



Report of the Assistant Chief Executive (Planning, Performance and Improvement)

Corporate Governance And Audit Committee

Date: 14th February 2011

Subject: Corporate Performance Management Arrangements

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

This report is in response to a request from the Committee for further information on the high level corporate performance management arrangements in place that would serve to highlight areas of particular concern. It will introduce the Committee to the Performance Dashboard which is produced on a quarterly basis and pulls together a wide range of information at a head of service level in order to provide assurance to senior officers that effective governance arrangements are in place.

1.0 Purpose Of This Report

- 1.1 This report has been produced at the request of the committee following the inspection of safeguarding and looked after Children's Services in Leeds by Ofsted and the Care Quality Commission. The report aims to show the procedures in place that will act as an early warning system for potential areas of concern, rather than the authority relying on inspection from external bodies alone.
- 1.2 The report will introduce members of the committee to the Performance Dashboard that has been adopted by the authority. This tool draws together a wide range of information on a quarterly basis in order to give senior officers a high level, top down overview of performance across a number of areas.
- 1.3 The report will provide the Committee with assurance that through the Performance Dashboard and the underlying processes strong governance arrangements are in place in order to provide an early warning system of potential performance issues facing the authority.

2.0 Background Information

- 2.1 At the meeting of the CGA Committee held on 17th March 2010 a report was presented following the Ofsted and Care Quality Commission Inspection of safeguarding and looked after Children's Services in Leeds. The committee requested that a further report be submitted detailing the wider corporate performance management governance adopted by the authority, that enables early warning of possible severe failure, rather than relying on inspection from external bodies.
- 2.2 In May 2009 CLT approved the development of a performance dashboard that would bring together a range of information at a Chief Officer level. This dashboard allows seniors officers to get a high level view of performance across a wide range of areas in order to prompt questioning and discussion around performance issues. It thereby acts as a powerful tool in identifying potential areas of concern for the authority. The first tool was produced for 2008/09 year end information and is now produced on a quarterly basis.

3.0 Main Issues

- 3.1 Leeds City Council operates a wide range of services some of which are in highly sensitive areas such as the safeguarding of children and vulnerable people. The CGA Committee need assurance that governance arrangements are in place that ensure senior managers are able to monitor and react to any potential issues as early as possible without awaiting external inspections
- 3.2 The Performance Dashboard is produced on a quarterly basis by the Corporate Performance Team. The dashboard is used by the Chief Executive as part of his quarterly appraisals process with directors to highlight potential areas for discussion. It is also distributed to members of CLT in order that they can use the tool in discussions with their Chief Officers. It is the intention that the dashboard will also be presented to Corporate Governance Board for information from Quarter 3 onwards in order that they have an overview of the governance arrangements that are in place and are able to identify any concerns. For example, if there were concerns highlighted across all services in one particular measure this may indicate an issue with the governance arrangements rather than the performance. The

dashboard can therefore be seen as the key tool that provides assurance to senior officers of the governance arrangements across the organisation.

- 3.3 Appendix 1 provides an example of the front end of the dashboard. Each of the ratings can be clicked on to drill-down to provide the reviewer/user with further detailed information on the area and how the RAG/Direction of Travel rating has been made. The key to the dashboard is provided at Appendix 2 this provides information on the RAG/Direction of Travel rating criteria and what lies beneath each of the ratings.
- 3.4 The dashboard provides the user with a top level overview of performance at a Chief Officer level that is simple to use. It draws together information from a wide range of areas including budget positions, progress against strategic priorities and key performance indicators, findings of internal audit investigations, items contained on the corporate risk register, decision implementation monitoring, equalities, number of appraisals completed and staff sickness.
- 3.5 Rather than be an additional reporting requirement the dashboard relies entirely on utilising existing information, thus helping to ensure that a consistent approach is adopted when performance managing at a high level. Each of the areas included within the dashboard are subject to their own monitoring and management processes. For example, the quarterly accountability process through which progress against strategic priorities and performance indicators are managed. Similarly the risk management information is sourced from the quarterly risk management reporting process to update the corporate risk register, HR information is sourced from Organisational Health booklets are circulated quarterly to senior managers and budget monitoring information is drawn from the quarterly financial management reports.
- 3.6 It is therefore the role of the dashboard to bring together all this information into one place. It provides reassurance that appropriate governance arrangements are in place for each of the areas and that they are being managed and monitored accordingly. It also helps ensure that any early warning signs of potential serious service failures are identified and acted upon by providing a broad picture of each service rather than focusing purely on one element.
- 3.7 The Dashboard acts as a tool that helps senior managers form a high level view of performance over a wide range of functions as such it is not designed to give absolute answers but rather prompt questioning and challenge around performance issues. The dashboard works on the key principle that the 'lowest' rating for each of the included columns is always brought to the front of the dashboard. This ensures that no potential areas of concern are hidden by the stronger performance of others. For example, a 'red flag' against in a Director's performance indicators column would be shown even if it was only one of their indicators that was rated 'red' and that the rest were on track and 'green'. This flag may then prompt the user to drill down to the further detail to see a table showing all their performance indicators in detail along with the supporting commentary identify where there are issues and prompt any action required.
- 3.8 Pulling together information from different assessments and indicators can be instructive and powerful and offer an insight into areas where a service may need support. Nevertheless, it is necessary to accept some of the flaws and issues with the approach which include:
 - Accepting the complexity and the limits of this kind of information

- Recognising that some information may not be available for all services or may not be disaggregated for certain services
- Understanding that the information would be very high level and that it would only offer a snapshot or indication of performance; it will be the starting point for further exploration and discussion rather than a complete and perfect picture. The snapshot allows for these discussions to begin by clicking through to the more detailed information that lies beneath the front sheet.

3.8 The Performance Dashboard is constantly being developed to include further information in order to provide the broadest possible picture. The Corporate Performance Team are working with colleagues across the Council to look at potential future areas for inclusion including service plan updates, external audit reports and health and safety.

3.9 Directorate based performance teams produce tools such as dashboards and balanced scorecards that include a similar range of information disaggregated to a lower level and in more detail. Work is ongoing between the corporate performance team and directorate based performance teams to link in with these tools in order that a consistent approach is developed.

4.0 Implications For Council Policy And Governance

4.1 The use of the performance dashboard by the authority allows it to make better use of existing information and processes in order to strengthen governance arrangements.

5.0 Legal And Resource Implications

5.1 There are no additional legal or resource implications associated with the performance dashboard relies entirely on existing information and as it is already produced.

6.0 Conclusions

6.1 The performance dashboard is the main tool used by the authority to bring together a range of information for each Chief Officer, updated on a quarterly basis in order to provide a broad overview of performance and highlight areas of concern.

6.2 The dashboard provides assurance that a wide range of performance related information is being regularly considered by both senior officers and Members. It shows that performance concerns are specifically highlighted in order to prompt both challenge and action. Furthermore, the dashboard is flexible and can be developed in order to respond to changing circumstances.

7.0 Recommendations

7.1 That Corporate Governance and Audit Committee note the contents of the report.

Background Documents Used

None