



*2000/01  
Improving Housing Maintenance*

*2001/02  
Maintaining a Quality Environment*

*2002/03  
Promoting Racial Equality*

**Cabinet  
Council**

**22<sup>nd</sup> April 2002  
30<sup>th</sup> May 2002**

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**ANNUAL REPORT OF THE CHIEF EXECUTIVE  
STRIVING FOR HIGH PERFORMANCE**

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**Report of the Chief Executive**

**1. Purpose of Report**

The Annual Report of the Chief Executive has been received on a regular basis since Unitary Status in 1997. It celebrates past achievements, and highlights key challenges for the coming year. Its purpose is to inform Members of the major corporate outcomes from the past year and to sustain the Council's focus and commitment on the future year's priorities.

The aim of these efforts is to achieve a real change in the experience of service users, and in the cohesion of our communities.

**2. Summary**

Significant successes have been recorded in the past year by reference to:-

- externally accredited excellence;
- continuous service improvements;
- cross-cutting partnerships;
- regeneration and renewal;
- support service developments.

The ambitious challenges that our communities want the Council to own and deliver on relate to:-

- Revitalising Neighbourhoods;
- racial harmony
- service improvement.

### **3. Recommendations**

Members are invited to:

- 3.1. welcome the Council's continued success in managing substantial change and its achievements during the past year
- 3.2. Debate and give guidance on the key priorities for the future with comments on how they should be pursued.

### **4. Headline Financial and legal Implications**

None directly arising from this report.

### **5. Background papers**

Unitary Status: the first year onwards: Council May 1998.  
Strategic Direction and the Community Plan: Council January 2000.  
Revitalising Neighbourhoods: Cabinet January 2001.

### **6. Consultation**

### **7. Report Author/Officer to contact:**

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CXO/RG  
28.03.02



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**INTRODUCTION**

1. Since Unitary Status in 1997, Members have received strategic reports on the Council's achievements and ambitions. These have been in the nature of an Annual Report to Members that reviews and previews key Council priorities. The report this year:-

- reviews the changes managed by Leicester City Council and its achievements since the last Annual Report on Revitalising Neighbourhoods in January 2001;
- identifies certain key challenges facing the Council in the next year and beyond;
- sets out a plan of action to put the Council in the strongest possible position for making systematic improvements in services in readiness for the Corporate Performance Assessment heralded in the Local Government White Paper – "Strong local leadership – quality public services".

The Annual Report of the Chief Executive celebrates past achievements and progress made against priorities, and highlights key challenges for the coming year. Its purpose is to inform Members of the major corporate outcomes from the past year, and to sustain the Council's focus and commitment to the future year's priorities. The aim of these efforts is to achieve a real change in the experience of service users, and in the cohesion of our communities.

2. It is important to recognise that Leicester's peace and prosperity as a multi-cultural European city are directly affected by a wide range of external and internal factors:-

- global economic slowdown in North America, the EU and Japan;
- the Euro currency's persistently low valuation;
- international politics and terrorism's fallout;
- emerging regional agendas with conflicting aspirations;

- disaffection with politics and elections in all industrial democracies;
- statements from government favouring real increases in public sector investments, and a major review of the grant distribution mechanism;
- a growing agenda of central government's policy requirements;
- rapidly increasing expectations among citizens about the quality of life they wish to enjoy.

Recent achievements and future challenges need to be considered in this context. Since its inception in 1997 the Council has maintained a relentless focus leading to national and international recognition for innovation in its priority areas:-

- racial integration;
- sustainability;
- political conventions and protocols.

It has seen a major turn around in some very low performing services including our top priority service, Education. This has been possible not only because of its ambition, but because of its frank self-assessment and acknowledgment of deficiencies and risks. This Annual Report is a key opportunity to renew ambition and focus, and to face up to difficult problems that could diminish potential gains if they are not tackled.

### **RECENT ACHIEVEMENTS 01/02**

3. Leicester has been widely recognised as one of the most ambitious and highest achieving new Unitary Authorities. It is the only Council in the region to win treble Beacon Council 2000/01/02 and one of only 7 out of more than 470 in the UK, and the sole Unitary. In the past year success has been demonstrable in:-
  - Externally accredited excellence
  - Cross-cutting partnerships with public, private and voluntary sectors
  - Regeneration and renewal initiatives
  - Continuous service improvements
  - Support service developments.

### **Externally Accredited Excellence**

4. The City Council was awarded Beacon Council 2002 for Racial Equality. Our work on race equality continues to be a core priority as Britain's most diverse city, the more so as it becomes apparent that community cohesion and social stability cannot be taken for granted in Britain. The shadow of international terrorism is a long one and no-one in this generation will be able to forget the events of 11 September 2001, and the challenge it presents to all of us for living in harmony with one another in the 21<sup>st</sup> century. The Cattle Report on Community Cohesion highlighted Leicester for positive endorsement of its enlightened commitment to fostering diversity in the City. Yet there is no room for complacency. That is why the City Council has faced up to its Leadership Challenge and invited the Chair of the CRE, Gurbux Singh, to meet privately with the most senior figures from Leicester's Universities, Police, Media, Health, Local Government, Faith, Business and Voluntary communities to reflect on further actions to

be taken. Follow up activities are now being explored both with Gurbux Singh and Ted Cantle that put Leicester at the forefront of national initiatives on this sensitive issue.

5. International recognition for our work on sustainable development has been consolidated. In January 2002 the Authority was selected by the Organisation for Economic Cooperation and Development to make a presentation in Paris, as an example of best practice in local agenda 21. The Authority has successfully re-registered EMAS for the third year running and we remain one of the largest EMAS-registered organisations in Europe. At a national level our work on EMAS underpinned the achievement of Beacon Council Status for Environmental Quality announced shortly after last year's annual report. It also underpinned award from the National Society for Clear Air on "Innovation in Sustainable Development".
6. Other externally accredited excellence includes a remarkable fourth successive year in which our Housing Services have been given a government "A" grading accorded to less than 10% of authorities annually. Only 9 authorities in the country can match four such successive awards. The City has been honoured by the Commission for Architecture and Built Environment in its CABE Festival Award 2001 for the quality of its building developments such as Bede Island North, the Land Registry, the Soar Footbridge and the National Space Centre. Our website has been voted by the national Society of IT Managers as one of the top local government sites in the country, with top rating for accessibility for the visually impaired.
7. The corporate reputation of any Council is a precious resource that brings pride to staff and citizens. Its importance will grow as the government moves towards popular league tables on the basis of which additional funding and freedoms may be allocated. Despite the demands involved in securing such competitive accreditation, it is an aspect of the Council's work that requires continuing support to sustain improvement both in the government's agenda and in local community initiatives. Despite the increasingly onerous nature of the national agenda, the City Council remains determined to take forward a radical local agenda as well.

### **Continuous Service Improvement**

8. The Council's core business is about continuously improving local services for local people against key priorities. The past year has seen the completion of the development phase of the largest change process undertaken since Unitary Status aimed at "Revitalising Neighbourhoods". Following extensive research, development and consultation, Members have approved a new direction for the Council in terms of giving local people a bigger say, freeing up people from unnecessary bureaucracy, listening to people more carefully and finding better ways to deliver. The challenges over the next few years will be enormous since the heart of these reforms requires profound cultural changes in behaviour and attitude from all staff and Members in order to make the Council a friendlier, more responsive organisation. Other authorities, including Leicester in the past, have struggled to bring to a satisfactory consensus such a complex project generating so many divergent views. It is a credit to colleagues across all services that there is now a secure basis to begin a major implementation process next year.

9. The strategic improvements in Education continue to be endorsed following OFSTED's re-inspection. OFSTED has highlighted strengths in strategic planning and leadership, support for schools, literacy standards rising faster than the national rate and progress on the National Grid for Learning. GCSE results rose 7 times faster than the national rate. National Numeracy Strategy is being implemented effectively and 2 new high tech City Learning Centres have been developed. The Social Services Joint Review follow-up assessment confirmed the Department in the top quartile of performers. The Social Services Inspectorate's full inspection of the Mental Health Service placed that service likewise in the top quartile. We are one of the first city-wide Sure Start pilots, and are developing successful schemes in Beaumont Leys, St Matthews, Saffron, Highfields and Braunstone. Our Quality Protects Management Action Plan was one of 8 singled out for praise by the Department of Health.
10. Listing the achievement of major corporate programmes should not mask the personal gains they produce in the daily lives of individual people and their families. For example, Crime and Disorder tops the concerns of Leicester citizens and the Partnership Against Crime and Disorder has overseen a 29% reduction in burglaries in high crime areas. Our ambitious Youth Justice Plan has again been commended, and the Youth Offending Team has met the government's target to halve the time between arrest and sentence for young offenders. Our Welfare and Employment's Rights Team have drawn down over £1 million into the City's economy and we have set up the largest debt advice centre in the region to help people manage money more effectively. We have developed our first Black and Minority Ethnic Housing Strategy to respond to the specific needs of minority communities. The new Allotments Strategy has consolidated improvements in sustainable allotments and released unsustainable sites for other developments. The quality of our Local Transport Plan has generated substantial new government funds for highways maintenance. The new Food Service Plan is beginning to address growing public concerns around food safety. The replacement Leicester Local Plan was published to consult on the policies that will guide the future development of the city.
11. After struggling with many authorities for months to adjust to teething problems arising around the new Best Value regime, we have now obtained a strong endorsement from the District Auditor for our overall approach to Best Value Reviews. We have recently secured our first 3 star ratings for improvement plans in Libraries and in Homelessness Services. On procurement we are conscious that our performance has a major impact on generating additional capacity, improving cost-effectiveness and promoting equality and diversity. After a disappointing review outcome last year, it is gratifying that subsequent work on the Procurement Improvement Plan has led to the Best Value Inspectorate revising upwards their assessment of its likelihood for improvement. These are significant achievements for the services by all staff concerned.
12. The City celebration of diversity has maintained its traditional festivals such as Christmas, Diwali and the African-Caribbean Carnival. In addition, this year we have seen records broken with the largest outdoor event of the year in the UK: 100,000 visitors, generating an estimated £2.5 million for the City, converged on Victoria Park on One Big Sunday to hear stars of the profile of Kylie Minogue, Victoria Beckham, Coldplay and Jamiroquai. 30,000 also attended the New Walk Museum's largest ever art exhibition to see the Koelz Triptych "Thou Shalt Not Kill" painted in Nazi Germany.

The Wild Space interactive exhibition on biodiversity at New Walk Museum has drawn much interest; the February 2002 half-term visitor numbers were unprecedented. Our success at mounting and managing such popular events gives confidence that a worthy welcome will be given to HM The Queen on her Golden Jubilee visit to Leicester in the summer.

### **Cross-cutting Partnerships**

13. The District Auditor's annual management letter has drawn attention to the significant advances recently in partnership working involving public, private and voluntary sectors. Frequently the Council is the catalyst for such partnerships, and invariably an indispensable contributor in terms of ideas, leadership, support and funding. The Leicester Partnership has won Government accreditation as the key local strategic partnership for the City and is beginning to deliver measurable outcomes on the Neighbourhood Renewal Fund, the Public Service Agreement collaboration and the development of the Community Plan. Its sub-groups are focusing on the 6 key elements of delivering the Community Plan. A new sub-group on Diversity has been set up to develop work on equalities and community cohesion with partners.
14. The *Leicester Regeneration Company* is now functioning as one of the first such companies in Britain taking forward physical development in 4 priority areas in the City. It is working with independent consultants and a multi-disciplinary Council Team to produce a detailed MasterPlan that identifies key regeneration opportunities and outcomes. The *Leicester Shire Economic Partnership* has been successfully accredited and fully supported by the Regional Development Agency as the sub-regional body for Economic Development. The *Connexions* service for 13-19 year olds is already meeting in shadow form prior to taking up responsibilities for the Careers and related services within the coming year. The new Chair and Chief Executive have been appointed, a strategic plan is in development and work in schools is already under way. A new *NHS Partnership Trust for Mental Health and Learning Disabilities* has been formed to promote closer working between Health and Social Services and to improve the delivery of services to adults. A *Leicester Portal Partnership* is driving forward our website development for the City, with a "Learning in Leicester" site due on-line before this summer. The revised Structure Plan for Leicester, Leicestershire and Rutland is about to be published following a successful examination in public and receipt of the Inspector's report. In most of these partnerships credit is due to the Regional Government Office and EMDA for their active participation and financial contribution. Collaboration between City and County has also attracted much positive comment.
15. The effectiveness of such partnerships can be evidenced by reference to the *National Space Centre* which opened in the summer to outstanding local and national reviews after 3 years of development work. Visitor numbers are running 20% above expectation and could reach 1/3m in the first year. Traffic and parking arrangements supported by Council staff have been well managed. It looks set to make a significant contribution to the public understanding of science in the U.K. It is already a key visitor destination impacting positively on the City's economy and its civic pride. 100 new jobs have been created and the Centre is the start of a wider regeneration opportunity around Abbey Meadows.

### **Regeneration and Renewal Initiatives**

16. The City's first Cultural Strategy – "Diverse City" has been adopted following extensive stakeholder discussions. This has led to the formation of a new Cultural Strategy Partnership. A £6.6m package has been approved for Phase One of the Cultural Quarter in the St George's area which will see a new Centre for Performing Arts to replace the Haymarket Theatre. There will also be Creative Industries Workspaces for local artists and producers funded by £10m from the Arts Council and £5m from European funds already secured. £1.4m has been won for refurbishing the historic and unique New Walk. Four tower blocks were successfully blown down to clear the ground for modern alternative developments. With active support from the local community £2m has been secured for new sports facilities in the Highfields Youth and Community Centre. Our partnership with the Braunstone Community Association in a deprived part of the city is beginning to see real progress on a number of regeneration schemes such as the Braunstone Hall, new library and housing developments. The new leisure centre to replace St. Margaret's Baths is being developed with a £9m funding package and the indicative timetable to commence works on site is spring/summer 2003, with a completion date in Autumn 2004. A new health and social care centre is being developed in Braunstone, the first of a number of such developments planned across the city. £0.5m is being invested in upgrading and refurbishing the market.

### **Support Service Excellence**

17. It is sometimes forgotten that public services depend upon high quality managerial and administrative talent behind the scenes to support them. Often dismissed as "bureaucracy", such support involves some of the most complex management challenges facing any business because of the scale and variety of the Council's operations as the City's largest employer. This year our Capital Strategy and the Asset Management Plan for our property portfolio both received the highest commendation from government assessors and a financial reward. Our statement on implementing e-government to improve service access and efficiency, also received top government rating from DTI. New Project Management Standards have been developed to clarify roles and responsibilities for Members, officers and partners and to enhance organisational capacity. These are being embedded through training and development exercises. Political Management continues to be modernised through completing a major review of the Constitution and Political Conventions, and a new Standards Committee has been set up. Significant support has been given to the Electoral Commission in their review of Ward boundaries. Many Business Units, too numerous to mention, have won or maintained rigorous professional accreditation awarded by national or international quality institutions such as EMAS, IIP, ISOs and BSI Standards. All these reflect on the professional calibre of thousands of staff and on their commitment to deliver the best possible services to their customer, whether at the front line, or in headquarters' functions.
18. These elements of external accreditation, cross-cutting partnership, regeneration and renewal initiatives, continuous service improvements and support service excellence form the basis for striving for higher performance which will be the key challenge for us for the future. Such achievements deserve affirmation as they have been delivered despite exceptionally adverse budget settlements in recent years. There have been major adjustments to the way we do business arising from the Cabinet and Scrutiny



arrangements. There have also been radical changes of patterns in the migration of Persons from Abroad to the city and these have all posed additional pressures on the already demanding task of delivering day to day services in a city that still has areas of significant deprivation. The achievements are therefore grounds for real pride in the staff of the Council. Yet they do not diminish the scale of the challenges and risks ahead.

## **KEY CHALLENGES FACING THE COUNCIL IN THE NEXT YEAR**

19. Turning to consider the future challenges facing Leicester City Council; 3 stand out for particular comment if we are to deliver real impact on the priorities of the Community Plan and meet the key concerns of Leicester citizens in all our service and cross-service strategies:-

- (i) Revitalising Neighbourhoods;
- (ii) racial harmony - embedding racial equality and integration to achieve strong community cohesion;
- (iii) service improvement - improving services and value systematically.

These priorities require clear leadership and active ownership by Members, officers and partners if they are to receive the necessary focus and drive over time. The challenges next year are made more acute by a particularly tight financial framework that promises to be more demanding than in any year since Unitary Status.

### **Revitalising Neighbourhoods**

20. Despite the many achievements, reforms and signs of progress, the Council is facing up to some harsh local realities. Looking at the City from the community's perspective, there is some evidence of not only disaffection with government and elections, but also with the quality of local neighbourhoods. A major concern of citizens evidenced in the Leicester Residents' Survey 2001 is the theme of liveability. Communities rightly want local neighbourhoods, streets and parks to be clear of underlying crime, litter and graffiti which deface them. Concentrating effort on improving main City-wide services has to be harnessed to more local control over neighbourhood and environmental quality.

21. The Council's response through Revitalising Neighbourhoods has won widespread support in principle demonstrated by feedback from stakeholders to the consultation. It has also raised concerns about the detailed implementation issues that lie ahead, partly because these have been left deliberately flexible at this stage to permit more local engagement as plans unfold. It is vital that implementation supports the needs and wishes of local people and partner agencies. During the next year, in consultation with stakeholders, we intend to:-

- set up around 10 Neighbourhood Forums across the city to enhance dialogue and community participation;
- appoint 10 neighbourhood managers to work with each Forum within local communities;

- initiate a comprehensive programme of staff and cultural development emphasising customer care and faster, friendlier responses.

Over time these measures are, amongst other things, designed to:-

- stimulate more participative democracy and the emergence of new and younger community leaders;
- encourage more families to send their children to city schools;
- improve access to better quality services.

22. Although a temporary project team is being established for 2 years to spearhead the implementation, Revitalising Neighbourhoods offers real opportunities to improve the quality of all of our services, heralding a permanent new approach to the Council's business. It therefore requires commitment and involvement from every Member and staff. We also need to build on our already significant neighbourhood presence, not least in local schools, housing and local forums.
23. The major challenge to the project at this stage would be a failure to consolidate genuine cultural change alongside structural change. Local and corporate capacity needs to be built up and organisational behaviour across all services needs to change if we are to produce the radical improvement in local experiences of services that is within our reach. The scope of the culture change programme to support Revitalising Neighbourhoods will have therefore to be extensive and sustained; it requires far reaching and integrated activities.
24. At the heart of the programme is the development of attitudes, beliefs, behaviour and values which fit with the Council's mission and overall strategy. This requires leadership in embodying the preferred organisational culture.

The Council's mission and value statements that define where the Council is going and the values it adopts in getting there is an important starting point. This should link clearly with proposals for Revitalising Neighbourhoods. The whole programme should specifically facilitate the outcomes of the Revitalising Neighbourhoods project. Involving people in workshops to discuss and consider the values and ways of behaving and practicing their application to give them meaning and relevance is important. Cultural change is most effective when it wins ownership from the outset and is sustained despite other demands. A high trust environment is an essential prerequisite for flourishing culture change.

Education and training programmes to extend knowledge and teach people new skills will be needed, along with Performance Management programmes that ensure that through objective setting in Business Plans and employee appraisals the values, norms and behaviours are absorbed and acted upon as part of the normal process of management. Rewarding people for behaviour that is in accord with the aims, outcomes and values, will be necessary to re-enforce the preferred culture.

25. Culture change is complicated and the change programme will need to take into account the following issues:-

- the impact of externally imposed values e.g. central government policy on modernisation;
- measuring culture through understanding peoples feelings on 'constraints' e.g. trust, risk, challenge, support and belonging;
- management style; getting managers to behave in line with the preferred culture, training and supporting them to change;
- critically reviewing 'barriers' that stop the culture happening in practice e.g. practices, policies, procedures, structures and systems;
- acknowledging different cultures e.g. Departmental, professional and determining the right balance between 'corporate' and non-corporate cultures;
- senior Members and managers being able to change their values, attitudes and beliefs so that employees can see the change happening in practice;

Resourcing implications are significant. Investment in management and staff training will need to be substantial. A project team has been set up to develop the culture change programme with timescale and indication of how changes will be measured

As we move into the implementation phase of the initiative following Council approval on 21<sup>st</sup> March 2002, some two dozen project plans are being drawn up to deliver discrete elements of this wide-ranging and complex change process.

### **Racial harmony – embedding racial equality and integration to sustain stronger community cohesion**

26. Community cohesion and the integration of our diverse communities remain central priorities to Leicester's well-being. The encouragement and support we have received from the Beacon Council process, the Cantle report and the CRE has, if anything, raised the threshold of what needs to be achieved. The Corporate Race Equality Action Plan is setting demanding targets to be delivered this year in the context of establishing a new statutory Race Equality Scheme. We also want to be a national leader in articulating with partners a Community Cohesion Strategy that facilitates cross-cultural connections throughout Leicester. The agenda ahead is implacably difficult and fast moving. It requires courage and forbearance even to debate the issues sensitively. Action brings many risks including misunderstanding and reaction. Inaction brings greater risks and deepening resentment. The issues include opening up perceived segregation in local communities, redefining the future role of faith schools, re-examining parenting and policing responsibilities for young people, acknowledging the economic and social issues that disproportionately affect specific white communities and agreeing the moral and legal limits of tolerance to cultural divergence.
27. An especially important challenge in this context is the need to provide a welcoming and fair start to many communities that continue to migrate to Leicester. These include Persons from Abroad, whether EU citizens or asylum seekers. Over past decades such people have contributed substantially to the social and economic wealth of the city. But inflexible national funding regimes inhibit the rapid integration of such communities. This is an area where Leicester must play a national role in changing out-dated financial structures and attitudes for the benefit of all of our citizens. Community cohesion also depends on responding to other socially excluded groups and the coming year will

enable us to extend the successful work done this year on race to other areas of equalities.

28. As a Beacon Council we have responsibility for disseminating best practice nationally. A series of seminars for Members and Officers is being designed to communicate our 3 core messages namely that striving for racial equality is:-

- a long term strategic priority for every person in Leicester;
- a challenge that is best confronted by a widening range of local partners from private, public and voluntary sectors;
- a rich asset to the vibrant and multi-cultural identity of the city.

Many aspects of the Council's services will be able to play their part in welcoming visitors from all over the country to our Beacon seminars.

### **Service improvement – improving services and values systematically**

29. Several issues will be critical to our longer term success, notably Public Service Agreements, Best Value Reviews and the challenge of making a safer environment in our city centre and wider communities. The **Public Service Agreement** is a collection of 7 national and 5 local targets being negotiated with central government to improve outcomes more quickly than currently planned. A pump-priming grant of £1m is made available. To help deliver the targets the government has indicated it may be possible to negotiate certain freedoms and flexibilities in current regulations. After 3 years a Performance Reward Grant of up to 2.5% of the Council's net revenue budget can be won subject to successful outcomes.

30. The PSA offers an exciting challenge for a more informed partnership between central and local government. In Leicester the PSA will be an explicit lever for delivering the Community Plan priorities. This gives the PSA internal coherence and external direction. It will require over the next 3 years resolute attention to be given to the targets, closer partnership working through the Leicester Partnership with other key public, private and voluntary agencies which can make a material contribution. It will also require us to consider our budget strategy in the context of PSA targets so that resources genuinely follow priorities. Efforts will need to be made to realign the current targets of the Council and the Community Plan to sharpen our focus. A project team has been established with a lead officer for each target and the implications for the Council will need to be drawn out and debated with Members and Officers as they become clearer. The main risk to delivering the PSA in Leicester will be to secure continuity of funding that reflects the rapidly changing social and ethnic needs of the city.

31. **Best Value Reviews** have proved problematic in their implementation for Leicester and many other authorities. A new Best Value Inspectorate, unfamiliar methodologies and a sense of inspection overload have all posed issues. It is sometimes hard for outside bodies to grasp the range of other priorities and initiatives that a large and ambitious organisation such as Leicester is also pursuing. Alongside Best Value Reviews, we are working with OFSTED, Social Services Inspectorate, the Housing Inspectorate, Beacon Assessors, EMAS Evaluators, BSI Inspectors as well as conducting major reviews on

Revitalising Neighbourhoods and other service areas. On the other hand my Annual Report in January 2000 acknowledged that performance management was a weakness. Roles were ill defined, capacity and systems were under-developed and our ambitions were potentially being undermined. The change programme commissioned at that time to re-engineer our effectiveness has proved its worth and been endorsed by the District Auditor. But we need to lift our game further on performance management to see more areas of service performing in the top quartile. With clear Member leadership and growing expertise in the review teams we are now in a position to build on our recent efforts amid signs that high quality reviews and improvement plans are attainable. Our commitment to learn from the best practice of other organisations is reflected by our attendance at the Beacon dissemination events across the country.

32. Complex change programmes sometimes face set-backs and the collapse of the software company in the middle of the Housing Benefit (HB) review has caused much heartache to benefit claimants as well as severe pressures for our HB staff. The Council has found a new supplier willing to complete the project, but technical difficulties have recurred for the new staff wrestling with the system. This company collapse has exposed the Council to significant difficulties in respect of providing satisfactory service to customers, and in relation to risks around Council Tax collection rates. For these reasons a comprehensive action plan is being developed that orchestrates a range of temporary measures to recover the situation as soon as practicable. The plan will be fully implemented as soon as the new system is stable. In all these circumstances we have shown a determination to see through the obstacles and set-backs and find a way forward to deliver necessary and continuous improvements.
33. In our Mori Residents' Survey 2001 we were delighted to register a 9% jump in satisfaction with the Council. We also received some of the highest satisfaction levels (76%) ever recorded from Asian communities. However, a major concern centred on the need for a **safer environment** in the city centre and elsewhere across the city. This raises again the liveability issues of the fear of crime, vandalism, city centre environmental quality, graffiti and litter. Cabinet has announced a £1m injection to make a major impact on this key concern of citizens and a programme of works in the city centre and across the city will need to be designed and delivered to meet priority needs.

#### **LG WHITE PAPER “STRONG LOCAL LEADERSHIP – QUALITY PUBLIC SERVICES” COMPREHENSIVE PERFORMANCE ASSESSMENT**

34. Having considered the achievements during the past year, and the key challenges for next year, a particular reference this year needs to be made to the significance of the recent Local Government White Paper and the resultant Comprehensive Performance Assessment. The Comprehensive Performance Assessment provides another and completely new challenge for local government. We need to prepare rapidly for it. The government is to make a comprehensive assessment of the 130 top tier councils in the UK. This involves a judgment based on 5 elements:-
  - (i) a frank self-assessment of 6 main services themes – education, social care, environment, leisure and culture, housing and regeneration, and benefit services. These assessments will be judged alongside fieldwork inspections of our

Corporate Governance processes – that is the way we operate as a single organisation and work together corporately. The external review team is likely to include a Leader and Senior Officer from other Authorities;

- (ii) the external profiles and inspection reports on our major services, e.g. OFSTED, Social Services Joint Review;
  - (iii) the marked plans governing key areas of activities, e.g. capital strategy, asset management plan;
  - (iv) a basket of key Performance Indicators;
  - (v) the outcome of the District Auditor's Annual Management Letter and Best Value Audit.
35. Good judgments from this assessment will lead to fewer reviews and lower inspection costs. There is a possibility of increased freedoms, even additional resources. More important, positive assessments will indicate a confidence in the Council's capacity to improve. The City Council is striving to become a high performing Council. This will involve change and continuity, innovation and consolidation.
36. It needs to be acknowledged that commentators have not given an uncritical welcome to the White Paper. Its emphasis on winning earned autonomy from central government sits uneasily with local democratic autonomy and accountability. The categorising of large, complex and variable organisations such as local councils into 4 simple league divisions could be seen as crude. Councils placed in lower leagues may feel that public services are being denigrated where support and additional freedoms might be more relevant. The impact of league tables on recruitment and retention in an already difficult national market is not easy to predict. A distortion of local priorities in order to meet centrally determined targets and criteria has spawned a vigorous debate in the health sector around hospital waiting lists, and may raise similar issues in local government. Even at this late stage little detail is available on how all the measurements of performance that will produce the final score card are to be calculated, verified, weighted for importance and set in a credible context reflecting relative deprivation. The celebration of difference in place, style and local innovation which has characterised the best traditions of local government will not be enhanced by a single national framework for assessing performance if it proves rigid and flawed.
37. Leicester City Council will approach the Comprehensive Performance Assessment positively and purposefully. Our emphasis will be on improvement plans and effective outcomes rather than simply on the assessment score. We are formalising our approach to risk management following approval of a policy and strategy in 2001/02: we shall be introducing structural processes for identifying, recording and managing specific risks. We will want to work with all the inspection regimes to make better sense of their differing demands and approaches in order to achieve better value for money from the considerable financial and opportunity costs of inspection and review. Most important, through the assessment process, the PSA and other engagements with central government we shall want to achieve a better understanding that national objectives can only be delivered through local services. Citizens want to see central

and local government working together for better community outcomes, not against each other for better scores.

38. All Departments are meeting with the Chief Executive to examine:-

- the departmental response and contribution to Corporate Governance;
- a draft self-assessment of departmental strengths and weaknesses;
- the performance indicators and targets which services will be setting to achieve progress towards the top quartile of performance;
- the quality of this year's revised Business Plans.

These are all aspects of the Comprehensive Performance Assessment which will be externally reviewed during the summer with a view to grading all authorities on a score card in the autumn.

## **CONCLUSION**

39. The review of the past year has been encouraging in many fields. As a treble Beacon Council we are well positioned to meet the challenges of implementing Revitalising Neighbourhoods, embedding racial equality and integration across the city and delivering systematic service improvements. The Comprehensive Performance Assessment is another new inspection and review regime and we shall address it positively in the few months that are available to implement it.

40. All this sets a major new agenda for the City Council and a framework for continuously improving all services, particularly our key service priority, Education, which is at the heart of Revitalising Neighbourhoods. The current statement of Strategic Direction set out in our Performance Management Framework is attached in the Annex. It reflects continuity of core purpose since Unitary Status while embracing the citizens' priorities in the Community Plan. This has given a sustained focus over several years on what matters most to the Council and its citizens. The time is now right for a fundamental reconsideration of these issues and the data on which to justify any new priorities. Cabinet Members and Directors will be turning their attention to articulating a new Statement of Strategic Direction to encompass our purpose over the next 5 years as an established, maturing Unitary Authority striving for high performance on behalf of Leicester citizens.

### **Report Author/Officer to contact:**

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CXO/RG  
15.04.02.

**STATEMENT OF STRATEGIC DIRECTION**

**Corporate Purpose, Vision and Values.**

The council's corporate purpose is to promote the **integrity and sustainability of Leicester** and its people in the interest of their past, their present and their future with the intention of creating a **quality European city full of pride and potential.**

The Council also has four corporate values of :-

***Creativity*** - We value ideas, innovation, consultation and experimentation.

***Balance*** - We value our staff and we want to allow them to take real responsibility for their efforts. In return we will support them in everything they do on our behalf. With the right training and development, and by recognising the many stresses and strains in local government today, we can work together to meet the growing and changing demands of our modern city.

***Harmony*** – We value constructive relationships between Members and officers and between the Council and the community – where respect and courtesy are the norm. And, even when we disagree, blame should not be unnecessarily dealt out.

***Perseverance*** – We value a commitment to improve. Despite setbacks, and with a willingness to apologise for justified criticism, we want to keep getting better at everything we do.

The Council's corporate priorities are :-

***Diversity***

***Community Safety***

***Education***

***Health and Social Care***

***Environment***

***Jobs and Regeneration***

The Council's key corporate strategies required to achieve these priorities are:-

***Policy Strategies:***

*Annual Library Plan*

*Central Leicestershire Local Transport Plan*

*Children's Services Plan*

*City of Leicester Local Plan*

*Community Care Plan*

*Community Learning plans*

*Crime and Disorder Strategy*

*Early Years Development and Childcare Plan*

*Education Development Plan*

*EMAS*

*Health Improvement Plan*

*Housing Strategy*

*Joint Investment Plans*



*Local Cultural Strategy ( in preparation)*  
*Quality Protects*  
*The Leicester Regeneration Strategy*  
*The Stephen Lawrence Inquiry-Action Plans*  
*Waste Management Plan*  
*Youth Justice Plan*

**Resource Strategies:**

*Human Resource Strategy (including Equality, Training & Development and Health & Safety)*  
*Budget Strategy (Capital and Revenue)*  
*Asset Management Plan*  
*Information Communications Technology Strategy*

These are reviewed annually at the start of each service planning cycle as priorities change.

In addition there a number of other strategies, plans or programmes that are critical the achieving Best Value and developing our approach to the 4 C's. These include :-

*Challenge Strategy (**Challenge**)*  
*Comparator strategy(**Compare**)*  
*Consultation strategy(**Consult**)*  
*Procurement strategy(**Compete**)*  
*Customer care standards*  
*Communications strategy*