

# INTEGRATED PERFORMANCE REPORT

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

CABINET

16TH NOVEMBER, 2006

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### Wards Affected

County-wide

### Purpose

To report performance to the end of **September 2006** against the Annual Operating Plan 2006-07, together with performance against revenue and capital budgets and corporate risks, and remedial action to address areas of under-performance. The report also covers the progress being made against the Council's Overall Improvement Programme, which includes the Joint Area Review (JAR) Action Plan, the Adult Social Care Improvement Plan and the Herefordshire Connects programme.

### Key Decision

This is not a Key Decision

### Recommendation

**THAT performance to the end of September 2006, and remedial action 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 2006-09. The Annual Operating Plan (AOP) is the detailed action plan for the first of these years, 2006-07, and has been updated for the purpose of these reports to include the indicators in the Local Area Agreement (LAA) and Herefordshire Community Strategy (HCS). This report summarises progress in the first **six** months of this operating year, including action being taken to address under-performance.

### Considerations

#### *Progress against the Annual Operating Plan*

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

		G	Achieved, or on track to be achieved, on schedule
	A		Not on track
R			Not achieved, or not expected to be achieved, or no targets/milestones identified

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

Priority	No. of Indicators	Judgement		
		R	A	G
<b><i>Maximising the health, safety, economic well-being, achievements and contribution of every child</i></b>	<b>22</b>	<b>2</b>	<b>1</b>	<b>19</b>
<ul style="list-style-type: none"> <li>The 2 indicators marked <b>R</b>, HCS 13 - Average length of stay in B&amp;B accommodation for homeless households and HCS 40 - % of 16-18 year olds NOT in education, employment or training, have outturn figures for the first 6-months that suggest achievement of their respective targets is unlikely. In the case of B&amp;B, however, it should be noted that the number of families housed in bed and breakfast accommodation has been reduced substantially.(further details are in paragraph 18 below).</li> </ul>				
<b><i>Improving the achievement of pupils</i></b>	<b>7</b>			<b>7</b>
<ul style="list-style-type: none"> <li>Exam results in the summer 2006 were better than expected, with 92.9% of pupils achieving 5+ A*-G grades at GCSE and 48.3% of pupils achieving 5+ A*-C grades at GCSE.</li> <li>Progress is being made towards reducing levels of absenteeism.</li> </ul>				
<b><i>Enabling vulnerable adults to live independently, and many more older people to continue to live in their own homes</i></b>	<b>19</b>	<b>5</b>	<b>7</b>	<b>7</b>
<ul style="list-style-type: none"> <li>6 of the indicators marked <b>A</b> are new indicators from the HCS and relate to health. There is currently insufficient detail in the action plans to judge whether targets will be achieved. Work is continuing with the PCT to improve the quality of the action plans.</li> <li>4 of the indicators marked <b>R</b> were either because no template was submitted or no target has been set. The other indicator, HC 74b - No. of adults with mental health difficulties helped to live at home (per 1,000 population), has been marked <b>R</b> because many of the actions are yet to start, leaving doubt as to whether the target will be achieved.</li> </ul>				
<b><i>Protecting the environment, producing much less waste, recycling much more of what remains and significantly reducing carbon emissions</i></b>	<b>6</b>		<b>2</b>	<b>4</b>

- Outturn data is available for 2 indicators that relate to household waste and show good progress against target.
- The 2 indicators marked **A** are new from the HCS. Meetings are taking place to further discuss the indicators and agree action plans.

***Improving transport and the safety of roads*** 8 8

- Progress against action plans is being delivered. Outturn data is not available until 2007.

***Sustaining vibrant and prosperous communities, providing more efficient, effective and customer focused services, clean street, tackling homelessness and effective emergency planning*** 49 12 14 23

- 4 of the 6 perception indicators have been marked **R** due to no target being set.
- Of the 5 access to service indicators 2 have been marked **R** because no templates have been submitted. These are HCS 59 a & b, access to a doctor and access to a local hospital. Meetings are taking place with the PCT to develop an action plan and set targets.
- The other indicators marked **R** relate to crime. Templates have either not been submitted or the quality of action plans is inadequate to illustrate progress towards achieving targets. Discussions are taking place between the Community Safety & Drugs Partnership and the West Mercia Constabulary to develop robust action plans.

***Promoting diversity and community harmony, and striving for equal opportunities*** 2 1 1

- The Council is making good progress towards achieving Level 2 of the Equality Standard. The indicator marked **A**, HCS 63 – percentage of adult residents who feel that Herefordshire is a place where people from different backgrounds get on well together, is a new indicator from the HCS. The baseline will be established through the BVPI General Survey, the results of which will be available in the New Year. Discussions are continuing with the Diversity Group to develop an action plan and propose a target for the future.

***Understanding the needs and preferences of service users and Council Tax payers*** 1 1

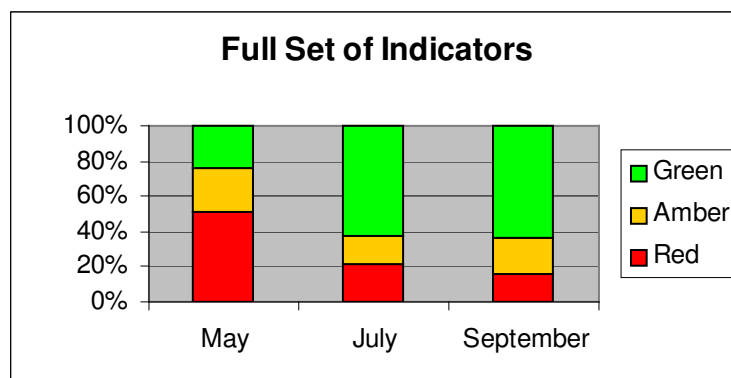
- Complaints administrators continue to receive further training to more effectively deal with and process complaints. Outturn results from the BVPI General Survey will be available in January.

***Recruiting, retaining and motivating high quality staff*** 3 3

- Sickness and turnover rates are currently better than target.

***Embedding corporate planning, performance management and project management systems*** 3 3

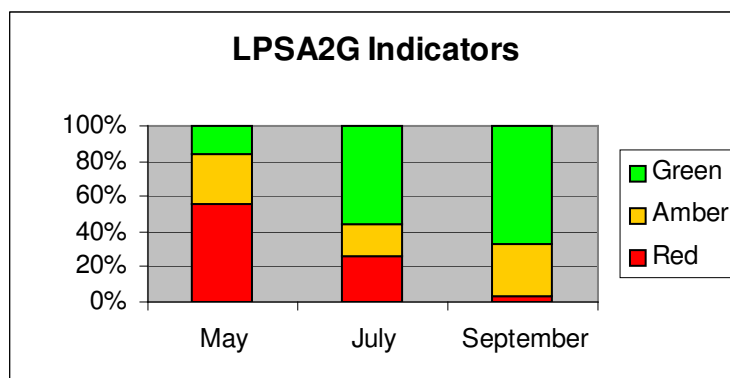
- Although there has so far been no formal feedback on the status of the Council's Best Value Performance Plan and its indicators, there were only 5 amendments required following internal and external audit, all within the allowable 10% threshold.
3. The following paragraphs summarise overall progress against the AOP 2006-07, now incorporating the LAA and LPSA2G, for the period 1<sup>st</sup> April 2006 to 30<sup>th</sup> September 2006. Details on each of the indicators marked as **R** or **A** are given in **Appendix A (1)**.
  4. For the **full** set of strategic performance indicators **19** of **120** have been marked as **R**. In comparison, there were also 19 indicators marked as **R** in the previous report to July, but this was based on a total of 89 indicators that were then the full set, prior to those in the Herefordshire Community Strategy being added. Proportionately, the number of indicators marked as **R** has reduced slightly in the last period. Details of the indicators marked as **R** are in **Appendix A (2)**. The following chart shows the change in the proportions marked as **G**, **A** and **R**.



5. As noted above, there are still issues with the quality of some templates, although the situation has improved since the last report to July. Many of the indicators will only have actual outturn data reported annually, so the majority of judgements on progress continue to be based on the quality of the templates and progress against milestones identified in them, not necessarily actual outturn.
6. The following three sections show progress against the LPSA2G, LAA and HCS, all of which are included in the **full** set of strategic performance indicators.

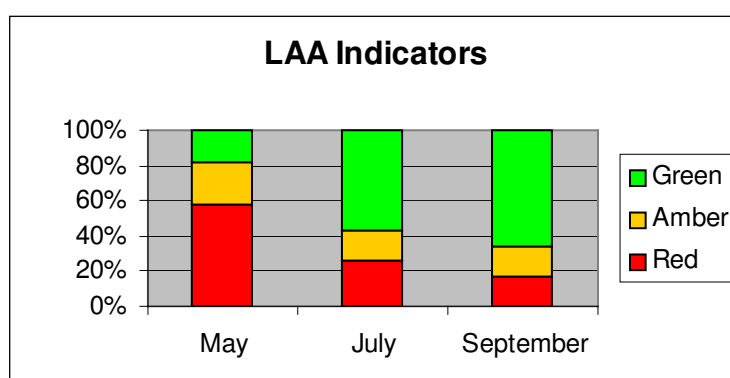
#### The Local Public Service Agreement (LPSA2G)

7. As at the end of September **1** of **27** LPSA2G indicators is marked **R**. This is a reduction from the 7 indicators that were marked **R** in the report to end July. The 1 indicator marked **R**, 'satisfaction with homecare services', needs to have a target set that meets the agreed definition of the indicator. The following chart shows the change in the proportions marked as **G**, **A** and **R**.



#### The Local Area Agreement (LAA) (including LPSA2G)

8. At the end of September, **13** of **77** indicators were marked **R** compared with 18 indicators in the report to end July, although the report to July was based on a total of 69 LAA indicators. The increase in the total number of indicators is the result of splitting into separate indicators those in the LAA that have multiple elements that can be measured separately. For example HCS 59, which measures ease of access to facilities, has been split in five to report progress against each of the facilities that are measured, these being doctor, local hospital, library, sports/leisure centre, and cultural/recreational facility.
9. Proportionately, the number of indicators marked as **R** has reduced in the latest period. Of the 13 indicators marked **R**, 6 have been so because no template has been submitted, whilst a number of the others still have no target that meets the definition of the indicator. Generally, the action plans of those indicators that were marked **R** in the report to July have been developed further and it has been possible to make a more informed judgement in this report.
10. Of the **13** indicators marked as **R**, 2 are under the theme of *healthier communities and older people*; 4 under *safer and stronger communities*, 1 under *children and young people*, and the other 6 cut across a number of themes. The following chart shows the change in the proportions marked as **G**, **A** and **R**.



#### The Herefordshire Community Strategy (HCS)

11. As reported in the last report to July, templates for indicators from the Herefordshire

Community Strategy have now been developed and progress is reported for the first time as part of this report. At the end of September **12** of **62** indicators were marked as **R**. This is primarily because production of the indicator templates has taken place over a shorter period than for the other indicators. Further work will take place in the coming period to develop robust action plans for each of the indicators to track progress towards achieving targets,

### ***The Council's Overall Improvement Plan***

12. The Council's Overall Improvement Plan following the 2005 Corporate Assessment and Joint Area Review was approved by Cabinet at its meeting on 20<sup>th</sup> April 2006.
13. It is the intention to review the format and content of this Plan in the light of the forthcoming report of the Audit Commission's recent review of the Council's performance management arrangements.
14. The latest exception report is attached at **Appendix B**. Progress is generally on track. The main issue in the exception report is progress against the JAR Performance Improvement Action Plan, which is covered in more detail below. Since the exception report was produced, Cabinet has received a draft of the Corporate Plan 2007-10 and considered three-year strategic investment proposals.

### ***The JAR Performance Improvement Action Plan***

15. The JAR inspection highlighted the low referral rate to the children's safeguarding and assessment service. The rate of referrals has steadily risen throughout this year from 175 per 10,000 children at the end of 2005/06 to 242 per 10,000 at the end of September 2006. This means that needs are being more promptly and effectively addressed. However, this increased workload is stretching the capacity of the service considerably.
16. Many more assessments of children are being completed. 142 more initial assessments were completed in September than in April. All child protection referrals are prioritised for urgent completion. The Children's Disability Team has increased the number of assessments completed in the last 6 months by 150%. However, there is some distance to travel to ensure that the rate of initial assessments completed, and completed on time, reaches the target for the year. In terms of the ratio of initial assessments to referrals this is standing at 53.7% at the end of September compared with the year-end target for March 2007 of 60%.
17. The concerted drive to recruit and retain additional qualified social workers to increase capacity has been successful, with further recent appointments giving a net increase in permanent staff of five.
18. The number of families housed in bed and breakfast accommodation has been reduced from 40 in April to 12 in September. The number of families housed in bed and breakfast accommodation for more than 6 weeks has fallen from 28 to 5 over the same period. This has also significantly reduced pressure on the homelessness budget.
19. Since the last report, the purchase of a third additional unit of accommodation for care leavers has been completed and a care leaver has been housed there. There are 14 care leavers who, by March 2007, will be 19 and require suitable accommodation; as a

result of the recent progress, they are all expected to be in suitable accommodation.

20. The Occupational Therapy Team, now with a Team Leader, is continuing to meet the target of twelve weeks for carrying out assessments. This is ensuring that children and their families are able to access support much more quickly and effectively.
21. At its September meeting, the Children and Young People's Partnership Board finally approved the Children and Young People's Delivery Plan 2006-07. Progress in implementing the delivery plan will be reviewed next month.
22. The Institute of Public Care's work to help improve performance management in Children's Services is on schedule. Its report and implementation programme have been presented to the GOWM Herefordshire Challenge and Support Board, and the detailed timetable will be presented to it for agreement in November.
23. The GOWM Board has agreed that the Action Plan is on track.

### ***Revenue Budget and Capital Programme Monitoring***

24. Details of the **revenue budget** position are at **Appendix C**.
25. The overall position shows a projected £1.226 million overspend. This is 1.03% of the Council's £118.285 million revenue budget (excluding Direct Schools Grant funding). The position has improved since the last report, in which a £2.247million overspend was projected. The projected position is after allowing for use of the £1.302million Social Care contingency and higher than expected income from financing transactions.
26. A key concern remains the potential overspend position on Adult and Community Services budgets, which is now expected to be £2,783,000. As part of the overall 2006/07 budgets, some contingency funding is available to mitigate this problem. The Medium Term Financial Management strategy identifies that the social care contingency will be increased by £1.7million, topping it up to £3m.
27. For the first time this year the position in Children's Services has also moved to a projected overspend (of £167,000), mainly related to external residential agency placements and fostering. This must also be viewed as a key risk for the remainder of the financial year.
28. Details of the spending on the **capital programme** are at **Appendix D**.
29. The revised forecast for 2006/07 as at 30<sup>th</sup> September totals £59,803,000, which is a decrease of £868,000 from the July forecast. The main reason for this decrease is a reduction in the forecast on affordable housing schemes where the target number of units is partly being met by developers' obligations.
30. The expected use of Prudential Borrowing in 2006/07 has increased by £316,000 since the July report to £23,807,000. This is primarily due to the allocation of £300,000 prudential borrowing to the Aylestone park canal section and associated works. The borrowing costs of this are to be financed through a revenue contribution from Adult and Community Services.
31. This capital forecast does not yet reflect any change to the planned capital spending

requirements associated with acquiring the Plough Lane offices. The forecast also continues to assume the £8,503,000 investment in Herefordshire Connects will be spent in 2006/07.

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

32. **Appendix E** contains the corporate risk log, which shows the current key risks facing the Council in terms of operations, reputation and external assessment.
33. The safeguarding children risk remains at a high level, although DfES has now accepted, following a review, that our safeguarding systems are now adequate. Many developments are taking place in this area, many utilising expert external advice, to improve overall performance.
34. The Herefordshire Connects programme continues to remain as a high risk. The two main areas are (1) to mitigate the risk of cash benefits not being realised and (2) to ensure that management capacity is in place so that the efficiency savings and cash benefits are realised.
35. New risks to the register since the last report are as follows:
- a. The risks involved in the Development of the Public Services Trust for Herefordshire
  - b. Failure of the Waste Management Contract, resulting in financial penalties and loss of PFI credits
  - c. Actions pertaining to the Implementation of the Use of Resources Judgement.
  - d. Benefit Fraud Inspectorate (BFI) inspection, ensuring that the action plan is implemented.
36. Crucial to the management of these and other risks is the programme of improvements to the Council's performance management arrangements. These are central to the Council's Overall Performance Improvement Plan (see paras. 11 and 12). Key developments include the roll out of the new Performance Improvement Cycle and the Chief Executive's regular performance review meetings with individual Directors and the Head of Human Resources.

## **Alternative Options**

None.

## **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, although partners have been involved in developing the performance indicator templates for the LAA, and will continue to be involved in developing templates for the Herefordshire Community Strategy.

## **Background Papers**

None