

**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 this is a priority** - Appraisals for all staff are essential in driving effective performance management to achieve the Council's business and service plan objectives, embed the revised values and help us meet future challenges. The Chief Executive and directors are championing regular appraisals as a priority so that all employees are managed, motivated and developed to perform their role effectively and deliver improving services for Leeds.

**Overall Progress:**  
**AMBER**

#### Story behind the baseline:

**Appraisal targets** - For 2011-12 a **corporate annual appraisal timetable** was agreed with full appraisals will take place between April and July and interim meetings between October and December

A corporate target was set of 100% of staff having an appraisal between 1<sup>st</sup> April and 31<sup>st</sup> July 2011 to ensure objective and target setting is linked with Council, Business and Service Plans.

As at 31 July 2011, the LCC average was 78% with the highest performing directorate (Legal) achieving 97% and the lowest (Resources) achieving 63%.

At 30 September 2011, the LCC average was 93% with three directorates achieving over 95% and a further three reporting over 90%.

#### Directorate performance:

**PPI, City Development and Legal** – have maintained a position of achieving consistently high levels of appraisals

**Adult Social Care** - no significant challenges and have improved performance since 2010 -11

**Children's Services** – Education Leeds joined with Children's Services in April 2011 resulting in challenges around structures but has improved significantly.

**Environments & Neighbourhoods** – challenges around scheduling appraisals for crew workers have been addressed with group appraisals as part of training days.

**Resources** – there have been challenges around scheduling appraisals for school based staff which have been addressed.

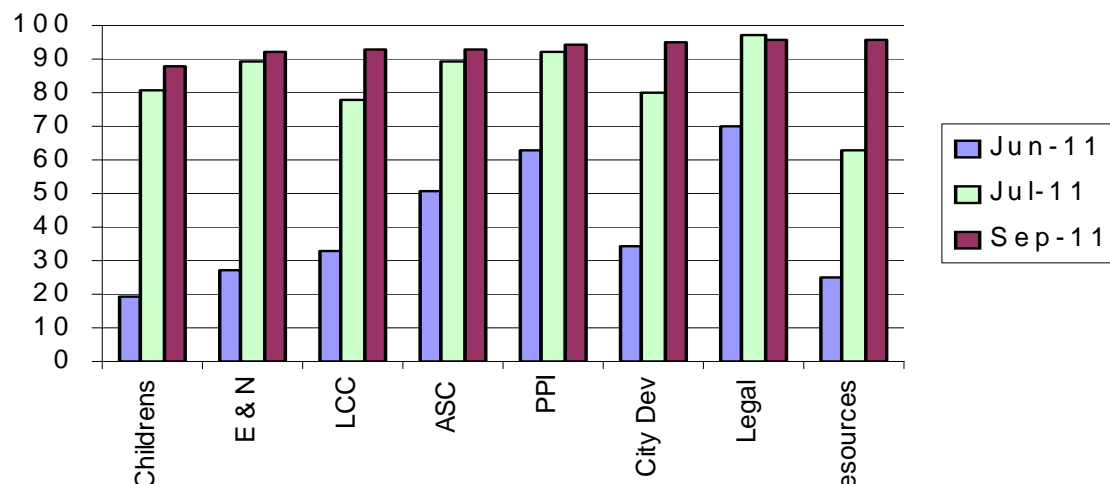
As the target of 100% appraisals is close to being achieved, this reflects the profile of the workforce with no measurable variance by equality strand. Appraisal Guidance makes appraisers aware of how not to treat staff unfairly during appraisal meetings or by the process itself.

The Investors in People review highlighted the need for the council to define the expected leadership behaviours. The 'Expectations of our leaders & managers' document reinforces the importance of appraisals in ensuring people are clear about what is expected of them and receive regular feedback on their performance.

One of the Chief Executive's three 'Calls to Action' in 2011/12 to all leaders is to ensure that all employees have a quality appraisal with a PDP and at least one development action linked to service plans.

#### Headline Indicator: Every year 100 per cent of staff have an appraisal

**Appraisals completed by directorate 2011-2012**



**What do staff think?** In the 2009 Staff Survey, 68% of the council's staff said that they had had an appraisal/ development review in the previous 12 months with directorate responses between 54% and 79%. The 2011 Employee Engagement Survey will provide quantitative data about how people feel about the support, guidance and feedback provided by their managers. The Improving Performance Project will sample appraisals carried out and provide feedback on staff perception of the quality of appraisals. The final Investors in People assessment will provide qualitative information regarding staff perceptions of how leaders and managers, lead, develop and support them.

#### What we did

Strategic actions completed:

- For the first time, a corporate target of 100% appraisals by July 31<sup>st</sup> was set.
- Call to action of 'quality appraisals' communicated by Chief Executive to all leaders and managers in organisation at start of 2011/12.
- HR Business Partners, HR OD Leads and Appraisal Co-ordinators all appraised of their continuing roles
- Directors and Chief Officers receive regular appraisal performance reports and directors are appraised on the percentage of their staff that are appraised.
- Learning Site established on intranet to give access to managers and employees to available learning and development opportunities to support 'quality appraisals' including Appraisal Skills for Managers.
- Learning Supplement distributed to all staff (electronic and hard copy) to encourage take-up of learning and development opportunities.
- Expectations of Leaders and Managers developed and launched at the Leadership Conference 2011
- Equality data for the whole workforce was updated on SAP in July 2011 and will continue to be updated and developed to reach 100% compliance.

#### New Actions

New strategic actions:

- Expectations of Leaders and Managers to be embedded
- Leadership and management behaviours will be defined as part of our wider programme to develop our council-wide competencies framework based on the values
- Sampling of 'quality appraisals' to take place across all Directorates
- Planning and piloting of a performance management system that will provide on-line completion of appraisals and personal development plans commencing in April 2012
- Development of a set of common core appraisal forms across the Council
- Range of useful tools and resources available for leaders and managers launched on SharePoint.

#### What Worked Locally /Case study of impact

Directorate based initiatives where there is evidence of impact / good practice

- City Development has achieved high appraisal levels by prioritising appraisals, reporting progress at DMT level and to Services' Learning Boards.
- Directorate OD Leads are in the team and take on a higher level 'Appraisal Champion' role, raising the importance of quality appraisals.
- Directorate HR Leads are reviewing Organisation Structures/ SAP data and records for casual and non LCC employees.
- Group Appraisals for teams of front line operatives are being piloted to minimise costs and disruption to front line services.

#### Data Development

- Further work needed to ensure integrity of SAP data e.g. correct base organisation structures and data recorded in correct fields.
- Analysis of data to establish core population of Appraising Managers by directorate, service, grade, span of control etc.

#### Risks and Challenges

- Agreement over a series of common core appraisal forms
- Resourcing issues for appraising some crew-based front line services
- Tight timescale and resource support to implement the performance management system by April 2012

**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**

<p><b>Why is this priority</b> - 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 including strong, aligned leadership, and effective, engaging managers. Whether staff feel listened to and valued, are aware of a common vision and are living the council values are also important drivers of engagement.</p>	<p><b>Overall Progress:</b> <b>AMBER</b></p>
<p><b>Story behind the baseline</b></p> <p>The Council has adopted a new approach to measuring staff engagement based on the MacLeod Review carried out for the Government in 2009 and assesses staff perception in relation to four drivers of Leadership, Management Effectiveness, Staff Voice and Integrity. A benchmarking survey based on this new approach is being undertaken in October 2011. The whole Council workforce (excluding schools) will have an opportunity to participate in this and a representative quarter of the workforce will also be able to take part in a quarterly survey over the next year.</p> <p><b>Analysis by equality strands.</b></p> <p>The survey findings will be analysed by key characteristics of the workforce e.g. age, grade, gender, and each quarterly survey sample will reflect that profile. That way, as well as all staff having an annual opportunity to give their views, each quarterly survey will reflect the views of the whole organisation, being representative by equality and other profiles.</p> <p><b>Comments on any related measures</b></p> <p>The measure of staff engagement will integrate with a range of other measures that provide actionable detail at a local level. Existing detailed assessments such as liP, appraisals and the Equalities framework will provide the underlying story to the headline picture which emerges from the new survey. The 'Importance/performance' analysis will help us adapt more quickly to changing needs, perceptions and beliefs of staff, whether these are a result of external factors or the effect of work done internally to strengthen the drivers of engagement.</p> <p>In addition, new immersive opportunities (such as a development of last year's successful focus groups) would give even greater opportunity for staff to define (become involved) the things that matter most to them at work.</p> <p><b>Evidence underpinning the overall trend</b></p> <p>Staff engagement has been a key component in the drive to change the culture of the organisation led by the new chief executive and CLT members over the past year. Appraisals taking place for 100% of staff has laid the basis for staff to have regular direct interaction with their managers. Behaviours linked to the new values underpinning our culture change are being assessed at managers' appraisals. Staff engagement at team and individual level is core to the expectations of leaders and managers launched across the Council at the Leadership Conference on September 30.</p>	<p><b>Headline Indicator: increase the level of staff engagement</b></p> <p>As the Council wide employee engagement survey will take place in October 2011 there is currently no graphical information available. Graphical information will be available for Quarter 3 reporting</p>
<p><b>What do staff think?</b></p> <p>We have involved staff and unions in developing our understanding of local employee engagement issues through discussions and research focus groups over the last 18 months. This has informed the wider strategy and more specifically the new Employee Engagement Survey. Key issues raised in the research included ensuring communications are properly cascaded by managers, improving how we involve staff in change, recognition of the council values, and providing timely and meaningful feedback from any engagement exercises. Staff overwhelmingly chose 'helping the people of Leeds' or helping colleagues' as the best things about their jobs.</p>	

### What do staff think? (cont)

The content and approach of the 2009 Staff Survey was different to the current survey and told us that 83% of staff felt satisfied working for the council.

The 2011 Employee Engagement Survey will:

- measure levels of employee engagement in the organisation using staff perception and track changes in engagement levels over time.
- measure the effectiveness of work done across the key drivers to improve employee engagement

Focus groups were asked for their views on the draft survey questions. Staff told us that we need to be clear about who are leaders and managers, what the values mean and also that we should tell everyone what has changed as a result of them taking part in the survey.

### What we did

- Raised awareness about employee engagement at Corporate and Directorate leadership team level and gained agreement to a new survey approach.
- Developed a new employee engagement survey and piloted this with focus groups of a representative sample of staff plus additional front line services and with those with literacy issues
- Linked existing change toolkit through the learning site to support managers in helping their staff through change
- Took key actions on drivers of employee engagement:
  - Leadership: Improved communications via internet with staff e.g. Tom's blog; 'quality appraisals' identified as call to action.
  - Manager Effectiveness: Key expectations of leaders and managers identified and launched across Council
  - Voice: Organised regular 'Meet Tom' meetings so that 3750 staff have now had opportunity to directly raise questions.
  - Integrity: New values embedded in appraisal documentation and in council awards that recognise excellent performance and behaviours in the organisation

### What Worked Locally /Case study of impact

- As part of the changes to the Community Support services to make it more efficient and productive, in excess of 650 employees attended consultation road shows across the Council to provide the opportunity for staff to engage and influence the change to service delivery.
- As part of a review of Architectural Design Services, considerable work has been done with staff and trade unions to identify an alternative to ceasing the service. With 40 plus jobs at risk, staff and managers have worked to develop an alternative partnership solution which has been agreed with Executive Board.

### New Actions

- New employee engagement survey to be implemented
- Communication of the employee engagement survey to all line managers, employees, and trade union representatives through tailored communications, explaining the benefit of taking part in the survey which will run from 17<sup>th</sup> October to 11<sup>th</sup> November 2011.
- Analysis of results by Directorate level and equality strands
- Correlation of results with related HR metrics as detailed in the Council's People Plan, to inform improvement action plans
- Communication of the results across the Council – and key actions that will be addressed as priority.
- Targeted investigation into areas of the Council with a low response rate and a low level of engagement reported
- Where issues are identified at corporate or directorate level or for certain staff groups, further follow-up qualitative research will take place at the appropriate level.
- Further key actions on drivers of employee engagement:
  - Leadership: Behaviours will be defined as part of the wider programme to develop our Council wide competencies framework
  - Manager Effectiveness: New development programme to be agreed and implemented
  - Voice: Additional front line opportunities for 'Meet Tom' meetings and Directors direct engagement with staff
  - Integrity: Further action to embed values to follow analysis of question regarding values in employee engagement survey.

### Data Development

The survey will be completed quarterly following the baseline exercise, which will provide a more frequent measure of continual improvement, by sampling on a representative basis of the workforce

### Risks and Challenges

- Low response rate which invalidates the survey. Lack of leadership and management actions to address actions identified from the analysis of response
- Failure to continue sustained action on the four drivers of employee engagement
- Visibility of communication of findings and actions following on from these e.g. Failure to effectively communicate 'You said, we did.....' messages

**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 at corporate, service and locality levels. This helps us move from doing things *to* and *for* people, towards doing things *with* people.

**Overall Progress:**  
**AMBER**

### Story behind the baseline

- The council values place engagement at the heart of the 'way we do things' in Leeds. 'Working with communities', is linked to the improvement priority of 'we will consult with local people on changes that may affect their lives'. Performance will be measured by the percentage of key and major decision reports that evidence community engagement. This measure is owned by the Assistant Chief Executive (Customer Access and Performance) but is also the responsibility of all Directors. The value of 'being open, honest and trusted' also encourages engagement.
- In the current climate it is inevitable that decisions will be closely scrutinised, and any perceived weakness in the process will be targeted. We need to be confident that evidence from consultation is timely and relevant to the current situation.
- The 2011 Annual Statement on community engagement for the Corporate Governance and Audit Committee identified the following key challenges for engagement in Leeds:
  - Public challenges to decisions
  - Coordination
  - Area working
  - Spending reductions
  - Localism
- The priority will be measured using a new indicator which aims to measure the extent to which there is evidence that consultation with the public is available to decision makers for key/major and Executive Board decisions. By including it as a specific indicator it shows the commitment from senior leaders to ensure that the views of the public are clearly reflected in our policies and decisions. Work is underway to develop the methodology for measuring the indicator with the Best Council Board providing oversight and challenge.
- The Corporate Consultation Manager and Corporate Governance have developed and introduced clearer guidance around including consultation in reports. The new reporting template and guidance was implemented from 1 September 2011 so a result for the indicator is not available for the Q1 and Q2 reporting period. However, a sample of reports was looked in order to inform the methodology for the indicator going forward and feedback has been provided to directorates. The first set of results will be available at quarter 4 and this will be supported by a quality assurance process that will continue to assess the quality of the evidence provided and thus drive further improvements in this area.

**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 - *Indicator currently being developed result available at Q4*

### What do residents think

In the 2010 research project into Effective Communications and Consultations, residents told us how they feel about getting involved and influencing decisions:

- 89% of respondents feel it is important to feel they can influence decisions about council services
- 28% are satisfied with being able to influence decisions about public service delivery in their area (24% are dissatisfied)
- 45% feel that there is no point taking part in council-run consultations, as decisions have already been made before people are asked
- 39% want to be more involved in decisions about council services that affect their local area

New qualitative measures are being designed to be used with the new Citizens' Panel .

### What we did

- Corporate Consultation Group work to increase use of Talking Point system to support good practice e.g. early coordination of cross-council consultations
- Created new key and major report template to include mandatory consultation evidence requirement
- Started design and recruitment of new Citizens' Panel
- Networks of consultation leads set up within City Development.
- A review has started of the council's strategic operating framework for all types of engagement, including community development and locality arrangements, led by LIP colleagues

### New Actions

- Complete the recruitment of Citizen's Panel
- All directorates to help establish calendar of consultations to send to the Panel, including relevant BPIs and major change-related consultations
- Corporate Consultation Group to develop revised guidance, training and support networks for those delivering consultation
- LIP, in consultation with all Directorates to complete, communicate and start to embed the council's new approach to community engagement( tbc)

### What Worked Locally /Case study of impact

- Environment and Neighbourhoods are developing ways to get early warning that a service or transformation plan needs support developing consultation, to reduce challenge or delay to decisions.
- The Every Child Matters survey is a good example of a well-coordinated, partnership consultation with school pupils that covers a wide range of issue, generates a high response rate and informs a wide range of indicators, change programmes and service plans.

### Data Development

- Reporting on all decisions, rather than a sample should take place from Q3 onwards
- Add a qualitative aspect to the Headline Indicator to ensure that the consultation that is being done, is done *well*.
- Revise report writing guidance to insist that consultation evidence includes a link to the record of activity that should already be on the Talking Point system

### Risks and Challenges

- Not having a consistent council-wide culture of timely and effective planning of engagement
- Lack of expert support for staff tasked with engaging
- Inconsistent feedback on engagement to participants
- Lack of evaluation of engagement effectiveness

**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:**  
**Amber**

**Story behind the baseline**

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

The Equality Act 2010 requires public bodies to give due regard to equality and the council has agreed to continue to use the equality impact assessment process it has developed. This was further improved and strengthened last year. It now includes formally recording where it was considered that there were no equality considerations or that they were already being taken into account via the screening process.

The priority will be measured using a new indicator which aims to measure the extent to which there is evidence that equality is given due regard in policy and decision making. By including it as a specific indicator it shows the commitment from senior leaders to ensure that there is a full understanding of the potential impact our policies and decisions could have on different communities. Work is underway to develop the methodology for measuring the indicator with the Best Council Board providing oversight and challenge.

Failure to demonstrate that due regard has been given to equality in the decision making process could result in legal challenge. This indicator will assist in focusing attention in this area to ensure both legal compliance and also to ensure that the council takes account of the needs of all communities.

The Equality Team and Corporate Governance have developed and introduced clearer guidance around addressing equality in reports. This now indicates the need to explicitly reference screening and/or equality impact assessments and their outcomes in the reports. The new reporting template and guidance was implemented from 1 September 2011 so a result for the indicator is not available for the Q1 and Q2 reporting period. However the Equality Team have looked at a sample of reports and looked at the qualitative aspects of the evidence included within key and major decisions and Executive Board reports. This is now being used to inform the methodology for the indicator going forward and to improve future work in this area.

The qualitative analysis of the sample of reports indicated that there is a need to improve the level of evidence which is included within the reports. In some instances it would be difficult to show that the available information has been used to inform the decision made, and in some instances there is no indication that consideration has been given to equality. Ongoing work by the Equality Team with directorates suggests that this does not necessarily reflect the true position. Work is taking place with directorates to address this and ensure that the evidence is obvious and it can be shown that our value of treating people fairly underpins our decision making.

In addition to specific support provided to directorates via the Equality Team it is anticipated that the use of the new reporting template will ensure that there is more explicit reference to equality considerations in Q3 and Q4. The final result for the year will be based on Q4, by which time it is anticipated that the target to evidence that equality issues have been considered in 100 per cent of key and major decisions and all Executive Board reports could be achieved.



**What do key stakeholders think:** The What if Leeds campaign and the spending challenge consultation showed that the public saw equality and community cohesion topics such as encouraging inclusion of all social groups, reducing the gap between the rich and poor and tackling inequality as key issues. There is currently no evidence of staff perceptions in this area. The current employee engagement survey may give an indication of staff perception around the value 'treating people fairly' which could provide an avenue to explore further at a later date.

#### What we did

- The report writing template and supporting guidance have been updated, and implemented from 1 September 2011;
- Due regard to equality workshops are being provided across all directorates by the Equality Team. This includes specific briefings in key areas eg procurement;
- Due regard to equality briefings are being provided to members who are involved in key decision making forums: Executive Board, Deputy Executive Board Members, Licensing Panel Members, Plans Panel Members, Scrutiny Board Chairs, and Area Committee Chairs.
- IODA (the council's training provider) has provided ongoing equality training (both generic and customised) to all directorates
- Immediate feedback and support is provided from the Equality Team on EIAs and screenings when requested by directorates
- Environment and Neighbourhoods have recently introduced additional checks within their process to increase the visibility of evidence of giving due regard to equality and has been promoted by their director
- All EIA's and Screenings are sense checked by the Equality Team before they are published

#### New Actions

- Continue to deliver the due regard to equality briefings to all Members
- Progress the QA on equality impact assessments and screenings
- The Equality Position Statement 2011 will be widely promoted. This provides considerable factual information about outcomes for different equality communities, which can be used to inform the screenings and EIAs
- Consideration will be given on how to capture the effect of giving due regard to equality on decisions
- Continue to develop new methodology for the indicator and to provide qualitative analysis and feedback to directorates

#### Data Development

- Finalise discussions with Corporate Governance to ensure a consistent approach to recognising 'evidence' of due regard.
- New methodology will be challenged by Best Council Board and the first result will be available for Q4

#### What Worked Locally /Case study of impact

From the sample reports reviewed a good examples of how giving due regard to equality has influenced outcomes is: the decision to retain some libraries was specifically informed by the demographic information and the role in the community included within the EIA eg Burley and Dewsbury Road

#### Risks and Challenges

Failure to evidence that due regard is given in decisions and policy making can result in:

- legal challenges eg in the form of judicial reviews, which can be costly and time consuming;
- negative national publicity impacted on reputation;
- undermining relationships with local communities;
- 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**  
**AMBER**

### Story behind the baseline

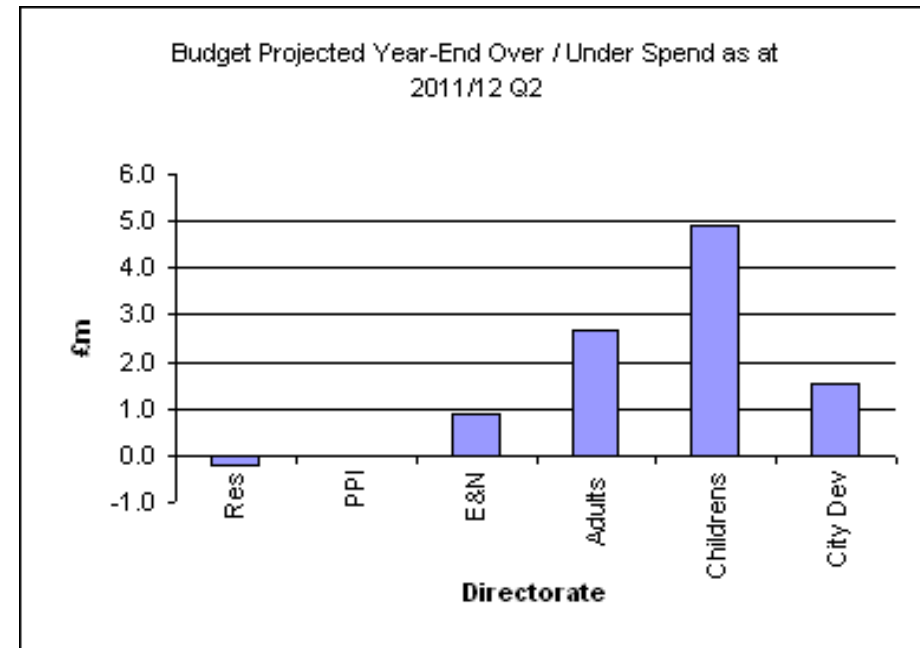
The preparation of the 2011/12 budget has been an unprecedented challenge with the Council's Government grants reducing by over £50m. In addition, demand pressures, particularly in Adult Social care and Children Services has meant that savings of around £90m have had to be built into the 2011/12 budget.

As can be seen from the graph, the in year management of the revenue budget has been challenging in each of the years illustrated, with action having to be taken in each to control overspends identified in the early part of the years.

At the half year stage of the current financial year, the projected overspend is £7.2m which has been rated as amber as it represents a variation of just 1.2% of the approved budget. The main areas of concern are:

- Non achievement of assumed procurement savings for residential and nursing care packages within Adult Social Care
- The number of externally provided residential and fostering placements in Children's Services
- Income shortfalls mainly relating to planning and building regulation fees, car parking, advertising and children's centres

**Headline Indicator:** No variation from agreed directorate budget in the year



**What do key stakeholders think** Last autumn Leeds residents gave their priorities for the council's budget in the 'Spending Challenge' consultation. This process ensured that the views of the public were reflected in the difficult decisions that faced the Council about how we could save £150m over next four years. Nearly 2500 responses were received with priority given to protecting frontline services and the most vulnerable people in Leeds. This summer children and young people told us their priorities for the future as part of the Child Friendly City consultation. A light-touch follow-up consultation for the 2012/13 budget is currently being planned to check that the priorities are still the same with an article due to go out in About Leeds in Nov/Dec. A full re-assessment of the public's spending priorities is planned to inform the 2013/14 budget cycle.

#### **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.

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.

#### **What Worked Locally /Case study of impact**

- Purchasing hubs have been created for the centralised purchasing of consumables and changes to the Council's ordering system have been made which has ensured that the use of negotiated contracts is maximised.

#### **New Actions**

- All directorates have been instructed to develop and implement action plans to ensure the authority does not overspend.
- Provision was made in the 2011/12 budget for around 400 staff leaving. The Council has launched a new Early Leavers initiative and over 1000 expressions of interest have been received. Action is being taken to quantify the extent to which this will impact on the current year's budget.
- Within Children's Services, the action plan to deal with demands and pressures on the placements budget has been revisited and updated with additional capacity put in place to help drive through delivery of the actions
- Directorates are reviewing budgets on a line by line basis and implementing spending freezes on areas of non essential spend where appropriate
- Opportunities for generating additional income are also being explored within directorates

#### **Data Development**

- No issues.

#### **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 updated register shows there are 3 very high risks and 7 high risks. The very high risks are procurement savings for residential and nursing placements, external fostering and externally provided residential childcare placements.