

A G E N D A

Strategic Monitoring Committee

Date: **Friday, 1st July, 2005**

Time: **10.00 a.m.**

Place: **The Council Chamber,
Brockington, 35 Hafod Road,
Hereford**

Notes: Please note the **time, date** and **venue** of
the meeting.

For any further information please contact:

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**County of Herefordshire
District Council**

AGENDA

for the Meeting of the Strategic Monitoring Committee

To: Councillor T.M. James (Chairman)
Councillor Mrs. P.A. Andrews (Vice-Chairman)

Councillors B.F. Ashton, W.L.S. Bowen, H. Bramer, A.C.R. Chappell,
J.H.R. Goodwin, Mrs. M.D. Lloyd-Hayes, J.P. Thomas and W.J.S. Thomas

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PUBLIC INFORMATION

HEREFORDSHIRE COUNCIL'S SCRUTINY COMMITTEES

The Council has established Scrutiny Committees for Adult Social Care and Strategic Housing, Childrens' Services, Community Services, Environment, and Health. A Strategic Monitoring Committee scrutinises corporate matters and co-ordinates the work of these Committees.

The purpose of the Committees is to ensure the accountability and transparency of the Council's decision making process.

The principal roles of Scrutiny Committees are to

- Help in developing Council policy
- Probe, investigate, test the options and ask the difficult questions before and after decisions are taken
- Look in more detail at areas of concern which may have been raised by the Cabinet itself, by other Councillors or by members of the public
- "call in" decisions - this is a statutory power which gives Scrutiny Committees the right to place a decision on hold pending further scrutiny.
- Review performance of the Council
- Conduct Best Value reviews
- Undertake external scrutiny work engaging partners and the public

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COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL

BROCKINGTON, 35 HAFOD ROAD, HEREFORD.

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COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL

MINUTES of the meeting of Strategic Monitoring Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday, 9th June, 2005 at 10.00 a.m. and reconvened at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Wednesday 15th June, 2005 at 10.00 am.

Present (on 9th June): Councillor T.M. James (Chairman)
Councillor Mrs. P.A. Andrews (Vice-Chairman)

Councillors: B.F. Ashton, H. Bramer, A.C.R. Chappell, J.H.R. Goodwin, Mrs. M.D. Lloyd-Hayes, J.P. Thomas and W.J.S. Thomas

Present (on 15th June) Councillor T.M. James (Chairman),
Councillor Mrs. P.A. Andrews (Vice-Chairman),

Councillors B.F. Ashton, H. Bramer, A.C.R. Chappell, J.H.R. Goodwin, Mrs. M.D. Lloyd-Hayes, J.P. Thomas and W.J.S. Thomas

In attendance on 9th June: Councillors Mrs L.O. Barnett, J.W. Edwards, D.J. Fleet, Mrs J.P. French, R.I. Matthews, J.C. Mayson R.J. Phillips, D.W. Rule, D.B. Wilcox, and R.M. Wilson.

In attendance on 15th June Councillors Mrs L.O. Barnett, J.W. Edwards, Mrs J.P. French, J.G.S. Guthrie, R.I. Matthews, Mrs J.E. Pemberton, R.J. Phillips, D.W. Rule, and R.M. Wilson.

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

Councillors Mrs P.A. Andrews, A.C.R. Chappell, D.J. Fleet, Mrs M.D. Lloyd-Hayes and J.P. Thomas declared personal interests in agenda item 4: Call –in of Cabinet decision on office accommodation.

3. MINUTES

RESOLVED: That the Minutes of the meeting held on 28th April, 2005 be confirmed as a correct record and signed by the Chairman.

4. CALL-IN OF CABINET DECISION ON OFFICE ACCOMMODATION

(The Committee had been recommended to exclude the public and press during consideration of this item.

A discussion took place about the balance to be struck between the presumption that scrutiny of the executive should take place in public and the need to preserve the confidentiality of commercial negotiations. A view was expressed that the general

strategic principles of the office accommodation strategy could be debated in public, with the press and public subsequently being excluded during discussion of any commercially sensitive details, and with the report itself not being made public.

The Chief Executive formally advised that it would be difficult for officers to provide answers as full as they might wish to the Committee's questions if the meeting were to be held in public. He further advised that whilst he would seek to assist the Chairman as best he could, the responsibility to avoid disclosing commercially sensitive information rested on individual Members. The likelihood of it being possible to pre-empt inappropriate disclosure was necessarily remote.

The County Secretary and Solicitor advised that Members of the Committee had a duty of confidentiality, both to third parties with whom the Council was negotiating and to the Council, being mindful that there was a risk that disclosure of information could damage the Council's negotiating position to the Authority's financial detriment.

A motion that the public and press should be excluded was defeated.)

The Committee considered Cabinet's decision on 19th May, 2005 to agree an office accommodation strategy and business case for the potential centralising of office accommodation at Plough Lane, Hereford, which had been called-in by five members of the Committee, in accordance with the Scrutiny Committee Rules.

The stated reasons for calling in the decision were:

- Inadequate Business Case
- Lack of Detail
- Lack of independently costed (alternative) proposals
- No proper assessment of traffic implications

In the ensuing discussion in public the following principal points were made:

- There was consensus that the Council did need to centralise its office accommodation. However, it was asserted that the report to Cabinet was lacking in detail and had not offered sufficient alternatives to Plough Lane for consideration.
- That the decision should have involved more Councillors and was not transparent.
- Evidence from a recent consultation exercise had shown public support for a centralised headquarters on the Edgar Street Grid and this appeared to be being ignored. There was a strong argument that the Civic Centre should be in the City Centre.
- That whilst it was perhaps inappropriate to describe one section of the report as a business case the document did appear to present a reasonable case for the move to Plough Lane, although the substantive evidence was not included.
- The opportunity to accommodate the Council and partners such as the Police, the Primary Care Trust and Voluntary Sector bodies on one site appeared to have fallen by the wayside. There seemed to be limited flexibility to respond to structural and organisational changes which might befall the Council and its partners.

- Whilst some concerns were expressed, it was generally accepted that the office accommodation at Plough Lane was fit for purpose.
- There were concerns about increased traffic levels. It was suggested that far more people would travel to the site than had done so when Bulmers was fully staffed. A traffic impact assessment should be required.

In reply the Leader of the Council welcomed the support for centralising accommodation. This had been the Council's policy since July, 2000. That policy had been reaffirmed in the report on the Council's Property Strategy, also considered by Cabinet on 19th May, 2005, which the Committee had not chosen to call-in.

There was detailed evidence to support Cabinet's proposed decision to centralise accommodation at Plough Lane. He added that in making that proposal Cabinet recognised the need for the Council to have a contact point in the City Centre. The strategy provided for an Info Centre and Library to be located in the City Centre, a decision in principle which Cabinet had already taken.

He noted that the following other options had been considered: the existing livestock market site, the "civic quarter" as defined in the Edgar Street Grid study (Blueschool Street), land at Rotherwas Industrial Estate and land at Moreton on Lugg.

In relation to the livestock market site, he noted that a building on such a prestigious high profile location would have to be designed to a high specification, incurring additional cost. The site also had a high land value and it was to the Council's financial advantage to build on a less valuable site. There were other options for developing the site, which would provide a greater economic contribution to the City Centre than office accommodation.

He added that the desirability of accommodating partners in the same offices as the Council was recognised and, to an extent, this was already happening at Plough Lane.

The risk of Government initiatives leading to structural changes to the Council and its partners was ever-present, but in proposing to move to Plough Lane the intention was that the office accommodation should be as flexible as possible.

The Director of Environment commented that the report presented to Cabinet had represented the final stage of a lengthy process, which had concluded that the Plough Lane site was the best option and the question was on what basis the Council might want to secure the site. There was voluminous supporting evidence relating to the other options considered.

The Cabinet Member (Corporate and Customer Services and Human Resources) commented on the way in which moving to the Plough Lane site would be in line with the Government's desire to focus resources on the front line and would meet a number of the Council's objectives, including using space economically and encouraging flexible working. The provision of an Info Centre in the City Centre, staffed by Council employees, would complement this move, the intention being amongst other things to facilitate longer opening hours for the benefit of the public, something which was impossible while the Council operated from so many sites. She reiterated that the proposal was in line with the Property Strategy approved by Cabinet, to which Members had not objected, and in line with the findings of the Committee's own Property Review.

(At this point it was proposed that the Committee should exclude the public and press to allow the Committee to explore the commercially sensitive aspect of the proposal.)

RESOLVED That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting at this point on the grounds that it involved the likely disclosure of any terms proposed or to be proposed by or to the Authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

(The meeting adjourned between 11.00 am and 11.10 am, adjourned again at 12.10pm and reconvened at 10.00 am on Wednesday, 15th June, 2005).

Summary of Proceedings during which the Public and Press were excluded

The Committee considered the financial aspects of the proposed centralisation of office accommodation at Plough Lane, Hereford and possible alternative courses of action. It acknowledged Cabinet's proposed course of action whilst requesting that it kept the Council's options under review.

The meeting ended at 11.05 a.m.

CHAIRMAN

BEST VALUE REVIEW OF PRIVATE SECTOR HOUSING SERVICES – STAGE 3

Report By: Director of Social Care and Strategic Housing

Wards Affected

County-wide

Purpose

1. To consider and approve the Stage 3 report and outcomes of the Best Value Review of Private Sector Housing. Copies of the Stage 3 report have been issued separately to members of the Committee and are available to the public on request.

Financial Implications

2. The report makes a number of recommendations for service development, some of which would have cost implications. These will be considered and form the basis of the Improvement Plan that will be reported under Stage 4 of the Best Value Review process.

Assessing Stage 3 Reports

3. In considering Stage 3 reports, responsibility rests with the Chair of the relevant Scrutiny Committee, supported by officers, to satisfy the Strategic Monitoring Committee that the requirements of the review process have been met. In doing so, the role of the Strategic Monitoring Committee is to ensure the robustness of the review process, rather than revisiting the detail of each review.

Background to the Review

3. The review has included all service areas within Private Sector Housing, comprising: Enforcement including Houses in Multiple Occupation, Grants and other forms of Financial Assistance, Adaptations and the Home Improvement Agency and Energy Efficiency. The four main service elements were individually considered and processed through the SWOT analysis and option appraisal stages prior to integrating the results into this report. .
4. For stage 3 the Review team included: 1 Elected member, a critical friend, the Private Sector Housing Manager, the lead officers for the four main service areas in Private Sector Housing, the Enabling Manager (Strategic Housing), a Private Landlord, a Private Sector Tenant, a Managing Agent, a Contractor, representatives from the Home Improvement Agency, Citizens Advice Bureaux, Social Care and Finance Departments. The meetings were chaired by the Performance and Improvement Manager for Social Care and Strategic Housing
5. A wide range of service users and other stakeholders were consulted on the draft Stage 3 report, as detailed on page 27 of the final report (attached).

6. The Scrutiny Committee for Social Care and Strategic Housing considered the contents of the Stage 3 Report on 10th June 2005, and approved the recommendations, as amended.

Data collection

7. In general comparative data was readily available from other local authorities in relation to statutory areas of service or where national performance indicators were involved. However, where more recent legislative changes have provided flexibility to focus on local priorities and targets, policies and data availability vary significantly, and have proved challenging to the review process. Within Herefordshire data was collected from user and non-user groups, and from partner organisations.

Challenge

8. Statutory areas of the service were challenged in relation to ways in which they might be improved and provide value for money.
9. Non-statutory work areas were analysed, and through consultation with service users and stakeholders, consideration was given as to whether those services should continue or be provided in different ways to further benefit users. Best Practice from Beacon and other Local Authorities considered to be leaders in their field was used to inform this process.

Consultation

10. Consultation with users and stakeholders has included survey and satisfaction questionnaires, and through focus groups formed around specific work areas. All grant recipients are surveyed as an on-going process, and further surveys have been undertaken to consult with landlords and tenants of Houses in Multiple Occupation, the Citizens Panel and those requesting grant information but not continuing with the process (non-users).
11. The focus groups have comprised representatives from a wide range of organisations including energy suppliers, the Primary Care Trust, Age Concern, the Fire Authority, the Energy Efficiency Advice Centre and team members from the services under review.
12. The results of the consultation processes were integrated into the review process and assisted in the option appraisal stage when improvements to the existing service were proposed for inclusion in the recommendations section.

Comparison

13. Local data was compared to that obtained from other providers of a similar range of services. In general these were all local authorities, although some data was obtained from agencies providing specialist technical and professional staff for housing activities.
14. 7 benchmarking exercises were undertaken and included the following groups: local district authorities from Gloucestershire, a group of unitary authorities, the Midlands and South Yorkshire Adaptation Benchmarking Club, the Shropshire, Herefordshire and Stoke Energy Advice Centre members. The exercises did highlight some inconsistencies in reporting mechanisms especially within energy efficiency, and in

service areas where Herefordshire did not compare favourably these have been addressed within the recommendations for improvement.

Compete

15. A comprehensive option appraisal process was carried out in three stages. Firstly the service as a whole was considered under 6 option headings: do nothing, develop the existing service, someone else to deliver the service, restructure the team, restructure the team to include the Home Improvement Agency and cease the service. The same set of options was then subject to a numerical scoring exercise for each of the 4 main service areas to complement the initial appraisal stage.
16. The final option appraisal was undertaken in more detail with 3 options: cease the service, reduce the service, develop the service.
17. The difficulties associated with other non-housing authority organisations delivering statutory services were discussed, whilst acknowledging that some of the discretionary service elements could be undertaken by specialist providers. It was agreed that because of the wide range of services delivered any proposals to provide statutory and non-statutory services separately would lead to an unacceptable fragmented approach for service users.
18. The option to develop the existing service evolved around the need to integrate recent legislative changes, address the prevention agenda in housing, health and social care, and assist independent living by adapting properties to suit needs.
19. Following a final consultation on this report, the Best Value Team agreed that the best option for Private Sector Housing Services is for the existing service to be further developed to meet future challenges and priorities.
20. Risk assessment
21. There is limited risk in pursuing the option of development of the existing service.

Process issues

22. The main issue that impacted on the review process has been that the Best Value 1st Stage report was presented in January 2003. The delay in continuing the process, caused by long term staff sickness and vacancies, necessitated changes within the Review Team membership, including a new chairman.

RECOMMENDATION

THAT (a) Strategic Monitoring Committee endorse the recommendation of the Social Care and Strategic Housing Scrutiny Committee on the Stage 3 report of the Best Value Review of Private Sector Housing

BACKGROUND PAPERS

- Private Sector Housing Best Value Review Third Stage Report

BEST VALUE REVIEW OF COMMERCIAL ENFORCEMENT - STAGE 3 REPORT

Report By: Director of Environment

Wards Affected

County-wide

Purpose

1. To consider and approve the Stage 3 report and outcomes of the Best Value Review of Commercial Enforcement. Copies of the Stage 3 report have been issued separately to Members of the Committee and is available to the public on request.

Financial Implications

2. The financial implications vary with each option for future provision. However, the preferred option is judged to be cost neutral.

Assessing Stage 3 Reports

3. In considering Stage 3 reports, responsibility rests with the Chair of the relevant Scrutiny Committee, supported by officers, to satisfy the Strategic Monitoring Committee that the requirements of the review process have been met. In doing so, the role of the Strategic Monitoring Committee is to ensure the robustness of the review process, rather than revisiting the detail of each review.

Background to the Review

4. The Stage 1 Report covered the initial data collection stage of the process together with the proposed consultation action plan and benchmarking information plan. This was completed and approved by the then Environment Monitoring and Review Committee on 11 April 2002.
5. The Environment Scrutiny Committee was invited to consider the progress of the Commercial Enforcement Review on the 26 September 2003 by means of a situation report which concluded that Markets and Fairs did not easily sit within the rest of the services under review and the need to collect more up to date data.
6. The Review team comprised Members, the managers of the services being reviewed, the Environment Directorate Best Value Officer (Project Manager), and a critical friend from Policy and Community. The Head of Service for the Division acted as sponsor within Prince2 project management framework principles.

Changes and Issues

7. A considerable amount of information was gathered particularly relating to the changes, trends in service provision and the issues facing the services. These have been outlined in the Stage 3 Report.

Challenge

8. Why and how the services are provided was challenged. The Review Team determined that, since the services have both regulatory and enforcement roles, it was necessary to continue delivering them. The delivery of the services has been independently challenged to see if improvements could be achieved through activities, e.g EFQM Assessments, Herefordshire Driver Assessments,. All of these activities have challenged various aspects of the services, e.g. leadership, strategy, people, resource, and processes. All of the improvement activities have resulted in action plans.
9. Rigour was added by having an independent chair and through consultation with users and other stakeholders. The review was set up with Members whose remit was to challenge the authenticity of the information being gathered and the analysis of the information. Following the local elections in 2003, Councillor R. Mills has acted as Board Member within the Prince2 principles.

Consultation

10. The EHTS Service uses its Customer Satisfaction Survey as a key means of feedback from customers and stakeholders. The system is part of the Division's ISO9001 Quality Management System and has been undertaken in both 2002/03, 2003/04 and 2004/5.
11. The Service uses the Council's own complaints system to monitor complaints, comments and compliments about the service. Each complaint/compliment is investigated and if changes are felt appropriate are acted upon. Complaints are reviewed as part of the ISO 9001 process and reported to the Divisional Management Team.
12. The Service has established a Local Business Partnership, in line with other partnerships running nationally between businesses and Regulatory Services. The Partnership is used as a means of consulting with local businesses, particularly over the way in which the Service enforces legislation.
13. Consultation with staff occurs via the annual Council Staff Opinion Survey and the EFQM/Herefordshire Driver process. A staff consultation group has been established to review the outcome of these surveys and to assist management in developing responses to issues that have been raised.

Comparison

14. BVPI (Best Value Performance Indicator) 166a, which is a '*score against a checklist of enforcement best practice for Trading Standards*', is the sole national indicator at present. As it is a compound score covering all parts of environmental health it is not possible to make comparisons at specific service levels and therefore only overall scores can be compared.
15. Obtaining data from other organisations has proved difficult where there are no Audit Commission, Best Value or other National Performance Indicators. Such performance indicators (PIs) not only require local authorities to collect the data but also to collect it in a manner consistent with others and make that data available. Alternatives to National PIs have emerged over the past few years namely the Hampshire Benchmarking Club and the New Unitaries Benchmarking Club (NUB).

However, participation in such schemes has proved difficult and is not yet well developed.

16. In 2003 effort was put into looking at NUB organisations in order to obtain comparison data for reactive as well as planned work. The quality and usefulness of reactive work data has been poor and no conclusions could be drawn from the activities.
17. There have been some comparisons for the Division as a whole made within Herefordshire Council through the EFQM Excellence Model Assessments, Staff Opinion Survey and Herefordshire Driver assessments.
18. CIPFA do undertake work to assess the overall performance of each authority, however these are conducted across the full environmental health trading standards services and therefore include areas of environmental health work such as private housing, animal health and welfare, and pollution control work. Therefore, data on the financial performance of these services on a like-for-like basis are extremely difficult. Raw comparison data from the last available CIPFA data (2002/03) was collected and costs were compared for Environmental Health and Trading Standards, however the results have to be viewed with considerable caution

Compete

19. The majority of functions are statutory ones delivered on behalf of the Council. There are instances in some local authorities where some of the functions have been/are delivered by individuals and/or organisations outside the respective local authority. In addition, there are private sector individuals and organisations that offer services such as inspection of premises, training and sampling.
20. The Council effectively operates within a 'monopolistic' environment not having to compete with other organisations for business. As most enquiries relate to alleged non-compliance with legislation, it follows that the Council, in its role in policing legislation, does not face competition. The provision of advice on compliance, for example, need not be a role that only the Council may fulfill. Business Link and the Federation of Small Businesses are two organisations that offer advice to businesses.
21. The advice roles and receipt of allegations have traditionally been very closely linked and complement each other in terms of nature, authority and quality of response. There may be room for improvement in these services and lessons could be learned from other providers of advice and recipients of allegations.

Options

22. The five more practical options considered were;
 - Retain the existing services in their current format
 - Stop Delivering the Service
 - Externalise the Service
 - Expand the Service
 - Re-engineer the current services to deliver more efficient services.

23. After consideration of the issues facing the services and the conclusions from the review, the review team recommended the preferred option as being that the services are re-engineered to deliver more efficient services.
24. The Environment Scrutiny Committee on 6 June 2005 considered the outcomes and findings of the review and endorsed the recommendation of the review team.

Risk assessment

25. There is limited risk to the Authority in pursuing the agreed option. There may be some minor risk to customer satisfaction levels during the introduction of the re-engineering. There is a good understanding of the current issues and areas for improvement. There is also a willingness within the services to make the necessary changes.

Process issues

26. There has been a considerable delay in progressing this review and this has been the result of many factors, including;
 - Ongoing pressure of work on key officers both on the review team and in terms of the services managers increased operational rather than strategic or managerial activities;
 - Outbreak of Legionnaires Disease in affecting performance in 2003/4;
 - The restructuring of the Directorate during the summer of 2004.
 - The introduction of the Licensing Act 2003.
 - The Report of the Hampton Review
27. The services in this review have be subject to other improvement activities and quality assurance methods, such as Herefordshire Driver Assessments and achieving ISO9001, consequently the services have been improving whilst the review had been going on, so much so that it was felt that the potential added value of the review has been diluted.

RECOMMENDATION

THAT the Committee endorse the recommendation of the Environment Scrutiny Committee on the Stage 3 report of the Best Value Review of Commercial Enforcement, that the services are re-engineered to deliver more efficient services, and refer the findings to the Cabinet Member (Environment) for consideration.

BACKGROUND PAPERS

- Best Value Review of Commercial Enforcement, Stage 3 Report

PERFORMANCE MANAGEMENT FRAMEWORK

Report By: Director of Corporate and Customer Services

Wards Affected

County-wide

Purpose

1. To note the revised Performance Management Framework.

Background

2. The report to Cabinet on 23rd June, 2005, is appended. A report on the proceedings of Cabinet will be made at the meeting.

RECOMMENDATION

THAT the report be noted subject to any comments the Committee wishes to make.

BACKGROUND PAPERS

- None.

PERFORMANCE MANAGEMENT FRAMEWORK

PROGRAMME AREA RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES

CABINET

23RD JUNE, 2005

Wards Affected

None

Purpose

To approve the revised Performance Management Framework attached as Appendix 1.

Key Decision

This is not a Key Decision.

Recommendation

THAT the revised Performance Management framework be approved.

Reasons

The Council first adopted a Performance Management Framework in May 2003. Since then, and following the appointment of a Head of Performance Management later that year there have been significant developments and improvements made to elements of the framework. These have now been brought together into one document, the revised Performance Management Framework.

Considerations

1. Performance Management is an important aspect of the Council's governance. It is vital that processes and systems are applied consistently across the Council and that the most up to date approach is being used. The revised Performance Management Framework ensures that the necessary elements are easily accessible, both to Members and officers. The document will be made available as part of the Rocket Science toolkit and posted on the Council's intranet

Alternative Options

There are no alternative options

Risk Management

Poor management of the Council's performance may result in lack of effective use of resources carrying reputational and financial implications. It is also an important element of the upcoming CPA and not applying consistent Performance Management approaches could lead to a reduction in the Council's score and consequent category.

Further information on the subject of this report is available from
Sue Griffiths, Head of Performance Management on 01432 260476

Consultees

Relevant internal officers have been consulted. No external consultation was felt appropriate.

Background Papers

None identified.



Performance management framework

*...action for a better
Herefordshire*

- ...**Putting** people first
- ...**Preserving** our heritage
- ...**Promoting** our county
- ...**Providing** for our communities
- ...**Protecting** our future

Quality life in a quality county

*Revised
April 2005*

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1 Introduction

Herefordshire Council's Performance Management Framework was launched in May 2003 as part of the "Committed to Excellence" CPA Improvement Plan 2002-2005. This identified performance management as a key area for improvement to enable the Council to achieve its objectives. The framework built on the Council's existing strengths but introduced a more robust process for performance management.

While the basic principles of the framework remain sound, a great deal of learning has taken place over the last two years which has been incorporated into improving key aspects of it. This document reflects those changes and sets out the approach and systems from April 2005 onwards.

The continuing principles of the framework are that it:

- Establishes an overall corporate planning and performance management timetable
- Establishes a clear link between the ambitions set out in the higher level plans (Herefordshire, Corporate and Annual Operating plans) and the service objectives and actions to deliver those ambitions set out in the Directorate/Departmental and service plans.
- Establishes clear links between corporate and service objectives and the work of individual employees through the Staff Review and Development process
- Holds senior managers to account for the performance of services within their Directorates/Departments through a process of "Commitments".
- Ensures that the actual performance of services compared to targets and milestones is reviewed through regular performance monitoring by Chief Executive's Management Team, Directorate Management Teams, Cabinet Members and Scrutiny Committees
- Ensures that systems are in place to verify the accuracy of data collection systems
- Ensures that risk management is integrated into operational and strategic planning and performance monitoring
- Ensures that a commitment to improvement lies at the heart of all we do by using self-assessment techniques such as the Herefordshire Driver and EFQM Excellence Model, and the outcomes of external inspections to change our practice

New features of the framework are:

- New style Corporate Plan and introduction of an Annual Operating Plan
- Revised service planning guidance
- Formal risk management strategy adopted
- Integration of performance, risk and financial planning and performance reporting
- Implications of Delivering Efficiency in Local Services (Gershon)
- The production and distribution of all elements of the Performance Management Framework into a toolkit for Members and managers under a "Rocket Science" brand together with a rolling development and coaching programme

Roles and responsibilities

Performance Management is the responsibility of every officer and Member, to a greater or lesser extent, as it provides the means to deliver the very best for the people of Herefordshire with the resources available. Members of CXMT have a particularly important role in driving both planning and performance management, in leading and supporting a culture in which these things are seen as important and in personally quality assuring the various products.

Responsibility for co-ordinating the implementation of the framework rests with the Head of Performance Management, supported by a network of Directorate/Departmental Performance Leads who act as “champions” and Performance Coordinators responsible for more detailed support on planning, performance management and reporting. The Head of Performance Management chairs both Groups and terms of reference can be found in Appendix

Performance Leads

<i>Corporate Policy and Research Team</i>	Steve Martin, Corporate Policy and Research Manager
<i>Children’s Services</i>	George Salmon, Head of Policy and Resources
<i>Social Care and Strategic Housing</i>	Sue Alexander, Head of Business Services
<i>Policy and Community</i>	Geoff Hughes, Head of Community and Economic Development
<i>Environment</i>	Jonathan Barrett, Head of Planning Services
<i>County Secretary and Solicitor</i>	Pat Bailey, Business Support Manager
<i>County Treasurers</i>	Tony Ford, Principal Audit Manager
<i>Human Resources</i>	Amanda Attfield, Human Resources Manager, Organisation Development and Workforce Planning

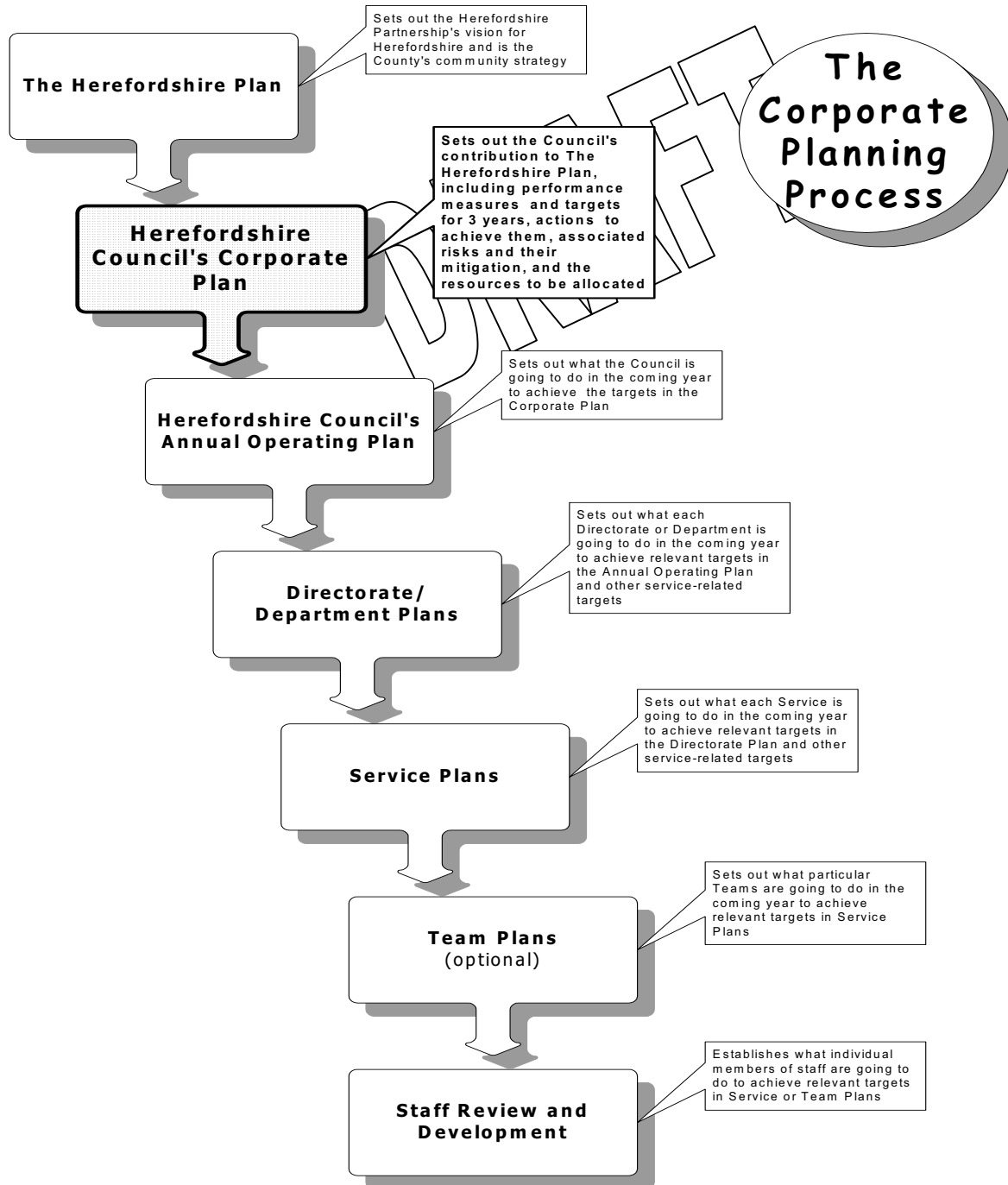
Performance Coordinators

<i>Corporate Policy & Research Team</i>	Kevin Lloyd, Policy Assistant
<i>Children’s Services</i>	Stephanie Hood, Policy, Planning & Review Officer
<i>Social Care and Strategic Housing</i>	David Mitchell, Information Systems Manager
<i>Policy and Community</i>	Audrey Rust, Performance Management Officer
<i>Environment</i>	Bob Barker, Performance Officer
<i>County Secretary and Solicitor</i>	Mary Tittle, Brockington Support Manager
<i>County Treasurers</i>	Tony Ford, Principal Audit Manager
<i>Human Resources</i>	Ann Williams, Personnel Officer

1

Planning and Performance Management

The diagram below illustrates the relationship between the different levels of plans that form the basis of the Performance Management regime.



The Corporate Planning process for 2005-6 marked a significant departure from previous approaches in making much more explicit links between the hierarchy of plans and integrating planning and budget setting. The Corporate and Annual Operating plans are much clearer about priorities, targets, milestones and actions and accountability. This is designed to make managing performance against them more straightforward. This is

further supported by the inclusion of resources and risk. The Corporate Plan is also the Council's Best Value Performance Plan and Improvement Plan. It will also incorporate the performance indicators and targets for the Local Public Service Agreement (LPSA), once approved, and of any subsequent Local Area Agreement.

The Council's **top priorities** for the period of the Corporate Plan 2005-8 are:

- to **maximise the health, safety, economic well-being, achievements and contribution of every child**, including those with special needs and those in care
- to build on the already strong performance of the county's schools and continue to **improve the achievement of pupils**
- to **enable vulnerable adults to live independently** and, in particular, to **enable many more older people to continue to live in their own homes**
- to **protect the environment**, including by **recycling much more waste** and significantly **reducing carbon emissions**
- to **improve transport and the safety of roads**, including further reductions in the numbers of people killed or seriously injured
- to **sustain vibrant and prosperous communities**, including by **providing more efficient, effective and customer-focused services and clean streets**
- to **promote diversity and community harmony** and **strive for equal opportunities** for all the people of Herefordshire, regardless of race, religion, disability, sex, sexual orientation, geographical location, income or age
- to **develop its community leadership role**, working with partners to achieve the *Herefordshire Plan* Ambitions and deliver the Local Public Service Agreement (LPSA) with the Government

To make these things possible, **the Council's organisational priorities** are:

- to streamline its processes, assets and management structures, and **secure significant efficiency savings** in line with the Government's proposals contained in "Delivering Efficiency in Local Services", so as to keep down Council Tax increases and invest in priority service improvements
- to **ensure that its essential assets**, including schools, other buildings, roads and information and communications (ICT) infrastructure, **are in the right condition for the long-term cost-effective delivery of services**
- better to **understand the needs and preferences of service users and Council Tax-payers**, and to tailor services accordingly
- to **recruit, retain and motivate high quality staff**, ensuring that they are trained and developed so as to maximise their ability and performance
- to **embed corporate planning, performance management and project management systems** so as to continue to drive up service standards and efficiency

In all it does and to underpin the delivery of the above priorities, the Council ethos is to maximise **impact through partnerships**. The Herefordshire Plan is being reviewed in 2005-6 and the outcome will continue to inform the corporate and service planning processes thus ensuring the link between the Community Strategy and the Council's ambitions and activities.

The annual performance management timetable runs as follows:

September	<ul style="list-style-type: none"> ✓ Publish Corporate Plan for following three years ✓ Undertake Commitments review for current year ✓ Individual services undertake six-monthly review of service plans and initial planning for next year's service plans ✓ First four months' budget and performance monitoring reports
October	<ul style="list-style-type: none"> ✓ Undertake Herefordshire Driver assessments (EFQM assessment every third year) ✓ Commence budget planning and consultation
November/December	<ul style="list-style-type: none"> ✓ Draft Annual Operating Plan in place ✓ Commence negotiations on Service Level Agreements ✓ Six months' budget and performance monitoring reports
January	<ul style="list-style-type: none"> ✓ Quality Assure draft service plans ✓ Undertake Commitments review for current year ✓ Draft Commitments agreed for Directors and Heads of Departments ✓ Eight months' budget and performance monitoring reports
February/March	<ul style="list-style-type: none"> ✓ Confirm budget ✓ Final review and sign-off of Commitments for current year ✓ Commitments for Directors/Heads of Department and Heads of Service finalised
March	<ul style="list-style-type: none"> ✓ Finalise Annual Operating Plan and service plans ✓ Finalise Service Level Agreements ✓ Service managers agree their Commitments with Heads of Service ✓ 10 months' budget and performance monitoring reports
April/May	<ul style="list-style-type: none"> ✓ Roll out programme of Staff Review and Development interviews for all employees
May/June	<ul style="list-style-type: none"> ✓ Publish Best Value performance information for previous year and targets for future years ✓ 12 months' (outurn) budget and performance monitoring reports
July	<ul style="list-style-type: none"> ✓ Start planning Herefordshire Driver sessions/EFQM assessments ✓ CXMT/Cabinet session for planning next Corporate Plan ✓ Audit of service plans ✓ Devise Annual Training and Development Plan

2 Service plans

The Corporate Plan sets out, at a strategic level, what the Council wants to achieve over the next three years (initially for 2005 to 2008). The Annual Operating Plan spells out the milestones, actions and budgets for the first of those years (initially 2005-06). The overall performance of the Council will be monitored and managed against these plans.

Service planning is how the Council will make sure that the Corporate and Annual Operating Plans are delivered. It will do this by making clear:

- What has been achieved so far
- What a service is to achieve to fulfil the Corporate and Annual Operating plans
- How it will be achieved

By doing this, the service plan will be the basis for monitoring and managing the performance of the service. It will also be the means by which the ambitions of the Herefordshire Partnership and the objectives of the Council are delivered through the work of teams and individuals. What is in the service plan will determine the performance targets set out in an individual's commitments or SRD.

A good quality plan should take account of the context in which the service operates, be customer-focused and take account of the changing environment, including finance, human resources and legislation. It needs to be clear and succinct and be capable of communicating to stakeholders and employees where the service is going. Most importantly, it must be the vehicle for driving the service forward, of being reviewed on a regular basis and of being revised to adjust to new circumstances or to respond to targets not being met.

The revised framework for service plans requires that the following areas be addressed:

- What we do
- How well we're doing
- What is changing
- What we will do
- Capacity to deliver

It also includes recommendations for how the process should be managed, who should be involved and a detailed timetable for production and quality assurance. Following an evaluation of the process for production of plans for 2005-6 the guidance has been amended to explicitly require more emphasis on the assessment the needs of residents and service users, and to draw attention to new corporate consultation arrangements.

The focus on using the service plans to manage performance is much stronger in the revised guidance both in terms of setting measurable targets and defining resource requirements. There a common and **mandatory** approach to the presentation of performance indicators and targets in order to guarantee a corporate and consistent approach to performance management This is to ensure that the links with the Corporate, Annual Operating and Herefordshire Plans are maintained and strengthened.

Service plans will continue to be audited on an annual basis .The revised Service Planning Guidance can be found on the intranet.

3

Staff Review and Development

The SRD process is a key aspect of managing the performance of the Council, in that it makes the link from corporate and service objectives to the activities, responsibilities and performance of individuals. This is an essential element in making the Council's objectives a reality.

It is the policy of the Herefordshire Council that a formal review of staff development and performance (SRD) is held at least once a year for all employees (not employed in a teaching capacity in schools). The review and development discussion is conducted between an appropriate manager or supervisor and the individual jobholder. The SRD has three main purposes for the individual jobholder, namely:

- a review of performance in the previous year;
- setting objectives, performance indicators and targets for the coming year, linked to the service plan;
- identifying and agreeing training and development needs for both the coming year, and in the longer term

The SRD discussion also forms a key part of career management and development for all employees.

SRDs normally take place face to face, however there is an optional paper based process that can be used in certain operational circumstances. Service plans are required to be in place by 1st April and SRD's should be completed by the end of May to ensure appropriate and direct links between service and individual targets.

The policy guidance and relevant forms are available on the Intranet under Personnel/Training and Development/Staff Review & Development.

The effectiveness of Staff Review and Development is tracked using two main local indicators

- 1) % Completion of SRDs in a 12 month period, and between February and June each year;
- 2) the annual staff opinion survey is used to monitor the quality and value of SRDs.

Completion of Staff Review and Development is an important indicator in the Council's Pay and Workforce Development Strategy as it enables the development of an effective overall Training and Development Plan for the Council.

4 Commitments

Directors, Heads of Departments and Heads of Service have their performance managed through the “commitments” process. Annual commitments are drawn up primarily from the accountabilities set out in the Corporate and Annual Operating Plan, together with any additional commitments deriving from their Directorate or service plans. These might reflect service specific national objectives, improvements arising from inspections, service improvement reviews or self-assessments such as the Herefordshire Driver. Senior managers are also expected to contribute to wider corporate objectives such as efficiency gains or human resources strategies, which are assigned to the relevant corporate lead who must satisfy themselves that all Directorates are meeting such commitments.

Directors and Heads of Department’s Commitments are:

- negotiated and agreed with the Chief Executive
- monitored by the Chief Executive with the support of the Head of Performance Management.

Commitments are negotiated in parallel with the signing off of service plans. Pre-meetings between the Head of Performance Management and Directorate/Departmental performance coordinator or lead are to ensure that the meetings between the Director/Head of Department and the Chief Executive are more focussed. Heads of Services’ commitments are agreed and monitored by the relevant Director/Head of Department with the support of their performance coordinator.

Formal review of and feedback on progress on commitments is monitored twice a year, usually in September and January. These also take place in the context of pre-meetings between the Head of Performance Management and the relevant Directorate or Departmental performance contact. Progress meetings between Directors/Heads of Department and their Heads of Service will take place ahead of those between the Director and Chief Executive so that the most up-to-date evidence is available. (see Annual Performance Management timetable)

The current template for the commitments is included as Appendix 2 and while initially based on the balanced scorecard, its structure is evolving to reflect the changes to the Corporate Plan layout. The commitments process is seen as a significant aspect of performance management and will continue to be evaluated and improved on an annual basis. Particular attention will be paid during 2005-6 to rolling the process out consistently through Heads of Service.

S Performance monitoring

The Council is in the process of devising a new approach to corporate reporting which integrates performance, financial and risk information on the basis of the contents of the Corporate Plan and the Annual Operating Plan. The final version is still to be approved by CXMT but the broad approach has been agreed as follows:

Principles & Assumptions:

In accordance with the agreed corporate planning process, to integrate fully information about performance against the Annual Operating Plan with financial and risk management information.

To provide appropriate reports to enable Cabinet, CXMT, Strategic Monitoring Committee, individual lead Cabinet and CXMT members and individual scrutiny committees to monitor and manage performance, budgets and risk in an integrated way

To provide reports which enable closest attention to be paid to the key issues and highlight major issues on an exception basis

Timetable:

The current arrangements of 4,6,8, and 10 with outturn on the end of the previous operating year at month 2 (in June) will continue. Additionally, performance against the milestones and actions in Annual Operating Plan will be reported to CXMT at month 2 (in June). A review of this timetable will take place during 2005-6 to assess the feasibility of increasing the frequency to monthly.

Initial Structure:

Title of reports to CXMT, Cabinet and Strategic Monitoring Committee: **Corporate Performance, Finance and Risk Management Report**

To provide an overview to highlight outstanding performance issues in monitoring the Operating Plan and make relevant links with budget performance and risks.

To highlight areas of major budget variances which impact on the Annual Operating Plan.

Separate section on all risk issues not covered in above overview (including any issues arising in relation to matters of major significance not covered by the selection of PIs and targets in the Corporate Plan and Annual Operating Plan).

Appendix A

Corporate Performance Report using the operating plan template (which includes LPSA targets)

Annual report on BVPI outturn and targets (June)

Appendix B

Revenue Budget Reports Focus on performance against the Operating Plan.

Each to include relevant budget driver information – input/output information.

More detailed explanations of budget variations.

Appendix C

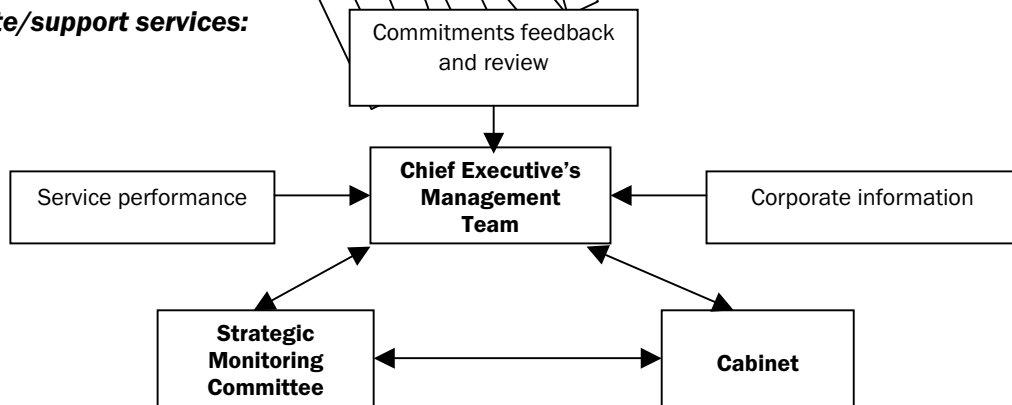
Corporate Capital report with more detailed explanations of programme slippage or budget variations.

Appendix D

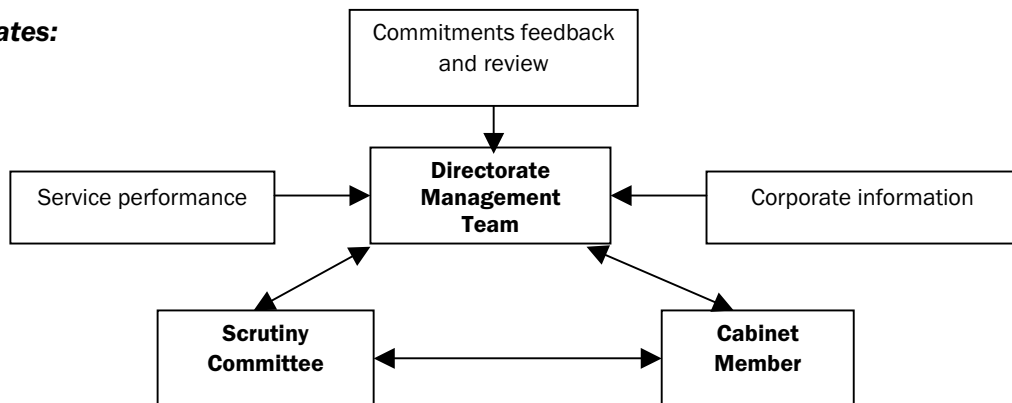
Risk Management logs including corporate risks

The diagram below illustrates how information about individual, corporate and service performance is fed into the various monitoring and decision-making forums.

Corporate/support services:



Directorates:



6

Verification and quality assurance systems

Ensuring the quality of performance data continues to be a high priority. Year on year performance has improved in this area but following the qualification of some performance indicators for 2003-4 by District Audit. Consequently a more robust improvement plan was developed by the Head of Performance Management and internal audit and approved by CXMT was adopted. The key features of this are as follows:

- the development of a corporate handbook for all BVPI's (to be supplemented by local PI's and subsequently LPSA2 indicators) indicating definition, method of calculation and management ownership
- a commitment to the earlier production of BVPI's to enable more timely internal processes of audit to take place ahead of publication
- Internal Audit to focus on any qualified or new BVPI's and to offer support to any managers with concerns or uncertainties in this area
- A programme of training and coaching for PI administrators in Directorates and Departments to be led by Performance Coordinators
- A commitment from Performance Leads to ensure that the work is driven, supported and prioritised within their Directorates and Departments.
- Closer working with District Audit and joint set up and feedback sessions with Performance Coordinators

There is a commitment by the Head of Performance Management and Internal Audit to produce an annual verification improvement plan, the content of which will be reviewed on basis, for approval and monitoring by CXMT.

In addition to the verification of performance information the revised corporate planning process has included a quality assurance stage for the assessment of service plans to ensure compliance with the service planning guidance. This is supplemented by an annual audit, which for 2005-6 will focus on the extent to which the plans are used as a basis for managing performance.



Risk management

The Council's Risk Management Strategy was approved by Cabinet in March 2004 and reviewed and re-ratified in March 2005. The following extracts from the strategy provide an outline of the main principles. The full document is available on the intranet.

Statement of Policy on Risk Management

The Council recognises its business has an impact on the people who live, work and play in Herefordshire.

The Council undertakes to take all reasonably practicable measures to ensure that the impact of its decisions does not have an adverse effect on the resources of the Council, the people working for the Council or those receiving the services of the Council by ensuring that:

- A strategic overview of the management of risks facing the Council is undertaken
- Risk assessments are undertaken on any projects, service plans, and changes to procedures or processes
- The 4 stage cycle of risk management is adhered to
- Employees at all levels understand their role in managing risk

Responsibilities for Risk Management

All employees have a responsibility to identify and manage the risks that they face on a day-to-day basis (operational risks).

However, certain roles carry specific responsibilities in respect of managing risk, particularly strategic risks, as follows:

Elected members have overall responsibility for managing the strategic risks of the Council.

The **Chief Executive** is accountable on a day-to-day basis for managing the Council's risks and for providing advice to Elected Members to enable them to undertake their role.

Directors and Heads of Service are responsible for managing risks effectively within their Directorate/Department/Service.

The **County Treasurer** is the Council's nominated Risk Manager and manages the Council's insurance arrangements.

The **Head of Performance Management** is responsible for monitoring the overall policy/strategy, assisted by the **Performance Leads Group**. (see below)

The **Risk Management and Insurance Officer** maintains the Council's corporate risk register, providing monitoring reports as required to the County Treasurer and Head of Performance Management.

The Head of Human Resources, Head of ICT, and Head of Property Services have a role in ensuring the strategic risks in these key support areas are identified and remedial measures

set in place. They also have an advisory role to support Directorates in the identification and risk mitigation in these areas.

The Risk Management Cycle

The risk management cycle consists of four stages

Identification

This process is achieved by:

- Specifying the risks to which the Council is exposed both strategic and operational.
- Analysing past claims, incidents and other losses.
- Creation and maintenance of a corporate risk register.

Evaluation

Having identified areas of potential risk they need to be analysed by:

- An assessment of impact.
- An assessment of likelihood.

Risk Control

Following evaluation there are four main control options:

- Tolerate – monitor and re-evaluate in the future
- Terminate –do not undertake the activity
- Treatment (pre and/or post loss) – manage it, put in place effective controls
- Transfer – pass the risk on (e.g. to contractor/insurer)

Monitoring

This will need to operate at a number of levels

- Corporately as an aspect of the revised corporate reporting arrangements
- At Directorate and Departmental level at Management Team
- At service level by Heads of Service and Service Managers

The Head of Performance Management works with the Performance Leads Group to ensure a corporate overview is maintained and consistency of approach is maintained. Chief Executives Management Team reviews the strategy itself on an annual basis and Cabinet approves any amendments. The next review is due in early 2006.



Self Assessment and Improvement Review

EFQM Excellence Model and the Herefordshire Driver

The Council made a decision in February 2002 to use the EFQM Excellence Model as a tool to help strengthen its approach to performance management and to drive continuous improvement at all levels in the organisation. A large pool of assessors were trained and detailed feedback given to all Directorates and Departments. This was felt to be a useful and powerful tool particularly if revisited on an annual basis. However, in terms of capacity and resources required this was not felt to be an option.

It was agreed that a self-assessment approach based on the themes and principles of the EFQM model would be a very acceptable substitute and have the advantage of generating additional ownership of the areas for improvement. During 2003/4 a customised product, the "Herefordshire Driver" was developed in partnership with an accredited EFQM company.

The following approach has now been approved.

- **An annual self-assessment using the Herefordshire Driver** – this is now a key aspect of the service planning process. During 2005 Directorates and Departments have piloted different approaches to using the tool which will be evaluated. The common features are an assessment involving senior managers and a reality check seeking views of frontline staff.
- **A full EFQM peer assessment every three-years** – the next assessment will take place in 2006. Lessons from the last assessment will be incorporated to ensure the approach takes account of available capacity.

Service Improvement Programme

The Service Improvement Programme has been identified as a key aspect of the Council's strategy to reduce costs and improve efficiency. Targets for the contribution of S.I.P, to the efficiency agenda have been identified over the next three years. The key elements of the programme for consideration will be:

- Organisational realignment
- Process redesign
- Improved use of corporate resources – financial, people and technology.

The detailed Service Improvement Programme is currently being developed and is likely to have a major impact on the culture of the Council.

9

External assessment and inspections

Feedback on external assessments and inspections is seen as a critical aspect of the Council's Performance Management framework. The Council welcomes the opportunity to learn from inspections about those processes which are working well and where improvements are required. Increasingly such inspections require a self-assessment and this is seen as an opportunity to improve our self-awareness.

Recent and forthcoming inspections include:

- Older Persons
- Adult Learning
- Area Wide Inspections (14-19 education and training)
- Trading Standards Peer review
- Comprehensive Performance Assessment
- Joint Area Review of Children's Services
- LEXCEL

The Council is also scored, on an annual basis for some services and the scores are used to update its CPA score. The Council has maintained its "Good" categorisation since it was first scored in 2002, however individual scores have altered during that time. Feedback is received, both formal and informal, from Inspectorates via our relationship managers.

Performance against Best Value Performance Indicators, both chronologically and in relation to other Councils (our quartile position) also provides useful benchmark material on the Council's improvement agenda.

Efficiency Agenda

Following the Gershon Efficiency Report the Audit Commission have placed a number of requirements on local authorities to demonstrate that they are addressing the efficiency agenda both in delivering actual efficiencies and promoting a culture of value for money. There is an overall requirement to produce ongoing efficiency gains of 2% year on year. These must be set out in the Forward Looking Annual Efficiency Statement to be produced annually in April, with 2005 being the first year. The Backward Looking Statement has to be produced in the June to evidence how efficiency gains have been realised in the previous year.

There are intrinsic links between the efficiency agenda and performance management, particularly in terms of building a culture of continuous improvement. Efficiencies can be demonstrated by performance gains as well as by cash savings. If service output increases at a faster rate than its financial resource, then by inference it is operating more efficiently. The Council has decided to focus initially, due to financial planning considerations, on releasing cash savings. Over 80% of the gains in the first Annual Efficiency Statement are cash releasing. Major service blocks have been given target savings to find in 2005/06 although all services are expected to find savings both now and in future years.

The Council has identified a number of key strands where a coordinated and corporate approach will be applied to maximise its efficiency gains. These include the adoption of a number of corporate strategies as follows:

- Pay and Workforce Strategy
- Procurement Strategy
- Service Improvement Programme
- ICT Strategy
- Accommodation Strategy

It is intended that the adoption and implementation of these strategies will lead to a more effective use of our key resources in finance, ICT, property and people.

Although the County Treasurer has responsibility for overall co-ordination and submission of the Efficiency Statements the responsibility for delivering efficiencies remains with managers. The success of this approach will depend on the ability of managers, and indeed all employees, to integrate best practice into their own areas of work and to support the corporate initiatives and changes.

Dissemination and sharing of best practice is vital and this will be integrated into future management development programmes as well as through corporate working, discussion and learning. Progress on proposed efficiencies, gains and cash savings will be reported on as part of the new corporate reporting arrangements.

Appendix 1

Roles and Responsibilities of Performance Leads and Performance Coordinators

Performance Leads	Performance Coordinators
Champions (on DMT's)	Technical experts
Can apply carrot/stick	Request/chase information
Display enthusiasm/ownership	Communicate detail of PM
Act as critical friend to other Heads of Service	Provide technical support/info to Heads of Service
Ensure information used to make improvements	Ensure accurate Performance Information available
Communicate expectations re: processes e.g. service plans	Support processes/chase deadlines
Follow up progress where problems	Monitor progress
Feedback decisions/plans to DMT's	Implement decisions/plans
Ensure risk registers in place	Ensure managers do risk assessments
Ensure good audit trails	Ensure good audit trails
Promote good practice with managers	Technical networking/sharing good practice
Promote overall picture	Pull it all together/join up
Keep coordinators informed of changes to services/plans/relevant decisions.	Keep Leads informed of any changes to PI's, problems collecting data, changes to reporting
Monitor commitments in liaison with Head of Performance Management	Provide monitoring information for the commitments process

Appendix 2

Commitments Template 2005-06

Indicator	Outcome / Issue	Source or evidence	Action/Improvement Plan	Risk Assessment (Impact/Likelihood)	Comments/Progress
	Our Customers				
	Our Operations				
	Our Resources				
	Our Innovation and Learning				

Chief Executive/Director

CXMT Member/Head of Service

Date

INTEGRATED ANNUAL OUTTURN REPORT 2004/05

**Report By: Director of Corporate and Customer Services and
the County Treasurer.**

Wards Affected

County-wide

Purpose

1. To note the 2004/05 outturn information for Best Value Performance Indicators, the Capital Programme and Revenue Budget and to receive an update on strategic risks facing the Council.

Financial Implications

2. As indicated in the report.

Background

3. The report to Cabinet on 23rd June, 2005 is appended. A report on the proceedings of Cabinet will be made at the meeting.

RECOMMENDATION

THAT the report be noted subject to any comments the Committee wishes to make.

BACKGROUND PAPERS

- None.

INTEGRATED ANNUAL OUTTURN REPORT 2004/05

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE, AND CORPORATE AND CUSTOMER SERVICES

CABINET

23RD JUNE, 2005

Wards Affected

None

Purpose

To consider the 2004/05 outturn information for Best Value Performance Indicators, the Capital Programme and Revenue Budget and to provide an update on strategic risks facing the Council. The integration of these key areas into a single report mirrors the structure and approach of the Corporate Plan adopted by Council in March, 2005 and is central to achieving an effective performance management system.

Key Decision

This is not a key decision.

Recommendations

- THAT (a) **the Best Value Performance Indicators for 2004/05 be approved for publication subject to any detailed textual amendments required;**
- (b) **the key areas of variance of performance from agreed targets be noted;**
- (c) **the final Revenue Outturn be noted and the transfers to and from Reserves be approved;**
- (d) **the Capital Programme Outturn be noted; and**
- (e) **the current position in relation to key corporate risks be noted.**

Reasons

This report marks a significant change to the approach to corporate performance reporting, bringing together performance indicator, risk management and financial information into a single report to provide Cabinet with a coherent picture of the Council's performance. This report includes annual information for 2004/05 for formal Cabinet approval. Progress on performance for 2005-06 will also be reported in an integrated format at 4, 6, 8 and ten months.

Considerations

Key points from the Council's performance 2004/05

1. This overview highlights areas where performance is at a significant variance with the performance in the preceding year or targeted performance. It also highlights particular difficulties with or significant issues in relation to any BVPIs. The full suite of BVPIs is included in Appendix 1.

Corporate Health

2. The Council has met the level 1 Equality Standard for local government in respect to gender, race and disability. This demonstrates that it has clearly set out policies and commitments for tackling these diversity issues. This will provide a firm foundation for moving to level 2 and beyond.

LPSA 1 contained a stretched target for delivering e-enabled services and the target of all relevant services to be delivered electronically by 31st March 2004 was not met. By 31st March 2005 85% of services had been e-enabled and the Council will continue to work to meet its objectives in this important area.

Last year's staff sickness absence figures were qualified by District Audit, so an action plan has been in place for 2004/05 to improve their accuracy. This has uncovered a degree of under reporting primarily in schools. Consequently the outturn of 10.3% is disappointing being significantly above target and presenting a challenge to the Council in meeting the targets which have been set for the next three years.

The BVPI for payment of invoices within 30 days was also qualified last year and subject to an action plan. It remains below the target of 100% at 90.2%, although the Council is satisfied the information is now more robust.

Children's Services, including Schools

3. At GCSE level attainment on the standard 5 A-C passes has fallen in 2004 and is well below the tough targets agreed with DfES. GCSE attainment for looked after children has increased significantly however and this is an area which had been subject to external criticism prior to the Summer 2004 sitting. Key Stage 3 results, which are normally a good indicator of future Key Stage 4 performance, have all improved and achieved the targets with the exception of science. This mirrors the downward national trend for science results at this level. Improvements continue to be made at Key Stage 2 with a sharp rise in success in the English test.

Although there has been an improvement in absences in primary schools, the number of days absent in secondary schools has increased in 2004/05.

LPSA 2 indicators and targets are still being negotiated but it is intended that in the area of education they focus both on reducing school absences and achieving the wider attainment targets at GCSE.

Performance on Special Educational Need statements continues to be problematic being significantly below target and also qualified in 2003-04. Performance on alternative tuition for excluded children is also below target. It should be noted that this represents a relatively small number of children. The revised BVPI for 2005-06 will measure the proportion of excluded children receiving a higher input of tuition i.e. more than 21 hours or more and the outturns for this year suggest this may be challenging for the Council.

There has been a 20% improvement in reducing teenage pregnancies on 2003/04 which would place Herefordshire firmly in the national top quartile using previous

year's comparisons.

In addition to improvements in educational attainment for looked after children, the numbers of children being adopted is improving and has exceeded target and the proportion of those leaving care and going into further education; employment or training has increased, reaching a similar proportion to young people generally.

Health and Social Care – Adults

4. The outturns for the key BVPI's for independent living for older people i.e. the proportion of older people being helped to live at home and households receiving intensive home care were disappointing. Performance for both fell last year, missing the target and remaining well below the top quartile nationally.

The national change in criteria re: data which can be included has significantly affected the 2004/05 position. It is not a reduction in activity.

Performance on delivery of equipment appears to be improving although a qualification on this indicator means comparisons are hard to make between years.

In relation to the assessment of older clients, performance is below target for length of time from referral but exceeding target from the time when assessment is complete to provision of a service. The LPSA 2 will continue to focus on improving performance in relation to the independence of older people but clearly this remains a challenging agenda for the Council.

Housing and Homelessness

5. An ambitious target was set for 2004/05 for no families to be placed in bed and breakfast accommodation. Although performance was improved on 2003/04 the target was again not reached. The average stay in hostel accommodation also exceeded target and was a deterioration on the 2003-04 outturns.

The extent of homelessness in Herefordshire has now been separately reported to Cabinet and short and longer-term solutions will be scoped for a report to Cabinet in July.

Housing Benefit and Council Tax Benefit

6. One of the main outcomes of the Service Improvement Programme has been the efficiency gains within the Revenues and Benefits Service. Not only will costs be reduced but the key indicator for processing housing benefit applications shows a decrease in the average time for determining new applications of 21 days. However the target for processing changes to claimants' circumstances was not met and performance was below that for 2003-04, partly due to changes in methodology.

The number of housing benefit claimants visited also missed the target and has deteriorated since 2003-04.

Environmental Services

7. In the following areas within the Environment Directorate performance either exceeded targets and/or improved on previous year's performance:
 - Cleanliness standards in streets

- The percentage of new homes built on brown field sites
- People killed or seriously or injured on the county's roads
- Condition of non-principal roads
- Waste recycling and the percentage of waste land filled
- Best practice standards for environmental health and trading standards

Areas where performance was worse than expected include temporary road closures, due primarily to the Folly Lane works, bus journeys which have fallen by 500,000 in a year which is disappointing when considering a key transport strategy is to promote the use of public transport and planning.

The turnaround of planning applications has been affected by a number of factors, not least the difficulty the Council has encountered in recruiting planning officers, Although the efficiency of the service compares well in terms of the number of planning applications handled by each officer, the key performance measurements of applications determined within defined timescales are all below target and worse than 2003-04.

It is expected that LPSA 2 once agreed will stretch performance further in street cleanliness and road safety.

It should be noted that the above improvements in the key BVPIs cover a wide and substantial range of the Directorate's business. This resulted in a service category increase from 1 to 3 in the CPA refreshed scores at December 2004.

Culture and Related Services

8. Many of the culture indicators are measured via the Best Value satisfaction survey, the next one being scheduled for Autumn 2006. Of indicators reported for 2004/05, the number of library visits have improved and exceeded the target while visits to museums has gone down and missed the target.

Visits by organised school groups has also reduced dramatically and missed target but this is due to the *Museum on the Move* facility only being available in one out of three years, 2004/05 not being one of them. Targets have now been amended accordingly for future years.

Community Safety and Well-being

9. The outturns for community safety and well being are generally good with targets being met, exceeded and/or improved performance since 2003-4. Two areas of concern are the increase in violent offences committed in a public place or while under the influence, both of which are worse than last year and miss their targets.

Performance on BVPI's 2004-5 conclusion

10. Overall performance is on target and improving slightly. Although 128 BVPI's are reported, not all are suitable for year on year comparisons either because they are new, the definitions have been changed or comparisons are not relevant e.g. BVPI 1 requiring a yes/no response on whether the Council has a community strategy. For those indicators which can be compared 52.8% improved between 2003-04 and 2004-5, 42.7% deteriorated and 4.5% stayed the same. The quartile information for

indicators will not be available for some time but in previous years this has been good for many of the Council's BVPI's. There are clearly, however, some significant areas of under performance which will require detailed attention and improvement planning to bring back on course for 2005-06.

Summary Of Financial Performance

11. Where possible linkages are being made between service and financial performance. This is important in being able to understand the impact of financial resources in terms of outcomes. In this way the alignment of resources to priorities and areas of comparatively poor performance can be monitored.

Revenue Outturn

12. Appendices 2 and 3 sets out in detail the Council's revenue performance for the year. It shows a net underspend within the programme areas of £3.7 million. This can be misleading in the sense that this figure is made up of significant overspends in addition to underspends.

Service Underspends

13. Some major examples of service underspends are:
 - £2 million in Children Services including Standards Fund, which is accounted for on a school year basis, and a job evaluation supplement for 2005/06;
 - £1.4 million in the Environment programme area including the anticipated significant under spend through delays in waste minimisation schemes and the PFI contract, and within the Planning service which has been reflected within the 2005/06 budget.
 - £900,000 in ICT which will be used in the current year and was is earmarked for re-investment in line with the key corporate priority to drive service improvement through ICT.

There are performance issues raised here and there is a link between the comparatively poor performance on planning application turnaround times and the service underspend. An action plan is seeking to redress performance in this area and more effectively use the Planning Delivery grant.

In addition to the above underspends the corporate budget for the financing of capital expenditure and day-to-day cash management has also shown a significant surplus for the year. On one hand this demonstrates good performance in optimising the use of the Council's cash resources through borrowing and lending, but it also shows the impact slippages in the capital programme have on the revenue budget.

Service Overspends

14. Service overspends do not result from poor financial management rather than from trying to contain largely unavoidable spending pressures within approved budgets. Separate reports have been received by Cabinet on some of the major overspends and have they have also been highlighted in previous monitoring reports.

Some of the more significant examples have been:

- £2 million in Learning Disabilities (£1.5 million), which has been highlighted in

a detailed Cabinet report on 19th May, 2005 and Looked After Children (£0.5 million). Both have robust action plans to address the budget deficits with service consequences.

- £300,000 in highways maintenance.
- £225,000 in Parks and Countryside, the final position was partly mitigated by the application of commuted sums, however this action is not sustainable in the long-term.

Two key Looked After Children indicators are the stability of placements which has improved in 2004/05 and the proportion of children in family settings which has also improved. The latter is a direct result of the policy to bring children back in from expensive out of county placements.

Capital Outturn

15. The capital outturn position is detailed in Appendix 4. The headline figure is a net underspend against the approved capital programme of £1.7 million. Despite this no conditional funding has been lost, however this report has already referred to the impact this has on the revenue budget for capital financing.

A summary of the major slippages on the capital programme is as follows:

- Investment programmes for Kingstone; Fairfield and Weobly Sports Hall;
- Construction delays for the replacement swimming pool for North Herefordshire;
- Delays in external funding confirmation for the Ross Creative Learning Centre Project and the Rotherwas Business Centre;

In relation to corporate performance it is particularly important that the improvements within the Rotherwas Industrial Estate are progressed as this is a key strand within the Economic Development Strategy and the potential Local Area Agreement.

Conversely there has been significant accelerated expenditure on the Roman road scheme as the contractor has made more progress than anticipated due to the mild winter. This overspend will be dealt with from within the overall capital budget for the current financial year.

Councils Final Accounts and Statement of Accounts

16. The Councils Final Accounts were closed broadly in accordance with the timetable set. Preparation of the full Statement of Accounts is going well and the document will be available for approval by the Statutory Accounts Committee on 11th July, 2005. The external audit will with a start date of early July be completed much earlier this year. Both the closure of the accounts and the completion of the external audit are expected to be completed well within the statutory deadlines and to the required standards.

Risk Management

17. A separate and detailed report on risk management as at 31st March, 2005 was considered by Cabinet in April, 2005. This report includes an update on corporate and cross-cutting risks only. Service risks have been updated following the adoption

of Directorate and Service Plans and will be reported on with the first progress report on the Annual Operating Plan in August.

Children Act

18. The Council sees the Children Act as a positive opportunity to develop a holistic approach to the needs of children and young people. The Council has appointed a Director of Children's Service and a Cabinet member for Children's Services has been established. A Children's Change Team has been set up to drive the necessary activities required by the Every Child Matters agenda. The timing of the Joint Area Review for September/October has increased the demands placed on the Change Team who have been occupied with preparation in particular collating the self assessment that must be submitted by 13th June. The priority of the Change Team re Joint Area Review activity will have impacted on the timescales for other work, although much of this will be valuable input into the wider change programme and the Children and Young People's plan for Herefordshire. This area remains a key corporate risk for the Council.

Corporate Budget Position

19. The budget for 2005/06 has been set with a significant level of savings to be realised. The challenge for the Council is to minimise the impact this level of savings will have on services and the approach the Council takes on the Efficiency Agenda will be key to its success in this respect.

An additional challenge to the Council will be to manage the key service pressures highlighted within the financial outturn for 2004/05, specifically within the Social Care area. The Council produced the Forward looking Annual Efficiency Statement on 15th April and this has a significant emphasis on cash releasing savings. This, together with the service reductions identified through the budget scrutiny exercises carried out in the Autumn, are anticipated to meet the budget gap in 2005/06. The Cabinet report on Social Care on 19th May highlighted some of the actions which have been put in place to contain expenditure within this area. This includes a directive to all managers that all spending decisions on all non-staffing budgets and care placements/service budgets must be on an emergency health and safety basis, and an emergency risk basis for users and carers. The underlying base budget position is also being addressed through a rigorous action plan through new commissioning arrangements and securing general efficiencies. This area remains a key corporate risk for the Council.

Business Continuity Management

20. The Council is currently considering its response to the Civil Contingencies Bill. As part of this it is developing its approach to business continuity management. Work is underway to produce a corporate business continuity plan incorporating individual service continuity arrangements. The plan will build on the work undertaken for ICT in the summer of 2004 and be broadened to take account of other areas such as property and human resources. This is expected to be completed by the required deadline of November 2005. Failure to recognise and plan for disruption to any Council service or function has clear reputational and operational risks. This remains a key corporate risk for the Council.

Comprehensive Performance Assessment and Joint Area Review

21. The Council is currently preparing for its Comprehensive Performance Assessment taking place in September/October. This will be undertaken in parallel with the Joint

Area Review of all services for Children and Young people. Both processes are new and more challenging than the previous regimes for CPA and OFSTED. The Audit Commission, in particular, has been explicit that the new approach “raises the bar” and that to achieve a “good” category would be a significant improvement on our position in 2002. It is the Council’s intention, therefore, to seek to maintain its good status, though it is recognised there is a risk to the Council’s reputation should this not be achieved.

The first deadlines to be met are to submit the self-assessments, one for each process with close and direct links. At the time of writing the report, the Council is well placed to meet these. External advice and challenge has been sought on the self-assessment documents and the Council’s level of preparedness for the inspections. This has highlighted a number of areas that require further attention. Actions and designated personnel have now been identified to ensure progress in these areas.

The CPA/JAR preparation continues to be managed as a joint project led by the Director of Policy and Community, as overall Executive with the Director of Children’s Services as Corporate Sponsor and is managed within a PRINCE2 environment, with a supporting group of Senior Suppliers. External challenge to the self-assessment documents has been used to assure their quality and they are on target to be submitted within the required timescale. This remains a key corporate risk for the Council.

Herefordshire Jarvis Arrangements

22. Herefordshire Jarvis Services partnering arrangements continue to present a risk to the Council particularly given the difficulties Jarvis as the holding company is facing. However there are increasingly positive outcomes from the Partnership in service delivery terms.

There is an ongoing dialogue within the HJS Partnership Board on current service arrangements and the national situation is being closely monitored. A contingency plan has been drawn up in the event of a restructuring of the holding company’s business. Joint working between Council and HJS staff is operating much better and beginning to impact on service outcomes. Nonetheless, this remains a key corporate risk for the Council.

LPSA

23. The main risk from LPSA1 is not achieving the stretched targets to maximise the Performance Reward Grant (PRG), which in turn will be funding a significant part of the second LPSA. It is intended that LPSA2 would be negotiated by the end of June and this deadline has been extended from the end of March 2005. Failure to negotiate a successful LPSA will adversely affect the Council’s reputation for partnership working and being clear about the outcomes it would like to achieve over the medium term and translating these into a meaningful agreement with the government.

Cabinet received a report on LPSA progress on 19th May. This outlined the likely, but prudent level, of PRG for LPSA 1 and reported on progress being made on negotiating LPSA 2. The Council is being fast tracked by the ODPM in reaching an agreement although there is still much work to do on the detailed stretched targets. The Council is continuing to adopt a risk-based approach to the targets by seeking to strike the right balance between securing major performance outcomes but also maximising future PRG. Work is underway to ensure the Council work is completed

to meet the negotiation deadline for the end of June. Experience has shown that slippage can and may occur from Central Government's side. This remains a key corporate risk for the Council.

Adult Care Services

24. The Green paper on adult services has now been published. A restructure of the senior management arrangements has been agreed and has commenced. This will establish a Director of Adult and Community Services to support a broad and inclusive approach for all adults, recognising both the needs of and contribution to the community of our residents. It may be some months until a successful candidate takes up post and in the meantime managerial capacity will inevitably be stretched as the adult agenda runs in parallel with the children's. This remains a key corporate risk for the Council.

Recruitment and retention of employees including the impact of Job Evaluation

25. Current turnover has remained static at just over 9%. The Pay and Workforce Strategy presented to Cabinet on 9th June, 2005 includes the development of an approach to pay and rewards.

The adoption of a Pay and Workforce Strategy marks the next phase of the Council's approach to the modernisation of Human Resources management. Issues of recruitment and retention are an integral aspect of this. Promotion and communication of the positive benefits of this for the Council's workforce is an important aspect of its implementation. This remains a key corporate risk for the Council.

26. **Corporate capacity to deliver the range of changes that the Council has embarked on**

The Council is going through a period of extensive change at a time when it is also facing a Corporate Assessment and Joint Area Review. This is challenging the corporate capacity of the organisation. Programme management is an essential tool for supporting this, as well as clear leadership. The senior management restructuring is designed to take account of and improve corporate capacity. This is a new key corporate risk for the Council.

Alternative Options

None

Risk Management

The Council is required to publish end of year BVPI outturns by 30th June and to ensure the closure of accounts and completion of the external audit are completed to statutory deadlines. Failure to do this carries a reputational risk for the Council in relation to its corporate governance role.

Consultees

Relevant internal officers have been consulted. No external consultation was felt appropriate.

Background Papers

None

Best Value Performance Indicators 2005/06

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
Corporate Health							
1a	Does the Local Authority have a community strategy developed in collaboration with the local strategic partnership for improving the economic, social and environmental well being in a way that is sustainable?	Yes	N/a	Yes	Yes	N/a	Deleted
1b	By when will a full review of the community strategy be completed? If such a review was scheduled for this year was it completed on time?	December 2005	N/a	December 2005	January 2006	N/a	Deleted
1c	Has the Local Authority reported progress towards implementing the community strategy to the wider community this year? If no, by when will this be undertaken?	Yes	N/a	Yes	Yes	N/a	Deleted
2a	The level of the Equality Standard for local government to which the Local Authority conforms in respect of gender, race and disability	Level 1	N/a	Level 1	Level 1	High	Level 1 Level 2 Level 2
2b	The quality of an Authority's Race Equality Scheme (RES) and the improvements resulting from its application	47%	63%	60%	47%	High	70% 80% 80%
3	The percentage of citizens satisfied with the overall service provided by their Local Authority	48%	60%			High	The next User Satisfaction Survey will be in autumn 2006
4	The percentage of complainants satisfied with the handling of their complaint	29%	36%			High	The next User Satisfaction Survey will be in autumn 2006
8	The percentage of invoices for commercial goods & services paid by the Local Authority within 30 days of receipt or within the agreed payment terms	90.62%	95.9%	100%	90.22%	High	100% 100% 100%

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
9	The percentage of council tax collected by the Local Authority in the year	98.6%	98.29%	98.5%	98.2%	High	98.4% 98.8% 98.8%
10	The percentage of non-domestic rates collected	99.2%	99.1%	98.9%	98.3%	High	98.9% 99.2% 99.3%
11a	The percentage of the top-paid 5% of Local Authority staff who are women	42.4%	39.05%	45%	37.4%	High	50% 55% 55%
11b	The percentage of the top-paid 5% of Local Authority staff who are from an ethnic minority	2.4%	3.7%	2.75%	3.25%	High	2.9% 3% 3%
11c	The percentage of the top-paid 5% of staff who have a disability (excluding those in maintained schools)					High	No requirement to set targets until next year
12	The number of working days/shifts lost to the Local Authority due to sickness absence	7.16 FTE	8.9 FTE	7 FTE	10.3 FTE	Low	7 FTE 7 FTE 7 FTE
14	The percentage of employees retiring early (excluding ill-health retirements) as a percentage of the total work force	0.11%	0.17%	0.2%	0.27%	Low	0.2% 0.1% 0.1%
15	The percentage of Local Authority employees retiring on grounds of ill health as a percentage of the total workforce	0.06%	0.17%	0.06%	0.14%	Low	0.06% 0.04% 0.04%
16a	The percentage of Local Authority employees with a disability	0.6%	N/a	1%	0.58%	High	1.25% 1.35% 1.5%

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
16b	The percentage of the economically active population in the Local Authority area who have a disability	7.8%	N/a	7.8%	7.8%	N/a	7.8% 7.8% 7.8%
17a	The percentage of Local Authority employees from ethnic minority communities	0.5%	N/a	0.7%	0.51%	High	1% 1.2% 1.2%
17b	The percentage of the economically active (persons aged 18-65) population from ethnic minority communities in the Local Authority area	0.9%	N/a	0.8%	0.8%	N/a	0.8% 0.8% 0.8%
156	The percentage of Local Authority buildings open to the public in which all public areas are suitable for, and accessible to, disabled people	28.2%	64.83%	35%	32%	High	40% 50% 53%
157	The number of types of interactions that are enabled for electronic delivery as a percentage of the types of interactions that are legally permissible for electronic delivery	75%	74%	100%	85.13%	High	100% 100% 100%
Education							
33	Youth Service expenditure per head of population in the Youth Service target age range	£53.34	£99.71	£65.60	£76.78	High	Replaced by BV221a&b below
221a	Youth Work – The percentage of young people aged 13-19 gaining a recorded outcome compared to the percentage of young people in the Local Authority area					N/a	No requirement to set targets until next year
221b	Youth Work – The percentage of young people aged 13-19 gaining an accredited outcome compared to the percentage of young people in the Local Authority area					N/a	No requirement to set targets until next year
34a	Percentage of primary schools with 25% or more (and at least 30) of their places unfilled	9.5%	8%	10%	4.8%	Low	Deleted

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
34b	Percentage of secondary schools with 25% or more (and at least 30) of their places unfilled	0%	0%	0%	0%	Low	Deleted
38	The percentage of 15 year old pupils in schools maintained by the Local Education Authority achieving 5 or more GCSEs at grades A*-C or equivalent	58.3%	55%	62%	58%	High	63% 66% 67%
39	The percentage of 15 year old pupils in schools maintained by the Local Education Authority achieving 5 or more GCSEs or equivalent at grades A*-G including English and Mathematics	92.4%	90.1%	95.5%	88%	High	94% 96% [†]
40	The percentage of pupils in schools maintained by the Local Education Authority achieving Level 4 or above in the Key Stage 2 Mathematics test	74%	75%	82%	76%	High	82% 82% +
41	The percentage of pupils in schools maintained by the Local Education Authority achieving Level 4 or above in the Key Stage 2 English test	76.8%	77.6%	81%	81%	High	81% 81% +
43a	The percentage of proposed statements of Special Educational Need issued by the Local Authority in a financial year and prepared within 18 weeks excluding exceptions	69.6%	100%	85%	60.9%	High	90% 92% 92%
43b	The percentage of proposed statements of Special Educational Need issued by the Local Authority in a financial year and prepared within 18 weeks including exceptions	42.9%	83.9%	85%	46.2%	High	90% 92% 92%
44	Number of pupils permanently excluded during the year from all schools maintained by the Local Authority per 1,000 pupils at all maintained schools	1.3	0.84	1.3	1.3	Low	Deleted
45	The percentage of half days missed due to total absence in secondary schools maintained by the Local Education Authority	7.4%	7.7%	7.5%	7.8%	Low	7.3% 7.3% 7.3%

[†] Targets for 2007/08 are currently being negotiated with schools

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
46	The percentage of half days missed due to total absence in primary schools maintained by the Local Education Authority	5.5%	5.4%	4.9%	5.2%	Low	5.2% 5.2% 5.2%
48	Percentage of schools maintained by the Local Authority - subject to special measures	0 %	0%	0 %	0.95%	Low	Deleted
159a	The percentage of permanently excluded pupils provided with alternative tuition of 5 hours or less	7.4%	N/a	5%	17%	N/a	Replaced by BV159 below
159b	The percentage of permanently excluded pupils provided with alternative tuition of 6-12 hours	22.2%	N/a	20%	19.1%	N/a	Replaced by BV159 below
159c	The percentage of permanently excluded pupils provided with alternative tuition of 13-19 hours	7.4%	N/a	20%	17%	N/a	Replaced by BV159 below
159d	The percentage of permanently excluded pupils provided with alternative tuition of 20 hours or more	63%	93.2%	55%	46.8%	High	Replaced by BV159 below
159	The percentage of permanently excluded pupils offered full-time alternative educational provision of 21 hours or more					High	60% 62% 65%
181a	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in English	72%	73%	76%	76%	High	82% 82% †
181b	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in Mathematics	76%	74%	78%	79%	High	83% 83% +
181c	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in Science	74%	73%	77%	72%	High	84% 84% +

† Targets for 2007/08 are currently being negotiated with schools

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
181d	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in ICT	73%	72.13%	73%	74%	High	84% 84% +
192a	Average days access to relevant training and development per practitioner delivering Foundation Stage education	4.04	4.8	4	7.64	High	Replaced by BV222a&b below
192b	Average number of Qualified Teacher Status teachers per 10 non-maintained settings	9	11	10	7.92	High	Replaced by BV222a&b below
222a	The percentage of leaders of integrated early education and childcare settings funded or part-funded by the Local Authority with a qualification at Level 4 or above					High	No requirement to set targets until next year
222b	The percentage of leaders of integrated early education and childcare settings funded or part-funded by the Local Authority which have input from staff with graduate or post graduate training in teaching or child development					High	No requirement to set targets until next year
193a	Schools budget as a percentage of the Schools Funding Assessment	98%	102.1%	98%	98.5%	High	Deleted
193b	Increase in schools budget on the previous year as a percentage of the increase in the Schools Funding Assessment on the previous year	99%	108%	99%	104%	High	Deleted
194a	The percentage of 11 year old pupils achieving Level 5 in Key Stage 2 test in English	27.4%	29%	30%	29%	High	31% 32% †
194b	The percentage of 11 year old pupils achieving Level 5 in Key Stage 2 test in Mathematics	30%	31%	34%	32%	High	34% 35% +
Health and Social Care – Children							
49	Stability of placements of looked after children	8.7%	N/a				Amended indicator below

† Targets for 2007/08 are currently being negotiated with schools

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
49	The percentage of Looked After Children at 31 March with three or more placements during the financial year			9%	7%	Low	9% 9% 9%
50	The percentage of young people leaving care aged 16 or over with at least 1 GCSE at Grade A*-G or a GNVQ	52.2%	57%	71%	65%	High	71% 71% †
51	Cost of services for children looked after by the Local Authority by reference to the gross weekly expenditure per looked-after child in foster care or in a children's home	£454	N/a	£441	£518	N/a	Deleted
161	Employment, education and training for care leavers	68%	65.9%				Amended indicator below
161	The percentage of those young people who were looked after on 1 April in their 17 th year (aged 16), who were engaged in education, training or employment at the age of 19 to the percentage of young people in the population who were engaged in education, training or employment at the age of 19			0.74	0.96	High	0.74 0.74 +
162	The percentage of child protection cases which were reviewed regularly, out of those cases which should have been reviewed during the year	100%	100%	100%	92.6%	High	100% 100% 100%
163	The number of children who ceased to be looked after during the year as a result of the granting of an adoption or special guardianship order, as a percentage of the number of children looked after at 31 March (excluding unaccompanied asylum seekers) who had been looked after for 6 months or more on that day	4.8%	9.1%	9%	9.5%	High	10% 10% 10%
197	The percentage change in the number of conceptions amongst 15-17 year olds	- 10%	-14.9%	- 15%	- 20.8%	Low	- 15% - 19% -24%
Health & Social Care – Adults							
52	Cost of intensive social care for adults and older people by reference to the average gross weekly costs of providing care for adults and elderly people	£438.69	N/a	£441	£488	N/a	Deleted

† Targets for 2007/08 are currently being negotiated as part of LPSA2

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
53	The number of households receiving intensive home care per 1,000 population aged 65 or over	5.9	15.7	6	5.3	N/a	6 8 10
54	Older people helped to live at home per 1,000 population aged 65 or over	83.6	101.17	75	60	High	61 65 70
56	The percentage of items of equipment delivered and adaptations made within 7 working days	38%	88%	50%	68%	High	70% 75% 80%
58	Percentage of people receiving a statement of their needs and how they will be met	85.2%	96.1%	86%	87%	High	Deleted
195	For new older clients (that is over 65 years of age), the average of (i) The percentage where the time from first contact to beginning of assessment is less than or equal to 48 hours, and (i) The percentage where the time from first contact to completion of assessment is less than or equal to 4 weeks	69.8%	74.7%	70%	64%	High	75% 80% 85%
196	For new older clients, the percentage for whom the time from completion of assessment to provision of all services in the care package is less than or equal to 4 weeks	75.8%	89%	71.4%	81.3%	High	83% 85% 90%
201	Adults and older people receiving direct payments at 31 March per 100,000 population aged 18 or over (age standardised)			Target was not required	61	N/a	100 100 100
Housing							
62	Proportion of unfit private sector dwellings made fit or demolished as a result of action by the Local Authority	2.52%	4.32%	3%	2.73%	High	Deleted
64	The number of non-Local Authority-owned vacant dwellings returned to occupation or demolished during the financial year as a direct result of action by the Local Authority	42	N/a	40	33	High	45 50 75

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
Homelessness							
183a	The average length of stay in bed and breakfast accommodation of households that are unintentionally homeless and in priority need	5 weeks	1.21 weeks	0 weeks	4 weeks	Low	0 weeks 0 weeks 0 weeks
183b	The average length of stay in hostel accommodation of households that are unintentionally homeless and in priority need	13 weeks	0 weeks	12 weeks	16 weeks	Low	12 weeks 12 weeks 12 weeks
202	The number of people sleeping rough on a single night within the area of the Local Authority			Target was not required	0	Low	< 3 < 3 < 3
203	The percentage change in the average number of families placed in temporary accommodation			Target was not required	14.4%	Low	0% 0% -15%
213	The number of households who considered themselves as homeless, who approached the Local Housing Authority's housing advice service(s), and for whom housing advice casework intervention resolved their situation					High	No requirement to set targets until next year
214	The proportion of households accepted as statutorily homeless who were accepted as statutorily homeless by the same Local Housing Authority within the last 2 years					Low	No requirement to set targets until next year
Housing Benefit and Council Tax Benefit							
76a	The number of housing benefit claimants in the Local Authority area visited, per 1,000 caseload	174.25	310.45	255	131.66	N/a	340 350 200
76b	The number of fraud investigators employed by the Local Authority, per 1,000 caseload	0.34	0.44	0.33	0.21	N/a	0.25 0.25 0.36

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
76c	The number of Housing Benefit and Council Tax Benefit (HB/CTB) fraud investigations carried out by the Local Authority per year, per 1,000 caseload	40.37	52.61	38	38.62	N/a	29 30 44
76d	The number of Housing Benefit and Council Tax Benefit (HB/CTB) prosecutions and sanctions, per year, per 1,000 caseload, in the Local Authority area	5.64	4.84	7	7.5	N/a	5 6 8
78a	The average processing time taken for all new Housing and Council Tax Benefit (HB/CTB) claims submitted to the Local Authority, for which the date of decision is within the financial year being reported	52.34 days	32 days	32 days	31.73 days	Low	25 days 25 days 24 days
78b	The average processing time taken for all written notifications to the Local Authority of changes to a claimant's circumstance that require a new decision on behalf of the Local Authority	10.77 days	7.7 days	8 days	12.93 days	Low	14 days 10 days 9 days
78c	The number of renewal claims decided before the end of the existing benefit period as a percentage of all renewal claims for which the date of decision is within the period being reported on	26.6%	80.15%				Deleted
79a	The percentage of cases within a random sample for which the Local Authority's calculation of Housing and Council Tax Benefit (HB/CTB) is found to be correct	98.4%	98.8%	98.5%	97.6%	High	99% 99.5% 99.5%
79b	The percentage of recoverable overpayments (excluding Council Tax Benefit) that were recovered in the year	62.16%	55.1%	67.5%	53.04%	High	Replaced by BV79b i-iii below
79b i	The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB deemed recoverable overpayments during that period					High	45% 47% 48%
79b ii	Housing Benefit (HB) overpayments recovered during the period as a percentage of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period					High	42% 44% 45%

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
79b iii	Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period, plus amount of HB overpayments identified during the period					N/a	12% 11% 10%
80a	Satisfaction with the Benefit Service – contact with the office	82%	83%			High	The next User Satisfaction Survey will be in autumn 2006
80b	Satisfaction with the Benefit Service – service in the office	84%	85%			High	The next User Satisfaction Survey will be in autumn 2006
80c	Satisfaction with the Benefit Service – telephone service	71%	77%			High	The next User Satisfaction Survey will be in autumn 2006
80d	Satisfaction with the Benefit Service – staff in the office	85%	85%			High	The next User Satisfaction Survey will be in autumn 2006
80e	Satisfaction with the Benefit Service – forms	62%	67%			High	The next User Satisfaction Survey will be in autumn 2006
80f	Satisfaction with the Benefit Service – speed of service	71%	76%			High	The next User Satisfaction Survey will be in autumn 2006
80g	Overall Satisfaction with the Benefit Service	82%	83%			High	The next User Satisfaction Survey will be in autumn 2006

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
Waste & Cleanliness							
82a i	The percentage of household waste arisings which have been sent by the Local Authority for recycling	13.56%	16%	14.4%	15.03%	High	14.95% 15.5% 17.14%
82a ii	Tonnage of household waste arisings which have been sent by the Local Authority for recycling					High	14,109 t 14,688 t 16,306 t
82b i	The percentage of household waste sent by the Local Authority for composting or treatment by anaerobic digestion	5.94%	6.01%	6.6%	6.69%	High	6.85% 7.1% 7.86%
82b ii	The tonnage of household waste sent by the Local Authority for composting or treatment by anaerobic digestion					High	6,465 t 6,728 t 7,478 t
82c i	The percentage of the total tonnage of household waste arisings which have been used to recover heat, power and other energy sources	0%	3.9%	0%	0%	High	0% 0% 0%
82c ii	The tonnage of household waste arisings which have been used to recover heat, power and other energy sources					High	0 t 0 t 0 t
82d i	The percentage of household waste arisings which have been landfilled	80.5%	73.44%	79%	78.28%	Low	78.2% 77.4% 75%
82d ii	The tonnage of household waste arisings which have been landfilled					Low	73,801 t 73,348 t 71,352 t

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
84a	The number of kilograms of household waste collected per head of the population	497.81 kg	390 kg	515 kg	528.03 kg	Low	530 kg 530 kg 530.8 kg
84b	The percentage change from the previous financial year in the number of kilograms of household waste collected per head of the population					Low	0.37% 0% 0.15%
86	The cost of household waste collection per household	£38.99	N/a	£40.93	£42.59	Low	£42.99 £45.19 £47.55
87	The cost of waste disposal per tonne of municipal waste	£59.09	N/a	£62.19	£58.51	Low	£65.30 £68.57 £72.00
89	The percentage of people satisfied with the cleanliness standard in their area	62%	66%			High	The next User Satisfaction Survey will be in autumn 2006
90a	The percentage of people satisfied with household waste collection	89%	89%			High	The next User Satisfaction Survey will be in autumn 2006
90b	The percentage of people satisfied with waste recycling	67%	75%			High	The next User Satisfaction Survey will be in autumn 2006
90c	The percentage of people satisfied with waste disposal	82%	84%			High	The next User Satisfaction Survey will be in autumn 2006

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
91a	The percentage of households resident in the Local Authority's area served by a kerbside collection of recyclables	56%	100%	59%	60.28%	High	No requirement to set targets until next year
91b	The percentage of households resident in the Local Authority's area served by a kerbside collection of at least 2 recyclables					High	No requirement to set targets until next year
199a	The proportion of relevant land and highways (expressed as a percentage) that is expressed as having combined deposits of litter and detritus that fall below an acceptable level	34%	14%	33%	27%	Low	31% 29% 27%
199b	The proportion of relevant land and highways (expressed as a percentage) from which unacceptable levels of graffiti are visible					Low	No requirement to set targets until next year
199c	The proportion of relevant land and highways (expressed as a percentage) from which unacceptable levels of fly-posting are visible					Low	No requirement to set targets until next year
199d	The year-on-year reduction in the total number of incidents and increase in the total number of enforcement actions taken to deal with 'fly-tipping'					Low	No requirement to set targets until next year
Transport							
96	Condition of principal roads	3.86%	3.13%				Amended indicator below
96	Condition of principal roads using TRACS survey technique for measurement			Target was not required	55.38%	Low	Replaced by BV223 below
223	The percentage of the Local Authority principal road network where structural maintenance should be considered					Low	No requirement to set targets until next year
97a	Condition of non-principal roads – classified	58.01%	12.28%	51%	29.05%	Low	Replaced by BV224a below

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
224a	The percentage of the non-principal classified road network where maintenance should be considered						No requirement to set targets until next year
97b	Condition of non-principal roads - unclassified	38.74%	11.52%	44%	19.9%	Low	Replaced by BV224b below
224b	The percentage of the unclassified road network where structural maintenance should be considered						No requirement to set targets until next year
99a i	The number of pedestrians killed or sustaining serious injury in road accidents per 100,000 population	7.93	11			Low	Amended indicator below
99a ii	The number of pedestrians sustaining slight injury in road accidents per 100,000 population	28.33	36.78			Low	Amended indicator below
99b i	The number of pedal cyclists killed or sustaining serious injury in road accidents per 100,000 population	6.8	2.91			Low	Amended indicator below
99b ii	The number of pedal cyclists sustaining slight injury in road accidents per 100,000 population	22.1	18.4			Low	Amended indicator below
99c i	The number of two wheeled motor vehicle users killed or sustaining serious injury in road accidents per 100,000 population	14.73	9.02			Low	Amended indicator below
99c ii	The number of two wheeled motor vehicle users sustaining slight injury in road accidents per 100,000 population	28.9	25.84			Low	Amended indicator below
99d i	The number of car users killed or sustaining serious injury in road accidents per 100,000 population	48.73	16.87			Low	Amended indicator below
99d ii	The number of car users sustaining slight injury in road accidents per 100,000 population	342.83	242.32			Low	Amended indicator below
99e i	The number of other vehicle users killed or sustaining serious injury in road accidents per 100,000 population	6.8	1.58			Low	Amended indicator below
99e ii	The number of other vehicle users sustaining slight injury in road accidents per 100,000 population	57.8	25.17			Low	Amended indicator below

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
99a i	The number of people killed or seriously injured (KSI) in road traffic collisions			< 209	146	Low	< 197 < 187 < 177
99a ii	The percentage change in the number of people killed or seriously injured (KSI) in road traffic collisions since the previous year			-6%	-3%	Low	-6% -5% -5%
99a iii	The percentage change in the number of people killed or seriously injured (KSI) in road traffic collisions since the 1994-98 average			-16%	-41%	Low	-21% -25% -29%
99b i	The number of children (aged under 16 years) killed or seriously injured (KSI) in road traffic collisions			19	6	Low	< 18 < 17 < 15
99b ii	The percentage change in the number of children (aged under 16 years) killed or seriously injured (KSI) in road traffic collisions since the previous year			-6%	-25%	Low	-6% -6% -7%
99b iii	The percentage change in the number of children killed or seriously injured (KSI) in road traffic collisions since the 1994-98 average			-15%	-73%	Low	-20% -25% -30%
99c i	The number of people slightly injured in road traffic collisions			738	719	Low	< 744 < 750 < 756
99c ii	The percentage change in the number of people slightly injured in road traffic collisions since the previous year			1%	-15%	Low	1% 1% 1%
99c iii	The percentage change in the number of people slightly injured in road traffic collisions since the 1994-98 average			3%	0%	Low	3% 4% 5%

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
100	The number of days of temporary traffic controls, or road closure, on traffic sensitive roads, caused by roadworks, per km of traffic sensitive road	0.41	0.1	0.2	1.86	Low	1.1 1.0 0.9
102	The number of local bus passenger journeys originating in the Local Authority area undertaken each year	3,946,746	N/a	3,820,500	3,447,528	High	3,928,000 3,938,000 3,948,000
103	The percentage of users satisfied with the local provision of public transport information	48%	55%			High	The next User Satisfaction Survey will be in autumn 2006
104	The percentage of users satisfied with local bus services	51%	61%			High	The next User Satisfaction Survey will be in autumn 2006
165	The percentage of pedestrian crossings with facilities for disabled people, as a proportion of all crossings in the Local Authority area	90.91%	98%	96%	93.1%	High	65% 75% 85%
178	The percentage of the total length of rights of way in the Local Authority area, that are easy to use by the general public	43.5%	85.3%	46%	45%	High	47% 48% 49%
186a	The percentage of the principal road network where major structural treatment is not considered necessary	170.77	103.84	168	†	Low	Deleted
186b	The percentage of the non-principal road network where major structural treatment is not considered necessary	235	365.02	237	+	Low	Deleted
187	The percentage of the category 1, 1a and 2 footway network where structural maintenance should be considered	35.83%	18%	34.5%	32.35%	Low	34% 33% 32%

† Outturn for 2004/05 is currently being calculated by the Treasurer's Department

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
215a	The average number of days taken to repair a street lighting fault, which is under the control of the Local Authority					Low	No requirement to set targets until next year
215b	The average time taken to repair a street lighting fault, where response time is under the control of a Distribution Network Operator (DNO)					Low	No requirement to set targets until next year
Environment & Environmental Health							
166a	Score against a checklist of best practice for Environmental Health	55.3%	90%	56%	90%	High	90% 90% 100%
166b	Score against a checklist of best practice for Trading Standards	66.3%	100%	72%	86.6%	High	90% 90% 100%
216a	The number of 'sites of potential concern' [within the Local Authority area], with respect to land contamination					N/a	No requirement to set targets until next year
216b	The number of sites for which sufficient detailed information is available to decide whether remediation of the land is necessary, as a percentage of all 'sites of potential concern'					High	No requirement to set targets until next year
217	The percentage of pollution control improvements to existing installations completed on time					High	No requirement to set targets until next year
218a	The percentage of new reports of abandoned vehicles investigated within 24 hours of notification					High	No requirement to set targets until next year
218b	The percentage of abandoned vehicles removed within 24 hours from the point at which the Local Authority is legally entitled to remove the vehicle					High	No requirement to set targets until next year

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
Planning							
106	The percentage of new homes built on previously developed land	69%	93.5%	60%	68.3%	High	60% 60% 60%
107	The planning cost per head of population	£18.90	N/a			N/a	Deleted
109a	The percentage of major applications determined within 13 weeks	53%	63.64%	60%	46%	High	60% 60% 60%
109b	The percentage of minor applications determined within 8 weeks	67%	70.28%	65%	51%	High	65% 65% 65%
109c	The percentage of 'other' applications determined within 8 weeks	76%	85%	80%	64%	High	80% 80% 80%
111	The percentage of applicants and those commenting on planning applications satisfied with the service received	78%	81%			High	The next User Satisfaction Survey will be in autumn 2006
179	The percentage of standard searches carried out in 10 working days	89.02%	100%	100%	95.32%	High	100% 100% 100%
188	The number of decisions delegated to officers as a percentage of all decisions	88%	91.2%				Deleted
200a	Did the Local Planning Authority submit the Local Development Scheme (LDS) by 28 March 2005 and thereafter maintain a 3-year rolling programme?	No	N/a	No	No	N/a	No requirement to set targets until next year
200b	Has the Local Planning Authority met the milestones which the current Local Development Scheme (LDS) sets out?	Yes	N/a	Yes	Yes	N/a	No requirement to set targets until next year

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
200c	Did the Local Planning Authority publish an annual monitoring report by 31 st December of the last year?					N/a	No requirement to set targets until next year
204	The number of planning appeal decisions allowed against the Local Authority's decision to refuse on planning applications, as a percentage of the total number of planning appeals against refusals of planning applications			No target set	21%	Low	< 25% < 25% < 25%
205	The Local Authority's score against a 'quality of planning services' checklist			No target set	89%	High	90% 92% 94%
Culture and Related Services							
114	Cultural Strategy – score against a checklist of the "Creating Opportunity" guidance issued in December 2000	100%	100%			High	Deleted
117	Number of physical visits to public libraries per 1,000 population	4,522	6,605	5,000	5,177	High	Deleted
118a	The percentage of library users who found a book to borrow	78%	76%			High	The next User Satisfaction Survey will be in autumn 2006
118b	The percentage of library users who found the information they were looking for	72%	72%			High	The next User Satisfaction Survey will be in autumn 2006
118c	The percentage of library users who were satisfied with the service they received overall	88%	94%			High	The next User Satisfaction Survey will be in autumn 2006
119a	The percentage of residents satisfied with the Local Authority's sports / leisure facilities	49%	60%			High	The next User Satisfaction Survey will be in autumn 2006

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
119b	The percentage of residents satisfied with the Local Authority's libraries	68%	72%			High	The next User Satisfaction Survey will be in autumn 2006
119c	The percentage of residents satisfied with the Local Authority's museums / galleries	48%	50%			High	The next User Satisfaction Survey will be in autumn 2006
119d	The percentage of residents satisfied with the Local Authority's theatres / concert halls	57%	56%			High	The next User Satisfaction Survey will be in autumn 2006
119e	The percentage of residents satisfied with the Local Authority's parks and open spaces	67%	77%			High	The next User Satisfaction Survey will be in autumn 2006
170a	The number of visits to/usages of Local Authority funded or part-funded museums and galleries per 1,000 population	812	771	815	781	High	790 800 810
170b	The number of those visits to Local Authority funded, or part-funded museums and galleries that were in person, per 1,000 population	785	513	795	715	High	750 760 770
170c	The number of pupils visiting museums and galleries in organised school groups	6,471	7,294	7,000	3,835	High	6,000 6,250 7,000
219a	The total number of conservation areas in the Local Authority area					N/a	No requirement to set targets until next year
219b	The percentage of conservation areas in the Local Authority area with an up-to-date character appraisal					High	No requirement to set targets until next year

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
219c	The percentage of conservation areas with published management plans					High	No requirement to set targets until next year
220	Compliance against the Public Library Service Standards (PLSS)					High	No requirement to set targets until next year
Community Safety & Well-being							
126	Domestic burglaries per year, per 1,000 households in the Local Authority area	9.8	N/a	7.9	7.6	Low	7.7 7.7 7.7
127a	The number of violent offences committed by a stranger per 1,000 population	1.73	N/a	1.75	1.5	Low	Amended indicator below
127a	Violent crime per year, per 1,000 population in the Local Authority area					Low	15.5 15.5 15.5
127b	The number of violent offences committed in a public place per 1,000 population	2.05	N/a	2.08	2.7	Low	Incorporated into indicator BV127a above
127b	Robberies per year, per 1,000 population in the Local Authority area					Low	2.08 2.08 2.08
127c	The number of violent offences committed in connection with licensed premises per 1,000 population	0.77	N/a	0.78	0.6	Low	Incorporated into indicator BV127a above
127d	The number of violent offences committed under the influence per 1,000 population	1.77	N/a	1.78	2	Low	Incorporated into indicator BV127a above

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
128	The number of vehicle crimes per year, per 1,000 population in the Local Authority area	7.2	N/a	7.2	6	Low	6.1 6.1 6.1
174	The number of racial incidents reported to the Local Authority, and subsequently recorded, per 100,000 population	29	N/a	22	†	Low	28 34 +
175	The percentage of racial incidents reported to the Local Authority that resulted in further action	100%	100%	100%	+	High	100% 100% +
176	Number of domestic violence refuge places per 10,000 population which are provided or supported by the Local Authority	0.42	0.77	0.42	0.4	High	Replaced by BV176 below
225	Actions against domestic violence					High	No requirement to set targets until next year
177	The percentage of Local Authority expenditure on legal and advice services which is spent on services that have been awarded the Quality Mark and meet a priority legal need identified in the Community Legal Service Partnership strategic plan	20.5%	96.9%	39%	43%	High	Replaced by BV226a, b & c below
226a	The total amount spent by the Local Authority on advice and guidance services provided by external organisations					N/a	£399,103 £191,103 £193,014
226b	The percentage of monies spent on advice and guidance services provision which was given to organisations holding the CLS Quality Mark at 'General Help' level and above					High	17% 18% 18%
226c	The total amount spent on advice and guidance in the areas of housing, welfare benefits and consumer matters which is provided directly by the Local Authority to the public					N/a	£272,669 £472,669 £477,396

† The outturns for BVPIs 174 & 175 are currently being verified by internal audit. Targets will be set following verification.

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
198	The number of drug users in treatment per 1,000 population aged 15-44					N/a	Outturn and targets are not expected to be reported this year

Local Performance Indicators

(local indicators and their targets are now contained in the Council's Annual Operating Plan)

Indicator Detail	Outturn for 2003/04	Target for 2004/05	Outturn for 2004/05	Aim
Number of recorded complaints, both formal and informal	434	440	308	High
Number of recorded formal complaints		250	229	High
Number of telephone calls answered as a percentage of all telephone calls received	78.93%	85%	80%	High
Percentage of telephone calls answered in 15 seconds		90%	94.8%	High
Percentage of Staff Review and Development interviews completed in previous 12 months	71%	80%	76%	High
Percentage of employees receiving corporate induction within 3 months of commencing employment	73%	80%	72%	High
Percentage variance on budget	2.1% underspend	1% underspend	2.5% underspend	N/a
Capital spend	6.1% underspend	100%	5% underspend	N/a

Statement on Contracts

There have been no contracts awarded during the past year to which the Code of Practice on Workforce Matters applies

FINAL REVENUE OUTTURN 2004/05

Purpose

1. To consider the final outturn position for 2004/05.

Introduction

2. Whilst work continues on the range of tasks necessary to prepare the Council's statutory Statement of Accounts, matters have been sufficiently progressed to enable the final outturn picture to be presented. Annex 1 attached to the report summarises the position.
3. The 2004/05 Statement of Accounts must be approved by members before 31st July 2005. This year's statement is expected to be available by 30th June 2005, which means we are on course to meet the statutory deadline of 30th June for 2005/06 and future years. In accordance with the requirements of the Statement of Auditing Standard SAS610, a report, together with the Statement of Accounts, will be presented to the Statutory Accounts Committee on 11th July 2005. The report will be accompanied by supplementary reports on early retirements, redundancies and bank accounts changes during 2004/05. The external audit of the accounts is expected to begin in early July.

Considerations

4. Annex 1 differentiates between those over or underspends to be carried forward under financial regulations and items where a transfer to or from reserves is proposed. The net position shows a net variation in the amount transferred to and from reserves of £6,472,000 which may be summarised in the following table:

	£000	
Net Programme Area underspendings carried forward	3740	
Programme Area transfer to Reserves	728	
Financing transactions		
Additional interest		
Treasury Management including interest received	1,837	
Transfer to and from earmarked reserves	(115)	
Other Charges	<u>282</u>	<u>6,472</u>

5. In addition, funding resources have been switched between revenue and capital to ensure the optimum use of conditional funds, which would otherwise be lost, and to provide flexibility for the future. Whilst the sum will feature in the Council's reserves as at 31st March 2005, the amount will be utilised to finance the approved Capital Programme in 2005/06
6. With regard to carry forwards, the following table shows the position by Programme Area (with overspends shown in brackets):

	£000	£000
--	-------------	-------------

Economic Development	479	
Childrens Services	1,998	
Environment	491	
Social Care	(714)	
Social Development:		
General	224	
Leisure contracts	(134)	
Strategic Housing	(27)	
Policy and Finance		
Chief Executive inc Development Fund	96	
Support Services	196	
Central Services for the public	191	
Director of Policy and Community	1467	
Property	(594)	
Other including Corporate	<u>67</u>	
Net underspending carried forward		<u>3740</u>

7. The above figures take into account the funding from reserves in accordance with the Council's Financial Regulations of the overspending in excess of 2% on Social Care (Adult and Children's Services) of £770,000 and Strategic Housing (£208,000). The total overspending on these services was in fact £1,484,000 Social Care (Adult and Children's Services) and £235,000 (Strategic Housing).
8. The carry forward is an underspending of £3,740,000 or just over 2% of the Council's net budget for the year. Whilst on the face of it the net carry forward is substantial, there are significant commitments against this sum. For example, the firm commitments against the Education carry forward total of £1,998,000 are approximately £1,445,000 and the other carryforwards are also similarly heavily committed. A full analysis of commitments against the carry forward is being prepared.
9. For items shown in the "to balances" column, on Appendix 1 attached carry forward arrangements are inappropriate by virtue of the nature of the items (e.g. precepts and levies) or where previous approval has been given for expenditure to be met from reserves (e.g. Land Charges, Job Evaluation). The main transfers to reserves are the underspending on the Waste PFI contract (£906,000), the amount included in the 2004/05 base budget for Job Evaluation (£400,000), Magistrates Courts PFI credit (£298,000) and a underspending on precepts and levies (£111,000) together with the Housing Benefits net surplus of £96,000. The main charges to reserves were the £770,000 in respect of Social Care (Adult and Children's Services) and Strategic Housing (£208,000). The net transfer to General Reserves was therefore £728,000.
10. There is a net transfer to reserves of £3,352,000 in respect of non-programme areas expenditure, income including interest receivable and the funding resource transfer referred to in paragraph 5 above.

Economic Development

11. The underspending of £479,000 reflects the significant level of vacancies during the year as well as the fact that significant committed amounts (£308,000) are being carried forward to be spent in 2005/06.

Children's Services

12. The gross projected carry forward for Education other than schools is an underspending of £1,998,000. The majority of the underspend, however, is committed to the Standards Fund (£636,000), which is accounted for on a school year basis, a job evaluation supplement for schools (£484,000) to fund costs in excess of budget in 2005/06, Pupil Referral Unit balances (£235,000) which are similar to school balances and the Schools' sickness scheme (£92,000) which is 'owned' by schools. The net outcome is a much smaller one off surplus of £553,000, which is in line with the budget monitoring reports.
13. The schools delegated budget carry forwards, including standards fund have increased from £5,703,679 to £7,215,023 after the addition of interest for the year. The end of year balance can be split between Primary (£4,899,979), Secondary (£1,980,689) and Special (£334,356). These balances represent 11.7% of the schools 2004/05 budget, an increase of 2.2% from 2003/04. Schools have a statutory right to carry these balances forward however, proposals to manage school balances (whilst recognising legitimate budget pressures arising from job evaluation and workforce reform) will be taken forward to the next meeting of the Schools Forum.
14. Schools have, in addition, balances in respect of Devolved Capital grants of £1,576,028 which is an increase of £434,982 during the year and £127,604 in respect of extended schools.

Environment

15. The outturn for the Environment Programme Area is an underspending of £1,397,000. However, as the underspending on the Waste PFI contract of £906,000 due to delays in implementing waste minimisation schemes and completing the ongoing negotiations regarding the Waste PFI contract itself is transferred to balances, the carryforward into 2005/06 is reduced to £491,000.
16. Environment Regulatory shows a net underspending £170,000 largely due to the receipt of additional income on most services.
17. Environment General shows a net overspend of £439,000, after excluding the underspending on the Waste PFI, largely due to overspendings on road maintenance (£320,000), waste collection (£104,000) and street cleaning (£116,000), offset by additional car park income (£131,000).
18. Planning Services significantly underspent as expected by £759,000 due to additional fee income (£375,000), conservation projects being delayed (£55,000), staff savings (£37,000) and other savings (£51,000). In addition £241,000 of Planning Delivery grant is being carried forward into 2005/06.
19. The first claim on the carry forward of £518,000, after deducting the Planning Delivery Grant which must be used for planning purposes, is to meet, as anticipated, the £400,000 Planning Fee budget reduction for 2005/06. Some additional fee income may well be received in 2005/06 but not necessarily anything like £400,000.

Social Care and Strategic Housing

20. The outturn for Social Care is an overspend of £1,484,000. The report to Cabinet on 19th May regarding the Social Care budget based on the period to February 2005 indicated a projected overspend of £1,514,000. The report of 19th May set out the key factors that lead to the escalation of the overspend over the projections previously reported, the conclusions from the review carried out by County Treasurers, and the impact on 2005/06.
21. The two major areas of overspending were Learning Disabilities (£1,515,000) and Children's Social Care (£523,000).
22. Savings against other service areas resulted in the final overspend position of £1,484,000.
23. Older Peoples Services, an area of increased investment in 2004/05 came in within the budget target and successfully yielded a number of developments as discussed in the previous budget monitoring report to Cabinet.
24. There have been exceptional items of expenditure, totalling £892,000 that relate to the risks identified during the year, as follows
 - **PCT Contributions to Pooled Budgets-** The financial risks for 2004/05 on the pooled budgets are now shown as attributable to the partner whose service element the overspend relates to. The Mental Health overspend reported by Social Care, even though the PCT manages the service, is now included in the Social Care position (*impact £290,000-being the net effect of the Mental Health overspend offset by PCT contributions on it's share of the Learning Disabilities pool*). Negotiations on risk sharing for 2005/06 and beyond have now been agreed with a joint commitment to move to full implementation of the host commissioner taking responsibility for the budget.
 - **Continuing Care Contributions** for qualifying Learning Disability service users- includes a £250,000 contribution from the PCT. The costs attributable had been calculated at approximately £400,000(*impact £150,000*). The PCT has acknowledged this and agreed a £400,000 contribution for 2005/06.
 - **Statutory Obligations** The Council has needed to review its funding decisions for some individual cases as a result of legal challenge. This has created additional expenditure of £89,000.
 - **Loss of Grant** The Directorate has suffered a loss of Supporting People Grant income of £175,000. It has been a challenge to manage commitments within budget.
 - **Prior Year Adjustments-** Invoices totalling £152,000 have been received, which relate to the 2003/04 financial year.
 - **NHS Emergency Support** - Additional funding of £36,000, to enable discharges from community hospitals to free beds at the Acute Trust, given the pressures in November 2004 and January 2005.

Summary

25. The year end position for Social Care, is an overspend of £1,484,000, (4.2% of the Social Care budget) with exceptional items of £892,000. Cabinet agreed on 19th May that £714,000 of this overspend (2% of budget as recommended under Financial Standing Orders) is to be carried forward into 2005/06 pending further review.

Strategic Housing Budget 2004/05

26. The outturn for Strategic Housing budget is an overspend of £235,000 (17% of the net budget), of which £49,000 is an exceptional item relating to 2003/04 homelessness expenditure.
27. The identified risk in 2004/05 was homelessness expenditure, the issues and challenges on this for future years is to be the subject of a separate report. The budget on temporary accommodation has overspent by £454,000, but robust management action reduced the overspend down to £235,000 for the overall Strategic Housing budget.
28. Under Financial Standing Orders £27,000 of this overspend (2% of budget) will be carried forward into 2005/06.

Social Development

29. In total, Social Development was underspent by £60,000. The main variations were an overspending on Parks and Countryside (£134,000) due to the cost of adoptions, inflation, Britain in Bloom and security costs, libraries services staff costs (£73,000) and the Leisure Services deficit (£134,000). The overspending on parks and Countryside would without a considerable element of the commuted sums reserve being applied have been well in excess of £200,000. The problem is solvable in year but it is at least in part due to increased volumes. The Leisure Services deficit will be reclaimed from the Halo Leisure Trust. These overspendings have been offset by underspendings on the Youth Service (£94,000) Leisure Client (£162,000) where £130,000 has been ring fenced for Leominster Pool and Management and Admin due to reductions in partnership activities following renegotiations and savings from vacancies.

Policy and Finance

30. The outturn for Policy and Finance General shows an underspending of £2,847,000. Underspendings include Policy and Community Services (£1,467,000), including ICT (£909,000) the Development Fund (£96,000), Members' Services (£36,000), Support Services (£196,000), Magistrates Court PFI credit (£298,000) Civic and Corporate costs (£341,000), the base budget provision for Job Evaluation (£400,000) Precepts and Levies (£111,000) and Central Services to the public (£258,000).
31. The Policy and Community includes in addition to ICT (£909,000), the Policy Development Fund (£81,000), External Funding Grants received (£155,000) and various staffing and other savings.
32. Additional costs of Job Evaluation implementation (£90,000) are being met from reserves. In addition there is an extra cost of externalisation (£271,000) due to the Herefordshire Jarvis mobilisation costs contributions being suspended until September 2005 initially and then subject to the profitability of the joint venture company.
33. In total, Property Services overspent by £595,000 which is an increase on the

amount brought forward of £433,000 although but for “corporate” additional property costs the overspending would have at least remained stable. Admin Buildings overspent by £387,000 partly at least due to additional spending in the later part of the year on Plough Lane, accommodation moves and associated I.T costs and dilapidations payments following leases being terminated. It is proposed that various one-off costs totalling £175,000 including the cost of the dilapidation claim on Kemble House and relocation, removal and extra ICT costs are funded from General Reserves.

34. Markets and Fairs overspent by £303,000 but this includes a deficit of £379,000 brought forward from 2003/04 so the deficit has reduced during the year.
35. Property Management and Administration underspent by approximately £146,000 owing to increased recharges to capital and additional income.
36. The Property Maintenance Pool allocation overspent by £186,000 during the year despite a concerted effort to keep spending within budget. There remains a significant backlog in Property Maintenance.
37. There was an accumulated deficit of £178,000 on Industrial Estates income although the level of income has been rising. Additional income received from retail properties totalled £209,000.

ICT

38. The ICT service accumulated £858,000 in reserves in the 2003/04 accounts through efficiency measures implemented. These funds were all earmarked for re-investment back into the ICT Service in order to benefit and improve the overall service provided.
39. At the close of 2004/05 accounts the ICT Service was £101,000 in deficit for the year leaving £757,000 in the reserve. This money has been committed for spend and is awaiting fruition of contracts, the majority being against the new back office project and the remainder against a variety of corporate initiatives. This reserve will be spent in its totality in 2005/06.

IEG Underspend

40. The IEG underspend of £909,000 was highlighted within the Cabinet report of the 2nd December 2004.
41. The underspendings are, largely due to the delayed decision by Advantage West Midlands on the e-Gateway project following their reported revenue budget position and the knock on impact for staff recruitment, particularly in the knowledge management service.
42. The underspendings highlighted in the December 2nd report have with the exception of £70,000 contingency funds all been committed for spend in 2005/06 against a variety of corporate IEG priorities including Electronic Records and Document Management, corporate GIS and email systems, and the corporate customer services strategy.

Financing Transactions

43. A surplus on the Interest Receivable budget has been generated during 2004/05 totalling £715,000. An underspend on Capital Financing costs has been achieved totally £1,122,000. These are primarily as a result of taking opportunities for debt rescheduling, significant slippage in the capital programme and anticipated increases in interest rates not materialising. Greater and earlier capital receipts were generated compared to the original budgets prudent expectations. This has contributed to a better cash flow position and enabled improved investment income.

Commitments against Underspendings Carried Forward

44. In accordance with the good practice adopted last year Directors and Departmental Managers are requested to give information about the level of commitments against the amounts carried forward for their services.
45. Once again the carried forward amount should be split between:-
- (a) Contract commitments
 - (b) Other unavoidable commitments
 - (c) Earmarked sums
 - (d) Amounts currently committed

SUMMARY POSITION IN RELATION TO PROGRAMME AREAS

The net 2004/05 underspending for the Councils programme areas of £4,468,000 was made up as set out below.

Also shown are the amounts actually carried forward after transfers to reserves.

	Underspending	Amount
	£000	Carried Forward
		£000
Children's Services (excluding schools)	1,998	1,998
Environment	1,397	491
Strategic Housing	(235)	(27)
Social Care	(1,484)	(714)
Policy and Finance	2,847	2,017
Property	(594)	(594)
Economic Development	479	479
Social Development	60	90
	<u>4,468</u>	<u>3,740</u>

The net underspending during the year was £4,468,000 but after taking into account transfers to and from reserves £632,000 the amount carried forward was £3,740,000.

The amounts transferred to Reserves includes the underspending on the Waste PFI contract (£906,000), an underspending on precepts and levies of £409,000 and various corporate savings of £354,000. These amounts were offset by the transfers to reserves of overspendings in excess of 2% in accordance for Social Care (£770,000) and Strategic Housing (£208,000) for with the Councils Financial Regulations.

Although the carry forward at £3.740 million or just over 2% of the Councils Budget, a large proportion of this amount (xxxx) was already fully committed when the accounts were closed.

APPENDIX 3

2004/2005 FINAL OUTTURN

PROGRAMME AREA	2003/04 Carry Forward £000	2004/05 Base Budget £000	2004/05 Total Budget £000	Outturn £000	Variance £000	To Balances £000	Carry Forward £000
Economic Development	331	3,159	3,490	3,011	(479)		479
Education							
Schools		63,251	63,251	63,251	0		
Other	1,369	25,337	26,706	24,708	(1,998)		1,998
	1,369	88,588	89,957	87,959	(1,998)	0	1,998
Environment							
General	(97)	24,616	24,519	24,052	(467)	(906)	(439)
Regulatory	31	2,759	2,790	2,620	(170)		170
Planning	411	2,848	3,259	2,499	(760)		760
	345	30,223	30,568	29,171	(1,397)	(906)	491
Strategic Housing	56	3,872	3,928	4,163	235	208	(27)
Social Care	(245)	38,194	37,949	39,433	1,484	770	(714)
Social Development	31	10,938	10,969	10,909	(60)	30	90
Policy and Finance							
Corporate & Democratic	391	4,494	4,885	4,368	(517)	(354)	163
Policy & Community	900	1,910	2,810	1,343	(1,467)		1,467
Support Services	135	102	237	41	(196)		196
Central Services to Public	97	2,052	2,149	1,891	(258)	(67)	191
Property	(433)	(57)	(490)	104	594		(594)
Precepts and Levies		2,018	2,018	1,609	(409)	(409)	
	1,090	10,519	11,609	9,356	(2,253)	(830)	1,423
Total Programme Areas	2,977	185,493	188,470	184,002	(4,468)	(728)	3,740
Financing and other costs	313	(10,002)	(9,689)	(13,089)	(3,400)	(3,400)	0
To/(From) reserves	(367)	82	(285)	(237)	48	48	0
To/(From) balances	(3,176)		(3,176)	4,644	7,820	4,080	(3,740)
Total	(253)	175,573	175,320	175,320	0	0	0

CAPITAL PROGRAMME OUTTURN 2004/05

1. The capital programme is by its nature prone to rapid changes. New schemes and new sources of finance have been identified and reported throughout the year as part of the established Capital Monitoring process. This process helps to ensure that no conditional capital resources are lost. The details of changes throughout the year are to be found in those reports. This report provides a brief summary of the overall changes from the original budget to the outturn position.
2. The capital programme outturn for 2004/05 totalled £33,198,000 compared to an original budget of £34,938,000, which represents a decrease of £1,740,000 or 5%. Changes in original capital budgets represent a combination of total increases of £7,597,000 and total decreases of £9,337,000. This is due to new schemes and new sources of funding being identified, slippages and deferment of schemes into future years, and budget virements where necessary. **Annex 1** gives a further breakdown.
3. Cabinet allocated Prudential Borrowing of £4,741,000 to various capital schemes in July 2004. Additional Supported Capital Expenditure (Revenue) (SCE(R)) funded £127,000 of this requirement. The outturn for the use of Prudential Borrowing for 2004/05 was £2,603,000 with the slippage of £2,011,000 being required in 2005/06. As Prudential Borrowing funding is unconditional no resources have been lost.
4. The outturn position is financed by SCE (R) of £17,270,000, Prudential Borrowing of £2,603,000, Unsupported Credit Approval of £130,000, Revenue Contributions of £244,000, Grants of £8,751,000 and Capital Receipts Reserve of £4,328,000.
5. Total revenue contributions to capital spend were £1,006,000. Of this £762,000 has been swapped with corporate capital receipts reserve funding in order to enhance revenue reserves. This sum does not represent additional funds merely a transfer between the capital and revenue element of general reserves in order to provide greater flexibility.
6. A summary of the significant variances between the original forecast and the outturn position are set out below. **Annex 2** gives a detailed breakdown.

Education: The decreases in spend are primarily due to the budget and resources for several high value property schemes, namely Kingstone, Fairfield and Weobley Sports Hall, now being profiled into 2005/06. Increased budgets relate to the site acquisition for the new Whitecross School under the PFI scheme and the funding of Weobley Science Labs.

Social Care: The spend has increased mainly due to the capitalisation of community equipment costs incurred in the year and the inclusion of ICT Development costs as detailed in the capital bid. These increases have been funded from Capital Reserves.

Property: Spend has increased mainly due to the inclusion of the purchase of Station Approach in Hereford which was funded by capital grant.

P&F General: Spend has increased due to the capitalisation of the Revenue and Benefits computer system. This was funded by a combination of revenue contribution and capital grant.

ICT Services: The increased spend is due to a combination of contract adjustments, decreasing spend on Network Enhancement and increased spend on the Herefordshire in Touch eGateway Phase 2 capital scheme funded by an increase in capital grant.

Environment General: Spend has increased mainly due to increased costs incurred on the Roman Road capital scheme. These increased costs are currently unfunded resulting in an overdrawn capital receipts reserve position of £875,000 in the Environment capital programme. The reserves position will be repaid from the Environment capital programme in future years.

Social Development: The spend for this area has decreased due to delays encountered on the building of the replacement swimming pool in North Herefordshire and delays due to waiting for confirmation of external funding towards the Ross Creative Learning Centre capital project.

Economic Development: Increased spend relates to the Leominster Industrial Access Road which is being funded from a combination of capital grants and capital receipts reserve, as previously reported to Cabinet. There is decreased expenditure on the Rotherwas match funding capital scheme while waiting for confirmation of external funding towards the cost of the Rotherwas Business Centre.

Strategic Housing: The original budget for Affordable Housing Grants included the cost of the purchase of Grange House and the former nursery site. These are Council assets therefore only a virement of funding was needed to correctly account for the transaction.

CAPITAL OUTTURN 2004/05

Capital Programme Area	Original Budget	Original Budget after approval of Capital Bids	Outturn	Variance
	£'000	£'000	£'000	£'000
Education	7,014	7,014	5,746	(1,268)
Social Care	132	332	722	390
P&F – Property	402	702	2,568	1,866
P&F – General	25	29	941	912
ICT Services	127	1,147	1,919	772
Environment General	11,846	12,241	12,994	753
Social Development	2,467	2,834	2,209	(625)
Economic Development	4,092	4,547	3,001	(1,546)
Strategic Housing	5,633	5,833	3,098	(2,735)
Prudential Borrowing – £5,000,000 was to be allocated including £1,800,000 already allocated to Social Development, final allocation £4,741,000.	3,200	259	-	(259)
Outturn	34,938	34,938	33,198	(1,740)

CAPITAL OUTTURN 2004/05 – BUDGET CHANGES

Capital Programme Area	Budget Increase	Budget Decrease	Reason - Slippage or Funded by
	£'000	£'000	
Education			
- Whitecross High School Site Acquisition	550		Funded by SCE(R)
- Kingstone High Sports Hall		(966)	Grant funded, drawn down after expended
- Fairfield High New Building		(460)	Funded by SCE(R)
- Weobley High Science Labs	449		Funded by SCE(R)
- Weobley Hall Sports Hall		(980)	Grant funded carried forward until 31/08/05
- Other (net)	139		
Social Care			
- Mental Health SCE(R)	91		Allocation of SCE(R) funding
- Community Equipment	119		Funded by revenue contribution
- ICT Development	151		Funded by capital receipts reserve
- Integrated Children's System	21		Allocation of grant funding
- Other (net)	8		
P&F - Property			
- Purchase of Station Approach	1,989		Funded by grant
- Other (net)		(123)	
P&F – General			
- CCTV in Ledbury	69		Funded by contribution from various bodies
- Revenue and Benefits system	692		Funded by grant and revenue contribution (swapped with capital receipts reserve)

- Garrick House SIP	128		Funded by capital receipts reserve and revenue contribution (swapped with capital receipts reserve)
- Other (net)	23		
ICT Services			
- Implementing Electronic Government Partnership	175		Funded by grant
- Flexible Working	114		Remainder of funding allocated to capital bid in 2003/04
- Network Enhancement		(676)	Successful capital bid funding carried forward into 2005/06
- eGateway	973		Funded by grant
- Other (net)	186		
Environment General			
- Local Transport Plan including Roman Road	735		Due to accelerated payments for the Roman Road capital scheme
- Other (net)	18		
Social Development			
- Replacement Swimming Pool		(515)	Project slippage into 2005/06
- Ross Creative Learning Centre		(117)	Awaiting external funding confirmation therefore carried forward into 2005/06.
- Other (net)	7		

<i>Economic Development</i>			
- Leominster Industrial Estate Access Road	960		Funded through grants, overspend funded by capital receipts reserve
- Match Funding Rotherwas		(1,913)	Awaiting external funding confirmation
- Hereford Shop Front Scheme		(50)	Funding carried forward into 2005/06 re late Prudential Borrowing allocations
- High Street & High Town		(145)	
- Victoria Foot Bridge		(100)	
- other (net)		(298)	
<i>Strategic Housing</i>			
- Affordable Housing Grant		(1,942)	Share of capital receipt transferred to corporate
- Learning Disability Development Fund		(240)	Funding carried forward into 2005/06
- Disabled Facilities Grant		(200)	Successful capital bid spend committed funding carried forward into 2005/06
- Other (net)		(353)	
<i>Prudential Borrowing budget decrease</i>		(259)	
Outturn Variance	7,597	(9,337)	

Managing Risk - Corporate Risks



Stage One		Stage Two						
Identified	Risk Reference Number	Assessment of Risk (Assume NO controls in place) using risk matrix			Risk Controls Measures	Assessment of Residual Risk (With control Measures implemented)		
		Impact (Severity)	Likelihood (Probability)	Priority Rating		Impact (Severity)	Likelihood (Probability)	Residual Priority Rating
Children Act	CR1	4	4	High	Children's Services Directorate established. Children's Change Team set up.	4	3	High
Corporate budget position	CR2	4	4	High	Budget set aside to address Social Care and ICT budget pressures. Preparation of AES	4	2	Medium
Business continuity management	CR3	3	4	High	Work is underway to determine an overall corporate approach. Substantial capital investment made in ICT network and disaster recovery arrangements.	3	2	Medium
Failure to maintain CPA "good" rating	CR4	4	3	High	Project management of preparation. Complete areas for improvement. Engage partners.	3	2	Medium
Failure to get a "good" JAR rating	CR5	4	3	High	Run jointly with CPA project	3	2	Medium
Herefordshire Jarvis Services arrangements	CR6	4	3	High	Ensure Council's financial liabilities are covered. Raise awareness of contingency arrangements following creation of contingency plan.	2	3	Medium
Delivery of new LSPA agreement in agreed timescales	CR7	3	2	Medium	Steering Group formed to manage the delivery of the agreement. Early liaison established with Government contacts to circumvent more formal processes	3	2	Medium

Managing Risk - Corporate Risks



Stage One				Stage Two				
Identified	Risk Reference Number	Assessment of Risk (Assume NO controls in place) using risk matrix			Risk Controls Measures	Assessment of Residual Risk (With control Measures implemented)		
		Impact (Severity)	Likelihood (Probability)	Priority Rating		Impact (Severity)	Likelihood (Probability)	Residual Priority Rating
Failure to deliver the LPSA targets	CR8	3	3	Medium	Amend JUP accordingly and drive change through the new management team.	4	2	Medium
Adult Care Services Green Paper	CR9	3	3	Medium	Waiting for publication of Green Paper and respond accordingly.	3	3	Medium
Recruitment and retention of staff where there are national skills shortages and including the impact of Job Evaluation.	CR10	3	3	Medium	Implement market forces / supplement Succession planning Utilise SRDs / implement career development posts and conclude job evaluation Promote professional development support through training agreements and payment of professional fees. Develop secondment opportunities internally and with partners. Promote pride in Herefordshire.	2	2	Low
Corporate Capacity to deliver a range of changes the Council has embarked upon.	CR11	4	3	High	Programme Management, Clear Leadership and Senior Management Restructuring.	4	2	Medium

Signed: _____ Position: _____

Date: _____

LOCAL PUBLIC SERVICE AGREEMENT

Report By: County Treasurer

Wards Affected

No wards are affected.

Purpose

1. To note progress towards developing the second Local Public Services Agreement (LPSA2) with the Government and also provide an update on performance against the targets in the first round LPSA (LPSA1).

Financial Implications

2. Indicated in the attached report.

Background

3. The report to Cabinet on 19th May, 2005, is appended.
4. Cabinet noted that the projected Performance Reward Grant (PRG) level is 50% of the maximum available (approximately £1.6 million). Cabinet also noted that the PRG will be used to fund the Council's high priority objectives within LPSA2.
5. The Council stands to earn up to a maximum of £4.4 million for LPSA2, equating to £366,000 per target. The Council remains confident that a final sign off can soon be reached on LPSA2 despite the delays in reaching agreement on outcomes and performance measurement. The next report to Cabinet will contain recommendations and options for funding and on what the money will be used for.

RECOMMENDATION

THAT the report be noted subject to any comments the Committee wishes to make.

BACKGROUND PAPERS

- None.

LOCAL PUBLIC SERVICE AGREEMENT UPDATE

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

19TH MAY, 2005

Wards Affected

No wards are affected.

Purpose

To notify Cabinet on progress towards developing the second Local Public Service Agreement (LPSA2) with the Government and also provide an update on performance against the targets agreed in the first round LPSA (LPSA1).

Key Decision

This is not a Key Decision.

Recommendation

That Cabinet notes the progress made on targets for LPSA 2 and the performance on LPSA 1.

Reasons

Cabinet members need to be notified on progress against the negotiations of LPSA2 and the performance against LPSA1 targets.

Considerations

1. This report is split into two sections covering the first and second LPSAs. The formal measurement period for LPSA1 ended on 31st March 2005 although there are some outstanding targets where the measured stretches need to be confirmed. It is possible, however, to provide an indication of the level of Performance Reward Grant (PRG) earned from the performance improvements.
2. The formal measurement period for LPSA2 started on 1st April 2005 although at this stage only a handful of the first tranche authorities have successfully negotiated an agreement. The Council had been making good progress towards early negotiation but has encountered a number of obstacles over the last few months. These are elaborated on later in this report.

Section 1 - LPSA 1

3. Performance against each of the individual targets is set out in Appendix A as in previous monitoring reports. These figures will have to be fully verified and audited, before being signed off by the Chief Executive. This process will not be completed

Further information on the subject of this report is available from
Andrew Tanner, Assistant County Treasurer on 0162

until the end of June at the earliest. It is important, however, for Cabinet members to have at an early stage of the new year a view on performance and the subsequent level of PRG earned. At this stage of the report it is re-emphasised that it was not the intention of the Council or the Partnership to reward directly those services who have contributed to the PRG. Rather it would be used to invest in LPSA2 which is integrated within the Corporate Plan and hence fund high priority objectives within that arena. A typical example will be the significant investment required within the 'independent living for older people' agenda.

4. The current prudent estimate of PRG earned is around £1,600,000 which will need to be allocated across the LPSA2 targets. The final level of PRG may well be greater and it is recommended, therefore, that this surplus transfers to an earmarked performance reserve for future LPSA 2 funding. This will be beneficial where during the course of the three year LPSA2 period it becomes apparent that the initial investment in performance improvement is not sufficient to meet the stretched targets. It is important, however, to communicate the message to those officers responsible for managing individual targets that they cannot rely on receiving further allocations.
5. The projected PRG level is 50% of the maximum available. The success of the agreement cannot solely be judged by the level of financial reward as there have been significant performance gains even where targets have not been reached. Similarly the comparative success of the Herefordshire agreement against other local authorities cannot be gauged at this time but will be determined by a number of factors namely:
 - The quality of the original agreement in terms of linking targets to priorities and overall corporate commitment to the LPSA.
 - The ability of individual service managers to negotiate a good 'deal' with the government departments by achieving the right balance between maximising both service improvement and the PRG.
6. Performance against individual targets is detailed in Appendix A. This is summarised as follows in the following categories:

Stretched targets achieved (or highly likely to be achieved)

Reducing the number of house fires and deaths and injuries caused by fires.

Reducing the number of people killed or seriously injured on the county's roads.

Improving the condition of the county's non-principal roads.

Reducing vehicle crimes.

Reducing rates of youth re-offending.

Increasing the percentage of care leavers in employment, education or training.

Increasing electoral turn out in three targeted wards of Ross, Holmer and Belmont.

Improving educational achievement for higher ability pupils at Key stages 2 (age 11) and 4 (age 16).

Improving the care and development of young children by reducing the percentage

on 1-2 year inspection outcomes for three consecutive years.

Stretched Targets which have been (or likely to be) partly achieved

Increasing the percentage of older people receiving intensive homecare.

Reducing the incidence of avoidable harm (falls and hypothermia) for older people.

Reducing the number of 1 – 2 year outcomes for childcare settings.

Improving the Council's overall cost effectiveness.

Increasing the percentage of Council's services which can be accessed electronically.

Stretched targets which have not been (or are unlikely to be) met

Increasing intensive home care as a proportion of overall care.

Increasing the proportion of older people helped to live at home.

Reducing the number of domestic burglaries.

Increasing the adoption rate.

Increasing the number of children leaving care with at least 5 GCSEs at A to C Grades.

Reducing the absence from school rate for looked after children.

Reducing the number of homeless households needing repeat housing.

Increasing the percentage of pupils achieving at least 5 A to C grades at GCSE.

Percentage of childcare settings on 1-2 year outcomes.

Percentage of childcare settings accredited on Quality Assurance schemes.

7. There are a number of reasons why these targets will not be, or are unlikely to be met. Previous reports have referred to the changing of definitions for national targets and these specifically relate to the 'older people being helped to live at home' and domestic burglary targets. The homeless household targets have not been met as the conditions applied during the negotiation phase made its achievement highly improbable. Lastly the statutory targets for GCSE attainment were already very challenging. To stretch these further within the LPSA was, therefore, unlikely. The Council had little choice at the time of negotiation as the inclusion of the high profile education targets was mandatory.

Section 2: LPSA 2

8. The Council stands to earn up to a maximum of £4,400,000 for the second round LPSA (LPSA2); this equates to £366,000 per target. The overall agreement has a good balance to it in terms of the breadth of Partnership activities it covers and retains a close fit to the original theme of improving the quality of life for Herefordshire's residents.

9. Appendix B details the progress which has been made on the LPSA2 negotiations with the government. These have been expedited to a certain extent by individual service contact with the individual departments. However, no stretched targets have been formally agreed as yet, only the performance measurements leading to the outcomes.
10. The Council remains confident that a final sign off can soon be reached on LPSA2 despite the delays in reaching agreement on outcomes and performance measurements. The ODPM has informally prioritised Herefordshire's LPSA for early completion. A particular stumbling block has been the negotiations with the Department of Health, the Home Office and more recently with the Department for Education and Skills, all of whom have been pressing for their own performance measurements. These have tended to be at a divergence with specific local priorities although the overall outcomes are similar.
11. Agreement in principle has finally been reached on the independent living for vulnerable people targets. Limited progress, however, has been made on constructing a health target with the focus now on tackling obesity by using school children as the measurable cohort. To maintain the balance of the LPSA it is important that a health improvement target is included. Additional complications have recently been caused by a change in personnel at the Department for Education and Skills which has resulted in some significant revisions to the Children's Services' targets.
12. The detailed targets will now be sent to the Office of the Deputy Prime Minister for formal agreement of the stretched performance improvements. There are currently 13 targets or outcomes and these are likely to be reduced to 12 as negotiations reach an advanced stage. The Council will want to strike a fine balance between maximising improvements in services for its citizens but also ensuring that it maximises future PRG. This is vital for future investment in services.
13. Final allocation of the PRG from LPSA1 and the pump priming grant for LPSA2 will need to be decided during the final stages of negotiation. There are some important reasons for this, namely:
 - The allocation of PRG between individual measurements in targets by the government will be in line with its own considerations of value for money that the improvements are offering. For example, the government may decide that within the school absences target the measurement for all children will attract more PRG than for those 'looked after' as it covers a greater number of pupils. In terms of managing the risk of not achieving the full PRG of £366,000, the Council could then decide to focus a greater level of resource on the wider target as it attracts greater reward ultimately.
 - The level of stretch finally negotiated may require a greater level of funding than initially forecast. The Council will need to take a considered view in these cases on whether the target is worth including in the agreement following recommendations by officers.
 - Services still need to be encouraged to find different ways of securing improvement other than purely through increasing funding. Further work is still required on developing freedoms and flexibilities in the negotiations with government departments.

Next Steps

14. Cabinet and the Partnership Board will need to sign off the final agreement, hopefully before the end of June. The next Cabinet report will, therefore, detail the final stretched targets, together with the proposed funding allocations to achieve the performance improvements.

Alternative Options

Not applicable.

Risk Management

Failure to negotiate achievable stretched targets will result in the loss of potentially significant Performance Reward Grant for the Council. Additionally failure to focus on priorities within the Herefordshire and Corporate Plans may have a detrimental impact on future commitment to the LPSA from all organisations. This will not only affect the Council financially but also in corporate performance assessments.

Consultees

There are no consultees.

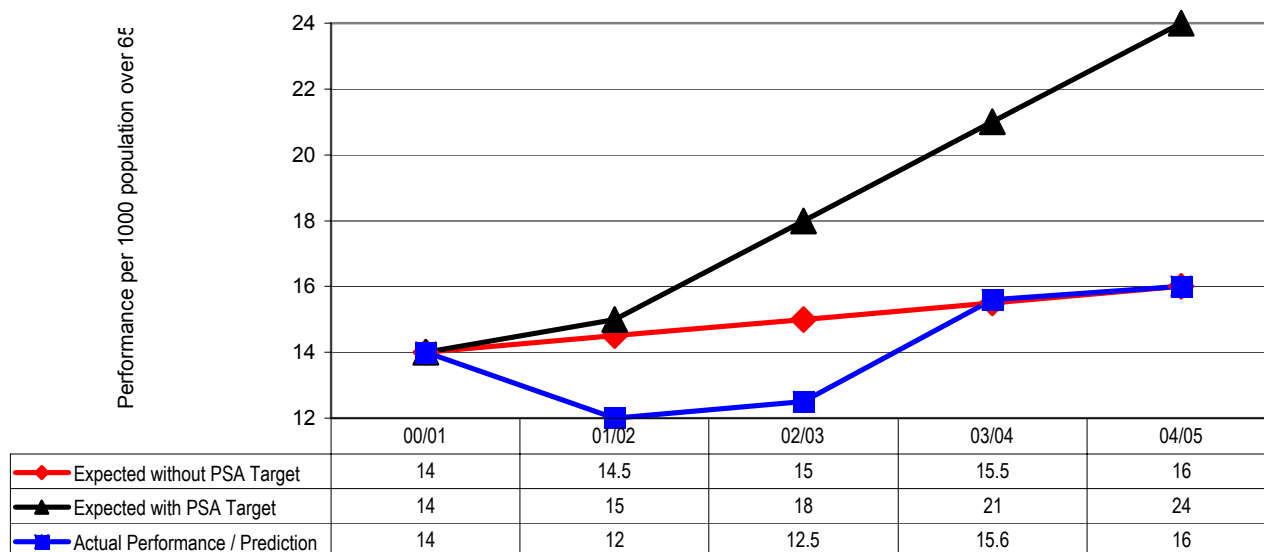
Background Papers

None identified.

Target 1

Enabling older people to live as independently as possible in the community - by providing community services.

Target 1.1 - PSS PAF Indicator B11
Intensive Home Care as a proportion of intensive home care and residential care



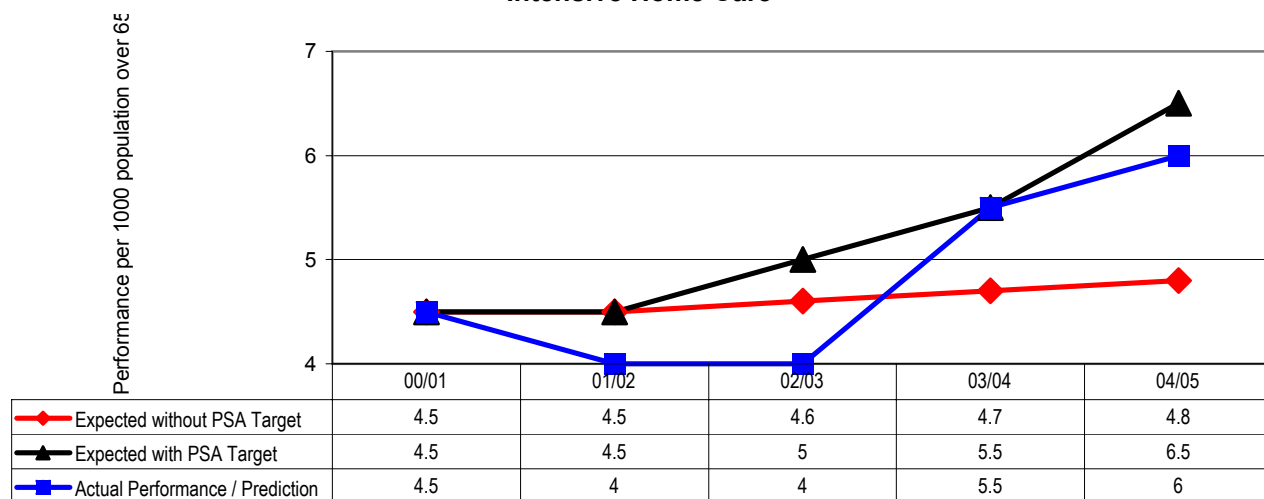
Report **Target 1.1** ☹️☹️

Feb-04 Progress is being made against this target by re-focusing in-house homecare to reablement and changes in contracting with the independent sector towards volume purchasing. This has diverted people from care homes and hospital to intensive home support.

Sep-04 Progress predicted to meet target

Feb-05 **Exceptional demand for care home placements from older people with mental health problems, and from pick up of previous self funders has affected this indicator. It is unlikely to be met.**

Target 1.2 - PSS PAF Indicator C28
Intensive Home Care



Report **Target 1.2** ☹️

Feb-04 Progress is being made against this target by re-focusing in-house homecare to reablement and changes in contracting with the independent sector towards volume purchasing. This has diverted people from care homes and hospital to intensive home support.

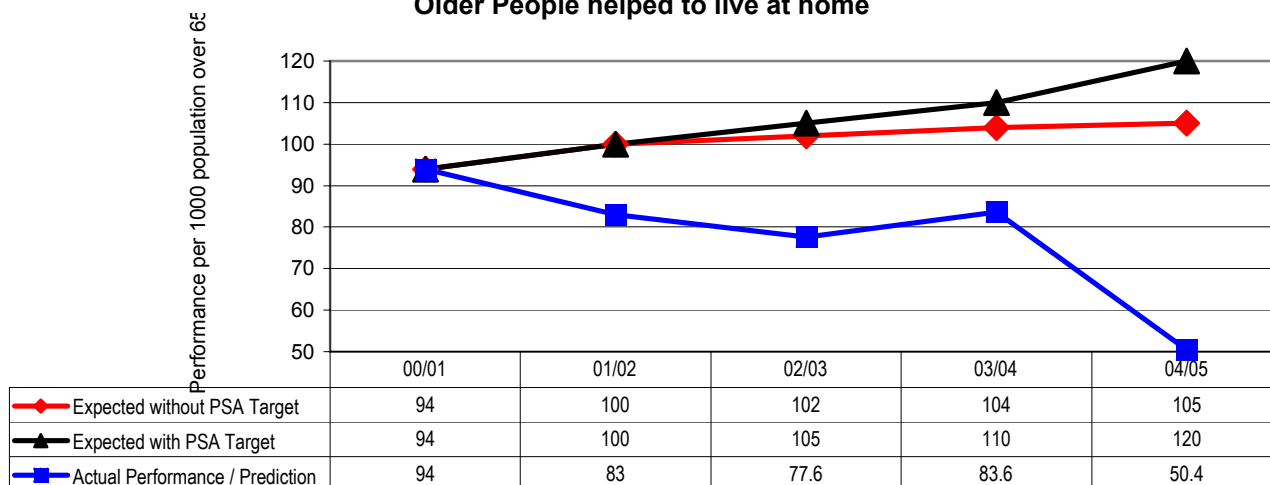
Sep-04 Progress predicted to meet target

Feb-05 **Those receiving Direct Payments are removed from this indicator - these tend to be intensive support. This indicator is not expected to be met.**

Target 1

Enabling older people to live as independently as possible in the community - by providing community services.

**Target 1.3 - PSS PAF Indicator C32
Older People helped to live at home**



Report **Target 1.3**

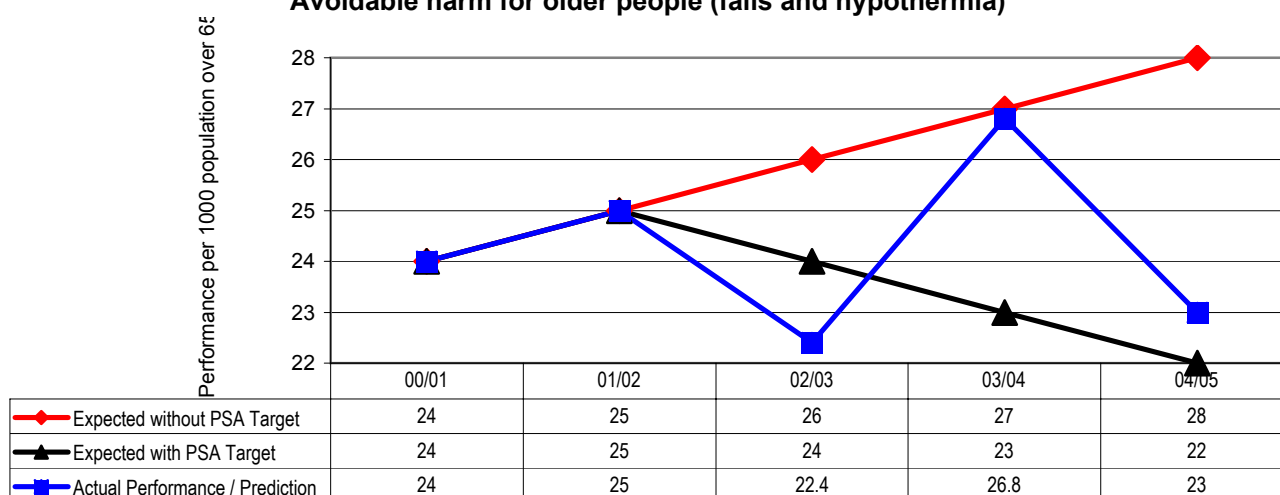


Actual performance is below target at this time although a number of actions are actively being pursued including the piloting of the latest signposting/contact assessment form. The target is based around a partnership between Health; Social Care; Fire Service; Herefordshire Home Check and the Council's Welfare Rights Team through developing and improving the first level single assessment and benefits advice take up.

Sep-04 C32 base values has been revised because of changes by the Department of Health (DoH) in definitions - although representations have been made to take into account the DoH revisions it is understood the ODPM has not yet agreed to the changes.

Feb-05 **Without agreement to the changes by ODPM this target will not be met**

**Target 1.4 - PSS PAF Indicator C33
Avoidable harm for older people (falls and hypothermia)**



Report **Target 1.4**



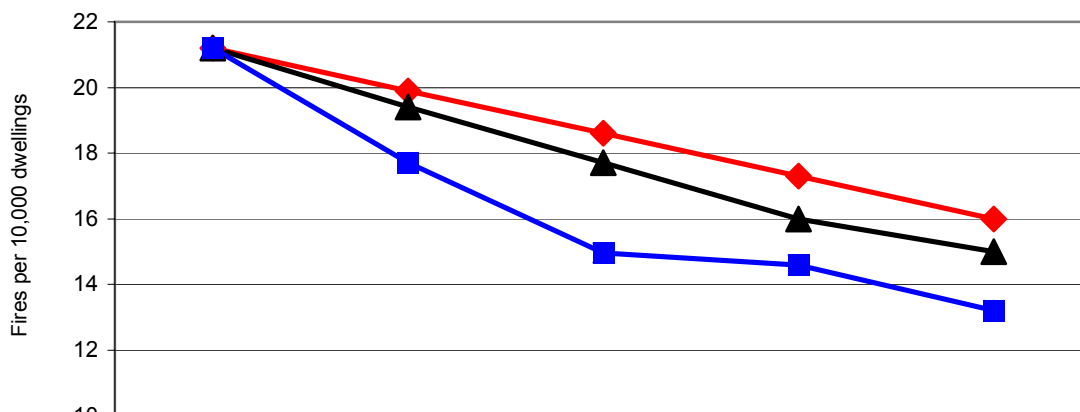
Feb-04 Performance on Track to meet targets

Sep-04 C33 as defined and published by the DoH applies to clients 75+ and not all older people as defined in the LPSA - this indicator is not measured by the Council but is reported by the acute sector of the NHS on a national basis. The figures included here are estimates based on figures obtained from the local Acute Trust. The indicator applies to any older person resident in Herefordshire presenting to any acute hospital in England

Feb-05 **No new text supplied but not expected to meet target.**

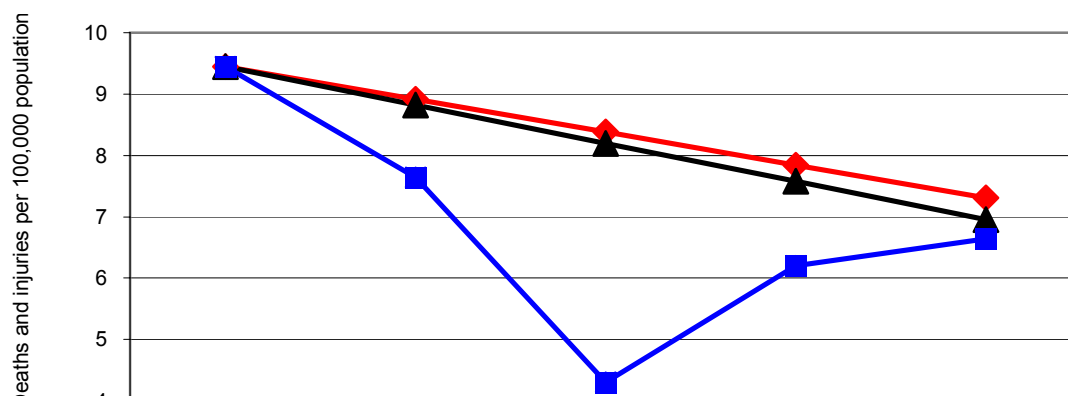
Target 2 Improving Fire Safety

**Target 2.1 - BVPI 142iii
Fires per 10,000 dwellings**



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	21.2	19.9	18.6	17.3	16
Expected with PSA Target	21.2	19.4	17.7	16	15
Actual Performance	21.20	17.70	14.96	14.59	13.20

**Target 2.2 - BVPI 143i + 143ii
Deaths and injuries per 100,000 population**



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	9.45	8.92	8.38	7.84	7.31
Expected with PSA Target	9.45	8.82	8.20	7.58	6.95
Actual Performance	9.45	7.64	4.3	6.2	6.64

Report **Target 2.1 & 2.2** 😊

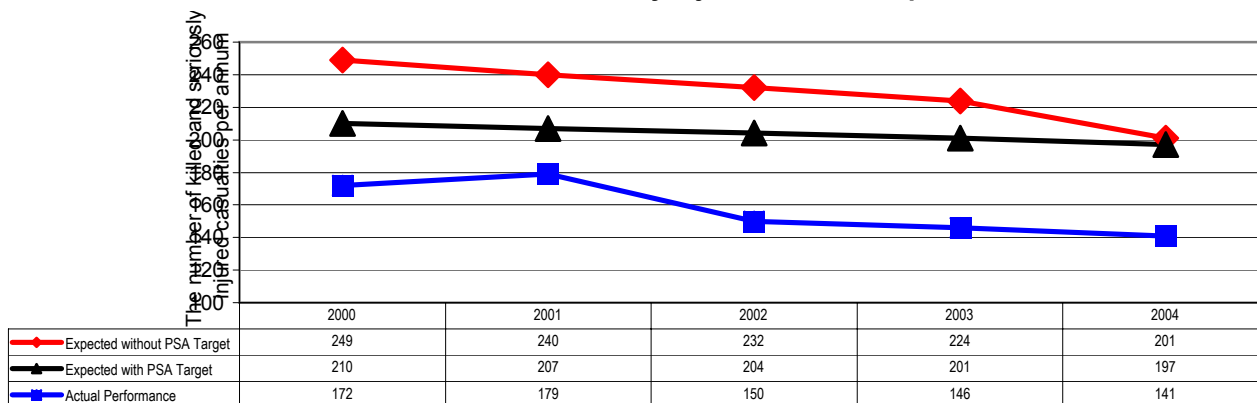
Feb-04 The Fire Authority continues to make excellent progress in reducing accidental dwelling fires and associated injuries through their frontline prevention initiatives such as Home Fire Safety Checks and the Schools Education Programme. It needs to be noted however that the LPSA performance is measured by performance in the final year solely and is therefore continues to be sensitive to major incidents.

Sep-04 The Fire authority is now in the Second Quarter of the final year of the LPSA agreement (which ends in March 2005). It continues to deploy its now well-established education and prevention initiatives towards successful completion of the agreements and achievement of full LPSA targeted performance. A guideline projection drawn from the current First Quarter performance indicates that the final performance overall looks extremely encouraging. However as reported previously, successful performance in the agreements is based on the final year and they must therefore strive to maintain or even improve on the reductions in fires, deaths and injuries for the remaining period to the end of March

Feb-05 **Target likely to be achieved but needs confirmation**

Target 3 Improving Road Safety

Target 3.1 - STATS 19
The number of killed and seriously injured casualties per annum



Report **Target 3.1**

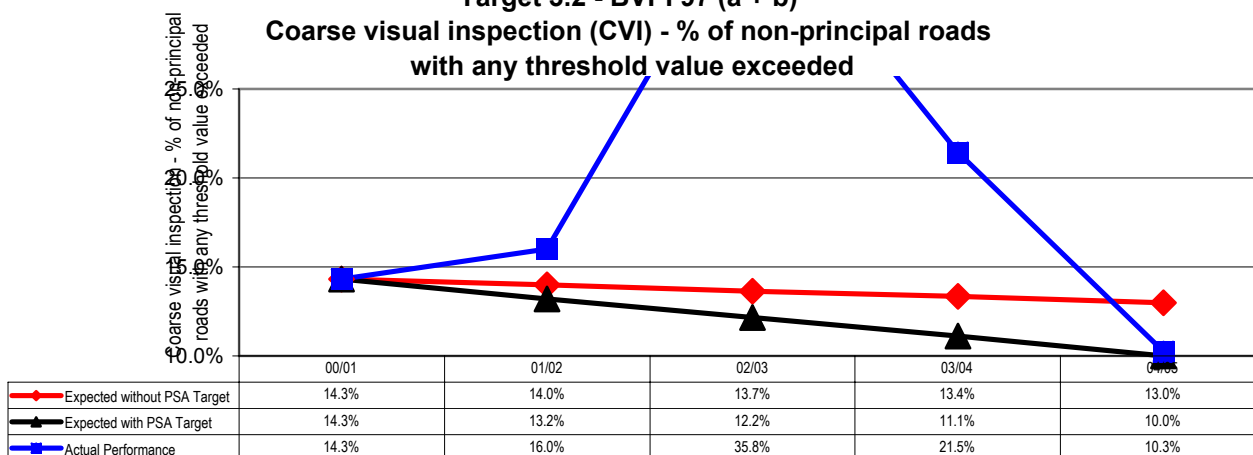


Feb-04 LPSA performance is measured in the last year so sensitivity to major accidents is still a factor despite a significant reduction in numbers of accidents. Figures for 2003 are now available and demonstrate yet further reductions.

Sep-04 Figures for 2004 are extrapolated from the 66 Killed or Seriously Injured (KSI) as at the end of July. Such extrapolation remains very sensitive to subsequent major incidents.

Feb-05 **Target expected to be achieved.**

Target 3.2 - BVPI 97 (a + b)
Coarse visual inspection (CVI) - % of non-principal roads with any threshold value exceeded



Report **Target 3.2**



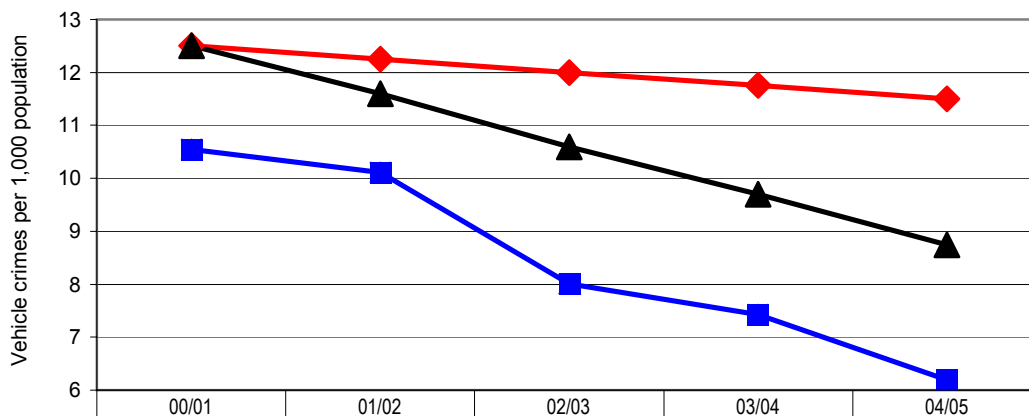
Feb-04 Previous years' figures do not provide a true comparison due to methodology changes. Recent data produced by CVI surveys demonstrate the importance of a targeted and successful maintenance programme this coming year in order to meet the LPSA target. The last CVI survey produced figures which we were surprised about and we have called in a second opinion for verification.

Sep-04 Meeting the road condition target has been problematical because of changes introduced each year in the method of assessment data from Coarse Visual Inspection (CVI) surveys. The survey contractor will repeat the baseline survey of road condition, using the "rules and parameters" employed for that baseline data, covering the same roads covered by the baseline survey. It is possible that DfT will challenge these results on the basis that CVI surveys should be based on a random selection of roads. To cover for that risk, we intend to use the special LPSA survey to "recalibrate" our routine 2004 condition survey, which will cover a wider (and random) selection of non-principal roads across the county. This is a large piece of work and will be funded using our LPSA pump-priming grant. Although the subjective view remains that the condition of non-principal roads has improved in line with the LPSA target, there is not yet any appropriate data to support this view. Results of the surveys will be analysed between October and December 2004.

Feb-05 **Target has been achieved**

Target 4 Reducing crime

**Target 4.1
Vehicle crimes per 1,000 population**



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	12.5	12.25	12	11.75	11.5
Expected with PSA Target	12.5	11.6	10.6	9.7	8.75
Actual Performance / Projection	10.55	10.11	8.01	7.43	6.19

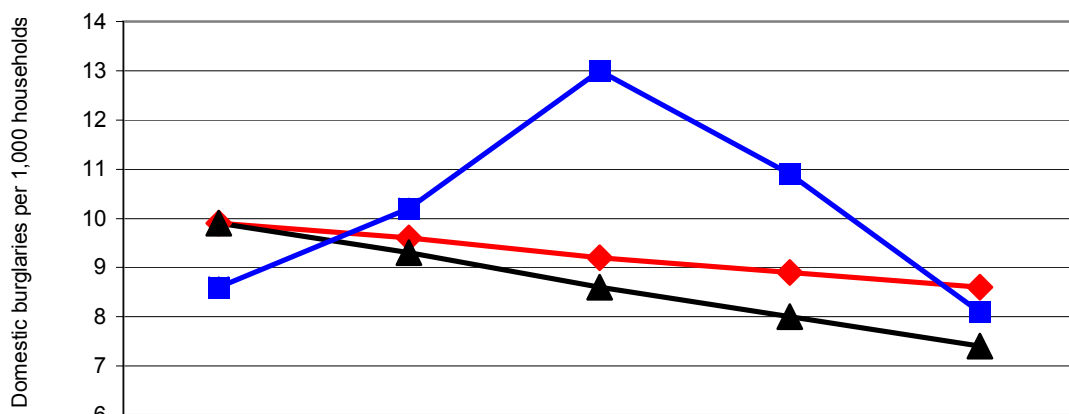
Report **Target 4.1** 😊😊

Feb-04 There continues to be a downward trend in vehicle crime as it is very difficult to break into modern cars and the LPSA target is very likely to be met.

Sep-04 There continues to be a downward trend in vehicle crime. The LPSA target is very likely to be met.

Feb-05 **Expected Outturn :- 1083 vehicle Crimes (equates to 6.19 crimes per 1000 pop) - On target**

**Target 4.2
Domestic burglaries per 1,000 households**



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	9.9	9.6	9.2	8.9	8.6
Expected with PSA Target	9.9	9.3	8.6	8	7.4
Actual Performance / Projection	8.6	10.2	13	10.9	8.1

Report **Target 4.2** 😞😞

Feb-04 It is highly unlikely the burglary target will be met as thieves turn their attentions away from vehicles to dwellings despite recent performance improvements. The introduction of the National Crime Recording Standards in 2001 has not helped the target v the inclusion of attempted burglaries within incident recording.

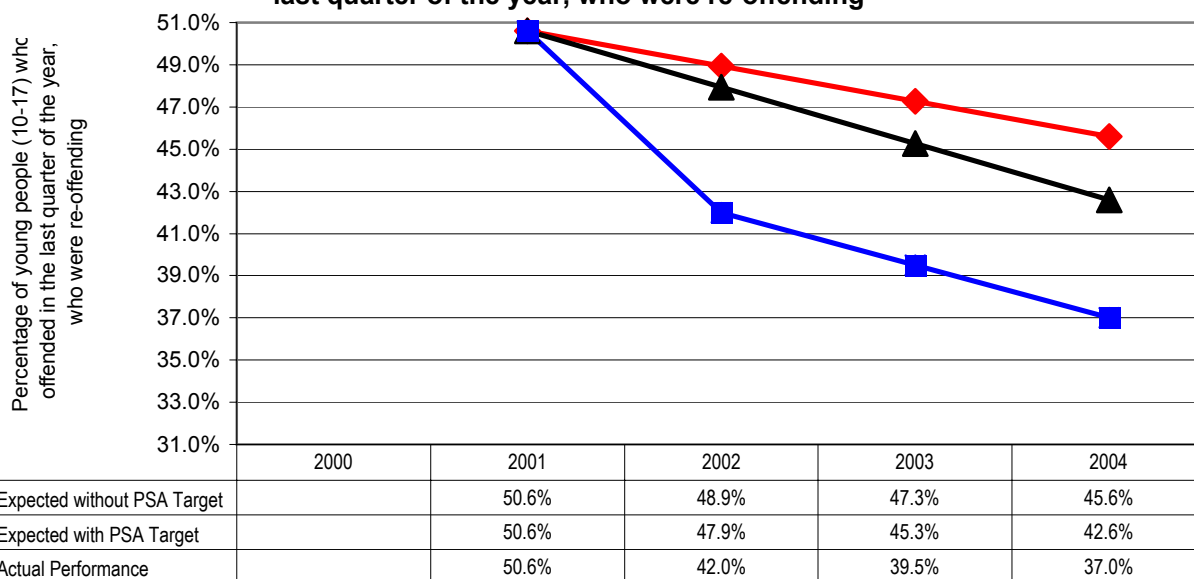
Burglary of dwellings has continued to fall for the past two years and numbers are now back to those seen within 2000/01.

Sep-04 Burglary dwelling has continued to be a priority for the Division over this time with dedicated officers dealing with every reported burglary.

Feb-05 Expected Outturn:- 605 Burglaries (equates to 8.1 burglaries per 1000 dwelling) - Off target. Burglary has fallen by over 110 records compared to the same time last year. Since 2002/03 there (will be) a reduction of 37%, or 360 burglaries. It has remained the main priority of the Division, and will continue to despite significant reductions.

Target 4 Reducing crime

Target 4.3 - Youth Justice Board indicator
Percentage of young people (10-17) who offended in the last quarter of the year, who were re-offending



Report **Target 4.3**



Feb-04 Performance continues to improve on reducing the rate of youth re-offending although the target is still sensitive to minor changes in trends. The 2003 figures are still provisional as final checks on Police National Computer records, for example, need to be carried out.

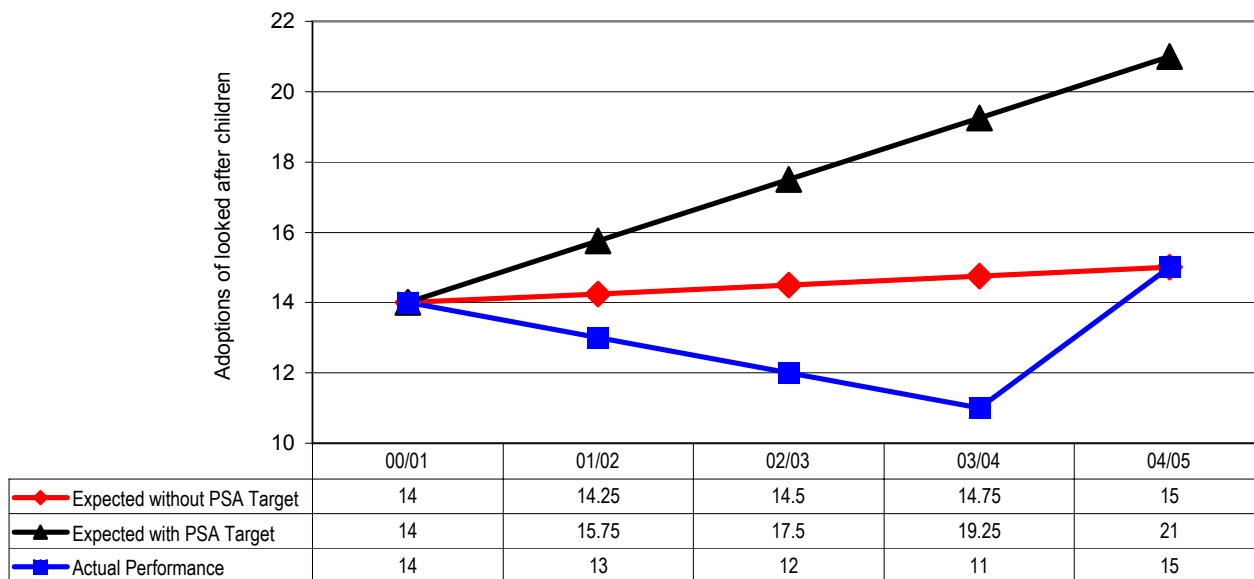
Sep-04 These six month figures are estimates. No checks with police records have been done. The six month recidivism figures for young people who received final warnings and reprimands are high compared to the last full year. The figures for young people who received a community penalty are also high for six months. The outturn at the end of the year may not be as good as for the last cohort but we may achieve the 42.6% target

Feb-05 **Target likely to be achieved but confirmation required since departure of Theresa Gindy**

Target 5

Improving the life chances for children in care by increasing the adoption rate

Target 5.1 - PSS PAF Indicator C23 Adoptions of looked after children



Report **Target 5.1**



Feb-04 The last update highlighted the potential problem of the fixed numbers used in the LPSA target when those available for adoption have gone down. The pump priming grant is being used for pre and post adoptive support for potential adoptive parents.

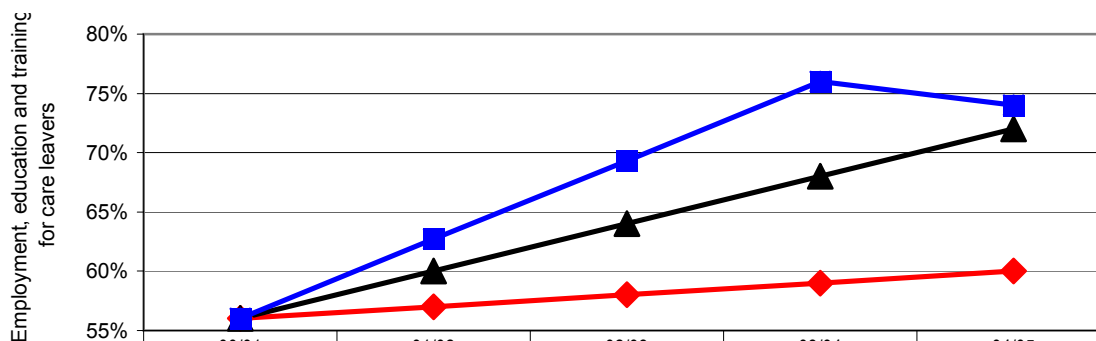
Sep-04 Performance against this target has improved markedly. 12 children have already been adopted in the first half of the current year, against 11 in the whole of 2003/4. We predict that a further 5 children will be adopted in the next six months, making 17 total. The final figure is, to a considerable extent, in the hands of individual adopters who have to submit applications and indeed may be influenced by the local court timetables. The projected figure exceeds the government target (15) but remains short of the LPSA stretched target of 21. However, the improvement reflects continuing excellent efforts by staff in the face of the increasingly complex and demanding needs of the children placed for adoption.

Feb-05 The latest count of Adoption Orders Granted in the current financial year is 15. This represents a significant improvement on the previous year, although still short of our stretched target. We know there are four further orders in the pipeline, but only the adopters can lodge the applications and only the courts can grant them, so it is highly unlikely that they will be completed by the end of this month.

Target 6

Improving the life chances for children in care by improving their educational attainment

Target 6.1 - PSS PAF Indicator A4 Employment, education and training for care leavers



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	56%	57%	58%	59%	60%
Expected with PSA Target	56%	60%	64%	68%	72%
Actual Performance/ Projection	56%	63%	69%	76%	74%

Report **Target 6.1**

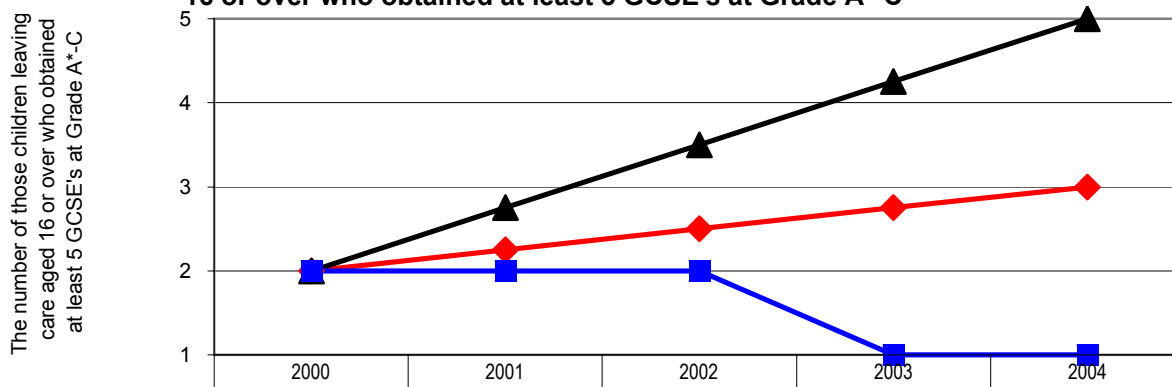


Feb-04 Performance for 2003 is already above the final LPSA Target for 2004/05, however with a different cohort next year indications are at present that there is no guarantee that current performance can be maintained.

Sep-04 Performance remains sound with the predicted outcome for 2004/5 being 75%

Feb-05 **The final data will be reported at the end of May. The final figure is actually 80%**

Target 6.2 - Form OC1 The number of those children leaving care aged 16 or over who obtained at least 5 GCSE's at Grade A*-C



	2000	2001	2002	2003	2004
Expected without PSA Target	2	2	3	3	3
Expected with PSA Target	2	3	4	4	5
Actual Performance / Projected	2	2	2	1	1

Report **Target 6.2**



Feb-04 The target for March 2005 is 5 children leaving care to achieve 5 grades A-C at GCSE. This will be difficult to achieve in view of the uncertainty regarding this cohort. The methodology used in identifying the cohort has been challenged at the National Children's PAF indicator group to which we contribute. Only one student is expected to achieve the target (4%) as at March 2004 The Education Liaison team, partly responsible for this target, do not have influence over all the students as there is considerable movement in and out of the cohort. In 2003 a majority of the students had left school before the LPSA project work commenced.

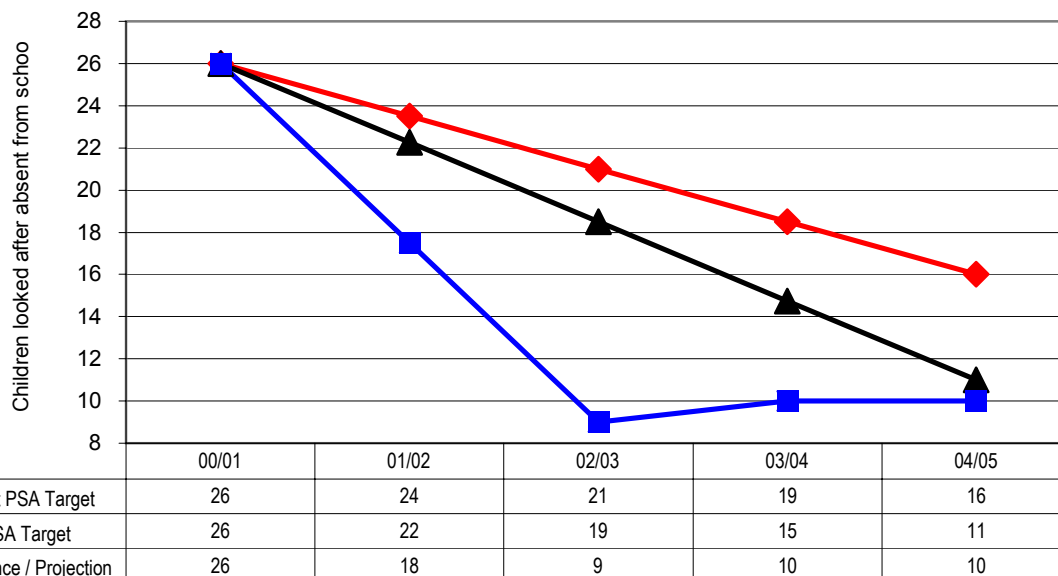
Sep-04 The narrative and prediction remains as previously reported. Only one child is expected to achieve at this level. However, due to extra input as part of the LPSA project, a significant improvement is anticipated in those leaving care with at least one GCSE at grades A*-G (PAF A2).

Feb-05 The final figures are now confirmed and will be reported at the end of May. The final figure being 1/19 5.3%. This work was conducted over a two year period -as the LPSA is over financial rather than academic years. An analysis of this cohort shows that some of these young people left school before the project commenced and that some of the children our target was based on left the LAC system prior to the reporting period. 5/19 had already left school (26.3%), 6/19 entered the project during it's life (31.6%), and therefore only 8 were included in our original projections together with a number who left earlier than expected (7) and a numbersupported (8) will be reported next year..

Target 6

Improving the life chances for children in care by improving their educational attainment

Target 6.3 - PSS PAF Indicator C24 Children looked after absent from school



Report **Target 6.3**



Feb-04 Performance for 2003 is already above the final LPSA Target for 2004 and measures are in place to manage and improve that performance.

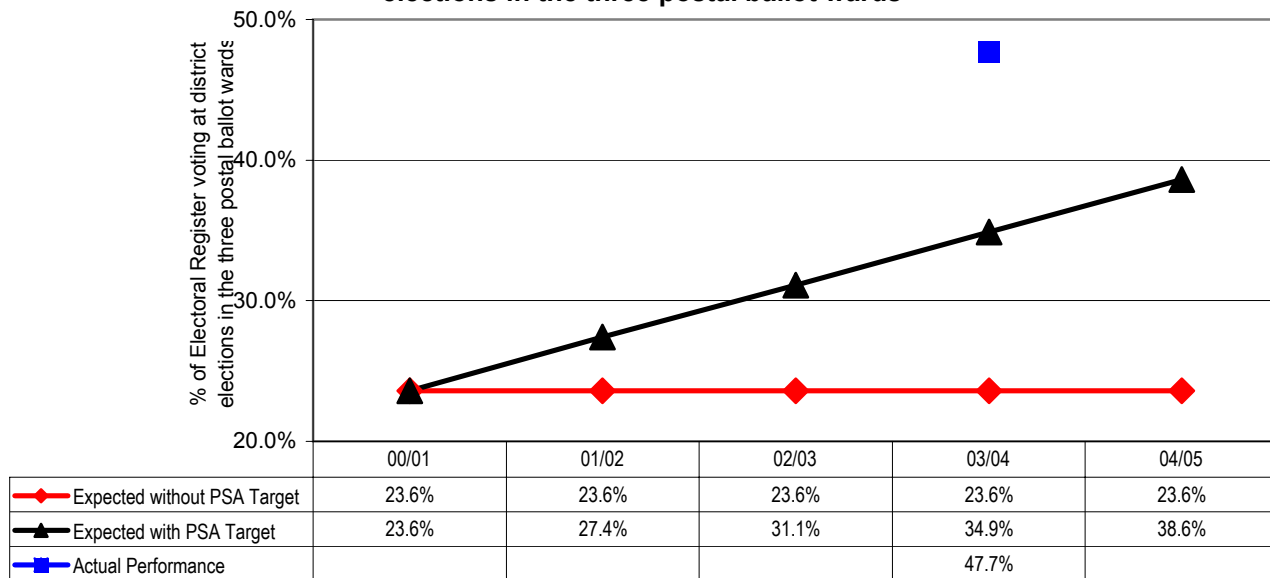
Sep-04 The figure for 2003/4 is 10 children, already well in advance of the LPSA target. The prediction for 2004/5 is that absences will remain stable at 10 (bearing in mind that this includes absence for any reason, including sickness and disability).

Feb-05 **12.6% in the academic year 2003/04 (14/111) of whom 29%(4) live at home with parents on care orders. 3 21% were subject to care moves outside the authority with delays in securing education an issue. 1 child missed school because of CAMHS appointments (7%), another due to hospitalisation , another due to returning from home visits and one due to permanent exclusion.**

Target 7

Increasing participation in democracy & local decision making

Target 7.1 Belmont
 % of Electoral Register voting at district elections in the three postal ballot wards



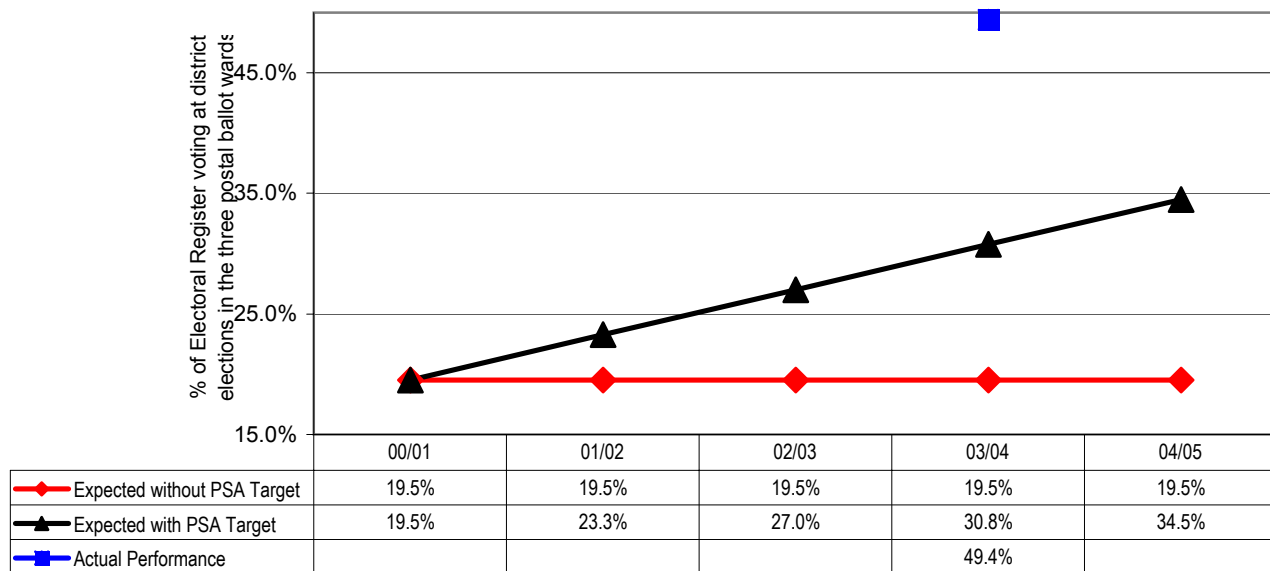
Report **Target 7.1 Belmont** 😊😊

Feb-04 The electoral turnout targets have been achieved.

Sep-04 The electoral turnout targets have been achieved.

Feb-05 **The electoral turnout targets have been achieved.**

Target 7.1 Holmer
 % of Electoral Register voting at district elections in the three postal ballot wards



Report **Target 7.1 Holmer** 😊😊

Feb-04 The electoral turnout targets have been achieved.

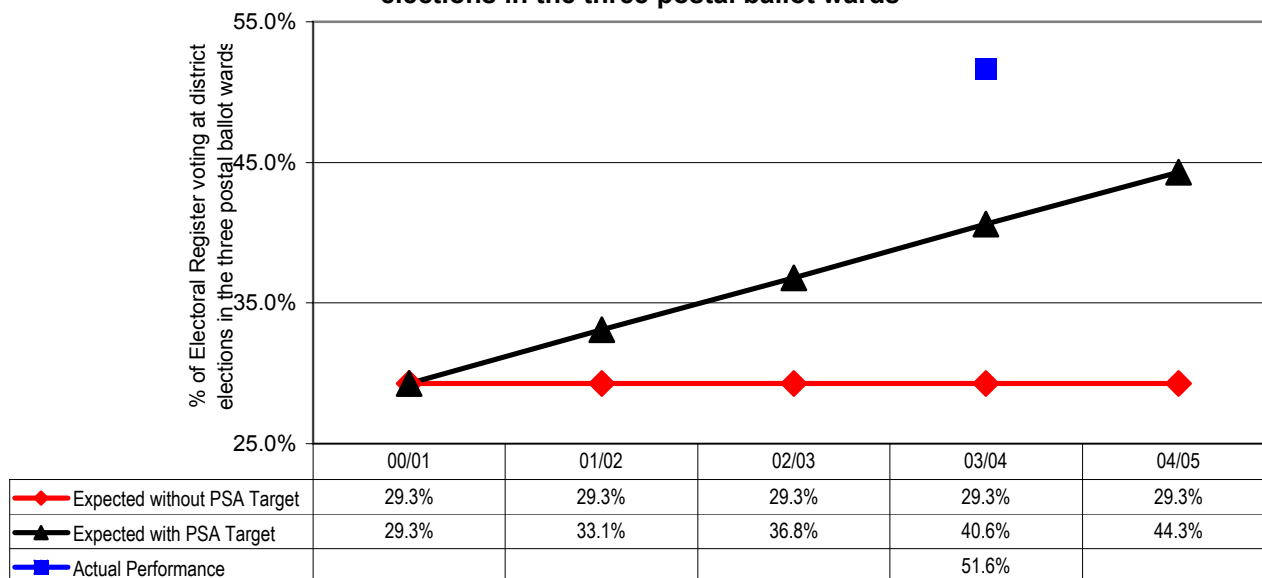
Sep-04 The electoral turnout targets have been achieved.

Feb-05 **The electoral turnout targets have been achieved.**

Target 7

Increasing participation in democracy & local decision making

Target 7.1 Ross
% of Electoral Register voting at district elections in the three postal ballot wards



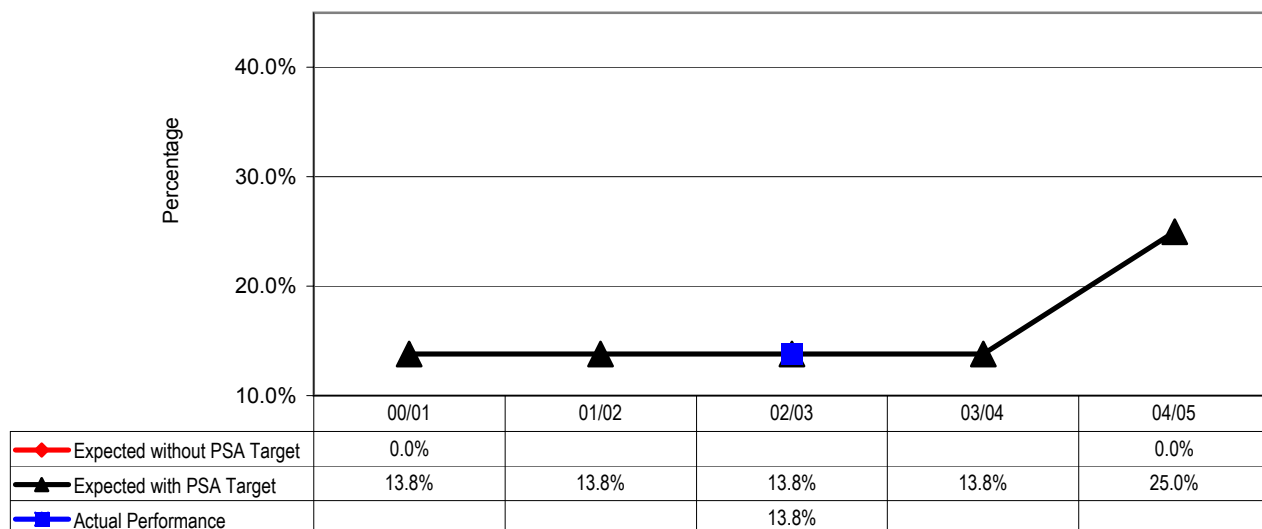
Report **Target 7.1 Ross** 😊😊

Feb-04 The electoral turnout targets have been achieved.

Sep-04 The electoral turnout targets have been achieved.

Feb-05 **The electoral turnout targets have been achieved.**

Target 7.2
% of young people (13-19) surveyed answering positively "Do you feel the Council does enough to give young people the opportunity to influence important decisions?"



Report **Target 7.2** 😐

Feb-04 Historical information is not available to show a trend here with only the target for 2004/05 being set. The LPSA stretch need to be at least 11 percentage points on the baseline survey which was carried out in 2002.

Sep-04 The survey is currently being planned and will be carried out in the latter half of 2004/05

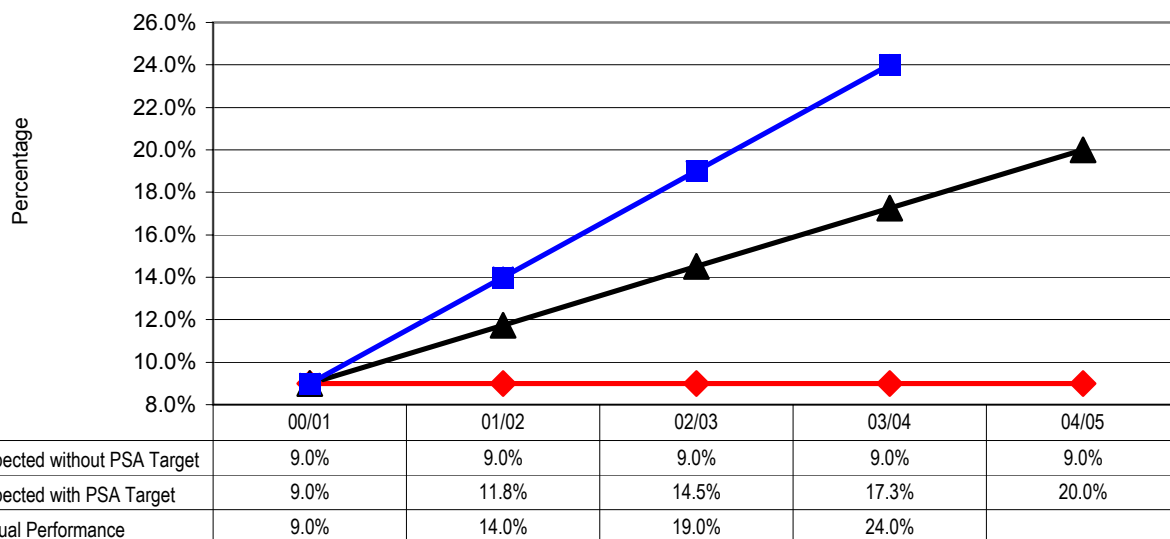
Feb-05 **Survey results not available yet**

Target 7

Increasing participation in democracy & local decision making

Target 7.3

% of Citizens Panel respondents answering positively to "Do you feel the Council does enough to give local people the opportunity to influence important decisions?"



Report **Target 7.3**



Feb-04 Performance trends for this consultation indicator suggest that we will comfortably achieve the target. Herefordshire Voice surveys are used for measuring performance.

Sep-04 The survey is currently being planned and will be carried out in the latter half of 2004/05

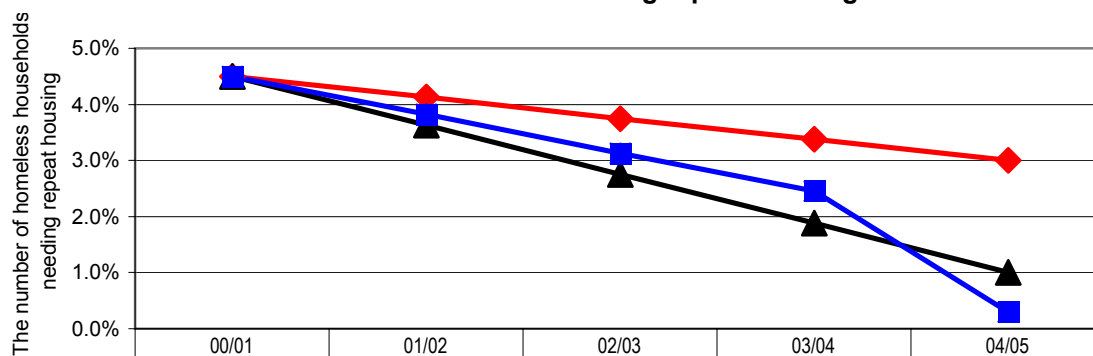
Feb-05 **Survey results not available yet**

Target 8

Improving resettlement support to homeless households

Target 8

The number of homeless households needing repeat housing



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	4.5%	4.1%	3.8%	3.4%	3.0%
Expected with PSA Target	4.5%	3.6%	2.8%	1.9%	1.0%
Actual Performance	4.5%	3.8%	3.1%	2.5%	0.3%

Report **Target 8.1**



This target is unusual by the fact that it has a measurable output identified in the graph above which also has four conditions attached to it. There is a rigorous improvement plan in place to reach the resettlement target, however not only will this be difficult but also at least one of the conditions relating to satisfaction of service provided cannot in all reasonableness be achieved. There is also concern that the condition relating to non-use of B&B accommodation is unenforceable under the 2002 Homelessness Act.

Feb-04

Sep-04

Officers have advised that Target 8 is unlikely to be met and that the Special Conditions relating to the LPSA Performance Grant are not being achieved.

Feb-05

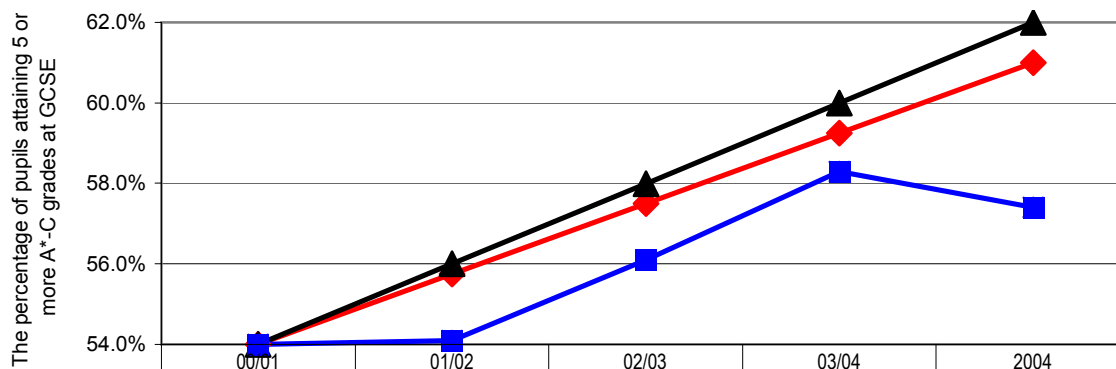
The stretch for Target 8 will be met, however the Special Conditions relating to the LPSA Performance Grant are not being achieved.

Target 9

Improving the attainment level of pupils in Hereford

Target 9.1

The percentage of pupils attaining 5 or more A*-C grades at GCSE



	00/01	01/02	02/03	03/04	2004
Expected without PSA Target	54.0%	55.8%	57.5%	59.3%	61.0%
Expected with PSA Target	54.0%	56.0%	58.0%	60.0%	62.0%
Actual Performance	54.0%	54.1%	56.1%	58.3%	57.4%

Report **Target 9.1**



Feb-04

This target continues to be very challenging although performance continues to improve by around 2 percentage points each year.

Sep-04

GCSE results are currently being re-marked and are not available, further information has been promised by the DfES by the end of September but the inference is that this will not be the results themselves

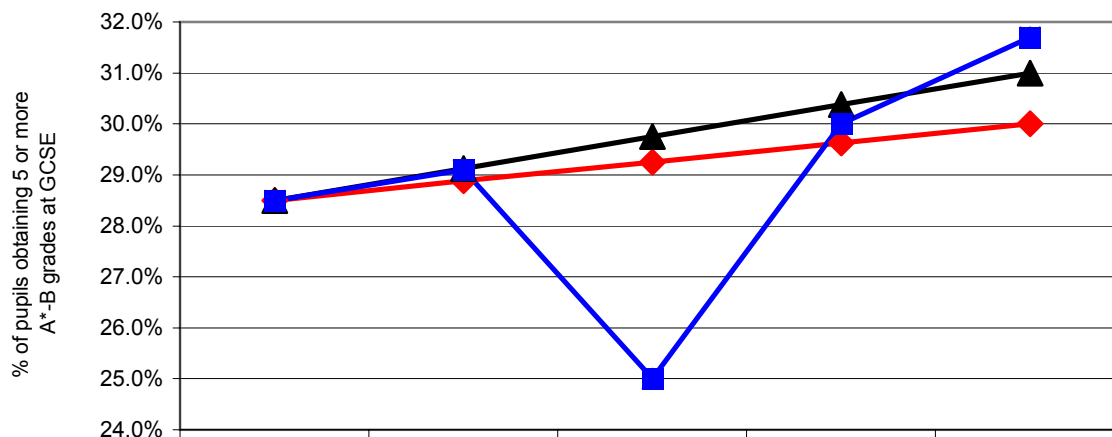
Feb-05

Target not achieved.

Target 10

Increasing the proportion of higher ability pupils obtaining 5 or more A*-B grades at GCSE

Target 10.1
% of pupils obtaining 5 or more A*-B grades at GCSE



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	28.5%	28.9%	29.3%	29.6%	30.0%
Expected with PSA Target	28.5%	29.1%	29.8%	30.4%	31.0%
Actual Performance / Projection	28.5%	29.1%	25.0%	30.0%	31.7%

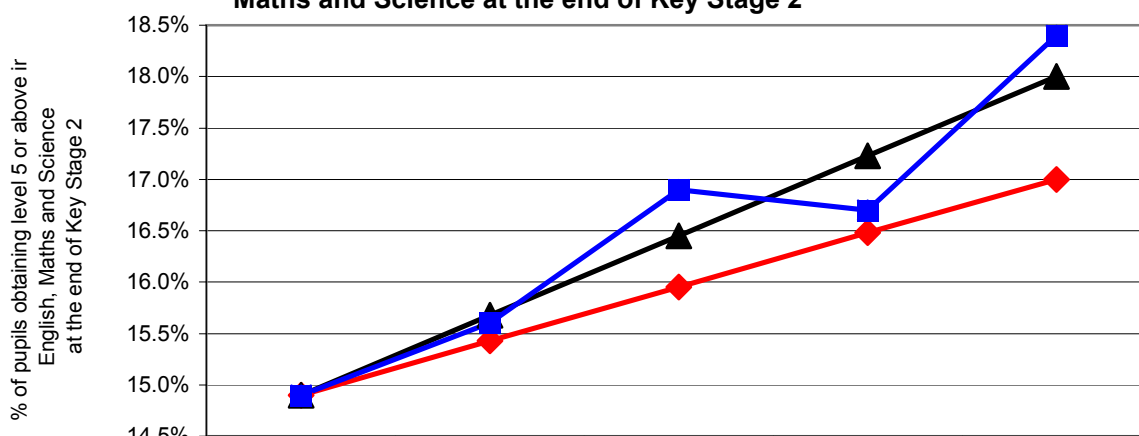
Report **Target 10.1** 😊😊

Feb-04 The cohort of students taking GCSE exams next year performed particularly well in KS2 and KS3 exams and expectations are that the PSA target will be met.

Sep-04 GCSE results are currently being re-marked and are not available, further information has been promised by the DfES by the end of September but the inference is that this will not be the results themselves

Feb-05 **Target achieved at 31.7% based on Education Directorate and DfES figures.**

Target 10.2
% of pupils obtaining level 5 or above in English, Maths and Science at the end of Key Stage 2



	00/01	01/02	02/03	03/04	04/05
Expected without PSA Target	14.9%	15.4%	16.0%	16.5%	17.0%
Expected with PSA Target	14.9%	15.7%	16.5%	17.2%	18.0%
Actual Performance / Projection	14.9%	15.6%	16.9%	16.7%	18.4%

Report **Target 10.2** 😊😊

Feb-04 Expectations are improved by the cohort undertaking KS2 exams this year having performed well at KS1.

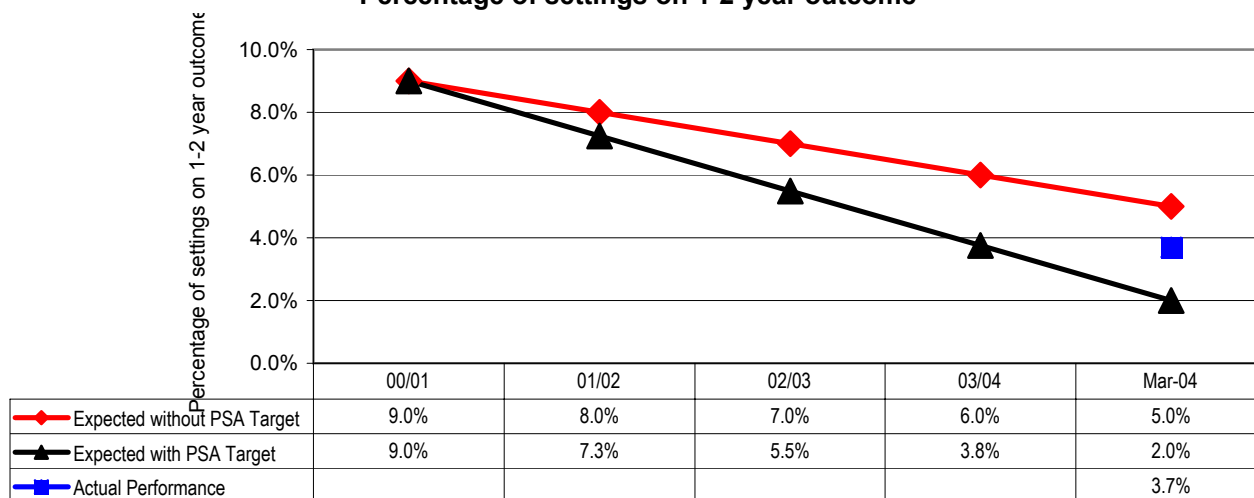
Sep-04 A significant number of schools have returned their results for re-marks, it is hoped that the validated information will be available by the 4th October.

Feb-05 **Target achieved at 18.4% based on Education Directorate and DfES figures.**

Target 11

Improving the care and development of young children by enhancing the quality of education and care provision in all childcare and early years settings in the County

Target 11.1
Percentage of settings on 1-2 year outcome



Report **Target 11.1**

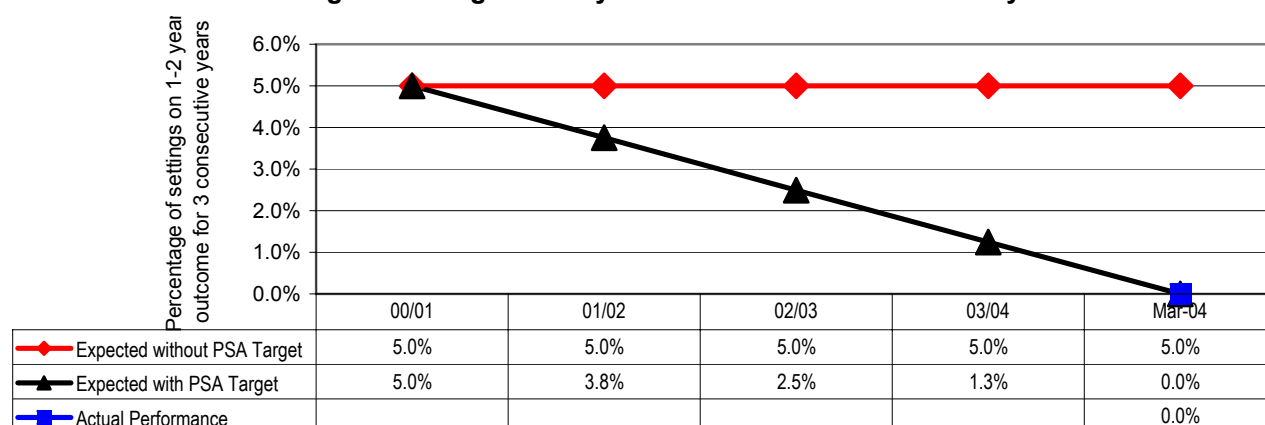


Feb-04 The current indications are that the first two sub-targets will be met, provided OFSTED carry out inspections of the groups in question in 2003/04, and no unexpected outcomes result.

Sep-04 Target set for March 2004 was 2% with actual performance being 3.7% (4/106). By achieving 3.7% of early years settings on a 1-2 year outcome we have been successful in exceeding the national 2004 target of 6% settings on 1-2 year outcome. Further progress in reaching the full extent of the stretched target was impeded by the staff turnover in pre-schools. During the period 2001-2004, three of the four settings that are currently on a 1-2 year outcome had new supervisors and staff prior to their Ofsted Inspection. The Ofsted inspection itself has changed since the LPSA targets were set out and is more demanding than previously.

Feb-05 **3.7% of early years settings on a 1-2 year outcome - exceeding the national 2004 target of 6% settings on 1-2 year outcome but not meeting the LPSA target. Progress was impeded by the staff turnover in pre-schools and a more demanding Ofsted Inspection process. An Early Years Advisory Teacher has been appointed from January 2005 to provide intense support to those settings on a 1-2 year outcome and/or having significant weaknesses in their practice. Target not achieved.**

Target 11.2
Percentage of settings on 1-2 year outcome for 3 consecutive years



Report **Target 11.2**



Feb-04 This target is now more attainable as 3 of the relevant 8 settings have now closed.

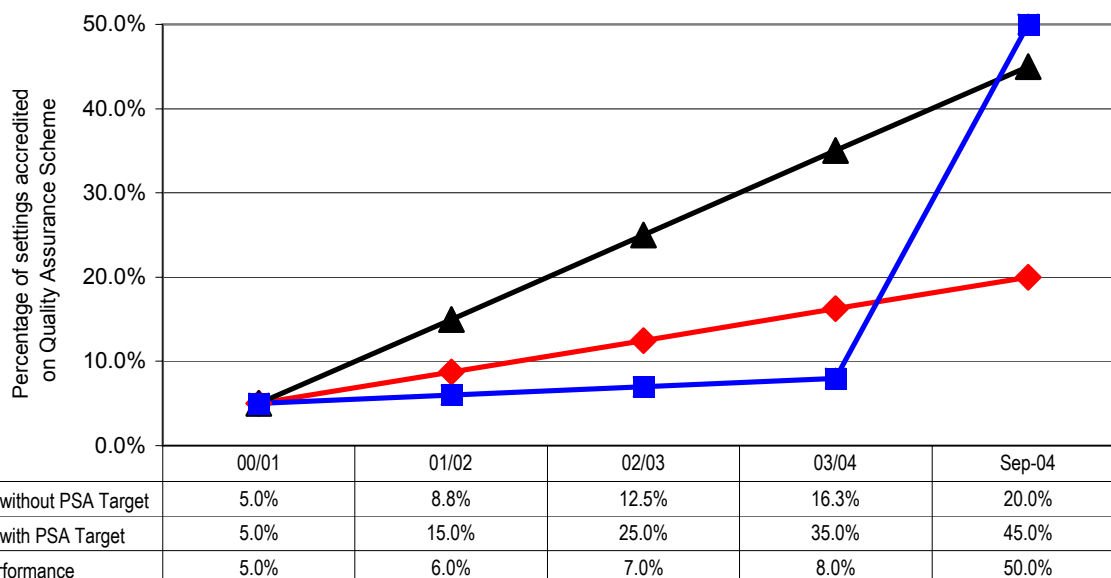
Sep-04 Target for March 2004 was 0% although actual performance was 0.9% (1/106). This amounts to only one setting. However each setting has only received one education inspection during the period 2001 – 2004 due to the changeover in national Ofsted arrangements so in fact no settings have had more than one 1-2 year outcome during the LPSA period. It is hoped that an early years advisory teacher will be appointed to work alongside weaker settings to give more sustained input.

Feb-05 Target has been achieved - no group has had more than one inspection during the LPSA period.

Target 11

Improving the care and development of young children by enhancing the quality of education and care provision in all childcare and early years settings in the County

Target 11.3
Percentage of settings accredited on Quality Assurance Scheme



Report **Target 11.3**



Feb-04

This target is much more challenging as Herefordshire started from a very low base. Although good progress has been made in generating interest in an accreditation scheme, achieving the target will depend on other settings expressing interest in the scheme, and the majority of the 191 registered childminders in the County being persuaded to join a childminders network or join the accreditation scheme. A further 12 settings have asked for information.

Sep-04

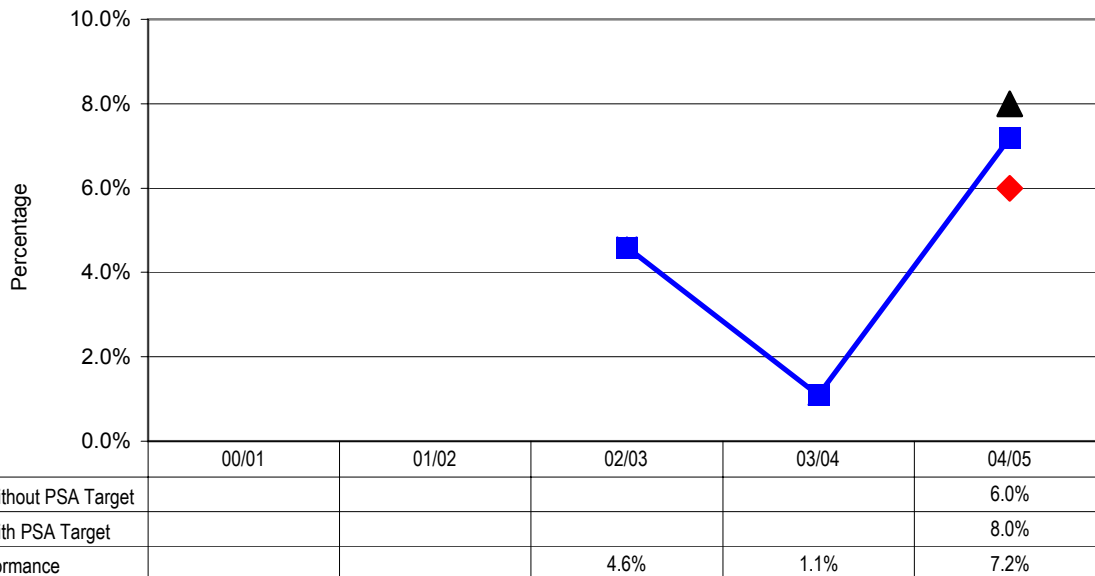
43 out of 106 settings have or achieved or are signed up to an endorsed quality assurance scheme. This equates to 40% of settings. This meets the Sure Start target. The initial take up was slow due to the delay in the Investors in Children accreditation process. Many settings were initially reluctant to sign up to a scheme until IiC status had been clarified. Growing Together Quality Assurance scheme and NCMA's Children Come First Network have now both achieved recognition through Investors in Children. Since this recognition 14 settings have attended full training for Growing Together and a further 26 attended an introductory session in September 2004. Since April 2004 the budget has increased and more mentors and assessors are being trained in order to speed up the process of accreditation.

Feb-05

45% target not met by March 2004 but 50% achieved by September 2004. In January 2005 12% of Nursery Education Grant Settings had been accredited. Target not achieved.

Target 12
Improving cost effectiveness

Target 12.1
Increase in Council's Cost Effectiveness



Report **Target 12.1** ☹️

Feb-04 The cost effectiveness target is on track in terms of performance considerations but a true picture will not be possible until a revenue outturn position has been established for the current financial year. Performance gains for a set number of indicators are measured against the revenue expenditure of the Council which in turn is discounted by inflation factors to establish real term costs.

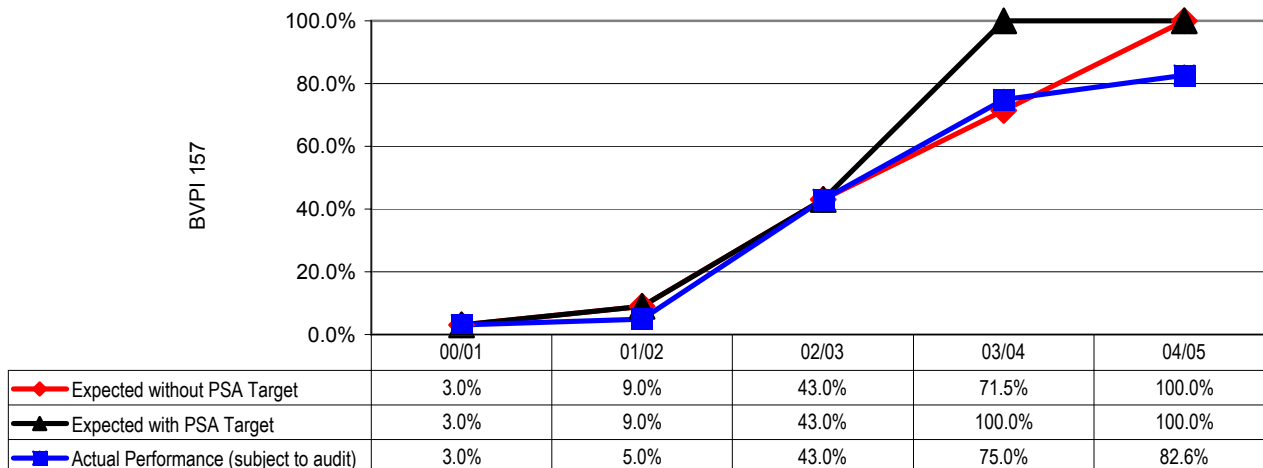
Sep-04 The target is currently skewed by baseline data on highways maintenance. If this can be changed in agreement with the OD then the overall target in 2004/05 should be met.

Feb-05 **Financial and BVPI outturn required before cost effectiveness target can be calculated**

Target 13

Achieving 100% delivery of electronic government

Target 13.1
BVPI 157 - Achieving 100% delivery of electronic government



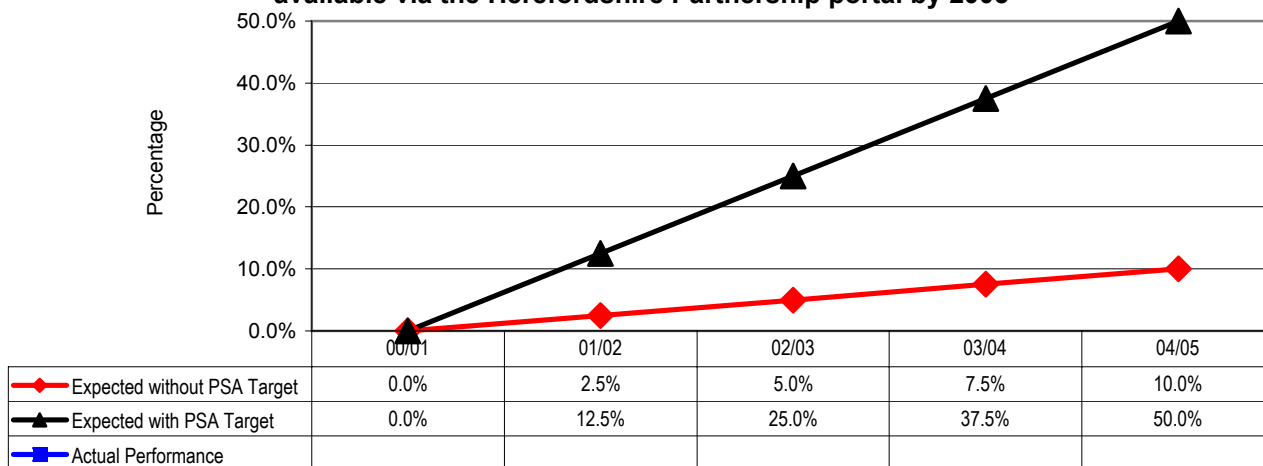
Report **Target 13.1** ☹️

Feb-04 The Council is still confident that the target can be met at the end of March although much depends on the strict definition of the original agreement. Final confirmation is still being sought from the ODPM in this regard and is centred on whether we are assessed by the number of services which are e enabled rather than by transactions.

Sep-04 The actual percentage of e enabled services for the end of March was 75%. This results in Performance Reward Grant of £67,500 to be paid.

Feb-05 **Audited performance shows 75% of services e enabled by March 31st 2004. Stretched target was to deliver e government by 31st March 2004.**

Target 13.2
% of Council services relating to Single Assessment, Supporting People and community legal services, delivered in partnership with county agencies and available via the Herefordshire Partnership portal by 2005



Report **Target 13.2** ☹️

Feb-04 A benchmarking exercise has yet to be carried out for 13.2 but we will achieve the 50% target for the PLEA (Public Legal Electronic Access) component of this target by March 2004.

Sep-04 Community Legal Service delivery will be on target as the Plea Project has developed a website that sits within the eGateway (Herefordshire Portal). This contains an eDirectory of Community Legal Service providers to Herefordshire from the not for profit, private and public sector and aims to include all services that have the CLS Quality Mark (it also includes non Quality Mark providers). Community Legal Services for these purposes is defined according to Legal Services Commission and Access to Justice Act 99

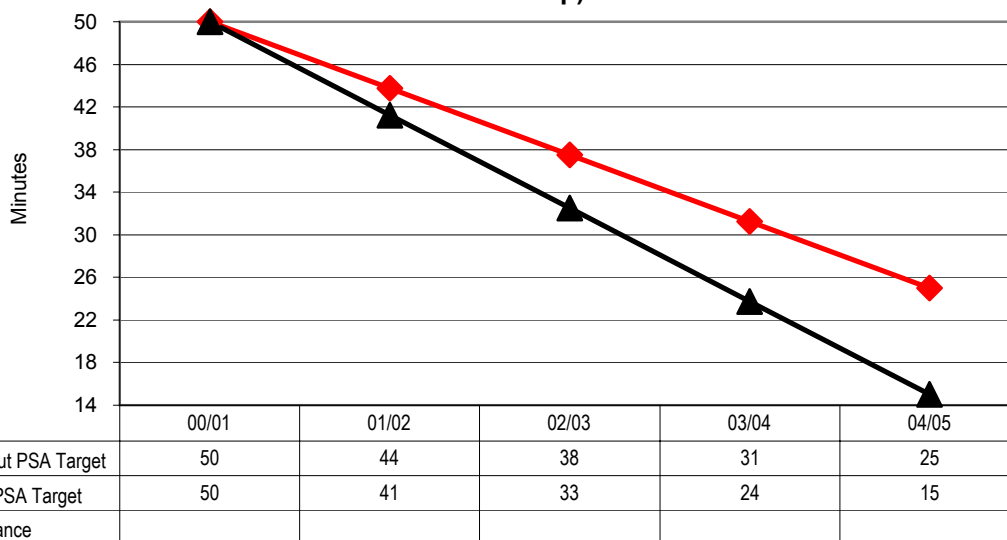
Feb-05 Community Legal Service (Zandra Pitt) - 100% will be provided by the end of March. Single
Assessment(David Mitchell) - 100% will be delivered before end of 2005. (although concerned about the meaning of
"portal" - public/citizens won't have direct access to any of this). Supporting People is Chris Jones (SC
- Promised by IT that 100% will be provided by 31/3/05 but nothing in place yet.

Target 13

Achieving 100% delivery of electronic government

Target 13.3

The maximum travelling time for any Herefordshire resident to their nearest community access point (a public web access point provided by the Herefordshire Partnership).



Report **Target 13.3** ☹️

Feb-04 Figures for the community access points are not available at the time of reporting but will be formulated for the Cabinet meeting.

Sep-04 Current performance is estimated to be on target at 24 minutes as mapping work carried out in 2003 indicated that more than 90% of the county was within 15 minutes drive time. Since that time one of the Community Access Points included (Lingen Resource Centre) no longer provides access due to withdrawal of Learn Direct funding. New mapping will be carried out to reflect this and the revised position reported next time

Feb-05 GIS mapping being used by Jeremy Alder to calculate actual position at 31st March 2005

HEREFORDSHIRE COUNCIL - DRAFT OUTCOMES AND PERFORMANCE MEASUREMENTS FOR LPSA 2			
Draft Target Number	Priority Element	Proposed outcomes and performance measurements as at 5th May 2005	Notes
		<i>A more highly qualified adult population</i>	
1a	Adult Learning and Skills	The number of Herefordshire residents aged 19+ achieving a skills for life qualification	These performance measures have been agreed with DfES
1b		The number of Herefordshire residents achieving a Level 2 qualification (excluding manufacturing & engineering)	
1c		The number of Herefordshire residents achieving a Level 3 qualification (excluding manufacturing & engineering)	
		<i>More sustainable employment and skills opportunities in Herefordshire</i>	
2a	Knowledge Economy	The number of people employed in technology and knowledge intensive industries	The performance measures have been agreed in principle with ODPM with the exception of the definition for "technology and knowledge intensive industries"
2b		The number of Herefordshire residents achieving a Level 2 qualification in manufacturing & engineering	
2c		The number of Herefordshire residents achieving a Level 3 qualification in manufacturing & engineering	
		<i>More vulnerable people able to live independently and who find it easy to access appropriate local services</i>	
3a	Vulnerable Adults	The number of Pension Credit claimants	These measures have been agreed in principle with DWP
3b		The number of Attendance Allowance claimants	
3c		The number of Council Tax Benefit claimants aged 60 or over	
4a		The user satisfaction survey 2002 (home care) (a) overall how satisfied are you with the help you get from social services in your own home "extremely/very satisfied" (b) I am always clean (c) I feel safe in my own home (d) have I as much contact with other people as I want (e) I get up and go to bed at times that suit me	There is agreement in principle with the DoH on the use of these indicators, but discussions are continuing on the detail. There is particular concern on the level of stretched performance with the emergency bed days measurement
4b	the number of emergency bed days occupied by people 65 and over		
		<i>More people actively involved in community activity</i>	
5a	Active and Involved Communities	%age of adult Herefordshire residents satisfied with their local community as a place to live	These measures have been agreed in principle with ODPM
5b		% of adult Herefordshire residents who feel they can influence decisions affecting their local community	
5c		% of adult Herefordshire residents who participated at least occasionally in at least one community activity during the last 12 months	
		<i>Reducing obesity in Herefordshire's school children</i>	
6a	A Healthier Community	Performance measurement to be constructed	Discussions are continuing with DoH on an acceptable measure for reducing obesity.

	Alcohol Related Crime and Disorder	<i>Reduced violent crime</i>	
7a		Violent crime in Herefordshire	Only the first measure has been agreed with the Home Office
7b		Alcohol related disorder in Hereford city	
7c	Alcohol related violent crime in Hereford city		
	Tackling Anti Social Behaviour	<i>Reducing anti social behaviour</i>	
8a		The percentage of people who think that: a) speeding traffic is a problem b) Vandalism, graffiti and other deliberate damage to property or vehicles is a problem c) People using drugs is a problem d) People dealing drugs is a problem	These measures follow recently issued HO guidelines, but are subject to final agreement
8b	The number of criminal damage incidents		
	Herefordshire's Transport	<i>Roads and streets in Herefordshire are safer</i>	
9a		Number of casualties killed or sustaining serious injury in road accidents	This measure has been agreed with DoT
	Streetscene	<i>Roads and streets in Herefordshire are cleaner</i>	
10a		The proportion of relevant land and highways (expressed as a %) that is assessed as having combined deposits of litter and detritus that fall below an acceptable level	This has been agreed with ODPM
	Waste Management	<i>Promote a more sustainable Worcestershire and Herefordshire by reducing waste sent to landfill</i>	
11a		BVPI 82d - Tonnage of waste sent to landfill	This measure has been agreed in principle with ODPM, however, as it is intended to be a joint target with Worcestershire it will be necessary to negotiate it separately as part of a "Wide Area Agreement". The agreement of Worcestershire to this arrangement is still awaited
	Children's Services	<i>Improving attendance for all Herefordshire pupils</i>	
12a		The percentage of pupils in secondary schools maintained by the authority absent from school	Following changes in lead contacts at the DfES there has been a significant revision of the performance measurements in Children's Services and the number of outcomes has reduced from 3 to 2
12b		The percentage of pupils in primary schools maintained by the authority absent from school	
12c		The percentage of Herefordshire <i>looked after</i> children with unauthorised absences from school	
		<i>Better outcomes for 14-19 year olds in Herefordshire</i>	
13a		The percentage of all pupils in LEA schools achieving 5 or more 5A* - C grades at GCSE, or equivalent accredited vocational or alternative curriculum qualification	
13b	The percentage of those young people who were looked after on 1st April in their 17th year (aged 16) who were engaged in education, training or employment at the age of 19		

ANNUAL EFFICIENCY STATEMENT – 2004/05

Report By: County Treasurer

Wards Affected

No wards are affected.

Purpose

1. To note the Council's Annual Efficiency Statement – 2004/05.

Financial Implications

2. Indicated in the attached report.

Background

3. The report to Cabinet on 9th June, 2005, is appended. The proceedings of the Cabinet meeting will be reported at the meeting.

RECOMMENDATION

THAT the report be noted subject to any comments the Committee wishes to make.

BACKGROUND PAPERS

- None.

ANNUAL EFFICIENCY STATEMENT – 2004/05

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

9TH JUNE 2005

Wards Affected

County-wide.

Purpose

To approve the Council's Annual Efficiency Statement – 2004/05.

Key Decision

This is not a Key Decision.

Recommendations

That the Annual Efficiency Statement – 2004/05 be approved.

Reasons

1. The Council is required to complete and submit the first backward look statement (BLAES) for 2004/05 by 15th June 2005. Our statement will be submitted in the template format determined by the ODPM toolkit.
2. Detailed guidance on the completion of this return was issued on 16th May. An important difference with the Forward Looking AES is the requirement to provide quality cross checks. This serves to ensure that there is no diminution of service where cash savings are submitted and that performance gains can be substantiated.
3. The guidance suggests no minimum figure for the BLAES but the technical note sent out in January referred to the fact that councils should include the BLAES in the Value for Money (VFM) self assessment as part of the annual Use of Resources assessment.

Considerations

4. The Forward Looking statement produced in April concentrated largely on cash releasing savings in order to deliver the Corporate Plan. The BLAES has had to take a more balanced approach between cash savings and performance gains, predominantly because there was no formal corporate savings exercise carried out as part of the 2004/05 budget. The expectation at that time was for services to continue ensuring performance improvement but operating within cash limited budgets and manage resources accordingly.

Further information on the subject of this report is available from
Andrew Tanner, Assistant County Treasurer on 014532 260162

5. There is still a shortage of clear and consistent, national guidance over how performance gains are calculated. The Council has developed its own methodology in comparing performance improvement to expenditure and has included those areas of service where performance increases are, therefore, greater than the corresponding net expenditure increase. This system is, of course, subject to significant sensitivities owing to the nature of performance information. For example, it was considered using the basket of performance indicators used for the Local Public Service Agreement's cost effectiveness target within the BLAES. Using currently available and robust performance information, the Council could prove a rise in cost effectiveness of £7,700,000. However this figure could change dramatically on the movement of a single indicator and hence it is meaningless in assessing true cost effectiveness. This demonstrates the difficulty of the task in constructing the BLEAS owing to its subjective nature.
5. The BLAES attached in Appendix 1, therefore, takes a more measured view on those efficiency gains that have been submitted. The overall gain is just under £1,900,000 with just under £1,000,000 being cashable. The BLAES next year will be a key report as it assesses the Council's performance against the Forward Looking Annual Efficiency Statement. It continues to be the Council's view that the real driver behind the Efficiency Agenda is to secure improvement through the better procurement of services and the realisation of operational efficiencies, and this is where the focus will be maintained.

Risk Management

The Annual Efficiency Statement will form a major part of the Council's Use of Resources assessment. Whilst the main focus may be on the Forward Looking Statement, a good performance on the backward looking statement can only help our assessment. Failure to reach level 3 on this assessment will prevent the Council from becoming an 'excellent' authority. The Council currently assesses itself as being at level 2 on the revised criteria.

Consultees

None.

Background Papers

None identified.

ANNUAL EFFICIENCY STATEMENT - BACKWARD LOOK

Local authority

Herefordshire Council

Contact name

Andrew Tanner

Job title

Assistant County Treasurer

Email address

atanner@herefordshire.gov.uk

Activities undertaken to achieve efficiency gain

Unlike the 2005/06 budget, there was no formal corporate exercise carried out by the Council to identify cash efficiency savings for 2004/05. Services have been expected to operate within their cash limited budgets and secure ongoing performance improvements within those resources available.

Progress was made, however, during the year on putting the building blocks in place for future efficiency gains and these included the onset of property and accommodation reviews and the corporate Service Improvement Programme.

	Quality Cross Check Met?	2004/05 annual efficiency gains (£)	...of which related to capital spend (£)	...of which related to other spend (£)	...of which cashable (£)
	Yes	0			0
Adult Social Services	Activities undertaken to achieve efficiency gain: The proportion of older people living people being helped to live independently fell during 2004/05 thus making it difficult to show efficiency gains within this statement. Considerable work was carried out during the year, however, within the areas of care commissioning and securing operational improvements to achieve significant gains in 2005/06. These are very much evident in the forward looking statement.				
	Quality cross-check notes:				
Children's Services	Yes	1,066,144			523,964

	<p>Activities undertaken to achieve efficiency gain: The focus on generating efficiency gains within the looked after children area has been on increasing performance in three core areas being:</p> <p>Increasing stability of placements, improving KS4 attainment and increasing the proportion of care leavers in education employment or training.</p> <p>The LEA has been able to make some significant cash releasing savings through a rigorous review of school transport with subsequent improvements in routing and scheduling.</p> <p>Quality cross-check notes: For Looked after Children improvements on Performance Assessment Framework (PAF) indicators 1,2 and 4 have been compared to the financial outturn in these specific areas.</p> <p>For school transport weighted average reduction in costs per rider have been calculated and these on average are £83.</p>			
Culture and Sport	Yes	60,000		60,000
Environmental Services	<p>Activities undertaken to achieve efficiency gain: Reduction in management fee to leisure contractor (Halo). This has been achieved with no diminution in service through the investment at the outset of the contract in 'leisure professionals' to ensure operational efficiencies and business growth.</p> <p>Quality cross-check notes: User number figures from Halo internal management information systems increased by 9% from 2003/04 to 2004/05.</p> <p>2003/04 - 1,080,550 2004/05 - 1,177,930</p>			
	Yes	356,730		0
	<p>Activities undertaken to achieve efficiency gain: Significant performance gains have been achieved within the Waste service mainly as a result of the ongoing policy to increase domestic waste recycling through house collections of recyclables. Although there has been a sizeable increase in net expenditure within street cleansing appreciable performance gains have resulted from the new service delivery arrangements with Jarvis.</p>			

	Quality cross-check notes: BVPI 82a - percentage of the total tonnage of household waste arising which have been recycled. BVPI 199a - proportion of land and highways having litter and detritus below an acceptable level.			
	Yes	0	0	0
Local transport	Activities undertaken to achieve efficiency gain: Efficiency gains have been gained within local transport, specifically within highways maintenance following the signing of the joint venture contract with Jarvis. They can only be estimated, however at this time owing to the changes in methodology on measuring road condition. The contract was very much in its infancy during 2004/05 and the operational efficiencies will not be fully realised until the current year and these have been reflected in the forward looking statement.			
	Quality cross-check notes:			
	Yes	13,300	0	13,300
LA social housing	Activities undertaken to achieve efficiency gain: The focus on efficiency gains has been within the administration of renovation and improvement grants and other private sector renewal.			
	Quality cross-check notes: Improvement in BVPI 62 for percentage of private sector dwellings made fit or demolished. Reduction in net expenditure within this area of Strategic Housing.			
Non-school educational services	Yes	0		0
	Activities undertaken to achieve efficiency gain:			
	Quality cross-check notes:			
Supporting people	Yes	0		0
	Activities undertaken to achieve efficiency gain:			
	Quality cross-check notes:			
Homelessness	Yes	0		0
	Activities undertaken to achieve efficiency gain:			
	Quality cross-check notes:			
Other cross-cutting efficiencies not covered above				
	Yes	366,000		366,000
Corporate services	Activities undertaken to achieve efficiency gain: Active treasury management has resulted in a major rescheduling of long-term debt by taking advantage of new borrowing instruments, in particular Lender Option Borrower Options (LOBOs).			
	Quality cross-check notes: Reduction in revenue outturn for financing transaction expenditure			
Procurement	Yes	0		0

	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Productive time	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Transactions	Yes	33,500			33,500
	Activities undertaken to achieve efficiency gain: Introduction of e-recruitment and e-payments.				
	Quality cross-check notes: Reduction in specific ICT Services budget.				
Miscellaneous efficiencies	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
TOTAL		1,895,674	0	13,300	996,764

PAY AND WORKFORCE DEVELOPMENT STRATEGY

Report By: Head of Human Resources

Wards Affected

None

Purpose

To note the Council's Pay and Workforce Development Strategy 2005-8, and operating plan for 2005-6.

Background

1. In order to meet the public service targets over the next few years, the Employers Organisation, in conjunction with the Office of the Deputy Prime Minister set out a challenging agenda for local government in the shape of a national Pay and Workforce Strategy for Local Government focusing on five key priority areas. This Strategy challenged local authorities to develop local workforce development plans to be in place by March 2005. The national Strategy's five key themes are:
 - Developing leadership capacity – *among both officers and members, including attracting effective leaders from outside the sector;*
 - Developing the skills and capacity of the workforce – *across the corporate centre of authorities, specific services, management and front line workforce;*
 - Developing the organisation, including equality and diversity issues – *to achieve excellence in people and performance management, partnership working, and efficient delivery of services;*
 - Resourcing local government – *ensuring authorities recruit, train and retain the employees they need;*
 - Pay and Rewards – *having pay and reward structures that attract, retain and develop a skilled and flexible workforce, while achieving value for money in service delivery.*
2. The Council's Pay and Workforce Development Strategy 2005-8 was agreed by Cabinet on 9th June 2005. It adopts the EO's themes as key areas, with an added emphasis on ensuring workable pay, reward and recognition structures to help recruit, motivate, and retain the employees the Council needs to deliver its services in the aftermath of Job Evaluation and Single Status implementation. This is likely to remain a key focus for several years.
3. The Strategy has been developed in conjunction with the development of the Council's Corporate Plan. Activities within each key theme are interlinked and have been designed to help support delivery of the Corporate Plan. The Strategy aims to ensure the Council:

Further information on the subject of this report is available from David Johnson, Head of Human Resources on 01432 383055

- has the right people in the right places, with the right skills, to deliver the agenda and priorities set out in the Corporate Plan (improved services with greater efficiency and better customer focus) and is well-placed to respond to environmental and societal changes, and emerging technology;
 - meets its statutory obligations as an employer, (and where possible exceeds those to demonstrate best and leading edge practice as the largest local employer);
 - becomes an employer of choice amongst those seeking employment and career opportunities. The Strategy includes a major focus on improvements to recruitment activity. Initial changes already implemented have led to efficiency savings. For example the introduction of a word limit on composite adverts has led to costs savings of £133.70 per individual advert. The average cost per advert has fallen from £434 to £301. Further improving recruitment will aim to reduce the need for temporary and/or agency employees. See the Appendix for detailed proposals for recruitment improvement.
4. Progress against this Strategy will be reported to Cabinet, and Strategic Monitoring Committee twice annually.
5. The Strategy replaces the former Strategy for Developing and Improving Human Resources 2002-5 which set the human resources agenda for the past three years. 79% of planned actions in that Strategy were completed, with 10% no longer relevant, 11% to be carried forward as part of the Pay and Workforce Development Strategy for 2005-8 (including development of career pathways). Highlights from that Strategy include:
- Job Evaluation and Single Status implemented;
 - Development of a robust reporting and recording framework to effectively manage and reduce sickness absence;
 - Improved numbers of females in top 5% of wage earners – 42.4% in 2004 against 22.7% in 2001;
 - Reduced turnover –10.6% in 2004 against 13% in 2001;
 - Improved Staff Review and Development completion – 71% in 2004 against 52% in 2001;
 - Improved attendance at induction – 73% in 2004 against 21% in 2001;
 - Establishment of a graduate trainee scheme;
 - Management competencies developed and implementation begun with an e-enabled 360 degree assessment process for the Council's Key Managers.

RECOMMENDATION

THAT the Pay and Workforce Development Strategy 2005-8 and Operational Plan 2005-6 be noted, subject to any comments which the Committee wishes to make.

APPENDICES

- Pay and Workforce Development Strategy 2005-8, and Operating Plan 2005-6.
- Recruitment Improvement briefing

BACKGROUND PAPERS

- Employers' Organisation Pay and Workforce Development Strategy, and People Skills Scoreboard 2004 both available from www.lg-employers.gov.uk

IMPROVING RECRUITMENT

1ST JULY 2005

This report sets out the key aspects of the project that will take the work forward on improving recruitment during 2005-6.

In late 2004 a report on recruitment activity within the Council was commissioned and the findings considered. It was clear that the Council needed to improve recruitment activity in order to secure significant efficiency savings. These could be achieved through modernising the approach, streamlining activity, centralising certain aspects to achieve economies of scale, better use of ICT and improved working with external partners and agencies.

It is envisaged that improving recruitment using the approach outlined in this paper will enable to Council to

- make an estimated 20% saving against current recruitment advertising costs;
- make an estimated 30% saving against temporary staffing costs;
- bring the cost per hire down to an estimate £2,315 (a saving of £854 per vacancy against current costs per hire of £3,169);
- save over 200 manager days by a centralised response handling of adverts, and pre-screening applications; save 'one manager year' by centralising application pack and dispatch;
- save 125 administration days by improving web automation with the Human Resource Systems.

The reliance on agency and/or temporary employees as a consequence of current recruitment timescales needs to be addressed. Temporary employees are used in the Council currently for the following reasons:

1. Targeted central government funding for a particular project.
2. Employing short term teachers and non teachers depending on the intake for the year and expected intake in the following year.
3. Maternity leave cover.
4. Long term sickness absence cover (cheaper than getting agency teachers)
5. Supporting children who have medical and behavioural issues on a term by term basis.

Education (schools) are necessarily the biggest user of Agency and temporary staff, where posts are attached to the pupil and follow that funding.

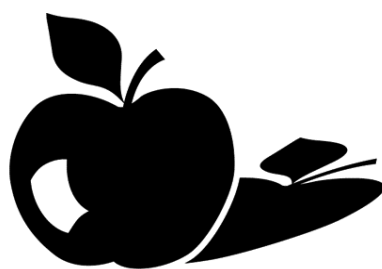
Improvements and efficiency gains have already been made in reducing advertising copy space in composite adverts, but more fundamental change is needed. The Pay and Workforce Development Strategy operational plan for 2005-6 includes a stream of activity around improving recruitment activity within the Council, principally to realise the gains suggested by the initial report. The improvement project aims to:

Further information on the subject of this report is available from David Johnson on 01432 383055

- provide clarity on what range of activities falls within the HR team, and what falls within Directorates/Services – to include any corresponding budget, funding or resource implications;
- set in place Key Performance Measures e.g. the costs of recruitment, and length of time it takes to recruit, where recruits come from, geography and sector, internal and external, track web based contacts and successes;
- promote best practice (as the largest local employer);
- realise the savings indicated above;
- ensure stakeholders are engaged and fully communicated with.

The project will be led by Human Resources and will comprise of two main areas of focus that will receive simultaneous attention in order to have a comprehensive approach ready for launch. The two areas are a) in depth recruitment process mapping to identify the resource and skill requirements of the new function, and the separation out of line versus central activities, plus look at resource implications, and b) tactical strategies and supporting projects for specific areas of attention. An interim resource will be drawn on to provide the expertise and additional capacity to cover a), plus support elements of b).

2. The main project deliverable will be a centralised recruitment function ready to operate from April 2006, that will
 - be modern, fit for purpose, using up to date techniques and practices for recruitment with improved use of e-technology (web based applications, on-line processes and information);
 - improve how the Council seeks employees from within the community and improve how the Council promotes itself as an employer;
 - will make the recruitment processes more visible and transparent for job seekers; better engage all sectors and groups of the local community, and help ensure a balanced workforce profile that represents the community (In particular disadvantaged groups, minority ethnic groups, people with disabilities and the younger age group). It will link directly to the project looking at the recruitment and retention of young people in the Council;
 - improve working with others to promote a positive image, build capacity and work in partnership so we are not competing against each other unnecessarily (e.g. Herefordshire Partnership Strategic partners – *PCT, Police etc*; other local authorities, Connexions, Job Centre Plus);
 - make use of pool/bank recruitment to reduce reliance on agency staff and so make measurable efficiency gains;
 - provide clarity on what selection methods should be used for different types of roles/posts, and why.



HEREFORDSHIRE
COUNCIL

Pay and Workforce Development Strategy 2005-2008

Action for a better Herefordshire

- ...Putting** people first
- ...Preserving** our heritage
- ...Promoting** our county
- ...Providing** for our communities
- ...Protecting** our future

Quality life in a quality county



HEREFORDSHIRE
COUNCIL

Pay and Workforce Development Strategy

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Appendices

Appendix 1 – Workforce profile information

Appendix 2 – Detailed 3 Year Strategic Plan, and 1 Year Action (Operational) Plan

Foreword

As Cabinet Member for Human Resources, I pay tribute to the hard work and achievements of the past years. It has been a challenging time. The next three years are set to be no different.

This Pay and Workforce Development Strategy aims to ensure that the priorities for human resources across the Council combine together to support and deliver the Corporate Plan. This means that it is vital that the Council has employees with the right skills, knowledge and abilities. It makes the link between investing in people and improved services to the community. As the County's largest employer, it exemplifies the value and wisdom of this investment.

I believe that the improvements delivered as a result of having this Strategy in place will make a real, positive, and lasting difference. I am confident that each and every one of us will play a part in making this happen.

Councillor. Mrs J. P. FRENCH
CABINET MEMBER (CORPORATE AND CUSTOMER SERVICES AND HUMAN
RESOURCES)
May 2005

1. Introduction

- 1.1 The Council has set out a Corporate Plan that says what the Council will do over the next three years to play its full part in continuing to turn the Herefordshire Plan into a reality.
- 1.2 This Pay and Workforce Development Strategy is designed to support delivery of the Council's Corporate Plan commitments and organisational priorities, including the Council's diversity agenda, and Statement of Style, Direction and Values. It is the basis for testing the Council's performance in relation to the effective strategic management of human resources.
- 1.3 This Pay and Workforce Development Strategy sets out what the Council will do with its resource development in order to tackle priorities that have arisen as a result of implementing national agreements, and responding to wider environmental and legislative changes e.g. equal pay, employment legislation, central government requirements of local government.
- 1.4 The Strategy itself is set out in two parts. Part One shows the broad intentions over a three-year time frame. Part Two provides a detailed plan of action for the first year of the lifetime of the Strategy. Any emerging changes will be reflected in a revised annual operating plan to be published at the start of the 2006-7 financial year.

2. Setting the Scene

- 2.1 The Council is the largest local employer in a rural county with a geographically dispersed population of some 176,900 citizens.
- 2.2 The trend on direct employees is downward. There were 5,356 employees in 2004 against 6,263 in 2001. There has been growth in schools (teachers and support workers) with 822 more employees. Planning, Highways and Transportation have also seen an increase. The Council has outsourced some direct services through SHAW Homes, Herefordshire Jarvis Services, HALO (Leisure Trust), and Herefordshire Housing (Housing Company).
- 2.3 Economically active people in the local population aged 18-24 is around 10.8%, against a Council workforce figure of 5.23%. This figure has remained broadly static for several years. Around 85% of school leavers stay in full time education. The remaining age groups broadly reflect the local population. The local population is set to grow, but with an outward migration of younger people, and an inward migration of those with families, and older people. This will inevitably impact on Council services - such as those for older people.
- 2.4 Employed females in the top 5% of employees have risen from 22.7% to 42.4% since 2001. The Council's workforce profile is currently under-represented
 - numbers employed declaring a disability as defined in the DDA;
 - numbers employed from black/ minority ethnic groups.

2.5 The rate of employees leaving is reducing, and is below average for the sector at 9% in 2004, against 16% in 2001. Just over three quarters (76%) of leavers, leave voluntarily. The remainder leave for retirement or other reasons. There are 'hotspots' of hard to fill vacancies in Planning, Development Control, Trading Standards, Environmental Health, Youth Service, Social Care. A recent audit of recruitment processes has shown that improvements leading to significant efficiency gains can be made both in terms of processes and direct and indirect expenditure.

2.6 Sickness absence rates are among the lowest throughout local government and reduced to 7.99 days per full time employee per year in 2004, against 9.32 days in 2001.

2.7 The Council invests on average, around 2% of payroll or £250 per employee per year (gross training expenditure) in formal training and development; the median investment per year for local government ranges between £162 and £328 per employee (*People Skills Scoreboard 2004, Employers Organisation for Local Government www.lg-employers.gov.uk*).

2.8 Staff Opinion Survey response rates are above average for the sector between 38% and 48% annually. Views from the Survey together with Exit Survey information have been used to inform the Strategy.

3. The Challenges

The strategic human resource implications for the Council centre on a number of key themes (in tandem with modernising the Human Resource service) to better support effective and improved service delivery:

- o Supporting **organisational development** to take account of the *Children's Act*, and *Every Child Matters*, new ways of working (including e-working, flexible working), working across boundaries, and the associated skills to achieve greater flexibility and efficiency within a context of decreasing resources;
- o Continuing to develop **effective leadership** and management skills (including people and project management);
- o Maintaining and enhancing levels of motivation, developing appropriate **pay, reward and recognition** structures in the challenging transition through equal pay and single status;
- o Ensuring the Council is **effectively resourced** to meet its service delivery challenges, with focussed and well managed activity to tackle under-representation, and to tackle recruitment and retention 'hot spots' in Education, Social Care and Environment;
- o Comprehensive **training and skills development** linked to improved performance and delivery of the Council's objectives.

4. Risks and mitigation

The main risks inherent in delivering the Pay and Workforce Development Strategy, and mitigation are summarised as follows:

RISK	MITIGATION	RISK OWNER
level of resources available to deliver	i) forward planning and prioritisation	Head of HR Cabinet

the Strategy	ii) designated Cabinet Member lead for Human Resources (HR) and Support Services	Member for Human Resources
effective and efficient use of resources	i) forecasting necessary resources ii) seeking external funding wherever possible iii) working with partners to maximise output	Head of HR
employee motivation (hence performance) falls	Career, Reward and Recognition processes in place	Head of HR
reputation – as the County's largest local employer	i) make best use of web and advertising and publicity opportunities press/media	Head of HR

5. Key Partners

In delivering this Strategy, the Council will seek to work with and engage its partners at both local, regional and national levels, and wherever possible to work collaboratively with partners for greater efficiency. The Council recognises that working with partners can add value, bring greater efficiency and increase capacity to deliver. The Council already delivers some key services through strategic partnerships.

The Council will actively encourage and seek to develop partnerships to bring better value to service users. It will also work with partners (i.e. Learning and Skills Council, education and training providers) to stimulate the local labour market to ensure there are potential employees with the appropriate skills to work in local government. An example of the Council's commitment in this area is the Skills Development Partnership Agreement recently agreed with the local Learning and Skills Council, the Herefordshire Council, and the seven local authorities across Worcestershire.

6. Resourcing the Strategy

The main resources to be deployed are collective skills, knowledge and resources of the Human Resources function, together with its supplies and services budget; the Corporate Training budget; government funding for mandatory training (e.g. social care), and external funding for specific projects. In addition, capacity will be built, and value added using training placements where appropriate, and working with key partners. The Year One action plan is ambitious. It will require effective management and rigorous prioritisation if it is to be delivered successfully.

7. Equality Impact Assessment

Various elements of the Pay and Workforce Development Strategy are designed to make a direct contribution to the Council's efforts to not unfairly discriminate against individuals or groups. The Strategy seeks to promote good practice and ensure the Council's workforce is representative of the community it serves. Elements such as Resourcing, and Organisational Development make a direct and positive contribution to this agenda. An Equality Impact Assessment has been completed for this Strategy.

8. Monitoring and Review

There will be a consistent approach to the provision and reporting of human resource information to Directorates, Elected Members and Committees. Progress will be monitored via regular reports (in particular against performance indicators), to Chief Executive's Management Team, Cabinet, and Strategic Monitoring Committee.

Numbers Employed 2001 - 2004

Appendix 1

EMPLOYEES	2001	%	2004	%
Full time female	1,676	27%	1555	29%
Part time female	3,013	48%	2615	49%
Full time male	1,277	20%	958	18%
Part time male	297	5%	228	4%
	6,263	100%	5,356	100%

Age Profile of Workforce at 31/12/2004

Directorate	Total	16-24	25-34	35-44	45-54	55-59	60-64	65+
Chief Executive	24	3	7	4	8	2	0	0
County Secretary & Solicitor	72	2	10	22	21	8	8	1
County Treasurer	152	8	46	55	34	7	2	0
Education	3590	175	531	1071	1142	443	165	63
Environment	440	27	97	108	123	51	27	7
Policy & Community	460	37	87	134	134	45	21	2
Social Care & Strategic Housing	693	32	81	175	220	123	58	4
Total	5431	284	859	1569	1682	679	281	77
		5.23%	15.82%	28.89%	30.97%	12.50%	5.17%	1.42%

Pay and Workforce Development Strategy 2005-8 (Part One) See Part Two - Action Plan for 2005-6

Cabinet Lead: Cabinet Member Corporate and Customer Services and Human Resources CXMT Lead: Head of Human Resources
To 2008

Theme and Definition	Indicator(s)	Target	Action	Risk	Resources
Pay, rewards and recognition	Value for money indicator (VFM) to be established	Authority is able to motivate and recruit staff within the constraints of affordability	Remove structural barriers to school workforce remodelling	Morale and motivation suffer	Human Resources Team
<i>Having pay and reward structures that attract, retain and develop a skilled and flexible workforce while achieving value for money in service delivery</i>	% employees satisfied with Pay, Terms and Conditions	Pay framework supports and facilitates workforce flexibility	Support for those still adversely affected post 4 year protection	Turnover may be affected adversely Time Resources	Human Resources Team
			Review of Pay and Grading Structures	Fail to innovate, recruitment and retention worsen	Human Resources Team Head of Economic Development
		Increasing partnership working	Promote lessons from outcomes of pilot projects in partnership and on barriers between occupations	Fail to make efficiency gains through joint working	Human Resources Team Head of Performance Management Corporate Policy Team

		To 2008			
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources
Resourcing Local Government	% of younger people (under 25) employed in Council	Reduce anticipated skill shortages and provide career opportunities for lower paid employees	Provide guidance and support on setting up career pathways in areas of current or predicted skill shortages	Fail to balance workforce profile	Human Resources Team Head of Economic Development
<i>Ensure the Council recruits and retains the employees it needs</i>		Reduced Skills shortages & more positive image of Local Government careers	Review effectiveness of recruitment activities ensuring they are relevant and effective	Recruitment and retention issues worsen	Human Resources Team
		Effective Partnership with local providers of training and jobs		Fail to capitalise on efficiency gains through working with partners	Human Resources Team
		Increased numbers of younger people employed in Council		Fail to balance workforce profile	Human Resources Team
		Increased diversity across workforce	Positive action as appropriate to increase workforce diversity and target groups that are under represented	Workforce not representative of community	Human Resources Team

To 2008					
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources
Developing Leadership Capacity	Improvement in leadership skills via management competency assessment	Improved leadership skills among key managers	Succession planning scheme and a system to identify high fliers in place	Lack of continuity	Managers and HR team HR budget to develop, service budgets
<i>Develop the skills, knowledge and ability of leaders within the Council to inspire, motivate others to achieve Council objectives</i>	Staff Opinion Survey results – key leadership and management questions	Improved approach to management and leadership recruitment in place (to be set after baseline established)		As above Fail to recruit sufficient calibre managers	Managers and HR team HR budget to develop, service budgets
		Certificate in Leadership and Management established as part of leadership development provision for first line and new supervisors/ managers		As above	Managers and HR team HR budget to develop, service budgets

		To 2008			
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources
Developing the Skills and Capacity of the Workforce	No. days training and development investment per FTE	Wider access to relevant training and development	Introduce Investors in People Council-wide	Cost of a skills audit Fail to invest wisely in development	Human Resources Team External resource/software bought in to do skills audit
<i>Ensure employees are effectively trained and developed to meet Council objectives</i>	£ investment in training and development per head	Key skills needed to improve performance are addressed		As above	Human Resources Team
	% of employees who agree training and development needs identified via Staff Review and Development are met	ICT skills needs addressed Tackle residual basic skills needs		Individual performance not linked to objectives	Human Resources Team
	% Staff Review and Development carried out in previous 12 months	100% of SRDs completed annually		As above	Human Resources Team Managers
		All employees are actively engaged in developing their skills to ensure that they are as up to date and effective as possible.		As above	Human Resources Team Managers

		To 2008			
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources
Organisational Development	% days lost to Sickness Absence per FTE	A flexible, healthy, and well-motivated workforce with fewer days lost to sickness absence	Project in place to take Flexible Working forward, realise benefits to the Council and individual	Technology Employee well-being Accommodation	Head of Human Resources Head of Property Services Head of ICT
<i>Develop appropriate systems and structures to deliver services to customers effectively via employees, partnerships and external agencies</i>	% of vacant posts (percentage vacant against all posts)	Skills and capabilities of senior HR leaders are improved.	See 'Resourcing'		Human Resources Team
	Equality and Disability Best Value Performance Indicators – e.g. % of women in top 5% of wage earners, % of employees from ethnic minority backgrounds, % of employees declaring a disability compared with proportion in the local community	Change is managed effectively, negative impact of change reduced BME employed 1.2% by 2006/7 Disability in employment 1.35% by 2006/7	See 'Resourcing'		Human Resources Team Managers

		To 2008			
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources
Organisational Development (cont.)	% Labour Turnover	Lower Labour turnover	See 'Resourcing'		Human Resources Team
	Council's Performance against the Customer Service Charter (NB impacts on quality of service to Council clients/customers)	Effective project management in place	Develop an improved rolling programme of effective service planning (and impact assessments – see Equality Policy)	Fail to achieve/deliver customer service standards	Head of Performance Management Human Resources Team
		Effective Performance Management Processes in place (Service Planning, Risk, Impact Assessments)	<i>See above</i>		Head of Performance Management Human Resources Team Performance Leads
		Complaints and comments are systematically learned from to generate improvement	<i>See above</i>		Communications Network Group, Public Relations Unit

Pay and Workforce Development Strategy 2005-8 (Part Two) Action Plan 2005-6

Cabinet Lead: Cabinet Member Corporate and Customer Services and Human Resources CXMT Lead: Head of Human Resources

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Pay, rewards and recognition		Effective Reward and recognition processes in place	Work to a more efficient deployment of resources through action to deal with job evaluation and single status implementation post 1.4.05	Lower morale	Human Resources Team	
<i>Having pay and reward structures that attract, retain and develop a skilled and flexible workforce while achieving value for money in service delivery</i>		Improved responses to staff opinion survey question regarding reward and recognition	Research and devise appropriate Reward and Recognition processes	As above	Human Resources Team Head of Performance Management	
		Pay, Reward and Recognition that supports organisational goals	Review managing people performance processes	As above	Human Resources Team Head of Performance Management	
		An improved Facilities Agreement is in place	Publicise revised/agreed Facilities Agreement (inc. Manager Guidance)	Employee relations worsen	Human Resources Team	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Pay, rewards and recognition (continued)		A workable VFM indicator has been agreed	Research Value For Money indicator in partnership with Employers Organisation nationally and regionally	Unclear re cost and value of HR	Human Resources Team	
		An effective Pay Policy is in place	Pay policy drafted and agreed with senior team and Trade Unions with wide awareness among employees	Lack of clarity re Pay, increased grievances	Human Resources Team	
		Key policies improved and modernised	Revise and modernise key employment policies and procedures	Legal non-compliance	Human Resources Team	
		Improved Contractual employment documentation	Review contractual employment documentation	As above	Human Resources Team	
		An effective pay framework has been devised	Devise an effective pay framework that enables transition between grades to be understood and used for career movement both upward and between occupational groups (i.e. core skills/competencies)	Morale, motivation and retention will suffer	HR Team External consultancy	
			Create generic job structures and transparent career pathways for progression routes in all jobs	As above		

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Resourcing Local Government	% labour turnover	9% A system for workforce planning and development has been developed	Develop a system for analysing skills/workforce shortage areas to include local and national trends to inform workforce planning	Recruitment problems, retention worsens	Human Resources Team - Youth Services, Job Centre Plus, and others as required	
<i>Ensure the Council recruits and retains the employees it needs</i>		Integration of recruitment activity underway to lead to improved recruitment	Scope integration of recruitment activity within the Council to include recommendations for improved use of ICT and feasibility of a recruitment 'Centre' and use of 'pool' recruitment	Fail to make efficiency gains re cost and time to recruit	As above	
			Review recruitment processes and make relevant adjustments for those for whom English is a second language	Fail to be legally compliant	As above	
			Promote careers through Learning at Work Day (May) and National Careers Day (October)		As above	
		Improved supply and retention of talented recruits in areas with acute shortages	Begin implementation of recommendations from project to look at how to recruit and retain young people in local government	Imbalance in workforce profile re employees aged 18-24	Human Resources Team, Youth Services	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Resourcing Local Government (continued)		Improved links with schools, colleges and community groups, Job Centre Plus and Connexions	Strengthen links with schools and colleges e.g. Royal National College through talks, work experience opportunities, modern apprentice opportunities explore support arrangements that may be needed	Imbalance in workforce profile re numbers younger employees	Human Resources Team	
			Explore how better to publicise jobs and careers, what the Council does	As above		
			Embed New Deal Programmes	As above	Human Resources Team	
			Consider a Traineeship scheme for 16-24 year olds	As above	As above	
			Consider a 'Back to work taster' scheme for the under 30s	As above	As above	
		A review of structure and roles has been held	Review structure and roles of social care support staff, with recommendations for improvement		As above	
	% of black and ethnic minority employees, <i>and</i> % declaring a Disability	0.75% BME 1% Disability	Remove known barriers to employment via a concerted action plan	Imbalance in workforce profile as regards local community	As above	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Developing Leadership Capacity	% Key Managers assessed against management competency	50% of Key Managers assessed against management competency rising to 75%, and 100%.	Establish baseline for improvement in 360 degree competency assessment, with staged process in place to cover other managers; clarify and communicate what is meant by 'Key Manager'	Management skills and capability worsens	Managers, Chief Executive's Management Team, Human Resources Team	
<i>Develop the skills, knowledge and ability of leaders within the Council to inspire, motivate others to achieve Council objectives</i>		Improved management and leadership	Leadership and Management development approach set out as an easy to understand 'package' with clear links to SRD and development activity, definition of what we mean by Leadership at all levels	As above	As above	
		Improved manager induction	Scope with managers an approach to induction for new/newly appointed managers/ supervisors including guidance on competency assessment	Ineffective investment in manager recruitment	As above	
	% responses to HSE change questions in Staff Opinion Survey	60% agree to the HSE questions	Actions to enable current leaders/managers to effectively manage changing circumstances (also see Organisation Development)	Increased absence levels	As above	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Developing Leadership Capacity (continued)		Improved manager recruitment	Develop standard approach to recruitment (inc package) for managers – to include time to recruit, where advertise, assessment methods etc.	Ineffective investment in manager recruitment	Managers, Cabinet, Chief Executive's Management Team, Human Resources Team	
		Value of collaborative working assessed	Assess value of LSC funded pilot Leadership development programme	Ineffective leadership	As above, plus Learning and Skills Council	
			Investigate collaborative working with other organisations	Duplication, lack of efficiency gains	As above, plus Strategic Authorities Group	
		Proposal for an 'aspiring manager' programme considered	Consider programme for aspiring managers, and those identified as having potential for management.	Lack of management and leadership continuity	As above	
		Leadership development needs reviewed	Review Leadership development needs for Senior Team arising from diagnostic	As above	As above, plus County Sec. and Solicitor	
		Value of Action Learning set approach assessed	Assess value of implementing action learning	Fail to realise value of cross-organisation learning	As above	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Developing the Skills and Capacity of the Workforce	% Staff Review and Development carried out	85% Skills Audit completed with recommendations	Conduct a skills audit, identify need for NVQs, make recommendations for addressing gaps	Skills gaps not addressed	Human Resources Team	
<i>Ensure employees are effectively trained and developed to meet Council objectives</i>	% attendance at central induction	85% Improved training, career development and retention of employees	Develop a skills pathway for the Council using core skills for local government linked to new pay and grading (See also the Pay section re <i>generic job structures and transparent career pathways for progression routes in all jobs</i>)	Less flexibility in workforce	Human Resources Team External consultancy	
	£ investment per employee/FTE	Target to be set once baseline established	Establish baseline for minimum training and development investment - days per employee/£ per FTE	Fail to understand value of investment	Human Resources Team	
		Careers and career paths, qualification routes more visible	Run annual Your Career, Your Life, Your Future events.	Morale and motivation suffer	As above	
		Improved awareness and supply of support available for Essential Skills (literacy, numeracy, ICT)	Increase capacity to drive ICT literacy and support drive to achieve e-government (IEG), including promotion of the European Computer Driving License adopted as the Council's standard in 2004.	Unable to deliver modern services due to lack of appropriate skills	As above	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Developing the Skills and Capacity of the Workforce (continued)		Improved support in place for essential skills development	Publicise, promote and monitor Essential Skills support, including at least one Return to Learn (RTL) Programme	Employees lack basic skills for modern service delivery	Human Resources Team	
		Improved people management practice	Scope development for managers in people management practices	Unnecessary turnover increases	As above	
			Identify trainee placements in key skills shortage areas (Env. Health and TS, Social Care, Youth Service)	Lack of potential supply of skilled recruits	As above	
Sector average data provided by Opinion Research Company, from 2004 Surveys.	% response rate to Staff Opinion Survey	48% Improved awareness and understanding of Diversity issues	Commence roll-out of targeted approach to diversity and equality training for members, managers and employees (to include embedding in key processes such as induction, SRD, service planning)	Failure to meet statutory obligations	As above	
		Action on a way forward agreed	Consider and make recommendations on the need to develop procurement skills	Fail to make efficiency gains needed	As above	
		Improved targeting of development activity	Develop and agree a Learning and Development Policy – includes consideration of a process to capture all qualification based training, and how the Council ‘celebrates success’	Development activity not focused on service priorities	As above	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Developing the Skills and Capacity of the Workforce (continued)		Improved use of capacity for learning	Run a pilot for e-learning (Learning Pool) and make recommendations for further expansion of use	Failure to make efficiency gains	Human Resources Team ICT Service	
		Improved customer service processes/skills	Consider and make recommendations for Customer Service skills development, and delivery of relevant NVQs	Customer Service Standards not achieved	Human Resources Team	
		Improved performance management	Clarify further who should get an SRD when, reference to new starters	Individuals not focused on priorities	As above	
		Service plans carry development needs	Service plans audited re including development needs	Lack of focus to investment in development	As above Head of Performance Management	
		Issues identified and addressed, with improved results	Address Social Care non-completion of SRD issues	As above	Human Resources Team	
		Implications of TOPSS Strategy assessed	Assess implications for the Council of the TOPSS Strategy for Social Care sector and set in place local response measures	Retention & Recruitment worsens	Human Resources Team	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Organisational Development	% responses to Staff Opinion Survey	Improved responses to Staff Opinion Survey questions	Actions in place to address bullying and harassment of employees (whether by other employees or by service customers)	Increase absence and turnover levels. Litigation, public image	Human Resources Team	
<i>Develop appropriate systems and structures to deliver services to customers effectively via employees, partnerships and external agencies.</i>	days lost to sickness absence per FTE % labour turnover Staff Opinion Survey 'culture' questions	Sustained improvement of Council as an employer, through: 1) 7 days lost to sickness absence per annum per FTE 2) Reduction in bullying and harassment 3) 9% labour turnover Improved cross organisational learning	Personnel Officers to pull together information to address with Directorate Management Teams, recommend interventions and monitor improvement	Increase absence levels Litigation Public relations and image may suffer	Human Resources Team	
			Review lessons learned from projects for cross-organisational learning	Fail to capitalise on organisation learning	As above, and Information Policy Group	

2005-6						
Theme and Definition	Indicator(s)	Target	Action	Risk	Resources	Performance
Organisational Development (continued)		Improved employee satisfaction and retention	Re-run Staff Opinion Survey, and How Are We Doing – managers and focus groups front line employees	Fail to track improvement	As above	
			Establish, agree and embed an approach re use of employee language skills, provide employees involved in translating with relevant diversity training	Fail to capitalise on internal talent	As above	
			Review Employers Organisation guidance. Set in place improved internal communications and involvement mechanisms linked to information and consultation regulations	Employee relations worsen	As above	

HEALTH AND SAFETY ANNUAL REPORT

**Report By: The Chief Executive and the Director of
Corporate and Customer Services**

Wards Affected

County-wide

Purpose

1. To note actions taken during the last year on Health and Safety issues.

Background

2. The report to Cabinet on 23rd June, 2005, is appended. A report on the proceedings of Cabinet will be made at the meeting.

RECOMMENDATION

THAT the report be noted subject to any comments the Committee wishes to make.

BACKGROUND PAPERS

- None.

HEALTH AND SAFETY ANNUAL REPORT

PROGRAMME AREA RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES

CABINET

23RD JUNE 2005

Wards Affected

None

Purpose

To receive a report on actions taken during the last year to progress addressing Health and Safety issues.

Key Decision

This is not a key decision.

Recommendation

That the report be noted.

Reasons

The Council has put in place a series of actions to improve the health, safety and well-being of its workforce. These actions have been effective in identifying sickness absence issues to be addressed and reducing employee turnover rates to well below the average for Local Government.

Considerations

1. The actions taken which are described in this report are part of a continuing process and are monitored by the Safety Committee at their quarterly meetings. During 2004 the Head of Human Resources took over the chair for these meetings as it was felt important that a member of the Chief Executive's Management Team chairs the Safety Committee. It is pleasing to note that this increased profile of the Safety Committee has led to improved attendance by all Directorates. Update reports from the Safety Committee are presented to the Chief Executive's Management Team for consideration and action. The Trades Unions have two representatives on the Committee who have been suitably trained by their union.
2. Following discussions with the Health and Safety Executive the Chief Executive's Management Team agreed a health and safety action plan. As part of this action plan it was decided that an assessment would be carried out on how well change is managed within the Council. This has been done using the Staff Opinion Survey as the vehicle so that the views of as many employees as possible could be captured.
3. Overall the "Change Management" questions showed 63% agreed that the organisation communicated with employees regularly when going through change.

Further information on the subject of this report is available from David Johnson, Head of Human Resources on 01432 383055

Individual Directorate results have been produced and circulated so that they can be discussed and addressed within the Directorate Management teams and also involving the Council's Health and Safety Officers to provide support to the Directorates.

4. A number of further actions have been taken in response to issues identified via Management Teams. These include

- The Occupational Health Unit regularly runs a series of 'lifestyles days' where employee's health is monitored and advice and guidance is given on suitable life styles. It is similar to a well man or well woman clinic with the inclusion of different and alternative therapies to reduce stress. The lifestyles days are held annually and set up in two different premises on two different days so as to allow as many employees as possible to attend. Last year 151 employees attended and of these 13 employees were referred to their GP for further checks because initial indications were showing high blood sugars, cholesterol or blood pressure. They were advised to see their GP with an accompanying report. The Council's employee assistance counsellors are also in attendance to discuss issues with the employees.

The role of the employee assistance counsellors is to provide a confidential counselling service to individual or groups of employees distracted from the effective performance of their duties by a range of personal concerns, including but not limited to: emotional stress, relationships, family, alcohol, drugs, financial, legal or work-related stress, organisational change and career issues. Additionally they also assist the organisation in the identification and amelioration of workplace stressors which adversely affect job performance through the provision of consultancy, training and group support. An example of this is the provision of mediation services following the breakdown of working relationships.

- A robust process was put in place to ensure the accurate reporting and recording of employee absence as a result of recommendations made following an audit of the sickness absence statistics. Attached at Appendix 1 is the end of year absence figures by Directorate/Department. It shows the level of sickness absence to be 10.3 days per employee. The average for local authorities employees is 10.5 days per employee. As part of the monitoring of sickness absence, employees on long-term sickness are referred to our Occupational Health Physician following a period of absence of 4 calendar weeks. The trigger of 4 short-term absences over a period of 6 months is also used as a benchmark for referral to Occupational Health. Reports on who meets each criterion are circulated monthly to Directorate Personnel Officers, who liaise with managers to determine the best course of action.
- Herefordshire Council has a fast track physiotherapy system in place to reduce the time taken for a reported muscular-skeletal disorder to receive treatment.
- Further a rehabilitation scheme is established for a phased return to work should it be needed to assist employees back to work. It is monitored by Occupational Health and is being used very successfully across the organisation.
- A number of Managing Attendance workshops were run last year. The workshop is designed for 6 to 8 management participants and the use of communication skills with employees forms a major part of the course material. The course is being reviewed to ensure Managers are given the information and training to enable them to manage sickness absence in the workplace in a caring and appropriate manner.
- A stress (psychosocial hazards) risk assessment template has been published

and can be downloaded from the Intranet. The HSE Stress Management Standards are used as hazards. The suggested preventative measures against each hazard are listed for managers to use when doing the risk assessment. Over the last two years 84 employees from all Directorates have been trained to carry out the risk assessments.

- An annual Managing Safely Institute of Safety and Health accredited certificate course was run during May. Over the last 3 years 28 managers have attended this course run by accredited trainers. A refresher one-day course is also run for employees who took the Managing Safely course more than three years ago. The course gives the delegates a basic qualification in safety and health. The aim of the course is to ensure that safety requirements are appreciated by those employed in a managerial role and enables them to review departmental systems for safety, introducing new controls or implementing changes as appropriate to make the workplace safe.
- In addition to the above course for managers a series of regular corporate health and safety training courses are available for all employees. This includes Health and Safety induction for all new employees, Risk Assessments and Manual Handling.
- Directorates also provide specialist Health and Safety training geared towards specific jobs such as managing personal safety for front line employees.
- Attached at Appendix 2 are statistics relating to accidents for the year ending 31/3/05. Overall there has been little change in the number of accidents year on year. In respect of reportable accidents to the Health and Safety Executive, i.e. those where the employee is subsequently absent for 3 or more days, Herefordshire Council has one of the lowest rates across the West Midlands. Violence at work and reports of those who have suffered a physical assault has generally remained static year on year. Work is ongoing to further implement control and preventative measures to reduce the level of incidents.

Risk Management

The risk of not having adequate mechanisms in place to manage health and safety issues is that such a situation would likely lead to a reduction in the quality of service delivery as a result of increased levels of sickness absence, higher rates of employee turnover and lower levels of morale and motivation.

Processes have therefore been put in place to manage these risks using best practice advice and guidance from the Health and Safety Executive and the National Employers Organisation for Local Government

Consultees

Recognised Trades Unions, Health and Safety Committee.

Background Papers

None identified.

Sickness Absence for year end 31-03-05

Directorate/Department	Days lost per employee 2004/05
Chief Executive's including HR	9.44
County Secretary & Solicitor	8.97
County Treasurer	10.52
Children' Services	
<i>Education</i>	8.86
<i>Schools</i>	8.66
<i>Social Care and Strategic Housing</i>	18.73
Environment	9.41
Policy and Community	7.32
BVPI 12 reported fte days lost per fte employee	10.30

Breakdown of accident by cause year ending 31st March 2005

General Description of incident	Incidents	Reportable to HSE	Time lost FTE days
Another Kind Of Accident	25		
Contact With Electricity/elect Discharge	2		
Contact With Moving Machinery	5		
Exposed/contact With Harmful Substance	8		
Fell From A Height	2		
Hit By A Moving Flying Or Falling Object	42		
Hit By A Moving Vehicle	8		
Hit Something Fixed Or Stationary	25		
Injured By An Animal	7		
Injured While Handling/lifting/carrying	61	3	57
Physically Assaulted By A Person	203	2	31
Slipped/tripped/fell On The Same Level	65	3	49.23
Trapped By Something Collapsing	2		
	455	8	137.23

WORK PROGRAMME

Report By: County Secretary and Solicitor

Wards Affected

County-wide

Purpose

1. To consider developing two projects in the Committee's work programme.

Financial Implications

2. The cost of any work will be met from within existing resources.

Background

2. In April the Committee revised its Work Programme. Provision was made to scrutinise ICT services and the operation of the Council's contract with Herefordshire Jarvis Services.
3. Both these are significant areas of the Council's operation which merit scrutiny. However, both are quite broad areas. The Committee is therefore asked to consider how it wishes to approach the task.

Issues

4. If the Committee agrees that the task could be approached by looking at these discrete areas it is suggested that before initiating any work clear scoping statements are prepared in accordance with the Scrutiny function's agreed procedures.
5. As part of the process of scoping the work it is suggested that the Committee may wish to consider appointing members from across the membership of the Scrutiny Committees as a whole to assist it.

RECOMMENDATION

THAT the Committee considers how it wishes to develop the proposed reviews of ICT services and Herefordshire Jarvis Services.

BACKGROUND PAPERS

- None

PUBLIC PARTICIPATION AT HEREFORDSHIRE COUNCIL'S SCRUTINY COMMITTEES

Report By: County Secretary and Solicitor

Wards Affected

1. County-wide

Purpose

2. To consider increasing public participation at all of Herefordshire Council's Scrutiny Committee meetings.

Financial Implications

3. The proposals would incur additional expenditure on publicity. This would have to be met from existing service budgets.

Background

4. In preparing for the meeting of the Community Services Scrutiny Committee on 13th June 2005, the Chairman Councillor A.C.R. Chappell decided that he wanted to explore ways of enhancing the scope for members of the public to ask questions and encouraging them to contribute at Community Services Scrutiny Committee meetings. His wish was two-fold:
 - i) That members of the public be able to suggest issues which they would like to scrutinised; and
 - ii) That members of the public should be able to ask questions and contribute to the debate at scrutiny committee meetings.
5. The Constitution already contains a general provision allowing Scrutiny Committees to invite public participation at their meetings (Standing Order no. 7.3.2). After consultation with the Chairman of the Strategic Monitoring Committee, it was agreed to pilot a scheme that explicitly enabled the public to participate at the meeting of the Community Services Scrutiny Committee on 13th June 2005.
6. It was decided that a clear protocol was required so that public participation at Scrutiny Committee meetings could be effectively managed. A copy of the protocol included in the agenda for the pilot meeting of the Community Services Scrutiny Committee as a public information sheet, is attached at Appendix 1 to this report.

Action

7. A specific item was added to the Community Services Scrutiny Committee agenda as the first main item after the Committee's statutory business titled: 'suggestions from members of the public on issues for public scrutiny'.

Further information on the subject of this report is available from
Marie Rosenthal, County Secretary and Solicitor on 01432 260200

8. In relation to members of the public asking questions at scrutiny committee meetings it was decided to invite questions directly related to items listed on the agenda. To ensure that any questions from members of the public could be answered at the meeting it was requested that any questions should be submitted to the relevant Committee Officer no later than two working days before the meeting. However, as the protocol notes it was expected that the public would also be able to contribute to the discussion at the meeting.

Outcome of Pilot

9. Two suggested items for scrutiny were proposed, one of which, on County Museums will be considered against other priorities in the Committee's work programme. The other related to licensing. It was noted that this was outside the Committee's remit and the Chairman requested further information from the questioner.
10. No questions were received in advance of the Committee's meeting, despite the appearance of an article in the Hereford Journal inviting questions. At the meeting the Chairman did allow two questions from members of the public for which advance notice had not been received.
11. There were 23 Members of the public present and the Chairman exercised his discretion to invite them to contribute.

Conclusion

12. Enhancing public participation at Scrutiny Committee meetings would represent a positive development of the scrutiny function. If successfully managed it should be one means of encouraging greater engagement from the public. However, putting the mechanism in place would need to be accompanied both at an early stage in planning work programmes and again at the agenda preparation stage by a greater focus on making each meeting an event of public significance and interest and by ensuring that press releases are issued before each meeting. The Committee is asked to consider whether it wishes to apply the piloted arrangements to all scrutiny committees.

RECOMMENDATION

THAT the Committee considers whether it wished to extend public participation at Herefordshire Council's Scrutiny Committee meetings, as set out in Appendix 1 to the report.

BACKGROUND PAPERS

- None

PUBLIC INFORMATION

Public Involvement Scrutiny Committee Meetings

You can contact Councillors and Officers at any time about Scrutiny Committee matters and issues which you would like the Scrutiny Committees to investigate. Contact details for officers are set out below.

There are also two other ways in which you can directly contribute at Herefordshire Council's Scrutiny Committee meetings.

1. Identifying Areas for Scrutiny

At the meeting the Chairman will ask the members of the public present if they have any issues which they would like the Scrutiny Committee to investigate, however, there will be no discussion of the issue at the time when the matter is raised. Councillors will research the issue and consider whether it should form part of the Committee's work programme when compared with other competing priorities.

Please note that each Scrutiny Committee can only scrutinise items which fall within its specific remit (see below). If a matter is raised which falls within the remit of another Scrutiny Committee then it will be noted and passed on to the relevant Chairman for their consideration.

2. Questions from Members of the Public for Consideration at Scrutiny Committee Meetings and Participation at Meetings

You can submit a question for consideration at Scrutiny Committee meetings so long as the question you are asking is directly related to an item listed on the agenda. If you have a question you would like to ask then please submit it **no later than two working days before the meeting** to the Committee Officer. This will help to ensure that an answer can be provided at the meeting. Contact details for Committee Officers can be found on the front page of the agenda and are also set out below.

The Chairman, at his or her discretion, may allow members of the public to contribute to the discussion.

Remits of Herefordshire Council's Scrutiny Committees

Community Services Scrutiny Committee

Libraries

Cultural Services including heritage and tourism

Leisure Services

Parks and Countryside

Community Safety

Economic Development

Youth Services

Adult Social Care and Strategic Housing

Statutory functions for adult social services including:

Learning Disabilities

Strategic Housing

Supporting People

Public Health

Children's Services

Provision of services relating to the well-being of children including education, health and social care.

Health

Planning, provision and operation of health services affecting the area

Health Improvement

Services provided by the NHS

Environment

Environmental Issues

Highways and Transportation

Strategic Monitoring Committee

Corporate Strategy and Finance

Resources

Corporate and Customer Services

Human Resources

Contact Details

Tim Brown: tbrown@herefordshire.gov.uk

(Adult Social Care and Strategic Housing, Health and Strategic Monitoring Committee)

01432 260239

Paul James: pjames@herefordshire.gov.uk

(Children's Services and Environment)

01432 260460

Craig Goodall: cgoodall@herefordshire.gov.uk

(Community Services)

01432 260445

By Post: Members Services
 Brockington
 35 Hafod Road
 Hereford
 HR1 1SH

Please note that you can view agendas and minutes of all of the Council's official meetings including Scrutiny Committee meetings at the Council's website at www.herefordshire.gov.uk , by going to the quick links section on the right hand side of the home page and clicking on the heading Committee Meetings. This will take you to an alphabetical list of Committees, which in turn will lead you to the related agenda papers and minutes.

SCRUTINY ACTIVITY REPORT**Report By: County Secretary and Solicitor****Wards Affected**

County-wide

Purpose

1. To consider the work being undertaken by the Scrutiny Committees.

Financial Implications

2. None

Background

3. This report summarises the matters considered by the Scrutiny Committees since the last report by this Committee to Council. It is intended to help keep Council aware of the work being undertaken.
4. The work of the Committees is analysed below as far as practicable under the following five roles for overview and scrutiny: holding the executive to account, best value reviews, policy development and review, external scrutiny, and improvement (performance management and review).

Summary

5. The Adult Social Care and Strategic Housing Scrutiny Committee met on 10th June 2005 and considered the following issues:

Theme	Reports
Holding the Executive to Account	
Best Value Reviews	Private Sector Housing – Stage 3 Best Value Reviews Update
Policy Development and Review	Green Paper-Independence, wellbeing and Choice
External Scrutiny	
Improvement (Performance Management and Review)	Budget Monitoring Performance Monitoring
Other	

6. The newly formed Childrens' Services Scrutiny Committee has not met formally but in view of its new, wider remit has instead held an informal meeting to discuss its future role.

Further information on the subject of this report is available from Tim Brown Committee Manager (Scrutiny) on 01432 260239

7. The Community Services Scrutiny Committee met on 13th June, 2005 and considered the following issues:

Theme	Reports
Holding the Executive to Account	
Best Value Reviews	
Policy Development and Review	Castle Green Regeneration project Review of how to retain 18-35 year olds within Herefordshire or attract them to it.
External Scrutiny	
Improvement (Performance Management and Review)	Youth Service Performance Monitoring
Other	-

8. The Committee also piloted arrangements for enhancing public participation as referred to elsewhere on this agenda.

9. The Environment Scrutiny Committee met on 6th June 2005 and considered the following issues:

Theme	Reports
Holding the Executive to Account	-
Best Value Reviews	Commercial Enforcement – Stage 3 Report Improvement Plans
Policy Development and Review	Provisional Local Transport Plan 2006/7 – 2010/11 Corporate Environment Strategy and Revised Policy Biodiversity Strategic Framework
External Scrutiny	Trunk Roads in Herefordshire
Improvement (Performance Management and Review)	Capital Programme Revenue Budget GEM report Performance Indicators
Other	

10. The Health Scrutiny Committee met on 16th June, 2005 and considered the following issues:

Theme	Reports
Holding the Executive to Account	
Best Value Reviews	
Policy Development and Review	Patient and Public Involvement Forums - Protocol
External Scrutiny	
Improvement (Performance Management and Review)	Provision of Ear, Nose and Throat Services New General medical Services Contract 2004-2005
Other	Work Programme

BACKGROUND PAPERS

- None

Further information on the subject of this report is available from Tim Brown Committee Manager (Scrutiny) on 01432 260239