

Subject:	City Performance Plan & BHCC Organisational Health 6 monthly Report		
Date of Meeting:	31 January 2012		
Report of:	Strategic Director, Resources		
Lead Member:	Cabinet Member for Finance & Resources		
Contact Officer:	Name:	Paula Black	Tel: 29-1740
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Key Decision:	No		
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 In July 2011 Cabinet approved a new Performance and Risk Management Framework for the organisation. Subsequently the Public Service Board agreed the City Performance Plan as the performance management tool for the PSB.

This report covers two areas:

- A reminder of the key elements of the Performance and Risk Management Framework
- The first six month report on the City Performance Plan (CPP) and the Organisational Health Report (OHR).

- 1.2 2011/12 is a transitional year in terms of our performance management work given changes to the national context, including the end of the Local Area Agreement, the abolition of the Comprehensive Area Assessment, and the formal agreement of the new P&RMF in July. The CPP and OHR, therefore, are being reported as interim documents, and will be subject to on-going review.
- 1.3 The CPP moves away from being indicator driven towards reporting progress on city outcomes. The report outlines: current activity, future activity, and barriers for each outcome and associated priority area. The accompanying indicator report provides measures on selected key indicators in each outcome area in order to offer additional performance information in assessing progress. This cover report highlights areas where progress has been made and areas for concern with some accompanying information on what is being done in these areas. More detailed activity is available in the CPP 6 monthly progress report in Appendix 1.
- 1.4 A named responsible officer within the City Council or partner organisation, and accountable Strategic Director, is identified for each section within the CPP. This is in order to identify clear local accountabilities now that Central Government requirements have changed, and many accountabilities have been devolved to the local area, in line with the Localism agenda.

- 1.5 There are four appendices to this report:
- The City Performance Plan 6 monthly progress report in **Appendix 1** provides performance and progress information on the first six months of the CPP. It also identifies future activity and potential barriers to progress. Note that responsibility for outcomes and priorities are shared across partner organisations.
 - The CPP 6 monthly Performance Indicators headline report in **Appendix 2** contains information on key indicators selected from each priority area.
 - The 6 monthly Organisational Health Report 2011/12 in **Appendix 3** provides a six month update on the key organisational indicators agreed by SLB and Cabinet.
 - The Organisational Health Exception Report **Appendix 4** provides details for those organisational health indicators that are significantly off track.
- 1.6 This report and its appendices were seen by Cabinet on 8 December 2011.

2. RECOMMENDATIONS:

- 2.1 That OSC notes the good progress made in the City Performance Plan (CPP) report (Appendix 1) and the CPP Performance Indicator headline report (Appendix 2).
- 2.2 That OSC notes the Organisational Health report (Appendix 3).
- 2.3 That OSC notes the future activity, but also barriers outlined in the CPP Appendix report 1 in areas of concern.
- 2.4 That OSC agrees that Cabinet Members will review any areas of poor performance and/or discuss progress of action plans with the relevant thematic partnership.
- 2.5 That OSC notes that the CPP is being developed in an interim year and will be subject to regular review in order to ensure that it adequately fulfils local requirements and accountabilities.
- 2.6 That OSC notes that agreed targets for key indicators are not available for the CPP. Some are available in strategy documents and some are statutory requirements. In other cases targets are being agreed with relevant partnerships and will be brought to Cabinet for final sign off.
- 2.7 That OSC take account of new local accountabilities now that Central Government requirements have changed, and many accountabilities have been devolved to the local area, in line with the Localism agenda.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 Performance and Risk Management Framework

- 3.1.1 The component parts of the Performance and Risk Management Framework (PRMF) which was agreed by Cabinet in July 2011 are:
- Sustainable Community Strategy
 - City Performance Plan
 - BHCC Corporate Plan

- Strategic Risk Register
- Service Delivery Performance Compacts
- Team Business and Risk Management Plans
- Individual Performance Reviews (all staff)

3.1.2 City Performance Plan: This plan reports on how the city is doing in terms of achieving its key objectives. Previously, the city and Central Government used the Local Area Agreement (LAA) as a tool to measure its performance on city issues. Following the abolition of the LAA the city has taken the opportunity to generate a new much more localised and outcome driven performance plan. The new City Performance Plan is led by the priorities and outcomes defined in the Sustainable Community Strategy (SCS) which was refreshed in 2010. There is no financial reward attached to the City Performance Plan. The Strategic Partnership is not required to report progress against the plan to Government.

A process for agreeing targets for relevant indicators in the CPP is currently underway. This will be done by attaching statutory targets where these exist or including those contained in relevant strategies. In other cases trend data from previous years will form the basis for new targets. These will be agreed in conversation with thematic partnerships and partner organisations. The annual report of the CPP will include progress measured against targets where these have been included and ratified.

3.1.3 BHCC Organisational Health Report: This plan reports on how the organisation is doing in terms of key measures around our finance and general organisational management, our workforce and meeting the needs of our customers, and some sustainability measures. The city council Organisational Health Report (OHR) therefore sets out a suite of indicators that will support the Strategic Leadership Board and the Corporate Management Team in their management of the organisation. The OHR contains measures agreed by Cabinet and SLB. In addition, sustainability indicators have been included. The annual report will include pay ratio measures.

3.2 Key Performance Issues in the City Performance Plan

3.2.1 A range of indicators underpin the outcomes in the CPP. Key headline indicators have been selected from these to include in the accompanying Performance Indicator Report. These have been selected in collaboration with thematic leads and performance managers. The more detailed and comprehensive set will be reported to, and discussed with, thematic partnerships whose responsibility it is to oversee their areas within the Sustainable Community Strategy and the CPP.

The six monthly report is being compiled in a transitional year. Targets are available for some key indicators where these are stated in relevant strategies or where they are statutory requirements. A process is underway for setting targets for other key indicators. These have not yet been ratified and therefore it is not yet possible to fully report on targets.

3.2.2 Progress has been made in significant areas:

(Appendix 1-page 3 - 1.1.3) Improving the visitor economy: whilst there is a time lag in the data, proxy measures available from Visit Brighton indicate good performance.

(Appendix 1-page4 - 1.2.3) A strong conference economy: both enquiries and bookings are up.

(Appendix 1-page 20 - 2.5.1) Persistent and prolific offenders (PPOs): reduced offending by PPOs in 2010/11 shows a drop of 22% against the projected result.

(Appendix 1-page 16 - 2.3.2) First time entrants to the youth justice system aged 10-17: the results here are significantly better than target.

(Appendix 1-page 34 - 5.2.3) Decent homes: we are on track to meet the 2011/12 target. At the end of August 2011 79.5% of the stock met the Decent Homes Standard and the Repairs & Improvement partnership with Mears is on track to achieve this years target.

(Appendix 1-page 34 - 5.2.4) Bringing empty properties back into use: this is on track for a target of 153 in year. Current funding for refurbishment will end in March 2012 impacting on future years work. The council is currently bidding for funding beyond that point.

(Appendix 1-page 5 - 1.3.1) Educational attainment: there has been an improvement of 3.5% in the proportion of students achieving 5+A*-C grades at CGSE, bringing the figure to 52.6%. However, performance still remains an issue in this area, and a challenging target of 65% by 2014 has been set by the Secondary Schools Partnership.

(Appendix 1-page 26 - 3.3.2) % Social care clients receiving self-directed support: This is increasing quickly, up to 40% against 45% target for year.

(Appendix 1-page 27 - 3.3.4) Delayed transfers of care: these are down to 13 in Oct 2011 from 41 in 2007/08.

(Appendix 1-page37 - 5.3.4) Supporting people: 72% of service users in short-term services being supported to move on in a planned way and 99% long term service users either sustaining or improving their independence.

3.2.3 Areas for possible concern:

(Appendix 1-page 7-8 – 1.4.1 and 1.4.2) Child poverty. The % of children under 16 living in households in receipt of out of work benefits. There is a time lag on this data which may be disguising the true current position. Other measures of child poverty area also likely to increase. The barriers outlined in the report point to welfare benefit changes, cuts to services supporting vulnerable families and the job market all potentially impacting on the measures. Work being done in this area includes: compiling a portfolio of best practice in reducing child poverty; carrying out a health check of commissioning plans for the impact on child poverty; completing and beginning to implement the child poverty strategy; introducing baseline monitoring for reductions in child poverty; a family intervention project which will work intensively with those families in the city with the most complex needs; and implementing any agreed recommendations for commissioning or service delivery which will have positive impacts on child poverty.

(Appendix 1-page 7-8 – 1.4.1 and 1.4.2) Legal advice services offered by Citizens Advice Bureau and Brighton Housing Trust, funded by Legal Aid, have had funding reduced by 10%. From as early as October 2012 it is likely all Legal Aid funding for welfare benefits, non asylum immigration cases and all local legal aid funding will be removed. Funding for housing advice will be reduced by approximately 40%. Funding for assistance with Family Law cases relating to relationship breakdown will only be available to those who can provide evidence of domestic abuse. It is likely that this will have a further impact on local service provision for low income families: it is unclear how commercially viable legal aid in family law will be for local business, also the legal aid cuts will have a destabilising effect on the local advice sector overall. The council is currently working with the Brighton and Hove Strategic Partnership's Advice Partnership on a strategy to mitigate these changes.

(Appendix 1-page 5 – 5.3.3) Not in education, employment or training (NEETs). The November 2010-Jan 2011 average figure was 7.45% compared to 8.7% in the previous year. However, this was higher than the target for 2010-11 of 6.7%. Most recent figures are increasing. The target for 2011/12 has been increased to 9% as an acknowledgement of economic and employment conditions. There is some indication that where young people are becoming classified as 'NEET' it is because they are falling out of employment rather than other education or training. Developing appropriate provision for young people who are NEET is a key focus of the council's Raising Participation Age action plan. The City Employment and Skills Plan also contains actions which are aimed at reducing the NEET figures.

(Appendix 1-page 36 – 5.3.3) Work to prevent homelessness and rough sleeping: whilst the work to prevent homelessness in the city has made good progress, barriers to future progress are evident. In Brighton and Hove good progress is being made against the priorities in the Single Homelessness Strategy with new initiatives to decrease alcohol dependency in the city's hostels and a partnership approach to prevent evictions and rough sleeping through the Integrated Support Pathway services. Other innovative services have been commissioned focused at young people and rough sleepers. However, the numbers of rough sleepers around the country are rising and the changes to the Local Housing Allowance are expected to impact on housing affordability for those receiving benefits.

A general theme within reports from service areas and partners is that of budget and staffing constraints. This is highlighted most regularly as a 'barrier' for future progress. However, descriptions of future activity do not always clearly set out how these constraints will be addressed, or how priorities for activity will be established. At an organisational level, B&HCC is undergoing a comprehensive budget setting process which will align resources with priorities and should mitigate against some of the issues around future progress in areas of council responsibility.

3.3 Key Performance Issues in the BHCC Organisational Health Report

(Appendix 3-page 4 and Appendix 4-page 3 - BV011c) The Percentage of the top 5% of earners who declare that they have a disability: target is 5.5% and actual is 4.66% against a context of 6% of the workforce overall declaring they have a disability (Appendix 4 page 4 – BV016a). However, 10% of the top

earners have not declared whether they have any disability. This indicator has never achieved the targeted level of performance and this is unlikely to change significantly in the current financial climate as we are not increasing the pool of staff within the council.

(Appendix 3-page 8 and Appendix 4 page 5 - D05) Total number of Local Government Ombudsman (LGO) complaints: The number of complaints referred for investigation by the Ombudsman has been unusually high in August and September (14 and 9 respectively).

The services which have accounted for the greater number of LGO complaints in this period are Children and Families (7); Planning and Public Protection (5); Housing and Social Inclusion (5). The outcome of most of these items referred to the ombudsman will be known within the next 3 months.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

4.1 Each thematic partnership was responsible for contributing and confirming the outcomes and indicators for their relevant parts of the City Performance Plan and for selecting key indicators. In addition, BHCC Lead Commissioners and Heads of Delivery were given opportunity to contribute and clarify the outcomes and indicators relevant to their responsibilities. Discussion was also held with the Third Sector Reference Group for Intelligent Commissioning and the three political groups within the council. The outline Plan was also discussed at the June meeting of the Overview and Scrutiny Commission. The current report is to be taken to the January meeting of OSC. Targets are also being discussed with thematic partnership leads and these will be included in the annual report once ratified by Cabinet and PSB.

4.2 All members of the Corporate Management Team were given the opportunity to comment on the indicators for inclusion in the Organisational Health Report. In addition, individual meetings were held between the corporate performance team and officers across Resource and Finance Units to challenge and clarify the indicators for inclusion in the OHR. All three political groups within the council also had opportunity to comment on the OHR. The OHR was also discussed at the June meeting of the Overview and Scrutiny Commission. The current report is to be taken to the January meeting of OSC.

4.3 Data for each area in the report has been provided by the responsible officer.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 The Performance & Risk Management Framework supports the identification of all potential financial impacts of risks which can then be reflected in medium term financial plans and the developing 2012/13 and 2013/14 budget strategies. The performance measures within the Organisational Health Report and City Performance Plan enable progress during the year to be reviewed with strategic partners.

Finance Officer Consulted: Anne Silley

Date: 15/11/11

Legal Implications:

5.3 There are no legal implications arising from this progress report. Council agreed in October 2011 that the City Performance Plan would be one of the Plans and

Strategies to be approved by full council and therefore the annual plan will be required to go to full council for approval.

Lawyer consulted:

Elizabeth Culbert

Date: 17/11/11

Equalities Implications:

- 5.4 An underlying principle of the city performance plan is that it focuses on the significant issues for the city, some of which are about tackling the inequality experienced by of our residents.
- 5.5 The council's organisational health report includes equalities indicators. These have been advised and recommended by the commissioner for equalities and communities.

Sustainability Implications:

- 5.6 The City Sustainability Partnership contributed to the sustainability outcomes and indicators for inclusion in the City Performance Plan. These are most notable in the section 'Living within Environmental Limits'. However, as reported in the Sustainable Community Strategy sustainability issues are embedded across the strategy's priorities and as such are reported across various parts of the City Performance Plan i.e. transport and the economy.
- 5.7 The BHCC Organisational Health Report includes specific sustainability indicators that will measure the organisation's performance on sustainability. These have been advised by relevant officers in the Finance and Resource Units.

Crime & Disorder Implications:

- 5.8 The City Performance Plan includes a specific section on outcomes and indicators for crime and disorder. These have been suggested and confirmed with the Crime and Disorder Reduction Partnership.

Risk and Opportunity Management Implications:

- 5.9 Accompanying the City Performance Plan a city risk register has been developed.
- 5.10 Appropriate risk and opportunity indicators have been included in the BHCC Organisational Health Report as advised and recommended by the council's risk and opportunity manager.

Public Health Implications

- 5.11 Public Health contributed to the Improving Health & Wellbeing outcomes in the City Performance Plan.

Corporate / Citywide Implications:

- 5.12 The City Performance Plan is a partnership document. It is owned by, and the responsibility of, the Local Strategic Partnership and the Public Service Board.

Therefore, CPP progress reports have implications for all public sector partners in the city.

- 5.13 Performance reporting on the council's Organisational Health Report will have specific implications for the council's target operating model as well as for specific teams within Resource and Finance Units as well as Delivery Units and the Commissioning Unit.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Through consultation with CMT and SLB the proposed Performance and Risk Management Framework is deemed to be the most suitable model. This has been agreed by Cabinet and the Public Service Board.
- 6.2 Possible alternative options to developing the City Performance Plan included not developing a plan. This was deemed unsafe and unwise by the PSB.
- 6.3 Possible alternative options to developing an Organisational Health Report for the council included not developing a plan. This was deemed unsafe and unwise by the Corporate Management Team.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The council needs to ensure that it has a robust performance and risk management framework that meets the needs of the new structure and model of working.
- 7.2 The reports contain performance information upon which the recommendations are based.

SUPPORTING DOCUMENTATION

Appendices:

1. City Performance Plan 2011/12 6 monthly report
2. The CPP 6 monthly Performance Indicators headline report
3. BHCC 6 monthly Organisational Health Report 2011/12
4. Organisational Health Exception Report - 6 months to Sep 11 v2

Documents in Members' Rooms

None

Background Documents

None