

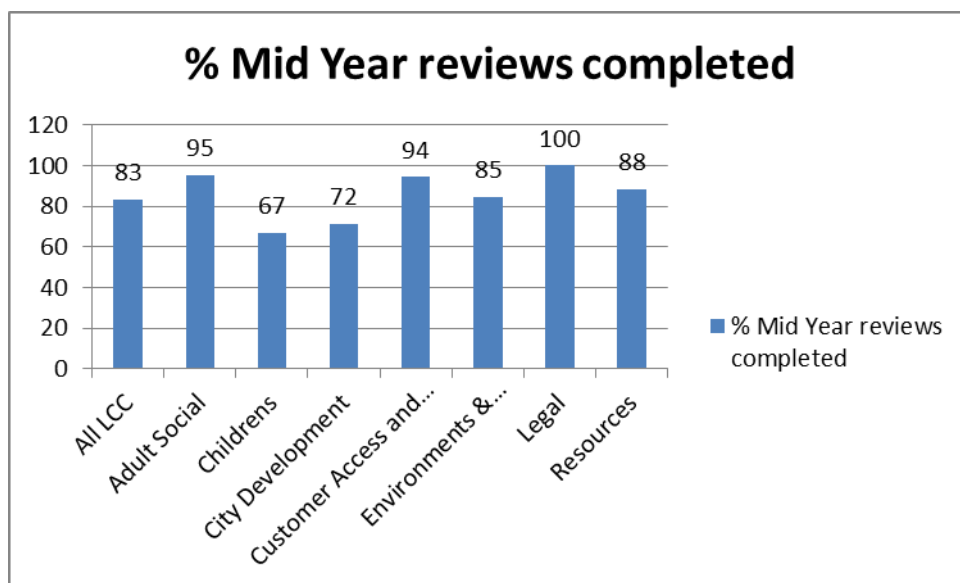
**Value:** Working as a team for Leeds

**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 is this a priority** - Appraisals are important for ensuring staff perform at their best, enabling us to improve the services we deliver and help the council face its challenges. Appraisals also encourage staff to build skills and expertise and fulfil their career ambitions.

**Overall Progress**  
**AMBER**

### Story behind the baseline



### Progress we have made

- 97.2% of main appraisals were completed earlier this year (Aug 2012). This is the council's highest ever total
- 83% of mid year reviews were completed (December 2012), again this is the council's highest ever total.
- Full and mid year appraisal reviews for all staff in 2012/13 have been conducted using the same, single council wide scheme
- The council's new Performance and Learning system was used for appraisals for 8000+ employees for the first time in 2012/13
- Looking forward to 2013/14, 'Quality appraisals for all' remains a top priority for the council, and again we are aiming for 100% completion of both full and mid year reviews
- The new 2013/14 appraisal window opened as planned on 4 April 2013. New style performance ratings are being used in appraisals for all staff.
- An effective Joint Trade Union/HR working group continues to support and monitor the implementation of appraisals across the council

### What do staff think

Via our Engagement Survey work, we know that quality appraisals are really important to staff. We also know that staff rate the quality of existing appraisals highly, and that having clear expectations, good feedback and performance and development discussions are valued. Via focus groups, we know that the staff are generally supportive of the new appraisal approach that has been introduced in 2012/13. Feedback from the Trade Unions (via the joint working group) is positive. 99% of Managers say they understand the new performance ratings and 91% say they are confident to use them. Around 50% of managers say they have some concerns around appraisals, with 3 main areas of concern being: PAL system, fairness and consistency of application of the ratings, how the organisation will use the ratings.

### What we did

In the last quarter, we have:

- Asked directorates and services to follow up on all outstanding mid year reviews.
- Taken over 1500 managers through Performance Rating workshops
- Offered a range of staff communication and awareness routes for staff (briefings, posters, Q+A sessions)
- Set up a PAL user group, and gained feedback (issues and wish lists) to inform future system development
- Revamped all appraisal and PAL Insite pages
- Issued new paper appraisal forms
- Communicated plans (via HR teams in directorates) for PAL support and training for the new 2013/14 appraisal cycle.

### New Actions

#### Push for 100% returns on end of year reviews between April and June:

- Keep strong levels of communications, and continue to listen and act on staff and trade union feedback
- Directorate leadership teams to take action to ensure performance ratings are applied fairly and consistently
- Tackle appraisal 'hot spot' areas quickly as they emerge
- Encourage the uptake of PAL training that is on offer

### Data Development

- It has been agreed that appraisal reporting will be at Chief Officer/HOS level in monthly People Plan Scorecards (only at directorate level in 2012/13)

### What Worked Locally /Case study of impact

- The joint HR/Trade Union working group continues to provide a valuable route for identifying and tackling local 'hotspot' areas around appraisals

### Risks and Challenges

- Challenge –100% completion of all end of year appraisals by June 30, 2013.
- Making sure that managers apply the performance ratings fairly and consistently, and reducing staff anxiety about the use of ratings
- Addressing PAL system concerns that users have, and improving confidence and skill levels of PAL users.

**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

**Why is this a priority** - 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. These include the quality of leadership as well as whether staff feel listened to and valued and whether we are seen to be living the council values.

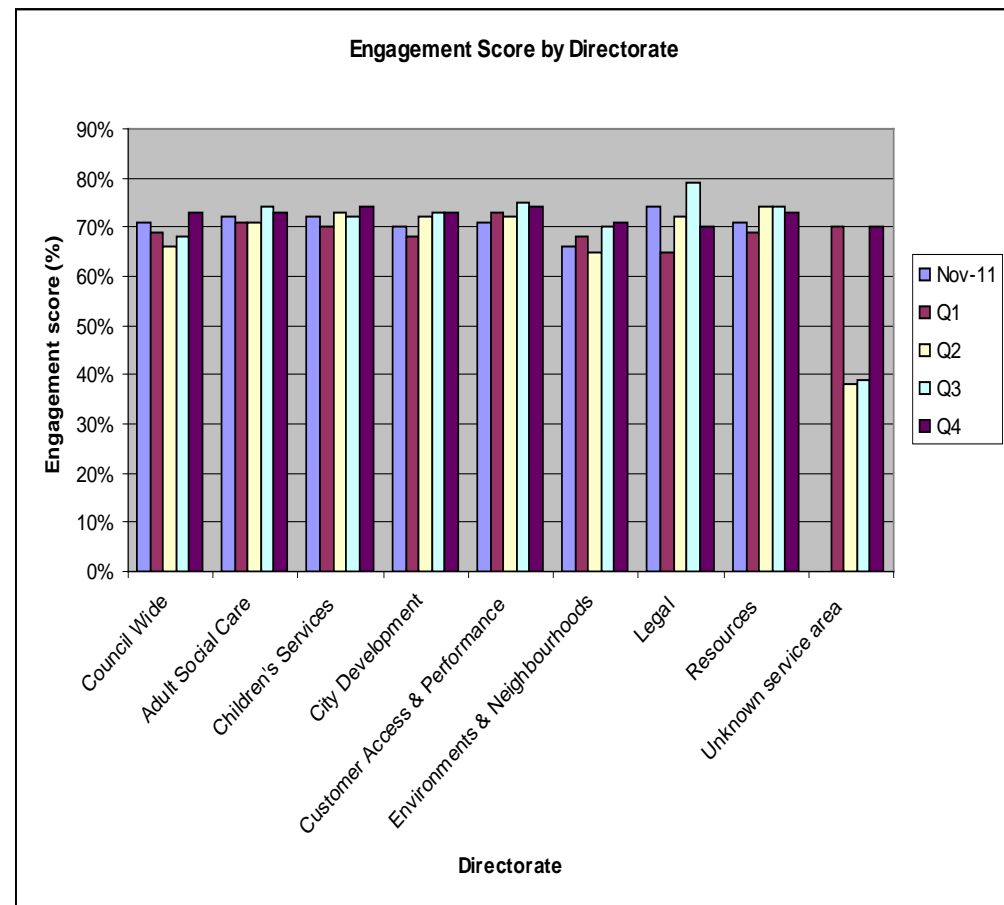
**Overall Progress  
GREEN**

**Story behind the baseline** - Following on from the council-wide benchmarking survey in November 2011, 'pulse' surveys are now carried out each quarter. The Q4 sample comprised 1,041 employees (829 online; 212 postal). CLT have agreed three main areas for improvement council-wide: 1. Fully embed the values and behaviours expected from our leaders and managers; 2. Quality two-way communications; 3. Managing change.

**Key Findings** – There are 3 key measures from the Q4 engagement survey:

1. **Response rate:** decreased from 32% in Q3 to 25% council-wide for Q4. Online responses decreased from 45% to 37% and postal responses decreased from 13% to 11%.
2. **Engagement level** - the graph shows the overall engagement scores by directorate. The target for 2012/13 was set at 73% council-wide (or +2% from November 2011 for each directorate). The council-wide engagement measure has increased from 68% in Q3 to 73% in Q4. This includes 53 staff (5% of all respondents) who did not state their service area/directorate and for whom the engagement levels were 70% (compared to 39% in Q3). Since November 11 the Council and all Directorates have met the target of increasing engagement levels by 2%, apart from Adult Social Care who have increased by 1% (but consistently remain above the Council wide level) and Legal Services (however it is worth noting whose score has fluctuated throughout the quarters, this could be attributed to their size).
3. **Performance gap** – The performance gaps (the difference between importance and performance scores) have continued to close in the 'Your Managers' section whilst the other sections have seen a very slight increase since Q3. Compared to Nov 11 nearly all the performance gaps have continued to close (with the average Performance Gap continuing to close from -1.8 in Nov 11 to -1.3 in Q4) indicating that we are continuing to close the gap overall between Importance and Performance.

Regarding communication: 64% of employees reported that the results from previous surveys had been shared with them, compared to 66% in Q3.  
Finally, regarding the Values questions; 'The Values influence how I do my job' and 'I recognise the values in how my colleagues work' have slightly higher importance and performance scores in Q4 than in previous quarters, however they remain slightly lower than in Nov 11.



There has been very little change in the 'Extra Mile' results since the Q1 survey, with responses indicating high levels of willingness to go the extra mile (relating to employees being willing to learn new skills, go beyond their normal duties, speaking positively about their job/the council etc). Over the last Quarter, directorate leadership teams have been working developing and refining action plans to increase staff engagement and best practice has been shared between directorates through the HR Engagement Champions group. Further work is planned to undertake some cross correlation against other performance indicators at a Corporate level. Consideration is currently being given as to whether this should be done using the aggregated data of 2012/13 quarterly surveys or the outturn data at Quarter 4. The aggregated data provides more meaningful views of all the workforce who have participated over the course of the year, however this will include some views which now may be out of date as things have changed as a result of actions taken over this time. The advantage of using the outturn data is that it provides views at a point in time; however this is only based on a small sample of the workforce.

### What we did

- Results of the previous surveys have continued to be shared at all levels of the organisation to ensure participants believe 'something happens' as a result of completing surveys (through tailored communications to directorate leadership teams; posters, targeted at all work place locations; email and internet communications [including dedicated intranet page]; Trade union meetings etc. Only 66% of respondents said the results had been shared with them (range: approx 55% in Children's Services and Adults Social Care to 84% in Customer Access and Performance).
- Activities/engagement plans developed during 2012/13 have continued within directorates. HR has worked with managers to really increase understanding of the data; managers are now more aware of the survey, the rich information it can provide and how to interpret the information to understand where action is needed.
- Consulted groups of staff, managers and leadership teams about what they wanted from future surveys
- Met with representatives from the staff networks to discuss how to best capture equalities information from future surveys
- Proposals have been presented to Best Council Board and Corporate Leadership Team for the implementation of the engagement survey during 2013/14, and the following changes have been agreed:
  - 6 monthly surveys (July / January)
  - Focus on measuring performance only (given we know the questions are important, having tracked them for over a year)
  - Continue with anonymous surveys, but ask respondents to provide their equality data
- Preparation work has been undertaken for the launch of the 'Employee Panel' to mirror the Citizen's Panels.
- Hosted a successful regional 'Engage for Success' event

### New Actions

- Work with services with lower response rates to try and identify practical solutions to increase uptake
- Launch the Employee Panel during Q1 2013/14
- Continue to work with the 'Digital Divide' exercise to maximise the numbers of staff who can access the staff survey electronically
- Use the forthcoming appraisals to really embed the values and behaviours that will make a difference
- Working with local and regional networks to develop understanding of employee engagement
- Further work is planned to undertake some cross correlation against other performance indicators at a Corporate level. Consideration is currently being given as to whether this should be done using the aggregated data of 2012/13 quarterly surveys or the outturn data at Q4. The aggregated data provides more meaningful views of all the workforce who have participated over the course of the year, however this will include some views which now may be out of date as things have changed as a result of actions taken over this time. The advantage of using the outturn data is that it provides views at a point in time; however this is only based on a small sample of the workforce.

**Data Development** - Work is being undertaken to increase the number of staff who can participate electronically in the survey to try and overcome the 'digital divide' problem.

**Risks and Challenges** – : There is a continued risk that if the survey results, and the actions arising out of them, are not communicated to staff, there may be a reluctance to participate in the future engagement surveys which could further impact on response rates. A clear on going communication plan needs to be in place to demonstrate that the organisation has listened, and that the changes to the survey going forward are linked to feedback to continue to embed and improve engagement across the organisation. Less frequent surveys could result in engagement being perceived as less important, therefore along with the Employee Panels actions need to continue to be taken to improve and further embed engagement across the Council.

**Value:** Working with communities

**Priority:** Local communities are consulted about major changes that may affect their lives.

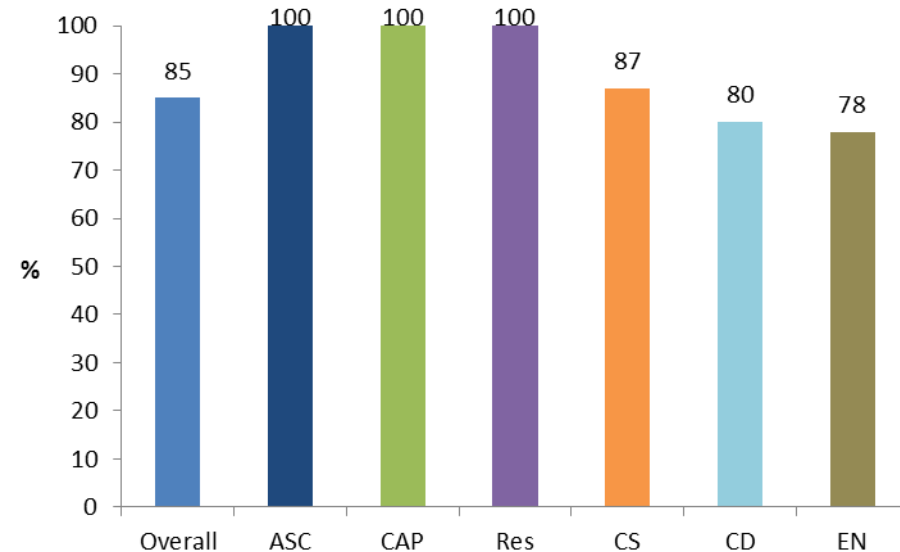
**Why is this a priority** - At a time when resources are limited we need to make sure we are providing the services that the public need in the most appropriate way. By providing clear evidence of public consultation we can ensure communities are effectively able to influence what we do.

**Overall Progress**  
**AMBER**

### Story behind the baseline

- The target of 100% has not been reached, although the improvement seen throughout the year has continued with a rise to 85% in Q4 from 82% in Q3.
- Every report that failed to meet VAL3 criteria failed to be clear whether consultation with the public was needed or not, and if not, why i.e. they are purely internal decisions or consultation would take place in the future.
- The majority of Exec Board papers were seen at draft stage by the Partnerships Team, and supportive comments on the use of consultation evidence provided to the writers. While there was still time to make changes. At least one report that failed to meet the criteria did not reflect the advice given at draft stage.
- Delegated decision reports are three times more likely not to meet VAL 3 criteria than Exec Board reports. Delegated reports do not receive the same level of support at draft stage, although some directorates do pass on drafts for comment on an ad hoc basis.
- Resources directorate made a significant improvement from below 50% to 100%, while City Development fell back this quarter. Other directorates maintained performance levels.
- Although there is still a need for report writers generally to give more detail on consultation processes, output and impact on decision making there were examples of excellent recording of good consultation and engagement, particularly in ASC.

**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



**What do people think** The 2012 Healthy Communities Survey reveals how residents feel about getting involved and influencing decisions:

- 55% of respondents feel aware of ways to get involved in local decision making
- 19% of respondents feel that they have influence over local decision making

We also know that people that get involved in consultations etc. already feel more influential over local decisions, regardless of the outcome each time. Research by Leeds University shows us that a significant minority disengage with the decision-making process as they do not trust the council to act on their views or to provide feedback to them on what is happening with the consultation results.

**What we did**

- Provided more QA and support to report writers at draft stage (All Exec Board and some delegated decisions)
- Draft Toolkits progressed through early 2012 as part of Community Engagement Operating Framework
- Engaged with Equality and Involvement lead in Public Health about recording against VAL3
- Evaluation of 2012 Budget Consultation
- Further Panel consultations, including qualitative focus groups and web-journey mapping.
- Received initial findings from University of Leeds research into Public Involvement

**New Actions**

- Ongoing delivery of including full set of Toolkits, review of coordination and approval of consultation and the role of the Talking Point system pending outcome of Enabling Corporate Centre review.
- Use of intranet MySite functionality to establish searchable network of officers with consultation and engagement skills.
- Delivering next year's calendar of Citizens' Panel consultations
- New recruitment exercise for Panel, targeting under-represented communities
- Officer workshop on University of Leeds research into Public Involvement

Developing ways to support services' giving more influence to users/residents at earlier stages of design and decision-making (co-design, co-production) as e.g. ASC case studies already show

**Data Development**

- TBC

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

- The 'Better lives...' project has been developed in conjunction with active and inclusive engagement of a wide range of stakeholders including vulnerable service users, and evidences it very well in decision reports.

**Risks and Challenges** There are still challenges associated with community engagement in Leeds, including reducing financial resources which is impacting the way we deliver engagement, the need to improve the coordination and efficiency of activity, and to robustly give evidence of the impact community engagement has on the decisions we take.

**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

**Amber**

**Story behind the baseline**

A full quantitative analysis has been undertaken of the 75 major decision reports which fall within scope for this indicator. 87% ( 65 reports provided sufficient evidence, however 13% (10) did not include sufficient evidence to meet the specific criteria for this indicator.

The Directorate breakdown of reports that met the criteria is; Adult Social Care 100%, Children’s Services 67%, City Development 100%, Customer Access and Performance 100%, Environment and Neighbourhoods 83% and Resources 100%. There were no reports produced by Legal this quarter.

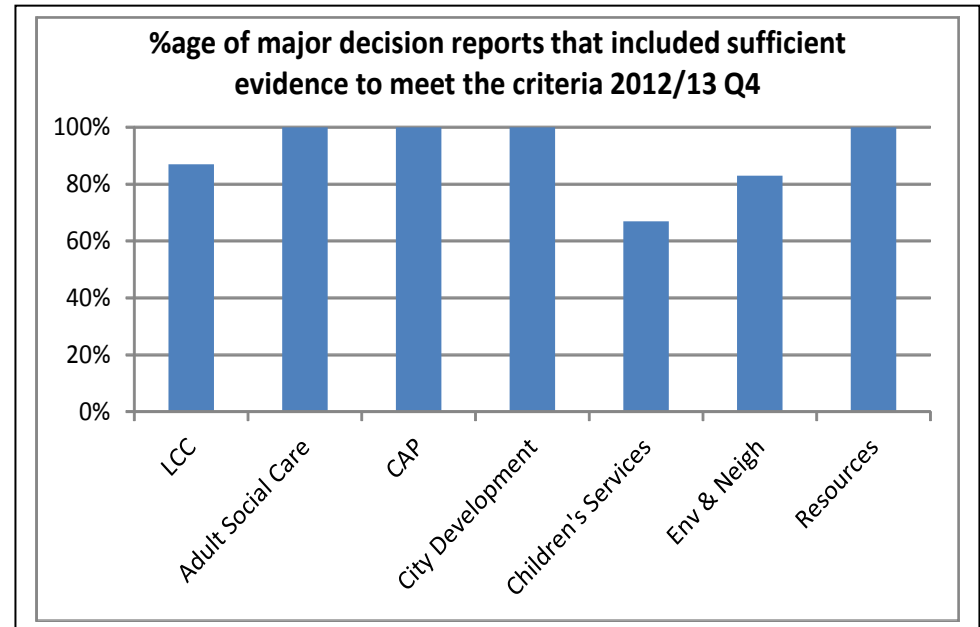
There has been an increase in the number of reports that have failed to demonstrate how due regard to equality in decision making has been considered and referenced. As a result the council is not able to achieve the 100 per cent target this quarter.

The qualitative analysis exercise undertaken to support the quantitative analysis has identified that the standard and quality of equality impact that have met the criteria are generally good. It has, however, flagged that the signing off process in Directorates may not be working as anticipated.

Detailed feedback will take place with Directorates which will include work to address the gap in the quality of the reports that have failed to meet the criteria and to review their report clearance process to ensure compliance. This should help to address the issues that have resulted in a decline in progress this quarter.

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

**Result of Quarter 4:**



The council is keen to improve progress of residents perceptions and views on how people from different backgrounds get on and whether the council treats people fairly. Benchmarking with seven other local authorities is taking place and Leeds City Council performs favourably with an overall score of 72%. This is in comparison to the highest score being 89% and the lowest score being 59%.

#### What we did

- The Budget 2013/14 Strategic EIA was produced and published.
- Best Council Board considered and agreed area's for improvement on equality 2013/14.
- Work started on reviewing the council's current process for giving 'due regard' to equality.
- A cross council migration group has been established and work priorities agreed.
- The Equality and Diversity Annual Review was produced.
- Started work with the Public Health Team on how they adopt the councils approach to equality.
- A mini-review of the Equalities Assembly was carried out
- Supported Children's Services on improving approach and process for reporting Hate Crime in schools.
- Worked across directorates to support programme of work for LGBT Friendly City.
- All reports that fall within scope for this indicator are now subject to quality assurance
- Achieved 74<sup>th</sup> place in the Stonewall Workplace Equality Index 2013 Top 100 Companies.

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

- Developed an approach and process for equality complaints handling which was successfully piloted in City Development and will now be rolled out for use across the council.

#### New Actions

- New ways of working with and involving equality communities will be tested during the first six months of 2013/14.
- A programme of equality support for the Public Health Team will be developed and delivered.
- Develop improvement work agreed by Best Council Board on future role of staff networks, future approach to publishing the equality and diversity position statement and further development of challenge forums.
- Provide immediate feedback and challenge on 'due regard' compliance and support improvement work on report clearance.
- Conclude review of council's equality impact assessment process and implement any changes
- Establish a City Wide Equality Network with partner organisations.
- Approval of Equality and Diversity Annual review.

#### Data Development

- All directorates have considered or put in place an appropriate process to ensure reports are able to demonstrate due regard to equality has been considered and meets the criteria for this indicator

#### Risks and Challenges

Failure to evidence that due regard is given in decisions and policy making can result in; legal challenges e.g. in the form of judicial reviews which can be costly and time consuming; negative national publicity impacting on reputation; undermining of relationships with local communities and 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**  
**GREEN**

### Story behind the baseline

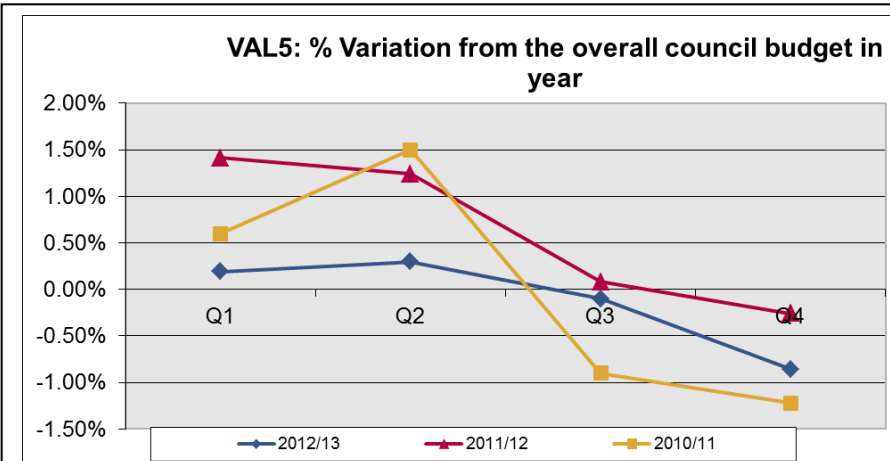
The 2012/13 budget was based on the second year of a two year funding settlement and the loss of government grant plus pressures on spending resulted in the Council needing to identify around £55m of savings.

Overall, the Council has responded well to the challenge, and the chart shows how the projected overspend reported to Executive Board has reduced during the year.

The provisional outturn position is an underspend of £4.8m as shown in the table. This represents a variation of just 0.86% of the approved budget. The main issues contributing towards the provisional outturn position are:

- Children's Services – the projected underspend of £983k is against a net managed budget of £132m. An underspend of £1.2m on external placements has been partly offset by cost pressures in other areas of the looked after children service. A staffing underspend of £3.9m across the directorate has been partly offset by a reduction in Families First grant income of £2.8m.
- Within City Development the main pressures relate to energy, income shortfalls and additional winter maintenance expenditure due to the recent exceptional weather conditions.
- Within Environment and Neighbourhoods there are continuing pressures around staff currently in managing workforce change and ongoing route backup pressures in refuse collection.
- Capital financing savings of £5.6m – see what we did for details

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



Directorate	Total (under)/overspend
Adult Social Care	£000 (336)
Children's Services	(983)
City Development	2,040
Environment & Neighbourhoods	1,045
Resources (excl Commercial Services)	(1,413)
Commercial Services	670
Resources	(743)
Legal Services	(0)
Customer Access and Performance	(195)
<b>Total</b>	<b>828</b>
<b>Corporate issues</b>	
Capital Financing	(5,647)
<b>Total</b>	<b>(4,819)</b>

**What do key stakeholders think** The Council's Initial Budget Proposals for 2012/13 were the subject of public consultation via the internet site and a very limited number of responses were received. These comments, in addition to responses received from two Scrutiny Boards, the Third Sector and the Youth Council, were incorporated into the final budget report. The Council received 2,747 responses to its 'YouChoose' budget 2013/14 consultation, and the headlines were published in the 2013/14 budget report in February 2013.

#### **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.
- Reducing the number of children and young people being looked after was one of the three obsessions identified within the Children and Young People's Plan in order to 'turn the curve'. The strategy adopted by Children's Services and partners is working and there are now less placements than anticipated in the budget model.
- Capital Financing - general savings of £4.0m have been achieved through the continuation of low interest rates due to the economic downturn which has resulted in further savings in the cost of short term borrowing. In addition, a further £5.2m saving is projected due to a change in the accounting treatment of borrowing costs charged to the HRA. However, the difficult economic climate is also having an adverse effect on section 278 income and capital receipts. A full review of section 278 receipts<sup>1</sup> has been undertaken and there is likely to be a £2.2m shortfall. The level of capital receipts that are forecast to be available to support the revenue budget has been re-assessed at £1.3m less than the budget which assumed a stretched target for the capital receipts programme.

<sup>1</sup> The Council receives income from developers to fund highways works which are required for new development schemes. These are known as section 278 agreements and the Council's 2012/13 revenue budget provides for income of £5.2m for such schemes.

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

2011/12 was the first year of operation of the Council's new projections module, through which budget holders are required to input year end projections for their cost centres. Completion rates are monitored on a monthly basis, and the projected average for the year is 67% of cost centres completed each month.

#### **New Actions**

- Subject to finalisation of the outturn position, Executive Board will be asked to consider measures to provide greater resilience against future risks. These include:
- In anticipation of further reductions in government support, we could enhance the Council's General Fund Reserves to facilitate support to budgets beyond 2013/14.
- Recognising the importance to the Council's future finances of growth in business rates and new homes bonus, consideration may be given to initiatives which might support future growth.
- Taking account of the further workforce changes which the Council faces, it may be appropriate to enhance the earmarked reserve set aside to fund early leavers.
- Given the uncertainties surrounding the new system of local government funding, and in particular our reliance on business rate growth, enhanced levels of reserves would help mitigate against risks around the volatility of the economy.
- Consideration could be given to the impact of the welfare reforms, both from the point of view of debt recovery and the impact on the community.

#### **Data Development**

- Higher income collection has been achieved in Adults Social Care following the centralisation of the billing team in 2011/12.
- Following amendments to the FMS projections module, it has been possible to shorten the reporting period by a week and the transition was successfully completed with 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. At the start of the year there were no very high and 6 high risks. All risks have been closely monitored throughout the year and have been managed within the overall resources available to the Council.