

Title of meeting: Governance and Audit and Standards Committee

Date of meeting: 13th March 2015

Subject: Performance Management update - Q3, 2014-15

Report by: Head of HR, Legal and Performance

Wards affected: n/a

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 To inform members of performance issues arising in the third quarter of the 2014-15 reporting period.

2. Recommendations

The Governance and Audit and Standards Committee are asked to:

- 1) note the report; and
- 2) comment on the performance issues highlighted in section 4, including agreeing if any further action is required
- 3) comment on the governance issues highlighted in section 5, including agreeing if any further action is required.

3. Background

- 3.1 This report is part of the regular series of quarterly report highlighting significant performance issues across the organisation. The reports are based on the quarterly highlight reports prepared by Heads of Service, which are in turn based on the priorities for their services identified by Strategic Directors.
- 3.3 Reports are considered by Strategic Directors to identify where action is required and where there are themes of collective interest for the organisation emerging. There is also a much closer relationship with the risk register than has previously been the case.

4. Reasons for recommendations

- 4.1 Appendix 1 contains a full summary of the quarterly responses provided by Heads of Service, against the service priorities.

4.2 What becomes apparent from the reports are that whilst there are some service-specific issues highlighted, there are also some common themes that might be worth considering, along the lines of **demand**, where this is seen to be increasing despite an accepted need to reduce demand; challenges in delivering on change projects already in the pipeline to **reduce costs** and particularly to **deliver on income**; workforce **capacity** in some areas critical to longer term objectives, linked to **sustainability of services**; some difficulties in describing **impact**. These themes are similar to those highlighted in the last quarter.

4.3 Examples could include (although there are others throughout the report):

- Service demand in children's social care and safeguarding continues at a high rate - open cases and child protection plans show an increase on the same period for last year (**demand**) - the service budget is predicting an overspend of c£3.9m, with maternity leave and vacancies putting pressure on budgets via agency costs. YOT performance continues to require improvement across a range of areas (**capacity**)
- It is not clear how robust the arrangements in the Education and Strategic Commissioning service around school improvement are against Ofsted expectations, with **capacity** in key areas is a challenge (secondary education, senior management, SEND implementation). Sufficiency and quality of schools is an emerging challenge.
- Increased **demand** is noted in a number of areas in the Corporate Assets, Business and Standards service; a particular area highlighted this quarter is the increase in the number of people dying without burial arrangements - local authority resources will be further under pressure as QA hospital cease performing the function for people who die in hospital.
- There is an issue highlighted by Housing and Property Services in relation to the Housing Revenue Account, where land acquisitions being brought forward for the "corporate good" is creating a significant threat to the forecast position (**capacity**).
- £44m funding letter has been received by the Environment and Transport service in respect of the North Portsea Coastal Scheme, representing a significant success.
- Customers, Community and Democratic Services report that there have been great improvements in call waiting times for high volume areas in city helpdesk.
- Information Services report that **capacity** to deal with demand for work is stretched, and a number of projects are now on hold and will not be started until 2015/16.

5. Significant governance issues

5.1 It was agreed at a previous meeting of the Governance, Audit and Standards Committee that significant governance issues arising from the most recent Annual Governance Statement would also be considered alongside the quarterly performance report, and that lead officers for the issues would attend to provide

updates to the committee on developments. The three issues that will be considered this quarter are:

- a) **Mandatory training** - requirements are unclear and staff are not completing known requirements such as financial rules training - the committee will receive an update on the PDR review and update on completion statistics following January Employment Committee.
- b) **Non-completion of financial rules training resulting in non-compliance with Financial Rules**
- c) Report on action points following **Ofsted inspection** in July 2014.

5.2 More details on each of these issues can be found at Appendix 2. In summary, good progress is being made in addressing each of the areas of concern highlighted in the Annual Governance Statement. One further issues, in respect of ongoing development of corporate performance management arrangements, has been deferred to the meeting, so that full account can be taken of the senior management restructure in proposing adjustments to the existing arrangements.

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

6.1 Any equality matters arising through performance or value for money consideration will be considered as a discrete process, as separate EIAs will be completed for these areas of work.

7. **Legal Implications**

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

8. **Finance Comments**

8.1 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 1 - Summary of service performance issues
Appendix 2 - Summary of progress on significant governance issues

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:

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

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by Governance and Audit and Standards Committee on 13th March 2015.

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Signed by: