

Report of Assistant Chief Executive (Customer Access and Performance)

Report to Resources and Council Services Scrutiny Board

Date: 5th Dec 2011

Subject: 2011/12 Quarter 2 Performance Report

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: N/A	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report presents to Scrutiny a summary of the quarter 2 performance data relevant to the Resources and Council Services. One key issue has been highlighted for Members attention – the budget.

Recommendations

2. Members are requested to:
 - Note the issue of the budget which has been highlighted and consider if they are satisfied with the work underway to address this issue.
 - Note the progress in relation to the delivery of the Cross Council Priorities in the Council Business Plan and consider if they wish to undertake further scrutiny work in any of these areas.
 - Note the progress in relation to the directorate priorities and indicators within the Council Business Plan that fall within the remit of the Resources and Council Services Scrutiny Board.
 - Identify any further reports or information that they may require to fulfil their scrutiny role in relation to the priorities for Resources and Council Services Scrutiny Board.

1 Purpose of this report

- 1.1 This report presents to Scrutiny a summary of the quarter two performance data for 2011-12 which provides an update on progress in delivering the priorities in the Council Business Plan 2011-15 which are relevant to the Board.

2 Background information

- 2.1 A new set of delivery plans for the Council and the city were adopted by Council in July 2011 and this report is the first performance update setting out the progress in delivery of these plans. The plans and performance management arrangements that form the basis of this report have been developed alongside the revised partnership boards for the city in a whole system approach. Members will note that the delivery of City Priority Plan priorities are shared with partners across the city while the Council Business Plan sets out the Council's contribution to these shared priorities. This report whilst providing an overview of the performance relating to the City Priority Plan deliberately focuses more on the council's contribution which will best enable Scrutiny to challenge the organisation.
- 2.2 The new performance management arrangement include a number of new reports including:
- Performance Reports – these are produced for each of the City Priority Plan priorities and for the 5 Cross-Council Priorities in the Council Business Plan. They are a one page summary of progress in delivering the priority including a RAG rating of overall progress. Where possible the headline indicator is shown in a graph to clearly indicate progress and the reports include a look forward to the actions due over the next 3-6 months. We have adopted the principles of outcomes based accountability in these reports.
 - Directorate Priorities and Indicators – a directorate scorecard has been produced for each directorate which sets out the high level progress against each of the directorates priorities and indicators in the Council Business Plan. These are all available on the intranet and published on the Council's website. It also includes the directorates contribution to the cross council priorities and indicators. For Scrutiny purposes these scorecards have been divided up so that each Scrutiny Board receives an update on the priorities within the remit of their Board recognising that these do not necessarily align directly to the Council's directorates in all cases. Members will note that this does mean that some priorities will go to two or more Scrutiny Boards and Boards are asked to consider working jointly on any follow up inquiries or nominate a lead Board.
 - Self Assessment – each directorate has the opportunity in this section to raise any other performance issues that might not be directly represented within the directorate priorities and indicators.
- 2.3 These reports are designed to provide a high level overview of performance issues related to the City Priority and Council Business Plans only. Members will need to use this information and the discussion in their boards to identify what further reports and more detailed information they might require in order to fulfil their scrutiny role. Therefore, these reports are designed to be a starting point for the work of the board.
- 2.4 This report includes three appendices:
- Appendix 1a – Performance Reports for the Resources and Council Services City Priorities.
 - Appendix 1b – Resources Directorate Priorities and Indicators
 - Appendix 1c – Customer Services and Performance Directorate Priorities and Indicators
 - Appendix 1d – Other Directorate Priorities and Indicators relevant to the Board

3 Main issues

Performance Overview

Council Business Plan

Cross Council Priorities

- 3.1 There are 5 cross-council priorities, supporting the implementation of the values and none of these are assessed as red (all are currently amber). However, the performance indicators on

the variation from the agreed directorate budget is rated as red in all directorates with the exception of Resources and Customer Access and Performance.

- 3.2 Members will note that work is underway to develop some of the indicators that will support the values around 'consulting with the public' and 'giving due regard to equality'. Progress will be assessed through examining key and major decisions for assurance that decision makers have been provided with the correct information in order to make the decisions. This is important in order to protect the authority and its decision-makers from legal challenge (as has already occurred in other local authorities) and possible resulting financial consequences. Members will note that a revised reporting template was introduced on 1st September that specifically includes sections on consultation and equality which will prompt report writers to include this information. Work has commenced to develop the methodology for measuring and reporting on this indicator. It is anticipated that a result for these indicators will be reported at Q4. Members of Scrutiny Boards are also asked to consider calling in any decisions where the report does not clearly evidence that effective consultation has taken place and due regard has been given to equality.
- 3.3 In addition the first staff engagement survey will report at Q3.

Directorate Priorities and Indicators

- 3.4 There are 28 Directorate Priorities which support the delivery of the Resources and Council Services priorities most of these are drawn from Resources and Customer Access and Performance directorates – although there are a few from other directorates that directly link and these have also been included for completeness (see appendix 1d). Of these none are red, 9 are amber and 19 are green. These are supported by 28 performance indicators that can be reported at quarter two of these 2 indicators are rated as red (these are listed below), 4 are amber, 22 are green. Red rated indicators are:
- Percentage of Executive Board and Key/Major decisions that are implemented in 3 months (Resources)
 - Income in City Development (City Development)

Key performance issues for Resources and Council Services Board

i) Budget

- 3.5 The projected year-end overall overspend is £7.2m at month 6 which represents 1.2% of the budget. This is an improved position from quarter 1 and the position has continued to improve in month 7. Budget action plans are in place in directorates and over £80m of the budgeted savings for 2011/12 are on target to be delivered. A number of actions have also been taken corporately to increase reserves; most notably the Council has been successful in a VAT claim which has increased the general reserves position by £8.4m as at the end of 2010/11. Although some of this sum has been used for the Early Leavers Initiative, the remainder will be used to mitigate against some of the spending pressures outlined above. In addition, Capital Financing costs are projected to be £2.6m less than the budget due to the Council taking advantage of the continuing low short term interest rates. Therefore, whilst there are overspends within Directorates and on-going financial risks the overspend is being managed effectively for the Council as a whole. However, all Scrutiny Boards need to be aware of the overall financial context when scrutinising the areas of work within the remit of their Board.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 All performance information is normally reviewed by Directorate Leadership Teams, Partnership Boards (for City Priorities) and the Best Council Board (Cross-Council Priorities). However timings of some Boards did mean that this was not possible in all cases for quarter two, but in the future meetings will be scheduled to align better with the quarterly reporting cycle. All performance information has been reviewed by CLT and the Council's Performance Board.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Whilst some of the performance reports do include an update on the significant issues for the delivery of the priority from an equality perspective some do not. This is the first time that these reports have been prepared and, therefore, Scrutiny Boards may wish to consider whether this issue is sufficiently covered in the performance reports in their area. This feedback can then be used to strengthen the reporting arrangements going forward.
- 4.2.2 This is also an issue that will be given further consideration through a piece of work that has been commissioned by the Leeds Initiative Board. This work is looking at what reporting arrangements are needed to track the cross cutting issues that run across several of the Strategic Partnership Boards like poverty and inequality (including child poverty and health inequalities). The aim is to be able to capture and understand the various contributions from across the Boards to these areas without necessarily creating separate and potentially bureaucratic processes. Proposals are scheduled to be brought back to the Leeds Initiative Board in February.

4.3 Council Policies and City Priorities

- 4.3.1 This report provides an update on progress in delivering the council and city priorities in line with the council's performance management framework.

4.4 Resources and Value for Money

- 4.4.1 There are no specific resource implications from this report; however, it includes a high level update of the Council's financial position as this is a cross council priority within the Business Plan.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 All performance information is publically available and will be published on the council and Leeds Initiative websites.

4.6 Risk Management

- 4.6.1 The Performance Reports include an update of the key risks and challenges for each of the priorities. This is supported by a comprehensive risk management process in the Council to monitor and manage key risks. From this quarter CLT have also reviewed the corporate risk register alongside the performance information which will further ensure that the Council's most significant risks are effectively identified and managed.

5 Conclusions

- 5.1 This is the first time that the performance reports and scorecards have been produced and there is still some work to do to ensure that they are high quality information updates, written in plain English with jargon kept to a minimum. In terms of City Priority Plan performance reports these also need to be owned and debated by the five Strategic Partnership Boards and include more information from across the partnership. Timing issues meant that this did not happen in all cases at quarter two although they were signed off by key stakeholders as appropriate. Outcomes Based Accountability support will be offered to all Boards to help them to develop and refine their action plans for the delivery of the priorities for their boards and to help them to use the data to shape their performance discussions. Some of the performance information was also incomplete and will be chased for quarter three.
- 5.2 However, overall the performance reports and directorate scorecards are a clear and simple summary of performance that Members can use to understand the current performance of the in relation to the priorities from our strategic plans which are relevant to the Board.

6 Recommendations

6.1 Members are requested to:

- Note the issue of the budget which has been highlighted and consider if they are satisfied with the work underway to address this issue.
- Note the progress in relation to the delivery of the Cross Council Priorities in the Council Business Plan and consider if they wish to undertake further scrutiny work in any of these areas.
- Note the progress in relation to the directorate priorities and indicators within the Council Business Plan that fall within the remit of the Resources and Council Services Scrutiny Board.
- Identify any further reports or information that they may require to fulfil their scrutiny role in relation to the priorities for Resources and Council Services Scrutiny Board.

7 Background documents

- City Priority Plan 2011-15
- Council Business Plan 2011-15
- Council and City Performance Management Framework (Draft)