

**Report of Assistant Chief Executive (Customer Access and Performance)**

**Report to Resources and Council Services Scrutiny Board**

**Date: 5<sup>th</sup> Mar 2012**

**Subject: 2011/12 Quarter 3 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 3 performance data relevant to the Resources and Council Services Board. A number of key performance issues have been highlighted for Members attention.

**Recommendations**

2. Members are requested to:
  - Note the quarter three performance information and the key performance issues raised of the medium term budget and appraisals which has been highlighted and consider if they are satisfied with the work underway to address these.
  - Note the positive progress in delivering this years budget.
  - 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 three 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 set of delivery plans for the Council and the city were adopted by Council in July 2011 and this report provides an 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.
- 2.2 The new performance management arrangement include a number of new reports including:
- Performance Reports – these are produced for the 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 case. 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 5 Cross Council Priorities.
  - Appendix 1b – Resources Directorate Priorities and Indicators
  - Appendix 1c – Customer Access and Performance Directorate Priorities and Indicators
  - Appendix 1d – Other Directorate Priorities and Indicators relevant to the Board. NB these are provided for information and completeness as they relate to areas within the remit of 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 four of these are assessed as amber and one is green. This is an improvement on the position at Q2

as the priority on “spending money wisely” has improved from amber to green overall. After 9 months of the current financial year, the projected Council overspend is just £0.5m which has been rated as green as it represents a variation of only 0.08% of the approved budget. A balanced position by the year end can be anticipated. However, a number of the performance indicators which measure the contribution of each directorate to this overall position remain red including Children’s Services, Environment and Neighbourhoods and City Development. Adult Social Care have improved their budget position from Q2 and are now rated amber. But these directorates all continue to forecast overspends and so need to be closely monitored. Resources and Customer Access and Performance remain on track to deliver underspends and are rated green.

- 3.2 The first staff engagement survey reported at Q3 and a baseline position has now been established and action plans are being developed and implemented alongside the findings of the recent Investors in People re-accreditation. The indicators assessing the extent to which due regard to equality and consultation with the public are embedded in our most important decisions is still being developed and the first results are on track to be reported at Q4.

#### *Directorate Priorities and Indicators*

- 3.3 There are 22 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 information and completeness only(see appendix 1d). Of these none are red, 6 are amber and 16 are green. These are supported by 23 performance indicators that can be reported at quarter three of these none are rated as red, 5 are amber, 14 are green and 4 are not given a RAG rating. There are a range of additional indicators which are annual and will be reported at Q4.

### **Key performance issues for Resources and Council Services Board**

#### ***i) Medium-term budget***

- 3.4 Whilst the 2011/12 budget is now on track the medium-term budget risk remains high with a £55.4m funding challenge in 2012/13. The Medium Term Financial Plan to be reported to Executive Board on 22nd February outlines how the known pressures (increased demand within social care, declining income levels, debt charges associated with the capital budget) are planned to be met through the Council Tax freeze grant (a one-off grant), use of PFI and Council reserves, procurement, reduction in employee costs, increases in income and alternative funding sources. The amount of Council Reserves proposed to be carried forward at the end of March 2012 is £24m, of which £6.92m has been earmarked for use during 2012/13. Funding pressures will continue in the years after that and there remain uncertainties as to the impact of welfare reforms and changes to housing and council tax benefits. Early assessments indicate that the Council will have to find savings of £48.9m in 2013/14 and £48.2m in 2014/15. This will need to be managed alongside demand pressures and the need to demonstrate economic growth to maximise future government funding.

#### ***ii) Appraisals***

- 3.5 Appraisal reviews are due to be undertaken after 6 months: i.e. between October and December. At Q3 only 34% staff had their reviews recorded on SAP compared to 94% who had had full appraisals earlier in the year. Whilst there are reasons in some directorates for the low figures reported e.g. restructures and group appraisal arrangements, initial conclusions are that it is likely that this figure is being under recorded. Data development work will therefore take place during quarter 4 to rectify this in order for a more accurate position to be reported at year end, but equally this needs continued focus and attention across all directorates in order to ensure that the 100% target is met.
- 3.6 A new performance and learning management system will be introduced in spring 2012. The effectiveness of the new system, along with other future manager/ employee self-serve tools the council adopts, will depend on the quality of data we hold around ‘manager to employee’ relationship. An analysis and quality check of such data is currently being performed, with the intention of updating SAP organisation structures and creating nightly feeds from SAP into Cornerstone.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 This report provides an update on performance information and therefore it is not a decision requiring public consultation, however, all performance information is provided to the public via the council's website.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 This report provides an information update only and therefore it is not a decision which required due regard to be given to equality and diversity. However, due regard for equality was given during the development of the City Priority Plan and Council Business Plan.

### **4.3 Council Policies and City Priorities**

4.3.1 This report provides an update on progress in delivering the council 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's website.

### **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. CLT continue to review the corporate risk register alongside the performance information which ensures that the Council's most significant risks are effectively identified and managed.

## **5 Conclusions**

5.1 This report provides an overall summary of the current performance issues relating to the priorities from our strategic plans which are relevant to the Board. These reports are not designed to cover everything but aim to provide an overview which the Board can use to inform their future work programme.

## **6 Recommendations**

6.1 Members are requested to:

- Note the quarter three performance information and the key performance issues raised of the medium term budget and appraisals which has been highlighted and consider if they are satisfied with the work underway to address these.
- Note the positive progress in delivering the current years (2011/12) budget.
- 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)