

Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Corporate Directors Board
Cabinet Briefing
Cabinet

30th September 2008
27th October 2008
17th November 2008

**Performance reporting and management arrangements for 2008-09 and
performance report for Quarter 1**

Report of Director of Partnerships, Performance and Policy

1. Purpose of Report

- 1.1 This report sets out our changed approach to performance management and reporting to deliver One Leicester in the context of the new national performance regime and our recently agreed Local Area Agreement 2008-2011. It covers three distinct areas:
- 1.2 It gives Cabinet the most up to date picture of our performance from the first quarter of the 2008/09-year, and an assessment of our progress in achieving our strategic priorities. In the light of the challenges in reporting against the new National Indicator set (outlined in section three of this report) the best available management information has been used to provide this initial picture of our performance. It illustrates the issues of data availability and our initial steps to putting into practice our new approach. It highlights:
- Significant achievements, with lessons learned so that we can repeat and build on the successes
 - Key areas of concern or risk, and proposed actions for addressing them
- (Please refer to appendix 2)
- 1.3 It details what steps will be taken next to improve reporting and management of performance in the short term. This focuses on improvements to the way we report and manage the national indicator set and our strategic priorities.
- 1.4 It sets out ambitious proposals to develop and enhance our use of performance management information so that it can be used flexibly and effectively for a variety of purposes. The aim of this proposal is to ensure that a variety of stakeholders have the information they need to make decisions or take appropriate action to achieve our objectives. This will mean, for example, Councillors will be able to obtain performance information at Ward or neighbourhood level, to gain a better understanding of issues in their local area, develop their own priorities and take decisions that will result in improvements.

2. Recommendations

- 2.1 Cabinet is asked to:
- Note our performance for the first quarter (Sections 5 and 6 of this report and appendices 2, 3, 4, 5 and 6)
 - Note the future work that will be undertaken to improve our performance reporting
 - Consider the proposals to change the way performance management information is available, to make it responsive to the needs of a wide variety of stakeholders.

3. Background

3.1 The 2006 Local Government White Paper “Strong and Prosperous Communities” made a commitment to introduce a more streamlined and simplified performance regime for local government. The new National Indicator set was developed as part of the 2007 Comprehensive Spending Review to make this commitment a reality.

3.2 We have been assured that the national indicator set will be the *only* measures on which central government will performance manage outcomes delivered by local government, working alone or in partnership. From April 2008, Best Value Performance Indicators were abolished. However, there is currently a review of Performance Assessment Framework indicators and guidance has been given to continue to collect this information until the review is completed. All of the national indicators will be used to inform the Comprehensive Area Assessment, with those included in our Local Area Agreement, identified as our priorities, forming the main focus.

3.3 The new Local Area Agreement for Leicester was negotiated and agreed with Government Office East Midlands, and was signed off in July 2008. It comprises 35 designated indicators, 7 local indicators plus 17 statutory education indicators. All but two of these are part of the National Indicator set. They were agreed as our highest priorities to deliver the most needed improvements to contribute to the achievement of One Leicester.

3.4 While the introduction of a much streamlined approach at a national level is broadly welcomed, there has been a huge challenge facing all local authorities and their partners in addressing the difficult tasks associated with an almost completely new set of national indicators. There are a significant amount of indicators for which no directly comparable data has ever been collected or reported. Our approach to address these difficulties has been to **use the best available information**. Where indicators do not match the technical definition exactly, or the data is historical, the appropriate “health warnings” about the quality of the data should apply.

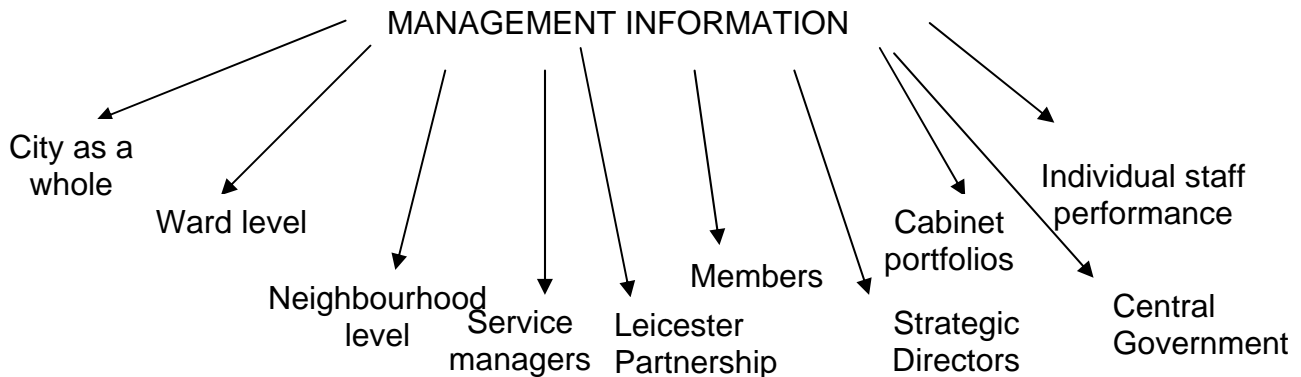
4 Our changed approach to performance reporting

4.1 The rationale for the proposed format of future reporting is to ensure that the most complete picture of our performance is given to enable evidence based decision making, and to ensure our performance management arrangements are robust and aligned to the Comprehensive Area Assessment (CAA).

4.2 The overriding principle to our new approach will be to **collect information once, and use it for many purposes**. Information will be available to assess performance in a variety of ways, to suit a variety of stakeholders. Of particular importance is to ensure that the political leadership and managers have information and reports in a format which will allow them to make the required decisions and take the necessary action to improve

performance and achieve our objectives. Clear lines of accountability will also be put in place.

Collect once and use for many purposes



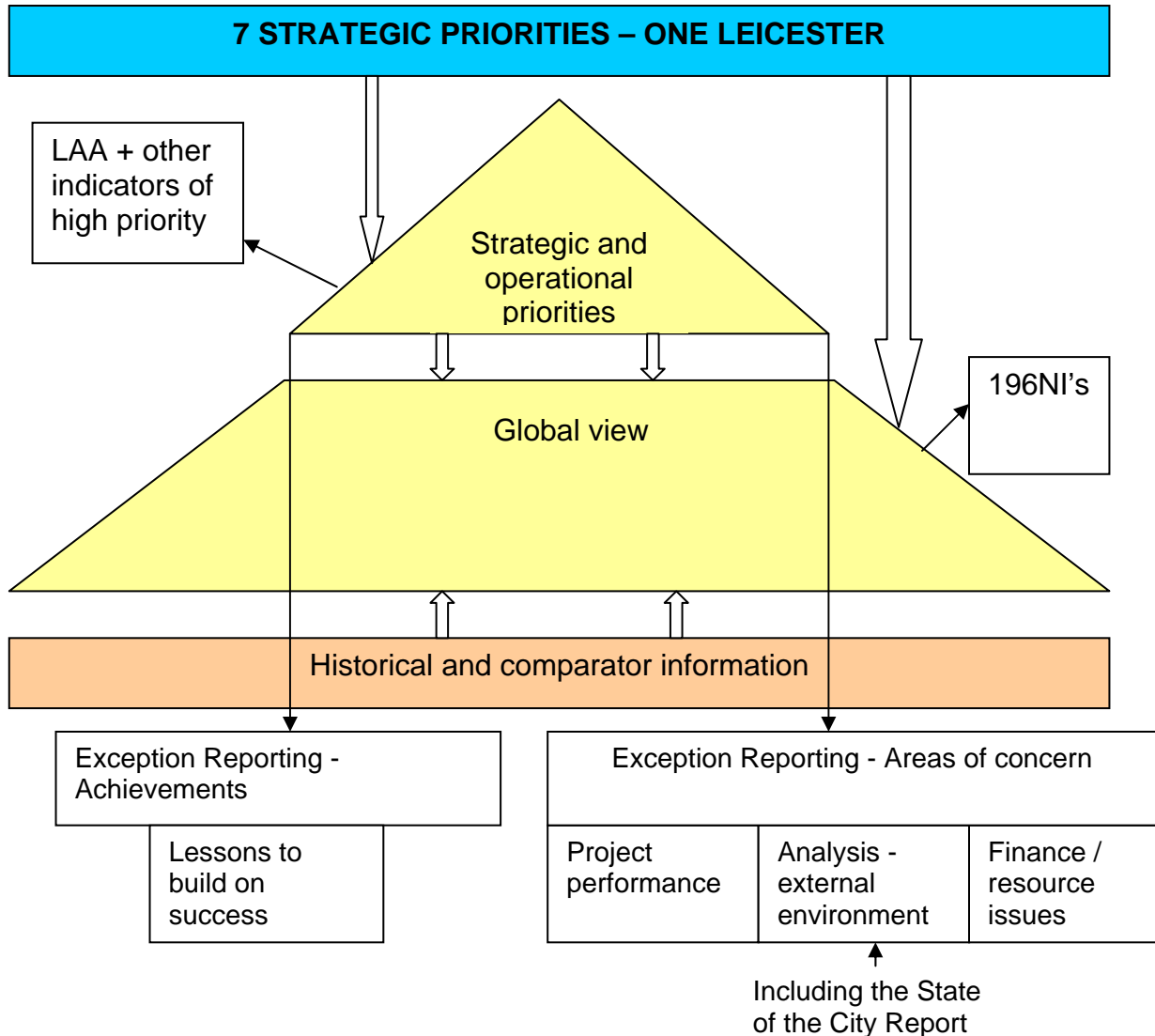
- 4.3 Under current arrangements the reporting of performance is received as a routine report on the agenda of corporate board. The Chief Executive is changing these arrangements. On a quarterly basis before the report is taken to Cabinet Briefing there will be a quarterly organisational performance meeting attended by all the board and the lead member for front line services. This meeting will focus specifically on performance matters and provide a climate of challenge, support and active management. It is proposed that the summary of the issues and consequential management action forms part of the appendix submitted to the quarterly report.
- 4.4 It is further intended that the authority will consider the existing Performance Plus system and its link to individual appraisal and accountability. This will form part of the developments under Delivering Excellence and link the performance and people strands of activity.
- 4.5 Work to produce ward and neighbourhood level information will be of prime importance in meeting our “duty to involve” which will make up part of our assessment in CAA. It will mean that we are giving residents in Leicester the information they need to understand the issues in their local area. Decisions will then be able to be made at a Ward or neighbourhood level to give priority to local issues via Ward Community Meetings.
- 4.5 **Quarterly Reporting**

The proposal comprises:

- Our **strategic and operational priorities** – both the LAA and others from the National Indicator set that will demonstrate the Council’s contribution to achieving our strategic priorities set out in One Leicester. This will include an analysis of both our direction of travel, and our forecast (or actual) information about whether we will meet our targets.
- A **“global” view** of all the national indicators, which allows for an assessment of our direction of progress against the full set of indicators with comparator and historical data where available.
- **Detailed reporting** will be carried out on an exception basis. Achievements and areas of risk will be noted. Plans for future reports are to develop a summary of performance areas of risk which covers:

- **Projects:** are the projects that are designed to deliver our targets actually doing so? This could apply to all activities in service plans, strategically commissioned activities and the portfolio of major projects.
- **External environment:** what is happening beyond our control that is impacting on our success? This could be, for example demographic, economic, or social changes that explain lower than expected performance, and will assist in deciding what we can do to address this.
- **Finance and Resources:** Are our resources being utilised to their greatest effect? This could also include areas of “organisational health” such as staff sickness levels.

4.6 The diagram below demonstrates an overview of the framework, with the seven strategic priorities in One Leicester being the driver of performance management.



5 Performance for Quarter 1 – Strategic Priorities

It is important to emphasise that the first quarter report on performance represents our **initial steps** to make performance reporting fit for purpose as a means of managing performance effectively. In Quarter 2, Cabinet can expect to see further analysis of where the key areas of risk are, what actions are planned or already taking place to manage these risks, and what impact any actions taken have had in terms of performance. This

will allow for a better understanding of whether actions are working or not and to enable decisions to be made to change what we are doing should this be necessary.

For Quarter 1, we are able to give an analysis on our strategic priorities – through the LAA indicators. Please refer to appendix 2. Section 6 of this report set out an overall view of our current position against the National Indicator Set. More detailed information about the full set of indicators can be found at Appendices 3-6

5.1 Investing in our Children – PLEASE REFER TO APPENDIX 2, pages 1-4

25 Indicators

- **8 are reporting as on track**
- **14 are reporting a moderate risk of not achieving target**
- **3 are reporting as high risk and needing much more improvement**

Key achievements

Provisional examination results for 2008 provide some evidence that the Transforming Leicester's Learning (TLL) strategy is making a difference. Further evaluation is needed to enable a more detailed assessment of impact and value for money.

Key areas of risk

NI 112 – Under 18 conceptions. The latest available data shows a reduction of 4.9%. Our target for 2010 is a reduction of 55%. 2007/08 data for this indicator is currently unavailable until 14 months after the event. Available Feb 2009.

NI 92 - Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest

NI 101 - Children in care achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4, including English and Maths

5.2 Planning for people, not cars – PLEASE REFER TO APPENDIX 2, page 5

3 indicators

- **2 reporting as on track**
- **1 reporting that we will not achieve our target**

Key achievements

Working with ATLAS government consultants to assist in managing major site delivery

Key areas of risk

NI 154 - Net affordable homes provided. This is low because of the current economic conditions and current housing market. GOEM are allowing us to review our target at the annual refresh of the LAA.

5.3 Reducing our Carbon Footprint – PLEASE REFER TO APPENDIX 2, pages 6,7

3 indicators

- **all reporting as on track**

Key Achievements:

NI 186 - Per capita reduction in CO2 emissions in the LA area

Key Areas of risk

NI 186 Per capita reduction in CO2 emissions in the LA area. There is a risk that the data produced by AEA on behalf DEFRA is re-evaluated to show an increase in the estimation of emissions. The resources needed to meet a comprehensive reduction programme are considerable.

5.4 Creating thriving, safe communities PLEASE REFER TO APPENDIX 2, pages 8, 9

12 indicators

- **6 reporting on track**
- **2 reporting as at some risk of not meeting targets**
- **No management information or data is available for 3. These are:**
 - NI 18 – Adult re-offending rates for those under probation supervision.
At the current time the indicator can only be reported at a national level. The Ministry of Justice have acknowledged the need to break the data down by local authority area but this breakdown is not available at the current time. Local data should start to become available from October 2008.
 - NI 32 – Repeat incidents of domestic violence.
CLG have deferred this indicator until 2009/10. Data will be collected by MARAC (Multi Agency Risk Assessment Conference).
 - NI 140 – Fair treatment by local services.
CLG have deferred this indicator until 2009/10. No previous comparable data has been collected before, and we are therefore awaiting Place Survey results to give our initial position.
- **No analysis is available for NI 19. Provisional data has been collected.**

Key achievements

NI 16 - Serious acquisitive crime rates
NI 20 - Assault with injury, crime rates
NI 35 Building resilience to violent extremism

Key areas of risk

NI 16 - Serious acquisitive crime rates. Please note that there has been an increase in Dwelling House Burglary and Theft from Motor Vehicle

5.5 Improving wellbeing and health – PLEASE REFER TO APPENDIX 2, pages 10, 11

8 indicators

- **5 reporting on track**
- **3 reporting at risk of not meeting targets**

Key achievements

NI 39 - hospital admissions for alcohol related harm rate
NI 40 - number of drug users recorded as being in affective treatment.
NI 126 - early access for women to maternity services

NI 142 - % of vulnerable people who are supported to maintain independent living

Key areas of risk

NI 120 All age all cause mortality rate

NI 135 Carers receiving needs assessment or review

5.6 Investing in skills and enterprise – PLEASE REFER TO APPENDIX 2, pages 12, 13

5 indicators

- **2 reporting as on track**
- **3 reporting as at risk of not meeting targets**
- **There is also one local indicator (Employment Land) which is awaiting baseline information.**

Key achievements

NI 152 – Working age people on out of work benefits. The 1st quarter target has been exceeded. In principle approval has been granted to the development of Multi-Access Centre's (MAC's) which will contribute to the delivery of all of the targets as part of the Working Neighbourhood Fund (WNF) programme.

An ERDF Investment Plan has been implemented and endorsed by EMDA securing £7.3m of ERDF funding for Leicester covering from 2009 for 3 years. This fund will be used to enhance business development activities in Leicester, which will also contribute to other Local Area Agreements around Employment, Energy and infrastructure development

Key areas of risk

Establishment of Multi Access Centre's

Missing target date of implementation of EDC by 1st April 2009

5.7 NI 179: Value for money – total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008-09 financial year.

Leicester City Council only data - This indicator measures the amount of cashable savings the local authority has made. We are currently reporting that we will meet our target.

6 Our Current Position on the complete National Indicator Set Detailed information can be found in appendices 3, 4, 5, and 6

6.1 There are 196 indicators in the national set at the current point. Two National Indicators have recently been dropped by CLG (NI 24 and NI25).

10 indicators have been deferred by CLG until 2009/10.

A further 3 have proposals for changing the definition and/or method for measuring the indicator from April 2009

We currently have data for 152 across the whole set. Of these, a judgement of our current position has been made on 132. Some of this data may be proxy or historical data, but has been included to give us our best understanding of our position at the current time.

Therefore the appropriate caution should be used when looking at these figures. Future work will need to be done to ensure that the best data is available for reporting in Quarter 2 and beyond.

For Quarter 1, the following information is divided into 4 sections, following the national government headings. Current work being undertaken on the strategic programmes which will align the national indicators to our own priorities will mean that future reporting will be able to take place aligned to our One Leicester priorities.

6.2 Stronger and Safer Communities

46 Indicators

- 22 show improvement OR we compare well with other authorities
- 7 show decline OR we don't compare well with other authorities
- 7 have initial data but no trend or comparator data to make a judgement in Q1
- 10 have no actual, recent or comparable data available for Q1

6.3 Children and Young People

69 indicators

- 29 show improvement OR we compare well with other authorities
- 17 show decline OR we don't compare well with other authorities
- 6 have initial data but no trend or comparator data to make a judgement in Q1
- 16 have no actual, recent or comparable data available for Q1

6.4 Adult health and wellbeing, tackling exclusion and promoting equality

31 indicators

- 16 show improvement OR we compare well with other authorities
- 6 show decline OR we don't compare well with other authorities
- 1 shows decline in performance but performing above national comparators
- 3 have initial data but no trend or comparator data to make a judgement in Q1
- 5 have no actual, recent or comparable data available for Q1

6.5 Local Economy and Environmental Sustainability

48 indicators

- 21 show improvement
- 8 show decline OR concern we will not meet our target
- 4 have initial data but no trend or comparator data to make a judgement in Q1
- 13 have no actual, recent or comparable data available for Q1

7 Headline Financial and Legal Implications

The report sets out proposals to make use of performance data in order to inform decision making. This could include the re-direction of funding, in order to secure the best value for money and most effective use of resources. There could, therefore, be implications for the development of the Council's financial framework, particularly with regard to budget preparation, budgetary control and budget monitoring. It is important that any such revisions to the financial framework continue to identify clear lines of budgetary and financial responsibility and, therefore, financial control.

The Council is currently implementing a new resource management system (RMS). This should facilitate improved and more responsive reporting but it should be noted that data must first be collected reliably before it can be reported on with accuracy.

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There are no additional legal implications

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9 Attached papers:

Appendix 1a – National Indicator Set, lead officer and Cabinet lead

Appendix 1b – Cabinet Lead Portfolios

Appendix 2 – Strategic Priorities – LAA

Appendix 3 – supporting information for Stronger and Safer Communities

Appendix 4 – supporting information for Children and Young People

Appendix 5 – supporting information for Adult health and wellbeing, tackling exclusion and promoting equality

Appendix 6 – supporting information for Local Economy and Environmental Sustainability