

Report of the Director of Resources and Housing

Report to: Corporate Governance and Audit Committee

Date: 22nd November 2019

Subject: Assurance report on corporate performance management arrangements

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: N/A Appendix number: N/A	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

This report presents assurances to the Corporate Governance & Audit Committee on the effectiveness of the council's corporate performance management arrangements: that they are up to date; fit for purpose; effectively communicated and routinely complied with.

In comparison with previous such reports to this Committee, it also presents the performance management report recently received by the Executive Board as a further source of assurance that the performance arrangements in place are delivering a number of improvements across the Best Council Plan outcomes and priorities.

This report provides a key source of assurance for the Committee to take into account when approving the 2020 Annual Governance Statement.

Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

To help the council achieve its vision to be the UK's best council and best city, there is a need to track progress and understand how well the council and its partners are performing against the outcomes and priorities as set out in the Best Council Plan (BCP).

The Performance report helps inform the development of the next update to the Best Council Plan for consideration by Executive Board and subsequently Full Council in early 2020.

Resource Implications

The Best Council Plan provides the strategic context for the council's budget and financial strategies with resources allocated in support of the Plan's ambitions, outcomes and priorities. Effectively monitoring and managing performance helps ensure that resources continue to be appropriately deployed.

Recommendations

Corporate Governance and Audit Committee is requested to receive this report and the attached Appendix 1 as together providing key forms of assurance on the robustness of the authority's corporate performance management arrangements.

1 Purpose of this report

- 1.1 This report presents assurances to the Corporate Governance & Audit Committee on the effectiveness of the council's corporate performance management arrangements. It therefore forms part of the body of evidence the Committee is able to take into account in order to approve the next Annual Governance Statement.

2 Background information

- 2.1 In November 2018, this Committee approved a recommendation that assurance on the council's corporate performance management arrangements be provided to the Committee in the autumn through a covering report summarising the systems and processes in place to help monitor and manage performance and with an annexed Executive Board annual performance management report that details actual performance across the prior year Best Council Plan outcomes and priorities. The Executive Board report focuses on the key performance indicators themselves rather than the supporting performance management systems and processes.
- 2.2 The most recent performance report looking back on the Best Council Plan 2018/19 was considered by the Executive Board on 18th September 2019. This performance report provided detail of both a quantitative and qualitative nature and also highlighted the city's and council's performance in relation to previous time periods, to other local authorities and the regional and national picture. As such, it serves as a strong source of assurance on the council's corporate – i.e. cross-cutting and strategic - performance management arrangements and progress in delivering outcomes. This Executive Board report also forms part of the performance management body of evidence to Corporate Governance & Audit Committee for the purposes of approving the Annual Governance Statement. The Executive Board performance report is therefore attached at Appendix 1 for the Committee's reference with the summary covering report available online [here](#).

3 Main issues

- 3.1 Over the last year, assurance on the adequacy of the council's performance management arrangements was demonstrated by the following:
- a) For an organisation's performance management arrangements to be effective, its strategic objectives and supporting key performance indicators (KPIs) must be up to date, effectively communicated and monitored and action taken as appropriate. The strategic ambitions, outcomes and priorities of the council are set out in the Best Council Plan (BCP) which was refreshed in 2019 (covering the period 2019 to 2021) and approved by Full Council on 27th February 2019. It takes into account local and national developments, policy developments, the latest socio-economic analysis, local and regional partnership plans and the council's budget-setting processes.
 - b) The BCP 2019/20 – 2020/21 was developed through engagement with partners, officers, and members, including Scrutiny members. Whilst there were no changes to the vision, ambitions or the population outcomes, some refinement was made to the Best City and Best Council priorities. These updates reflect our key interconnected strategies: the Leeds Inclusive Growth Strategy and the Leeds Health and Wellbeing Strategy. This year a new priority on 'Age-Friendly Leeds has been added, based on our well-developed ambition for Leeds to be the best city to grow old in. The previous priority on

'21st Century Infrastructure' has been revised to 'Sustainable Infrastructure', better reflecting and helping to promote and progress the environmental ambitions of the council and the city, most notably the Climate Emergency declared by the council in March 2019. The Best Council ambition has been extended to be a more 'Efficient, Enterprising *and Healthy* Organisation', reflecting the impact on our workforce of ever increasing demands on public services alongside reducing resources.

- c) The BCP 2019/20 – 2020/21 was published on the Best Council Plan webpages on the authority's Internet (leeds.gov.uk) and Intranet ('Insite') sites and widely communicated through promotion on the front page of Insite and items in the 'Essentials' online newsletter sent to staff and members. Hard copies of the 'Plan on a Page' were distributed to elected members, senior officers and council buildings with the full document provided to Executive members, leaders of the political parties, group offices and the Corporate Leadership Team (comprising the council's directors and Chief Executive). Hard copies were distributed to the council's libraries and Community Hubs and were also shared with the trade unions. Additional social media opportunities to promote and share the Best Council Plan priorities continue to be exploited.
- d) The BCP continues to draw on and link 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 makes full reference to other supporting plans including the Safer Leeds Community Safety Strategy, Children & Young People's Plan, Leeds Housing Strategy, Leeds Transport Strategy and Equality Improvement Priorities, amongst others. More internally, it links with the council's financial plans and workforce strategies. The Executive Board, Scrutiny Boards, Community Committees and partnership boards (e.g. Children's Trust Board and Health and Wellbeing Board) receive relevant performance information on the delivery of these related and supporting plans through a range of reports, including annual safeguarding reports, updates on the Equality Improvement Priorities and the Local Account on Adult Social Care performance.
- e) The current BCP incorporates a set of over 50 'Best City' Key Performance Indicators (KPIs) to help measure progress over time against the 8 outcomes and 8 priorities set out in the BCP. The majority of these replicate the KPIs in supporting council and partnership plans, facilitating a consistent view of performance. The Best City KPIs are supplemented by an additional 17 'Best Council' KPIs that help measure progress against our Best Council ambition of being a more efficient, enterprising and healthy organisation. The KPIs are subject to regular review by service leads and with additional check and challenge carried out by staff in the Intelligence & Policy Service (IPS), which takes the lead on the council's corporate performance management and business planning arrangements. Through this ongoing review, KPIs are revised in-year as needed to ensure they remain up to date.
- f) Behind each of the BCP KPIs is a checklist: maintained by IPS and updated in collaboration with relevant service leads, the checklists provide additional explanatory and assurance information, including the source of the data, frequency and timing, comparative organisations/datasets plus any baselines and targets. Some of the key datasets that contribute to the BCP KPIs are subject to independent rigorous checks in terms of being complete, timely, secure and accurate through external audit (primarily of financial data) and

external inspections (for example through Ofsted and the Care Quality Commission).

- g) Performance against the BCP is reported quarterly to the council's Corporate Leadership Team (CLT) consisting of the Chief Executive and senior directors. This report facilitates cross-council ownership and discussion of specific areas and prompts follow up action as needed. Directors are also able to discuss relevant issues with Executive members.
- h) The quarterly report includes the 'BCP Scorecard': an appendix containing 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 shows the direction of travel against an appropriate comparator, thus providing directors with a clear insight into the council's overall performance against the BCP. The BCP scorecard is published quarterly on the council's website in line with our commitment towards open data and greater transparency.
- i) As noted above, year-end performance reports that highlight the progress made throughout the year in delivering the strategic objectives set out in the BCP are considered annually by Executive Board, the most recent being in September 2019. Attached at Appendix 1, it aims to provide an honest assessment, showcasing the many and varied achievements that the council and the city can be proud of but also where further improvements are needed. This is supplemented throughout the year by 'Best City' key messages from the council's Leader and Chief Executive to partners.
- j) The BCP is recommended for use by council staff to help inform their appraisal objectives against which performance is monitored and managed through mid-year and end of year appraisal reviews.
- k) Scrutiny Boards consider additional performance reports on areas relevant to their portfolios, incorporating both BCP and wider operational performance. The content and frequency of the performance reports is determined by the requirements of each Board. IPS works with staff in services to produce and report the majority of these Scrutiny performance reports, providing both a support and challenge role.
- l) To further help ensure the alignment of the council's strategic priorities with the allocation of resources, the BCP continues to be developed in conjunction with the Budget: initial proposals are considered by the Executive Board in December with final proposals and subsequent approval by Full Council the following February. A one-page document illustrating the relationship between the 2019/20 net revenue budget with the BCP 2019/20 to 2020/21 is available on the authority's internet and intranet sites and was communicated to staff and members through the internal Essentials online newsletter.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 A range of stakeholders are engaged with to help maintain and improve the council's corporate risk and performance arrangements. These include the Executive Board, Scrutiny Boards, the Corporate Leadership Team and Intelligence and Policy Service colleagues.
- 4.1.2 The annual performance report at Appendix 1 was subject to consultation with key officers and elected members. It also draws on and links with a range of published reports, including reports to the Executive Board and Scrutiny Boards,

assessing performance against supporting council and partnership plans which are themselves subject to consultation and engagement with relevant stakeholders.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 This is an assurance report with no decision required. Due regard is therefore not directly relevant.

4.2.2 Specific equality impact assessments will continue to be carried out for individual initiatives and decisions relating to the delivery of the Best Council Plan, the key strategic document informing our corporate key performance indicators. The Equality Improvement Priorities (most recently updated for 2018-22, as approved by the Executive Board at its meeting on 25th July 2018) were developed to complement the Best Council Plan outcomes and priorities. They continue to underpin our ambition to be a compassionate city with a strong economy, tackling the range of inequalities that still exist.

4.3 Council policies and the Best Council Plan

4.3.1 The performance management arrangements focus around the Best Council Plan: its regular refresh and ongoing review and monitoring of delivery of the Best Council outcomes and priorities form part of the council's budget and policy framework.

Climate Emergency

4.3.2 This report is an assurance report with no decision required. However, as the Climate Emergency is cross-cutting in nature, there will be links to many of the key performance indicators, in particular those for the 'Sustainable Infrastructure priority'. The annual performance report includes detail on the work carried out during 2018/19 to tackle climate change with specific information in the 'Sustainable Infrastructure priority'.

4.4 Resources, procurement and value for money

4.4.1 The Best Council Plan provides the strategic context for the council's budget and financial strategies with resources allocated in support of the Plan's ambitions, outcomes and priorities. Effectively monitoring and managing performance helps ensure that resources continue to be appropriately targeted, prioritised and deployed to help achieve value for money.

4.5 Legal Implications, Access to Information and Call In

4.5.1 Performance information on the Best Council Plan key performance indicators is published on the council's website as are performance management reports on specific service areas and initiatives as requested by Scrutiny Boards. Progress in delivering the Best Council Plan objectives and priorities will continue to be published through annual reports to the Executive Board.

4.6 Risk Management

4.6.1 There are no significant risks identified in the council's performance management arrangements.

5 Conclusions

- 5.1 This report provides assurance on the council's corporate performance management arrangements as one of the sources of evidence for Corporate Governance & Audit Committee to draw upon when considering approval of the next Annual Governance Statement.

6 Recommendation

- 6.1 Corporate Governance and Audit Committee is requested to receive this report and the attached Appendix 1. They provide assurance on the robustness of the authority's corporate performance management arrangements.

7 Background documents

- 7.1 None