

# INTEGRATED PERFORMANCE REPORT

## PORTFOLIO RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES; AND RESOURCES

CABINET

20TH SEPTEMBER, 2007

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### Wards Affected

County-wide

### Purpose

To report performance to the end of **July 2007** against the Annual Operating Plan 2007-08, national performance indicators used externally to measure the performance of the council, together with performance against revenue and capital budgets and corporate risks, and remedial action to address areas of under-performance.

### Key Decision

This is not a Key Decision

### Recommendations

**THAT**

- (i) **performance to the end of July 2007, and the adequacy of the proposed remedial actions to address areas of under-performance, be considered**

### Reasons

The Council's current Corporate Plan sets out the Council's objectives, priorities and targets for the three years 2007-10. The Annual Operating Plan (AOP) is the detailed action plan for the first of these years, 2007-08, and includes all the indicators in the Local Public Service Agreement (LPSA), Local Area Agreement (LAA) and Herefordshire Community Strategy (HCS), as well as the Council's own indicators.

### Considerations

<b>HIGHLIGHTS OF PERFORMANCE</b>
<ul style="list-style-type: none"><li>• 16 council-led indicators from the AOP are currently marked <b>R</b>.</li></ul>
<ul style="list-style-type: none"><li>• 53% of indicators used in external judgements are currently showing an improvement against last year.</li></ul>

- In respect of the Benefits Service, the last 18 months as seen an upturn in performance. This has been achieved by monitoring workload and output weekly using reports showing the volume of work received and processed, this includes an age profile of outstanding work. This is supported by a monthly report of BVPIs and Local Indicators and together these reports enable managers to identify performance against target and focus on the areas where improvement action is required. The end-of-year IPR to Cabinet on 7<sup>th</sup> June 2007 showed an improvement against all of the Benefit Service indicators that measure day-to-day activity.
- The end-of-year review of the LAA received favourable feedback from Government Office West Midlands in respect of progress made. It highlighted significant benefits that have come as a direct result of the enhanced level of cross agency working and the development of robust and responsive performance management systems that have been embedded across the Partnership. It is important, therefore, that the LAA and LPSA continue to be robustly performance managed to ensure enhanced achievement in the future. As mentioned in Paragraph 7 below, consideration of progress towards the LPSA and LAA will be included in the next IPR following consideration by the Partnership's Performance Management Group.
- The overall revenue budget position shows a projected overspend of £2.54 million.
- The revised capital budget forecast is £62.43m compared with the original forecast of £65.46m.

### ***Progress against the Council's Priorities***

1. Performance has been monitored for each indicator using the following system.

		G	On target/met target
	A		Some progress/data not yet available so not possible to determine trend
R			Not on target

2. Analysis of performance by Council priority is detailed below:

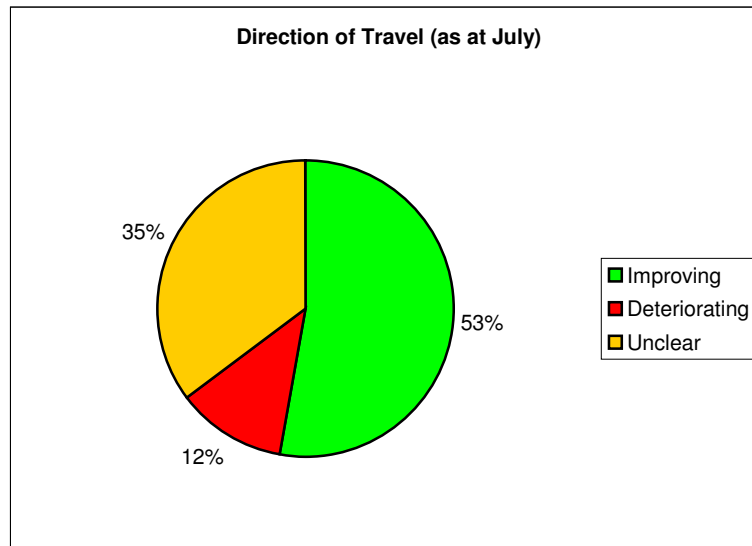
Priority	No. of Indicators	Judgement		
		R	A	G
Maximising the health, safety, economic well-being, achievements and contribution of every child	31	13	15	3
Reshaping adult social care to enable vulnerable adults to live independently and, in particular, to enable many more older people to continue to live in their own homes	8	0	2	6
Securing the essential infrastructure for a successful economy	3	0	3	0
Sustaining thriving communities	36	1	30	5

Priority	No. of Indicators	Judgement		
		R	A	G
Protecting the environment	10	0	10	0
Improving transport and the safety of roads	9	0	7	2
Promoting diversity and community harmony	4	0	2	2
Giving effective community leadership	1	0	1	0
Understanding the needs and preferences of service users and Council Tax-payers, and tailoring services accordingly	2	1	1	0
Recruiting, retaining and motivating high quality staff	4	1	2	1
Embedding corporate planning, performance management and project management systems	3	0	3	0
	111	16	76	19

3. Details of the indicators within each of the priorities above are in **Appendix A**.
4. 8 of the indicators marked **R** within the priority area of 'Maximising the health, safety, economic well-being, achievements and contribution of every child' should be resolved prior to the next IPR to Cabinet. A meeting is planned with the Primary Care Trust on 7<sup>th</sup> September to give final consideration to the Teenage Lifestyle Survey and agree the indicators for measurement in the coming year. Within this priority, 13 HCS 'average length of stay in B&B accommodation for homeless households' has also been marked **R**. Despite significant improvement in moving homeless households out of temporary accommodation, the target will not be achieved this year. The remaining 4 indicators marked **R** within this priority are behind target but have action plans drawn up to try and recover the situation.
5. The indicator marked **R** in the priority of 'Recruiting, retaining and motivating high quality staff' is 103 HC 'SRD completion rates'. Although current outturn is on course to improve on last year, the target of 100% will not be achieved.
6. The remaining 2 indicators to be marked **R** are in respect of 86 HCS '% of people who feel that parents in their local area are made to take responsibility for the behaviour of their children' and 68 HC '% of those who have contacted Herefordshire Council with a complaint who are satisfied with the way in which it was handled overall'. No templates have been submitted for these indicators to give assurance that work is ongoing to achieve target.
7. As reported to Cabinet on 12<sup>th</sup> July 2007, the full set of indicators used to measure performance against the LPSA, LAA and HCS will first be considered by the Performance Management Group of the Herefordshire Partnership. The next IPR to Cabinet, to the end-of-September, will include the group's considerations and be used to illustrate the progress being made in delivering the LPSA, LAA and HCS.

***Direction of Travel and CPA***

8. In addition to those indicators which the council measures itself against through its Annual Operating Plan, the council is externally judged on its performance against a number of national indicators, including Best Value Performance Indicators (BVPIs) and Performance Assessment Framework indicators (PAF). Performance against these indicators is shown in **Appendix B**. Primarily, the council is judged on its performance against previous year, rather than against target, and this comparison will be used to inform the Direction of Travel Assessment in February 2009.
9. Of those indicators where in-year data is currently available, the current direction of travel would show that 53% of indicators are on course to improve on last year.



10. Many of the indicators that are used in the Direction of Travel Assessment are only available annually, such as exam results, so the above chart can only be used as a snapshot of current known performance. As data becomes available throughout the year it will be possible to give a more comprehensive indication as to the direction of travel, and give managers more information on which to base decisions that should impact positively on future performance.
11. In respect of future service scores for the CPA, it is too early to give an indication as to the likely service scores to be announced in February 2009. It is anticipated that there will be more data available for the next report, to the end-of-September, allowing for a service score forecast for Culture, Environment and Housing.

### ***Revenue Monitoring***

12. Details of the revenue budget position are at **Appendix C** in summary and then directorate-by-directorate.
13. The overall position shows a projected overspend of £2.54m. This is 2.1% of the Council's £122.37m net revenue budget (excluding Direct Schools Grant funding). The projected position is after allowing for the use of the Social Care contingency and estimated £1.0m underspend on Spend to Save/Spend to Mitigate funding.
14. The key areas of concern as of month 4 of the 2007/08 financial year are Adult and Community Services with a £3.9m projected overspend; Children and Young People's Directorate with a £776k projected overspend and Customer and Corporate Services

where a £940k overspend is projected. Underspends of £500k and £278k are projected for the Environment Directorate and Resources Directorates respectively.

15. The Appendix includes a section on the July floods that caused significant damage to council assets. The estimated total of the damage is £3.6m.

### ***Capital Monitoring***

16. Details of the capital programme are at **Appendix D**.
17. As of the end of July the Capital programme is £62.43m compared with the original forecast of £65.46m. The change arises because of revisions to the programme and these are outlined in the report. Actual expenditure as of end of July was £7.054m representing 11% of the programme. This is an early indication of possible slippage.

### ***Corporate Risk monitoring***

18. **Appendix E** contains the corporate risk log, which shows the current key risks facing the Council in terms of operations, reputation and external assessment.
19. The format of the Corporate Risk Register, which accompanies this report, has been revised where possible to include actions that need to be taken to mitigate the risks, the responsible officer for the action is named and a target date for completion or review of actions is included.

20. The main issues arising from the register are as follows:

- The number of Corporate Risks continues to rise.
- There are six risks that continue to score 'high' even after the mitigating actions have been taken into account. These six risks are:
  - a. CR2 – 'Corporate Spending pressures outweigh the level of resources available to meet them. Particular pressures are evident in Adult Social Care, Children's Social Care and ICT Services'. Necessary actions have been identified along with an owner of such and target dates.
  - b. CR3 – 'Herefordshire Connects Programme does not go through a robust investment appraisal with subsequent savings not being realised leading to service cuts'.
  - c. CR4 – 'Failure to maintain CPA 3\* rating and move from improving adequately to improving strongly'. Although a strong and clear strategy has been implemented over the last 18 months and specific actions have recently been identified, assessment of this risk needs to be reviewed to ensure all possible measures are being taken.
  - d. CR5 – 'Business Continuity Management'. Substantial resources have been mobilised over the last 12 to 18 months to ensure that service areas have in place service continuity plans. The next stage needs to identify specific actions, responsible officers and target dates. Collaboration between Emergency Planning, Performance Management and Risk Management will help ensure support directorates.
  - e. CR8 – 'Achievement of LPSA2 targets and hence the Performance Reward

Grant (PRG). Failure to manage the PRG will have a significant and detrimental impact on the Council's ability to invest in future performance gains in services'. Again a mitigation strategy is summarised, however the actual actions necessary to ensure that this is achieved will need to be set out for the coming months along with action owners and target dates.

f. CR14 – 'Herefordshire Connects: Management capacity and capabilities not sufficiently developed to plan in advance and deliver the service changes required for realisation of efficiency changes'. See CR3 above for relevant actions to be taken.

- A new risk has been entered, CR25. This covers the integration of procurement with Herefordshire Connects.
- The recent floods affecting Herefordshire represent a significant potential risk in terms of the council's financial position if funding of the required work cannot be recovered.

21. The next review of the Corporate Risks will be undertaken in connection with the end-of-September IPR. In the interim period the identified actions will be monitored so that an update can be provided.

### **Alternative Options**

None.

### **Risk Management**

Effective performance reports and their follow-up are an essential element in the management of risks.

### **Consultees**

Partners have been involved in developing the performance indicator templates for the LPSA2G, LAA and Herefordshire Community Strategy.

### **Background Papers**

None