

Agenda item: **Title of Meeting:** Governance and Audit and Standards Committee**Date of Meeting:** 30 January 2014**Subject:** Performance Management Update - Q2, 2013-14**Report by:** Head of HR, Legal and Performance**Wards affected:** N/A**Key decision (over £250k):** N/A

## 1. Summary

- 1.1 This performance report provides a summary of information received as part of quarter two reporting for 2013-14, and an indication of how work around cost benchmarking is developing.

## 2. Purpose of report

- 2.1 To inform members of performance issues arising in the second quarter of the 2013-14 reporting period, and update on work relating to cost benchmarking.

## 3. Recommendations

**The Governance and Audit Committee are asked to note the report and comment on:**

- 1) The performance issues highlighted in section 4; and**
- 2) The cost benchmarking activity outlined in section 6.**

## 4. Context

- 4.1 As previously reported to the G&A&S committee, Heads of Service have produced a series of business plans, summarised as "Plans on a Page" that are the bedrock of performance monitoring in the organisation. These summary plans generally contain:

- a statement of the way in which the service will contribute to shaping the great waterfront city
- the 5-7 most critical things the service will deliver in the coming year
- the key KPIs for the service
- any other requirements from their Strategic Director (for example, risks)

4.2 For this reporting year, Heads of Service will be providing performance updates against these summary plans. A detailed summary of issues raised attached as Appendix A, but key issues to note are:

- **Adult Social Care** - There are concerns about achievement of targets in relation to direct payments, and further work is taking place to understand this. There is an area of uncertainty around the Integration and Transformation Fund.
- **Children's Social Care and Safeguarding** - There has been a significant improvement in the number of Common Assessment Frameworks (CAF) completed, and a reduction in the number of repeat referrals; but there are concerns about the quality of some of the CAFs. We know there are some challenges around the Youth Offending Team, and specifically historical reoffending rates, and are awaiting the report following an recent inspection. There are also concerns that there are too many changes of social workers for our looked after children.
- **Education and Strategic Commissioning** - there is a concern that whilst a positive trend over the long-term has been maintained, GCSE results have slipped back. Our Early Years scores remain ahead of national averages and there is good practice in nursery place provision. However, we are seeing an increasing number of children with special educational needs, and an increase in numbers of children is putting pressure on our school places. A piece of work is underway with the school improvement function to look at preparedness under the Ofsted regime.
- **Integrated Commissioning Unit** - Implementation of action plans for carer's services and dementia services are progressing well. There is positive progress on the 0-5 pathway commissioning project. Areas of focus for improvement are the use of targeted data to improve outcomes and the development of the approach to working with the voluntary and community sector.
- **Revenues and Benefits** - The service is performing well on almost all KPIs. The service has implemented some welfare changes; no significant issues have arisen from the benefits cap, but a significant number of households (c.1650) are affected by the social sector size criteria. Discretionary housing payment demand has already outstripped supply. A great deal of uncertainty remains on key DWP initiatives, including the implementation of Universal Credit, and the Single Fraud Investigation Service.
- **Positive Family Steps Service** - The identification of families and "starts" into service has increased, and the system review is progressing, There are some emerging concerns linked to numbers of looked after children, and a need to target services where levels of referrals are low.

- **Housing and Property Services** - Recent changes to rent policy means that the income profile to the Housing Revenue Account (HRA) will change over the next three years, which will require rephrasing of development work to accommodate the change. 1200 tenants have received cuts in benefits as a result of reforms, creating a £1m rent arrears position, with full debt recovery unlikely and a long term impact to the HRA.
- **City Development and Cultural Services** - BH Live successfully took over management of the Pyramids. There has been a significant improvement in the time taken to turn around most planning applications (12% better than the national benchmark) although we remain above the national benchmark for "major" applications. Support for inward investment is an area which needs improvement.
- **Transport and Environment** - Both Tipner and Northern Road Bridge are predicted to be completed on time and under budget. The organisation is performing well on waste and recycling KPIs. The affordability of the PFI contract remains and high priority, as does closing the Parking deficit.
- **Corporate Assets, Business and Standards** - The first phase of the investment portfolio review is underway, which will identify opportunities for rental growth. Good outcomes are being achieved on supported employment programmes and contracts. There is an urgent need to improve the referral process for Telecare, and to look at Homecheck services.
- **Community Safety and Licensing** - there has been an overall reduction in crime, and anti-social behaviour in particular. However, violent crime rates are still too high, as is the young offender custody rate.
- **Public Health** - the U18 pregnancy rate is falling, although the u16 rate remains high. The seasonal flu vaccination rate for over 65s is above the national target, but we are not hitting targets on healthcheck completion.
- **Customer, community and democratic services** - Phase 1 website is on target for a January launch. The education helpdesk has been integrated into the wider city helpdesk, although the wider helpdesk is experiencing some difficulties, with call waiting and call abandon rates rising.
- **Information services** - Windows 7 implementation is improving performance for users, and an improved service desk is delivering shorter call waiting times. However, it is becoming increasingly difficult to resource all projects with diminishing resources.
- **HR, Legal and Performance** - Targeted interventions in areas of high staff sickness have been successful. However, capacity planning across the organisation remains a challenge.

## 5. Areas for development

5.1 The process for reporting on performance, which for a period of time was

looser, has now started to embed across the organization, and there is more rigour than has been the case for a few cycles. We are now seeking to better link reporting on risk and corporate governance issues, to ensure that a fuller picture can be discerned from the available information.

- 5.2 We are also starting to look at the design of the planning and reporting process for 2014/15, with a view to making closer links to the decision-making processes of the organization, and giving more assurance on areas of "business as usual".

## **6. Value for money and cost benchmarking activity**

- 6.1 As previously reported, focused benchmarking around value for money issues is taking place in services of highest spend, children's services and adult social care.
- 6.2 In relation to children's services, an analysis of budgeted spend for these functions has been carried out and presented to the directorate management team. This analysis compared Portsmouth's budgeted spend per capita with that of the authorities in its Children's Services Comparator Group and CIPFA Statistical Nearest Neighbours. The areas of spend covered were Fostering, Adoption, Youth Justice and Social Work (including child protection). The results of the analysis suggested that three of the comparator authorities had a lower total budgeted spend, these were Sheffield, Sefton and Salford.
- 6.3 It was agreed that follow up work would be done to explore any differences in policies and practice at these authorities. This might provide useful examples of good practice or different models of service delivery which Portsmouth might want to learn from or adopt. Sheffield was chosen as the first authority with which to carry out follow up work and it was agreed that a visit would be arranged. Suggested lines of enquiry for this purpose are in development, and the Governance, Audit and Standards committee will be kept informed of findings.
- 6.4 It was agreed that Sheffield should also be looked at in terms of VFM for Adult Social Care. An initial high level analysis of spend in Adult Social Care shows that Portsmouth has below the All England average spend in all areas except Social Care for Adults with Mental Health Needs, where the difference is only marginal. Further work is to be carried out to analyse Portsmouth's spend on Adult Social Care against its comparator groups to identify any authorities with lower spend, using the Audit Commission Value for Money Profiles.
- 6.5 A new release of the CIPFA VfM toolkit was received in December. This provides comparative data for actual expenditure for 2013/13 and updated performance indicators. A high-level analysis will be shared with all services as part of the business planning process, and there is a requirement that services set out their response to the data as part of the plans.

**7. Equality impact assessment (EIA)**

7.1 An Equality Impact Assessment will be maintained alongside the development of the performance management framework to ensure that full consideration is given to equality issues. Any equality matters arising through value for money consideration will be considered as a discrete process, as separate EIAs will be completed for these areas of work.

**8. Legal implications**

8.1 The report has incorporated legal implications and accordingly there are no other immediate legal implications arising from this report.

**9. Head of finance’s comments**

9.1 There are no financial implications to bring to member’s attention at this stage. However, it should be noted that there could be further financial implications following further exploration of any of the performance issues raised in this report, and related future reports could result in financial implications. These will be flagged to members at the appropriate time.

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Signed by: Jon Bell, Head of HR, Legal and Performance

**Appendices: Appendix A - Summary of performance reports, Q2 2013-2014**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
1. reports to, and minutes of, SDB meetings	Strategy Unit
2. Summary business plans	Strategy Unit