance management, as seen in the Roles and Responsibilities (points 12-15 above). The IPS frequently reviews its performance stakeholder network to ensure it is up to date, particularly at the time of the BCP update and more recently following changes to staffing due to the early leavers' initiative and the movement of some service areas between directorates.

### 29. Clear systems and processes in place

30. Systems for managing performance are well established across the council, supported by reporting timetables, and are very much "business as usual" within services.

31. The IPS maintains a Share Point site where key contacts are able to view past results and the checklists containing supplementary information for each KPI and submit their latest results to be included within the quarterly updates.

32. Gathering and reporting performance information is a key function of the IPS, and this is reflected in the service workplan and those of individual members of staff. Although the IPS considers these systems and procedures to be fit for purpose, they are, nevertheless, under continuous review and are adapted according to changing circumstances, such as happened when the coronavirus pandemic changed how staff worked and impacted the data that was available. The systems will once again be reviewed as part of the work being done to develop the Best City Ambition in 2022.

33. The current focus is on streamlining processes for gathering information and ensuring that reports provided to different audiences are consistent and accessible. This work is ongoing into 2022.

34. The guidance and template for Committee and Executive Board reports for decision making was reviewed and updated earlier in 2021. The new template maintained the requirement for report authors to comment on how the report contributes to the city and council's ambitions (as set out in the BCP) and also how the proposal supports the council's three Key Pillars (Inclusive Growth, Health and Wellbeing and Climate Emergency).

## Meaningfully Monitor

### 35. Benchmarking

36. Benchmarking is widely used to compare Leeds' performance against those of other local authorities (including Core Cities<sup>3</sup>), the region and England nationally. National datasets such as those published by the Office for National Statistics (ONS), Adults Social Care Outcomes Framework (ASCOF), Public Health England (Public Health Outcomes Framework) and the Department for Education are used for benchmarking. Directorates are encouraged to provide benchmarking results for their KPIs where possible, with notable results and analysis included in the BCP KPI Scorecard reported to CLT and in the Annual Performance Report. Other examples of organisations engaged with on benchmarking, sector-led improvement and shared best practice include ADASS (Directors of Adult Social Services) and ADCS (Association of Directors of Children's Services).

37. Additionally, the Children and Families directorate is represented at Regional and National Performance and data groups.

38. Covid-19 has continued to affect benchmarking activities during 2021, most notably in areas such as educational attainment and attendance, where no new results have been published since the start of the pandemic.

39. The Leeds Joint Strategic Assessment (Leeds JSA) provides wide-ranging analysis to promote a shared understanding of health and wellbeing needs and inequalities in Leeds. However, it also looks at the broader determinants of health and wellbeing, i.e., those social, economic and environmental drivers that influence health and wellbeing, thereby also giving insights into how the city is progressing against our shared ambitions and goals. Leeds JSA 2021 Report provides an outline of key issues identified in the latest data and analysis available. It is supported by specialised needs assessments and by the themed reports and geographic profiles on the Leeds Observatory.

### 40. PIs robust and challenging

41. The current BCP incorporates a set of 58 'Best City' KPIs to help measure progress over time against the 8 outcomes set out in the BCP. The majority of these replicate KPIs found in supporting council and partnership plans, thereby ensuring a consistent view of performance. The Best City KPIs are supplemented by a further 21 'Best Council' KPIs that help measure progress against our Best Council ambition to be a more efficient, enterprising and healthy organisation.

42. The scope of any given KPI can be revised in-year to ensure it remains up to date. An example of such a change that took place during the last year would be our indicator relating to Domestic Violence and Abuse. Previously, our focus was on the rate of victim self-reporting,

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<sup>3</sup> Core Cities is a partnership of eight city councils (Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield) with a wide range of shared interests encompassing transport and connectivity, innovation and business support, skills and employment, sustainable communities, culture and creative industries, climate change, finance and industry, and governance.

but this was switched to the overall number of reported incidents in line with changes in the dataset available from West Yorkshire Police. Any changes in the scope of the KPI are reported to the relevant directorate management team and to CLT.

43. The performance results that we report and publish take many forms to reflect the specific requirements of each indicator. Some are a single number or percentage, whereas others require supplementary information to be included. For example, due to our concerns about health inequalities, with indicators relating to Public Health, we contrast the average position for Leeds with the situation in deprived areas of Leeds, whilst for permanent admissions to residential care, we report separately for those aged 18 – 64 and for those who are 65 or over.
44. Some of the key datasets that contribute to the BCP KPIs, primarily relating to financial data, are subject to independent rigorous checks to ensure they are complete, timely, secure and accurate through external audit. Others are the result of external inspections carried out by Ofsted and the Care Quality Commission. A further group of indicators are gathered nationally and published by the government through agencies including the Office for National Statistics and the Department for Education.
45. Performance against the BCP is reported to CLT which ensures cross-council ownership of the process and facilitates discussion on specific areas, prompting follow up action as needed. Directors also discuss relevant issues with Executive members.
46. An appendix to the quarterly update on performance to CLT, known as the 'BCP Scorecard', contains the latest updated results for the KPIs that help measure progress on the BCP in delivering better outcomes for both the city and the organisation in-year and in the longer term. The BCP Scorecard includes a colour-coded indication of whether performance has improved or declined against an appropriate comparator, allowing directors to see at a glance where overall performance against the BCP is going well or badly. A version of the BCP scorecard, containing the latest available results for every KPI, is published on the council's website in line with our commitment towards open data and greater transparency.
47. The Executive Board and Scrutiny Boards, Community Committees and partnership boards (such as the Health and Wellbeing Board) receive a range of reports outlining relevant performance information pertaining to their function, including annual safeguarding reports, updates on the Equality Improvement Priorities and the Local Account on Adult Social Care performance.
48. Covid-related performance reporting includes a 'gold dashboard', a multi-page report that shows the latest data for Leeds in relation to the Coronavirus pandemic. The report provides an overview of Covid-19 Cases, vaccinations, deaths and other health indicators, with accompanying data on transport, footfall, crime, education, waste and many others. The dashboard provides an overview of how Leeds has been affected by and is recovering from the effects of the ongoing pandemic.
49. A year-end performance report highlighting the progress made throughout the year in delivering the strategic objectives set out in the BCP is considered annually by Executive Board, with the most recent report ([seen here](#)) being considered in July 2021. The report reflects on the continuing challenges posed by the pandemic and showcases key achievements from the year. In addition, it does not shy away from highlighting things that have not gone so well, where we need to redouble our efforts in the future.



50. Risks identified and mitigated

51. The council's risk management framework (updated in July 2021) recognises the links between performance and risk, with many of the KPIs also acting as 'key risk indicators', i.e., sources of information that indicate whether a risk is increasing in significance or not. Risk management training provided by the IPS acknowledges the relationship between the council's strategic plans, performance indicators and risks.

52. For several years, risk and performance information has been included in a single quarterly report to CLT along with any issues relating to the BCP priorities that require further discussion. The risk and performance management information contained in these and other reports to Boards and Committees is seen as a driver for change and a prompt for discussion, not simply a reaction to events.

53. Escalation process in place and used appropriately

54. The periodic reports to directorate management teams and CLT (seen at points 46-46 and 52 above) act as both a prompt and as an escalation process for performance concerns. During the preparation of these reports, contributing staff are encouraged to raise any performance concerns so they can be discussed at their DMT, and potentially at CLT, to allow action to be taken as necessary.

## Review and Refine

55. Up to date and fit for purpose

56. The IPS continually seeks to improve the performance management arrangements to help ensure they are kept up to date and remain fit for purpose. Examples of this approach seen earlier in this report include:

- The regular review and update of the BCP (Point 8 Policy and Strategy)
- Democratic oversight (Points 14 to 15)
- Stakeholder engagement (Points 27 to 28)
- Streamlining our processes for gathering results (Point 33)

57. The BCP was designed as a rolling multi-year plan and, as such, was reviewed and updated in some way almost every year. These reviews took account of performance related developments including changes in national standards and statistical information requirements.

58. Work is currently underway to replace the Best Council Plan with a more externally facing and partnership focused Best City Ambition in 2022. Executive Board agreed the proposal in principle at their meeting on 20th October 2021. The Best City Ambition will demonstrate the interlinked nature of the key priorities shared by the council and its partners, will enable work to be better aligned across partnerships with resources used to their maximum in Leeds, and will include clear commitments on key priorities alongside outcome-focused measures through the Social Progress Index. It was further agreed that Executive Board would receive a report in December 2021 which presents initial proposals and a draft Best City Ambition.

59. By replacing the Best Council Plan as the council's main statement of intent, the Best City Ambition will also necessitate a review of our corporate performance management arrangements and the KPIs. Although it is too early to determine what direction this review might take, staff working on performance management within the IPS are already engaging with colleagues who are developing the Best City Ambition to ensure that performance management and reporting flow naturally from the new document.

60. In 2021, the IPS undertook a service review in line with the broader capacity reductions seen across the council due to the ongoing financial challenges. The review represented an opportunity to streamline the format and content of some performance information reports, with focus being placed on their key elements. Future improvements in the use of technology and 'self-service' to produce performance reports are also planned in 2022/23.

#### 61. Survey of Internal Control

62. In May 2021, the council undertook a new Survey of Internal Control<sup>4</sup> to provide first line assurance in relation to all key systems of internal control by seeking an assessment from operational managers as to whether the arrangements underpinning the Corporate Governance Code and Framework are working as intended.

63. The Survey included questions relating to arrangements for the Best Council Plan and Performance Management. Respondents were asked to rate the extent to which staff were aware of and working in accordance with the following:

- The Best Council Plan
- Any supporting strategic / service plans
- The arrangements to monitor performance against corporate and relevant supporting strategic / service plans
- The arrangements to manage performance and escalate concerns

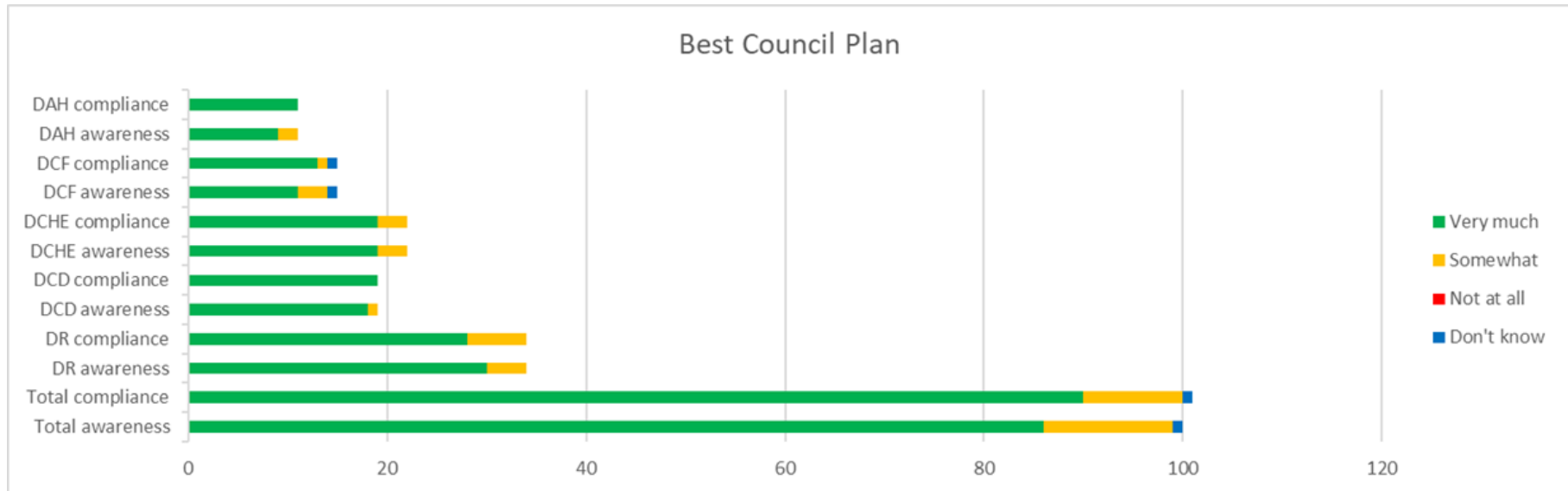
64. The results, which are set out in the charts below, were generally positive and reflect the high level of awareness of the Best Council Plan and performance monitoring and escalation arrangements. The development and roll out of the Best City Ambition will provide an

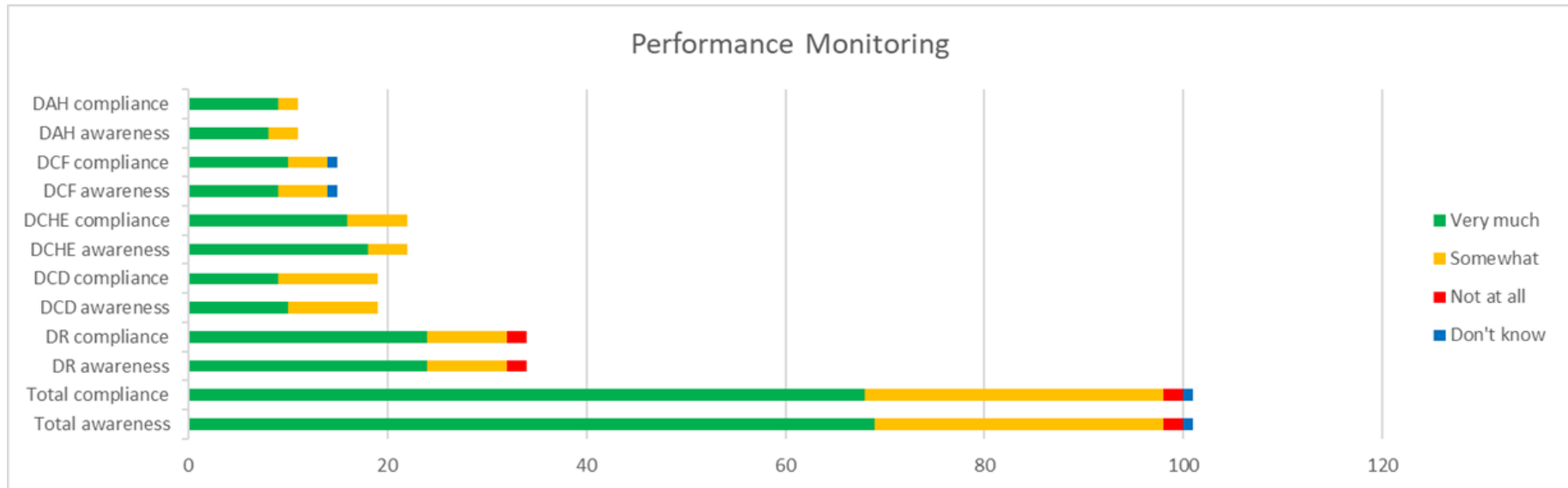
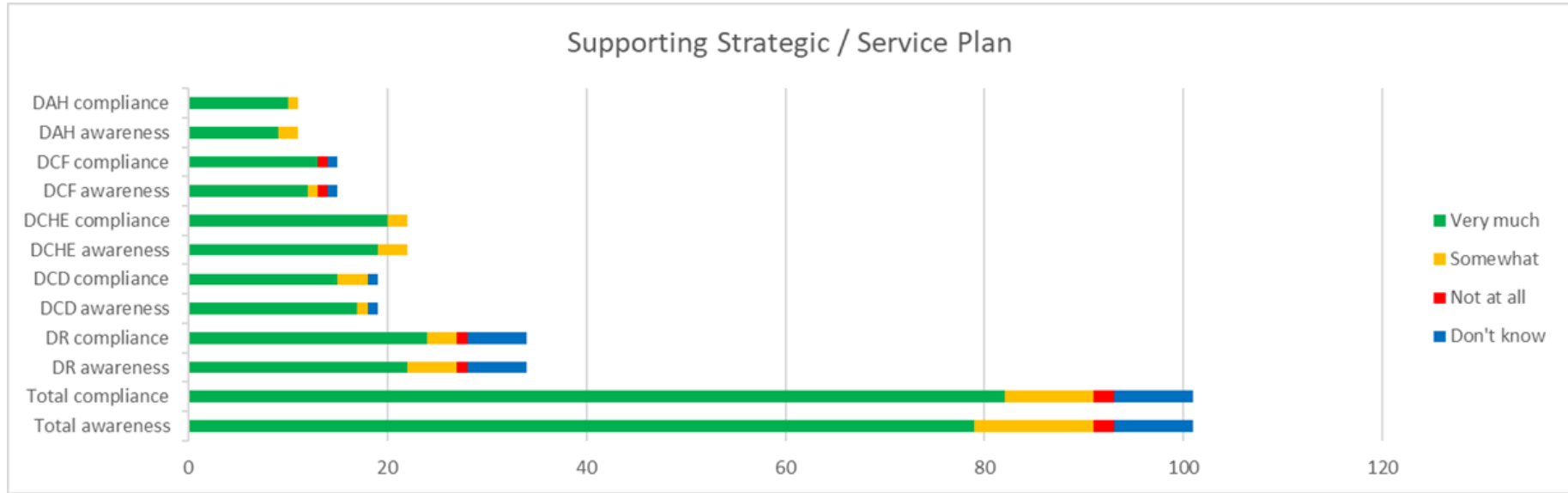
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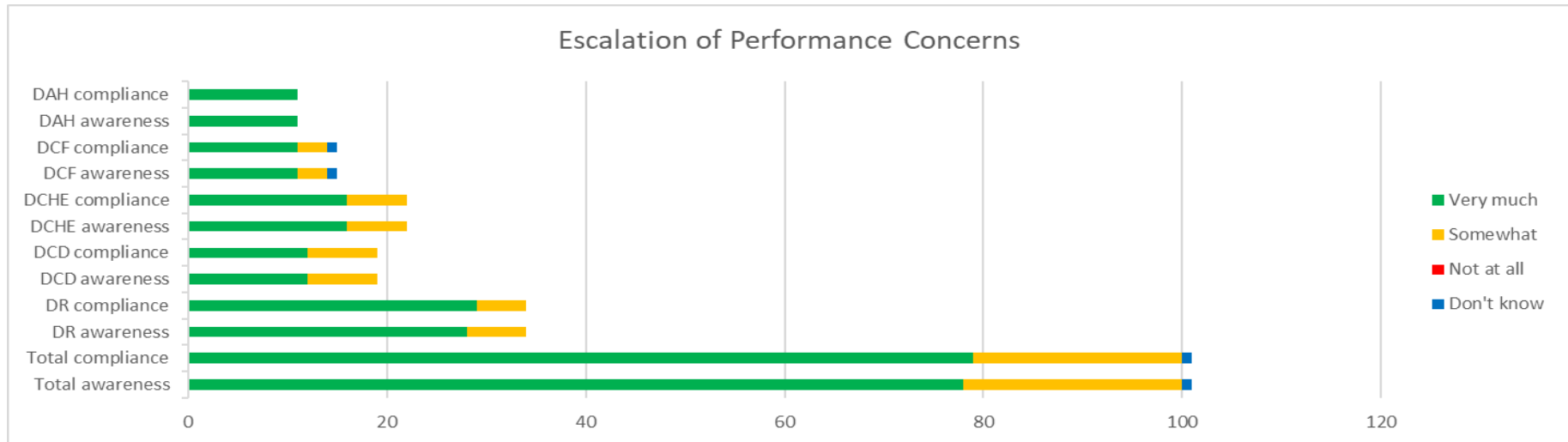
<sup>4</sup> A smart survey conducted amongst senior officers to support the review of internal control underpinning the Council's Annual Governance Statement

opportunity to build on these strong performance results and address areas where the ‘somewhat’ results for Performance Monitoring and Escalation of Performance Concerns were high.

65. The results for Supporting Strategic/Service Plans were generally good, although the percentage of ‘don’t know’ responses was higher than for other areas. This indicates that more work needs to be done to communicate plans and strategies that sit below the BCP. There are over 100 supporting plans and strategies that underpin the BCP and there is scope to consider rationalising these as part of the Best City Ambition work.







66. Following the analysis of the survey results, the following actions will be taken, as set out in the Annual Governance Statement action plan:

67. Performance Management

- We will continue to review our performance against key performance indicators and compare recovery against pre-pandemic levels
- We will develop a communication plan to support role out of the new Best City Ambition, identifying the role of performance in tracking the ambition.

68. Strategic planning

- We will review and map our strategic and policy framework to ensure that it is clear, coherent and accessible.