

INTEGRATED PERFORMANCE REPORT

PORTFOLIO RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES

CABINET

15TH JUNE, 2006

Wards Affected

County-wide

Purpose

- To note (a) performance for the operating year 2005-06 against the Annual Operating Plan 2005-06;
- (b) the full set of Best Value Performance Indicators (BVPIs); and
- (c) the capital budget position and corporate risks.

Key Decision

This is not a Key Decision

Recommendation

- THAT (a) performance for 2005-06 be considered and noted;**
- (b) the actions being taken to improve performance against indicators for 2006-07 (in paragraph 7) be supported; and**
- (b) the Best Value Performance Indicators for 2005-06 be approved for publication subject to any detailed textual amendments required.**

Reasons

The Council's Corporate Plan for 2005-08 set out the Council's objectives, priorities and targets for the three years 2005-08. The Annual Operating Plan (AOP) is the detailed action plan for the first of these years, 2005-06. This report looks back and summarises the Council's performance in the operating year 2005-06.

In line with the Council's wish to integrate planning and performance management, the BVPI outturns and future targets will now be published electronically as an annex to an updated version of the Council's Corporate Plan 2006-09. The Council is required to publish performance information for 2005-06 by 30th June. Cabinet should be aware that there are still missing pieces of performance information from the BVPI Outturn (Appendix B), often for legitimate reasons, which will be available prior to the 30th June publication date.

Considerations

1. This is the last Integrated Performance Report for the operating year 2005-06. For this end-of-year report, the Revenue Budget position is being reported separately so that greater detail can be given to put the end-of-year position in context.

Progress against the Annual Operating Plan 2005-06

2. This section summarises progress against the AOP 2005-06. Fuller details on each of the indicators are given in Appendix A. The appendix appears in the old, previously agreed format, which will be changed for all future reports to graphically present progress against each indicator in 2006-07.
3. As before, performance has been monitored for each indicator using the following system:
 - ✓ Everything is OK
 - ? Something's not right (for some indicators, final outturn is not yet available)
 - * Things haven't gone to plan
4. There are more indicators that have been marked *, i.e. as areas where performance has fallen short of the targets or deadlines for action identified at the beginning of the year in the Annual Operating Plan. In total, there are 53 such indicators compared to 41 reported in January, 18 in November and 9 in September. This does not in all cases reflect a fall in performance, other reasons include poor target setting initially, failure to take corrective action throughout the year.
5. Analysis of the data by Ambition and by Improved Services and Efficiency is contained in the table below.

Ambition	No. of Indicators	✓	?	*	N/a
Improve the health and wellbeing of Herefordshire people	11	5		5	1
Reduce crime and disorder and make Herefordshire safer	4			3	1
Reduce poverty and isolation in Herefordshire	6	3		3	
Encourage communities to shape the future of Herefordshire	6	1		1	4
Develop Herefordshire as an active, vibrant and enjoyable place to be	5	1		4	
Protect and enhance Herefordshire's distinctive environment	7	5		2	
Develop an integrated transport system for Herefordshire	6	1	5		
Meet Herefordshire's accommodation needs	4	2		2	
Support business growth and create more and better paid work in Herefordshire	5	1		4	
Provide excellent education, training and learning opportunities in Herefordshire for all ages	13	2		11	
Children and Young People: A Golden Thread	8	1		7	
Improved Services	9	5	1	2	1
Improved Efficiency	15	3	3	9	
	99	30	9	53	7

6. The main points are:

- a) There are 7 indicators against which a judgement of n/a has been reported. In the case of indicator **24**, which relates to the ‘% of parishes uncontested in local elections’, there were no elections this year and as such it is impossible to judge performance against this indicator; in retrospect this indicator should possibly not have been included this year. The other 6 indicators are LPSA2G indicators, where a baseline has now been set following the publication of survey results conducted in 2005/06. These baselines will be used to establish the target for the LPSA and set milestones for 2006-07.
 - b) There are 25 indicators within the AOP that are linked to the LPSA2G, of which 17 have been marked ✖, compared with 24 to January. Although outturn performance has been reported against some of these indicators, they are still judged to be failing because, in the majority of cases, no target has been set. The reason for the reduction in the number of indicators marked ✖ is described in a) above.
 - c) Many indicators have been marked ✖ because there has been an absence of targets and actions set, a task that should have been completed by August 2005. Although outturn performance may have been reported, the absence of targets has meant that performance cannot be positively judged.
7. The outturn against the AOP indicators is clearly disappointing. For the future the following steps are being taken:
- a) Clearer, simpler graphical templates.
 - b) Continuing to work with Heads of Service, individually and through Senior Management Team, to ensure the templates are completed to a high standard as the basis for monitoring during the year.
 - c) Piloting a standardised agenda for the monthly performance improvement meetings between Cabinet Members and Directors.

Best Value Performance Indicator Outturns 2005/06

- 8. BVPI outturns and targets for the next 3 years are at Appendix B. There are still outturns that have yet to be reported, some of which legitimately rely on the closure of accounts before outturn can be reported. This is standard practice with other authorities.
- 9. The table below shows, where outturn data is available for internal comparison from last year and where the Audit Commission have indicated that comparison is applicable, whether performance is improving against the national BVPIs. Groupings of the PIs follow the guidance in the Office of the Deputy Prime Minister (ODPM) publication ‘Best Value Performance Indicators 2005-06’. External comparison, i.e. our quartile position relative to other authorities, will be possible following publication of the figures for all authorities later in the year.
- 10. Given the high level of indicators that are getting worse or show no improvement an action plan will be developed with Heads of Service to ensure improvement.

	No. of PIs	Improving	Getting worse	No change	Unavailable

Corporate Health	14	4	8	1	1
Education	14	3	-	11	-
Health & Social Care – Children	6	4	2	-	-
Health & Social Care – Adults	4	3	-	1	-
Housing	1	1	-	-	-
Homelessness	4	-	3	1	-
Housing Benefit & Council Tax Benefit	3	1	2	-	-
Waste & Cleanliness	9	5	1	1	2
Transport	14	6	6	-	2
Environment & Environmental Health	2	-	2	-	-
Planning	7	5	2	-	-
Culture & Related Services	3	-	3	-	-
Community Safety & Well-being	4	2	1	1	-
	85	34	30	16	5

Capital Budget Monitoring

11. Details of spending on the **capital programme** are at Appendix C.
12. The Capital Programme outturn for 2005-06 totalled £31,845,000 compared to an original budget forecast of £37,131,000, which represents a decrease of £5,286,000 or 14%.

Risk monitoring

13. Details of **corporate risk monitoring** are at Appendix D.

New Risk: Herefordshire Connects

14. Since the last Integrated Performance Report in February the Herefordshire Connects programme has been added as an additional risk to the Corporate Risk Log.
15. The potential significant level of investment in this programme will require robust investment appraisals in order to minimise the likelihood of service cuts as a result of identified savings not being realised. Strong corporate governance arrangements are already in the process of being set up. The programme will have a major impact on the Medium Term Financial Strategy for the Council and the operations of every service within the organisation.

Adult Social Care and Children's Services

16. Steady progress is being made against other key corporate risks, including the creation of a budget plan for containing spending within Adult Social Care and the submission to Cabinet on the 25th May of a draft JAR Action Plan. These are still considered to be high existing risks however. A detailed needs analysis is currently taking place on future demand for Adult Social Care and the services that will be needed to meet it. Its initial findings confirm that we can expect steadily increasing demand for social care year-on-year. The Council will need to take a strategic view on the results of this review towards the end of summer and make appropriate

provision in its plans.

Overall Performance Improvement Action Plan

17. The overall CPA Performance Improvement Action Plan was agreed in March. Its success will depend greatly on the effective implementation of the corporate planning and performance frameworks, including the full integration of financial planning. The Medium Term Financial Strategy will need to be agreed soon and fit in with the proposed timetable for the Performance Improvement Cycle for 2006-07. One of the key dates will be the submission of three-year proposals for service improvement by Directors by the end of July. The risk is that these are agreed without a full understanding of the medium term financial prognosis and the challenges placed on services by the corporate change programme, certainly in the short term. This will be controlled by requiring the preparation of the three-year plans within a set of clear ground rules and by subjecting them to systematic interrogation by CMB and Cabinet.

Conclusion

18. In considering this report it should be recognised that progress against the Annual Operating Plan has been reported against target and not against previous performance.
19. Looking at the BVPIs shows that 59% of indicators have either improved or maintained performance compared to 57% last year; 35% of PIs have deteriorated in performance, compared with 43% deterioration in 2004-05. This comparison has been made against last year's performance and not against the targets set.

Alternative Options

Effective performance monitoring and management are crucial for continuous improvement. Following the 2005 Corporate Assessment, the Council's improvement plan includes further measures to strengthen these arrangements across the Council such as simpler, more effective performance management reports against the AOP for 2006-07 and an annual performance improvement cycle.

Risk Management

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

Consultees

Relevant internal officers have been consulted. No external consultation has been necessary.

Background Papers

None