

POLICY AND REVIEW (PERFORMANCE) PANEL

MINUTES OF A MEETING of Policy and Review (Performance) Panel held in the Civic Offices at 4.00 pm on Thursday 12 October 2006.

(NB: These minutes should be read in conjunction with the agenda for the meeting)

Present

Councillors: Alistair Thompson (Chairing this meeting)
Jason Fazackarley (part of the meeting)
Frank Jonas
Michael Andrewes (deputising for Councillor Jones)
Simon Boshier (part of this meeting)

Officers

Martin Evans
Matt Gummerson
Dave Adams
Paddy May
Lyn Graham
Lizzi Goodwin
Val Lane
Chris Ward
Paddy Bradley
Julian Lomas
Andy Hough
Roger Ching
Mike Arthur
Ivan Western
Alan Cufley
Paul Edmondson-Jones
Roy Scanlon
Lynda Fisher

Education Representatives

David Reed
Roger Bentote

56 Apologies for Absence (AI 1)

Apologies were received from Councillors Margaret Foster, April Windebank, Richard Jensen, Howard Jones and Anthony Martin.

57 Declaration of Members' Interest (AI 2)

There were no declarations of interest.

58 Minutes of Last Meeting – 27 July 2006 (AI 3)

RESOLVED that the Minutes of the meeting of the Policy and Review (Performance) Panel held on 27 July 2006 be confirmed as a correct record and signed by the Chair.

59 Report on Internal Audit (AI 4)

(TAKE IN REPORT)

Consideration was given to a report from the Audit Manager which updates the panel on

- audit performance for 2005/06,
- significant areas of control weakness on areas reviewed,
- the overall audit opinion on control assurance,
- audit plan for 2006/07 and
- the new requirement to examine effectiveness of internal audit.

In response to questions the panel heard that –

- compliance audits carried out in schools frequently identify as areas of concern matters relating to petty cash and cash handling in general but that these incidents were not particularly serious, they were just non compliant. From October 2006 a new national programme is being introduced which will reduce the number of school audit programmes.
- with regard to Health, Housing and Social Care the draft report referred to in Appendix A has now received a response from managers but was too late to be included for this meeting.
- In 2004 a fraud in excess of £100,000 was committed by an agency member of staff covering the Legionellas project. The nature of the fraud was outlined for the panel and it was confirmed that although the employee involved had now been convicted, the Council had still not received its money back. A follow up review was carried out in 2005/06 to ensure that that controls had been strengthened, but unfortunately this showed that there were still some key weaknesses and although a management response has been received since the report was written, this acknowledges that further controls still need to be put in place in order to prevent a similar occurrence in the future. It was also agreed that Audit will revisit this area again as part of a 2006/2007 review. The panel heard that there were still disputes with the contractors concerned. However the work in connection with preventing Legionella outbreaks had been carried out and was continuing and the fraud related to fictitious work. It was acknowledged that the fraud may not have been noticed had it not been for a whistle-blower. If revised internal audit controls are adhered to, it is hoped that a similar fraud could not happen again but this can never be completely ruled out.

RESOLVED that the panel:

- (1) notes the audit performance for 2005/06;**
- (2) notes the areas where audit have highlighted weaknesses in essential controls for 2005/06;**
- (3) notes the audit opinion on control assurance;**
- (4) notes the 2006/07 audit plan;**
- (5) approves the action to review the effectiveness of internal audit;**
- (6) requests that a further report be brought back to the next possible meeting of this panel by the Audit Manager following the review of the Head of Asset Management's response regarding actions taken to prevent any reoccurrence of the Legionella Fraud.**

60 Report on Use of Resources Process Project (AI 5)

(TAKE IN REPORT)

Consideration was given to a report from the Head of Financial Services which sets out the purpose of the use of Resources Process Project and updates the panel on progress made to date on the action plans drawn up as a result of the Financial Services Best Value Review and the District Audit annual audit and inspection letter 2004/05. The panel heard that a project board comprising the three group leaders and a number of officers has been established to monitor a detailed action plan to improve the use of resources score. The report combines the progress made on the Financial Services Best Value Review Action Plan and an update on progress made on the action plan arising from the District Audit annual audit and inspection letter.

Paragraph 4.8 of the report identifies the actions which the City Council needs to focus on in order to meet the key lines of enquiry for the use of resources element of the corporate performance assessment.

In response to questions the panel heard –

- that one example of work packages where members need to participate in order to move these forward is training on the budget and all members need to participate in this training;
- that ensuring that member behaviour reflects principles of good governance and complies with rules and regulations has again been mentioned by the District Auditor;
- that the panel is pleased to see a report where much progress has been made and thanked the Head of Financial Services and her team for the part they have played in this.

61 Report on the Draft Credit Management Policy (AI 6)

(TAKE IN REPORT)

Consideration was given to a report from the Head of Financial Services which provides the panel with an overview of the reasons for the creation of the draft Credit Management Policy. The panel heard that at present the City Council does not have any form of credit management or debt management policy other than a few financial requirements relating to debt contained within an outdated set of financial regulations. The proposed credit management policy takes a holistic approach to both the extension of credit and the subsequent management of debt. It addresses the guiding principles that will be used by the City Council in all of its dealings with potential customers from the use of risk assessments to inform the extent to which services should be provided to the range of legal recovery proceedings that will be used to enforce payment when clients default.

The panel heard that over recent years the Audit Commission has commented that the overall level of debt owed to the City Council is high and in particular is high compared with other south coast unitary authorities. At the end of the financial year 2005/06, £74M of debt was outstanding. Of this, £15M is money owed to the City Council from the government, £15M represents outstanding Council Tax, £5M is owed from housing rents, £7M is housing benefit overpayments.

In response to questions the panel heard that –

- currently there is no comprehensive Credit Management Policy and no proper risk assessment before advancing credit;
- other relatively large outstanding debts are owed to the City Council by Portsmouth PCT and Customs and Excise;
- collection work will be better when there is a permanent person in post to deal with this;
- the amount of £26M which is regarded as uncollectable is a large amount of money, but relates to very old debt for example £5M relates to business rates from 1992 to 1993;
- the new draft Credit Management Policy will not be communicated to residents formally but that reliance will be placed on word of mouth publicity;
- when an assessment is being made as to whether a person can afford to pay Council Tax, the opportunity is taken by the Social Care Team to inform the person about other benefits available. However this is not a debt counselling agency as there are insufficient resources to provide such a service
- the City Council recognises that some of its communications need to be improved;

- the City Council has full control over internal bailiffs which are traditionally used to collect council tax and business rates. However external bailiff firms are used to collect outstanding money on car park tickets and also if there is an overrun in terms of the general workload. Members were assured that the City Council does not sell the debt on and that it is the City Council's policy to only use external agencies as a last resort. External bailiff charges are not limited. Internal bailiffs charge at a rate which is set nationally and there is no discretion over these charges for Portsmouth City Council.
- the City Council does not publicise a schedule of charges if the person does not pay straight away.
- the policy is based on an ability to pay basis in accordance with best business practice and it is intended to try to be aware of different people's needs when deciding on methods of collection. For example it may be judged appropriate to send a social worker as well as a bailiff;
- there was some concern about communication of the new policy. Councillors were advised that the policy was drafted in consultation with the credit management group which included varied representatives from those who have involvement with recovery of income. These employees were already aware of the new policy. Financial Services employees are also already aware of the policy and care will be taken to ensure that it goes to the City Helpdesk;
- agreement was reached that this panel would receive an annual progress report on the strategy;
- there was a request that an extra paragraph be included/more papers to be made available before the policy is considered by full Council and this was in connection with communicating the policy to residents and possibly to show which parts of the policy are actually changing existing practices and which parts are merely formalising current practice.

RESOLVED that the panel –

- (1) approves the report;**
- (2) endorses the draft credit management policy attached to the report;**
- (3) requests officers to consult local disability groups about the new policy and to provide feedback;**
- (4) requests officers to devise a communications plan to include articles in Flagship to ensure that residents are made aware of the new policy;**

- (5) requests an annual progress report on the credit management strategy.

62 Best Value Review of Engineering Consultancy

(TAKE IN REPORT)

Consideration was given to a report from the Head of Learning and Achievement and Lead Officer of the review, which seeks approval of the recommendations of the Best Value review of the Engineering Consultancy. The panel heard that the scope of the review covered all engineering services undertaken by Portsmouth City Council and how these are currently delivered, with special emphasis on the services provided by the engineering consultancy, part of the Directorate of Environment and Transport. The review sets out to challenge the existing methods to deliver those engineering services whilst specifically challenging the effectiveness and efficiency of the engineering consultancy. The panel heard that detailed analysis and appraisal was undertaken relating to four options:

- Option A, maintain the same organisational structure;
- Option B, merge the functions of the consultancy with Asset Management Services (AMS);
- Option C, merge the functions of the consultancy team with clients to create "delivery teams";
- Option D, externalise all or part of the functions of the consultancy.

In response to questions from Members the panel heard that –

- the proposed Head of Profession for Engineers post to support the engineering profession throughout the Council could be undertaken as an additional duty of an existing post and assurances were given that the grading of the post is unlikely to change and any extra remuneration, if any, was likely to be restricted to one increment;
- concern was expressed regarding Option D because there had been no detailed financial appraisal included. The panel heard that the reason for this was that the initial appraisal identified significant costs, so much so that it was obvious that this would represent prohibitively high cost, particularly with regard to TUPE costs;
- in assessing the best organisational structure, other comparable local authorities and ports had been looked at although no authority was directly comparable. However virtually all other local authorities looked at had the type of structure in existence that the City Council wishes to adopt;
- with regard to professional development of staff, this would be undertaken as part of the new duties assigned to the new Head of Profession for Engineers post. It had been agreed with COLAS that an

engineers exchange scheme could be set up with Caen and this should provide good opportunities for staff development;

- it is difficult to retain staff in the engineering section because the private sector pays significantly more. The internal fee level structure is currently being looked at and is likely to go up but this will still provide a cheaper service than external providers. Benchmarking for this has not been done in any detail;

The panel expressed reservations about some aspects of the report and requested that it should be amended to include more details about the financial implications of Option D. In addition the panel felt that greater clarity regarding the implications of the Head of Profession for Engineers appointment should be given and that the report should be clarified in this regard following advice taken from Human Resources. The Panel requested a report on progress made in implementing the improvement plan in 12 months time.

RESOLVED that the Panel endorses the following

- (1) The implementation of option C1 –Merge all functions of the consultancy to the most appropriate / relevant client (Highways Infrastructure and Coastal Protection to merge with the Transport and Street Management Division, Maritime will transfer to the Continental Ferry Port and Structures will merge with the Asset Management Service).**
- (2) The establishment of an implementation team to implement option C1 and to address the issues identified as disadvantages for this option as outlined in section 6.3.4 of the Exit Report.**
- (3) The establishment of framework agreements with one or more consultants to provide opportunities to procure additional engineering services effectively, efficiently and economically**
- (4) Greater clarity on how financial frameworks will work following the desegregation of the old engineers' department budget, which must be finalised as soon as possible to facilitate the implementation of option C1 by next financial year (April 2007).**
- (5) The appointment, as soon as possible, of a Head of Profession for Engineers to support the Engineering profession throughout the council. The appointment would not entail any additional salary costs.**
- (6) The Head of Profession for Engineers be responsible for the identification and implementation of a process to support the Institute of Civil Engineers (ICE) training agreement and career development of engineers, including stronger support from Human Resources and Corporate Training and Development.**
- (7) That measures are developed to improve the recruitment and retention of staff with particular regard to the private sector market.**

- (8) That clients review their own organisational structures and functions to maximise the benefit of creating integrated delivery teams**
- (9) That a spend to save bid is produced and submitted to finance the implementation of the recommendations**
- (10) That officers report back to the Policy and Review (Performance) Panel in 12 months on the progress made in implementing the improvement plan.**

63 Update on the Second Generation Local Public Service Agreement (LPSA2) (AI 10a and AI10b)

(TAKE IN REPORTS)

The Chair agreed to vary the order of agenda items. At the September 2005 meeting of the panel, Members decided that it would be helpful to concentrate on some individual targets in depth to gain a greater understanding of the LPSA2.

Priority 5/Target 11 Reducing Homelessness

The panel heard that the Council has agreed a target to stretch its performance in reducing the incidence of statutory homelessness in the city. Local authorities are required to report quarterly statistics on their performance in dealing with homelessness and the target is based on this. The key figure is the annual number of households for whom the Council accepts a statutory housing duty on the grounds that they are homeless. It is important to realise that the intention in setting this target is to prevent homelessness and not simply to reduce acceptances by adopting a tougher or more restrictive approach which makes it harder for people to get the help they need. Halfway through the LPSA period the progress achieved in preventing homelessness and reducing the number of homelessness acceptances is very promising and it is anticipated that the three-year target will be met.

In response to questions the panel heard

- that with regard to problems concerning late payments in the private rented sector, the situation has been much improved since a dedicated officer has been placed in charge of this.
- that although private rented accommodation is not a long term solution because it provides less security and rents tend to be higher, people are choosing to go into such accommodation as it is generally of a good standard;
- that housing has a dual role in the private rented sector – advice is given to tenants about their rights but landlords are also told of their rights. Although efforts are made to keep people in a property, a person will not be housed in expensive private accommodation unless there is no option;

Members expressed their appreciation of the improvements that have been made and thanked all those concerned.

Priority 5/Target 12 Providing More Affordable Housing

Members were advised that responding to the low level of new housing completions and increasing the supply of affordable housing specifically are key themes of the government's sustainable communities plan. Affordable housing means housing whose cost to the occupier is lower than for similar accommodation in the private market. The vast majority of new affordable homes will be provided by registered social landlords (RSLs). The purpose of Portsmouth's LPSA stretch target is to expand the supply of affordable housing without an increase in grant funding. Portsmouth is the only authority in England to have agreed a target for providing affordable housing without public subsidy. Members heard that whilst the City Council is confident that the overall target for new homes will be met there is concern about the overall target for affordable housing. At present there is a projected shortfall of 290 homes and the reason for this is that 4 separate developments are behind schedule and are unlikely to complete within the timescale predicted.

In response to questions the panel heard

- that with stretch targets, at least 60% of total stretch has to be delivered in order to get any reward (but all provisos have to be fully met)
- all stretch targets are now incorporated in local area agreements.

Priority 10 Proportion of Vulnerable People Living in Decent Homes

The panel heard that

- following the comprehensive spending review in 2002, the government widened the scope of decent homes from the social housing market to include the private sector. PSA7 (Public Service Agreement) introduced a target for private sector homes which requires a local authority to make 70% of dwellings occupied by vulnerable households, a decent home by 2011.
- A vulnerable household is defined for the purposes of this target as one where there are older people, people with disabilities or young children in residence and the household is in receipt of at least one of the principal means tested benefits.
- Significant progress has been made against the action plan but the effect of this action will take time to show up as an outcome.
- The target is difficult as the only outcome that can be counted is a property made decent which is occupied by vulnerable people as defined by the government.
- Work to bring a property to the decent homes standard can be a long process as it involves identifying the home, encouraging the occupant to participate in one of the Council's schemes, agreeing the extent of the works to be carried out and the work actually being completed by contractors.

In response to questions, Councillors heard that

- recent publicity has raised awareness of the availability of the agency

- service to improve homes.
- The Winter Warmer Campaign was launched in September which focused on providing adequate heating for older persons. This initiative is sponsored jointly by Portsmouth City Council and the PCT and will assist with the decent homes target as a lack of thermal comfort is the highest reason for the failure of dwellings as being a decent home in Portsmouth.
- it is intended to become more sophisticated in targeting hard to reach groups and those reluctant to consider change, although it is recognised that this will be challenging. New IT systems and analysis tools should enable Portsmouth City Council to identify and sensitively approach potential customers who would benefit from the assistance packages on offer.

The panel expressed appreciation of the work being done in relation to the LPSA2 targets covered in these reports;

Agenda Item 10b LPSA/School Attendance

The panel heard that absence from school (the opposite of attendance) is considered to correlate very closely with indicators of social deprivation. The DfES used the national absence medium in 5 free school meals (FSM) quintiles to establish absence targets. The DfES agree local authority targets in 2003/04 for 2007/08.

The Panel heard

- that as forecast the 2005/06 local authority performance showed a small increase in absence in all indicators. The authority was expecting the increase to be approximately 1% as a result of pursuing a specific strategy of introducing new absence codes a year early. There was also an increase nationally, despite not introducing the codes. Portsmouth's increase was significantly less than that seen nationally.
- that although the rise in absence was disappointing it was not surprising. Any authorised absence from school can only be agreed by the headteacher.
- that the local authority is now able to access data directly from schools and this is used to inform strategies at school level and across the city. This shows that authorised absence in secondary schools accounts for 80% of all absence. Members heard that 56% of this was due to illness and the DfES has publicly acknowledged that a flu epidemic during January and February impacted on absence figures nationally. National figures show that absence has risen by 0.24% of all schools in 2005/06 as against Portsmouth's figure of 0.18% over the same period.
- that the local authority strategy to reduce absence/improve attendance stems from a best value review of attendance undertaken in 2002/03 which identified 5 strands from which all activities and actions are taken; effective monitoring of attendance, encouraging better attendance, graduated response to attendance, effective use of the Education and Welfare Service (EWS), and support for vulnerable

groups;

In response to questions, the panel heard that

- there is a hotline for reporting absence if local people see school children in the street.
- Some schools in Portsmouth are doing significantly better than others in terms of absence - for example King Richard School.
- Schools are interested in other schools' statistics and are keen to identify good practice.
- Portsmouth City Council has imposed a strict system of what counts as authorised absence and what is unauthorised absence. Other local authorities do not apply the rules as strictly as Portsmouth City Council.
- some teachers allow more authorised absence than others. If this was brought to the attention of the Head of Children's Wellbeing and targeted services then this would be followed up. However it was recognised that there are issues from parents and social issues have a bearing on, for example, taking holidays in term time as if families were unable to go on holiday when prices were relatively cheap, that family may not be able to go on holiday at all.

RESOLVED that the panel –

- (1) notes the recommendations made in the reports on housing targets;**
- (2) notes the recommendations made in the report on school attendance targets'**

64 Report on Specific Priority Issues in the Local Area Agreement (AI 11)

(TAKE IN PRESENTATION)

At the June 2006 meeting of the panel, Members agreed to look in depth at the draft Local Area Agreement (over 1 or 2 meetings) to consider what more the Council could do to help achieve priority outcomes for local people. The presentation covers (1) healthier communities and older people and (2) children and young people.

The panel heard

- that Local Area Agreements (LAAs) are 3 year rolling agreements (2007./2010) between the local area and central government, jointly signed by the local strategic partnership and Portsmouth City Council.
- that LAAs are in place to help local partners to work better together to find new and innovative solutions to the most important issues in a local area.
- that the local strategic partnership has agreed 30 issues for

Portsmouth's LAA based on local consultation, but some are mandatory. An example of a key mandatory indicator which happens to be in the Healthier Communities and Older Persons Block is life expectancy.

- that the draft LAA was submitted to the Government Office for the South East (GOSE) in September which sets out the issues it is intended to tackle and how progress will be measured over the next three years.
- that with regard to healthier communities and older people there is a focus on – improving health and reducing health inequalities.
- that Portsmouth has the worst general health in Hampshire and that certain areas within Portsmouth are worse than others. Help has to be targeted on a needs basis and should concentrate on reducing obesity, reducing smoking, increasing exercise and reducing alcohol consumption;
- that appropriate accommodation has to be provided for those most in need. This would include the provision of suitable accommodation to cope with domestic violence situations, accommodation suitable for older people, accommodation suitable for pregnant adolescents, accommodation suitable for those involved with substance misuse etc;
- that there are at least six different organisations in the city that provide equipment to help support vulnerable people;

This all hinges on empowering local people and targeting help where it is most needed.

Children and Young People

The panel heard that there had been wide consultation in connection with the local strategic partnership agenda which involved many stakeholders who communicated their priorities and many agencies were also involved. This resulted in the first statutory Children and Young People's Plan which has 13 main priorities. These were further reduced to a lesser number of high level priorities. All the bodies that were consulted locally had 4 identical key priorities which were –

- improved health and safety – for example trying to reduce obesity;
- positive parenting – for example educating parents to increase awareness of safety factors to reduce burns or scalds from accidents in the home. The panel heard that there is a focus on parent support programmes especially in the most deprived wards;
- successful transition to employment and adult life – the panel heard that there seemed to be fewer jobs available to young people and this is possibly because employers take on students rather than 16 year old school leavers;
- positive opportunities and achievement – this overlaps and links with other blocks within the LAA;

In response to questions the panel heard that –

- with regard to safety and routes to school, there is a shortage of crossing patrol officers. Recruitment is a problem and places where crossing patrol officers are requested have to be needs assessed. If anyone has concerns about the lack of crossing patrol officers in a particular place, he should write a letter to the Strategic Director for Children, Families and Learning.
- with regard to equipment provided to older people, Members heard that the Local Area Agreement should facilitate different services, for example charitable organisations, the City Council and health services to work together and this should provide users with more choice;
- currently Portsmouth City Council almost has its full complement of educational psychologists - being only 0.6 of a post down. However, it was agreed that this vacancy would be absorbed at present to help respond positively to the new arrangements for training Educational Psychologists. In the past, Educational Psychologists have been trained locally at Southampton University and the City Council has accepted trainees on fieldwork placement as part of their training. The previous one year training period has now been replaced by a three year training period and in years 2 and 3 the trainees are required to find a post as an Assistant Educational Psychologist with a local authority. The City Council will in future use the 0.6 vacancy to appoint an Assistant Educational Psychologist in training.
- with regard to obesity; the panel heard that although reports have shown that the actual calorie intake of people has not changed significantly over many years, those calories may well be from different types of food and could well be affected by exercise issues. In addition the Going for Gold Olympic bid has radically altered attitudes and seems to have resulted in more people becoming actively engaged in exercise.
- the greatest priorities for health is the reduction of alcohol intake for adults and obesity in children and adults. The incidence of smoking in Portsmouth is high but is area dependent and correlates exactly with the highest incidence of lung cancer and the lowest life expectancy. Although the LAA addresses this issue to an extent, obesity and alcohol are better addressed through the LAA.

The Panel requested a report on how Portsmouth City Council and its partners are working together to target difficult to reach young people.;

RESOLVED that the panel –

- (1) notes the presentations;**
- (2) requests a report on how the Council and its partners are working together targeting difficult to reach young people.**

65 Corporate Plan Monitoring – 4th Quarterly Report (AI 8)

(TAKE IN REPORT)

Consideration was given to a report from the Head of Strategy which informs the panel of key issues arising from performance reporting over the last quarter. The report is part of the regular programme of reporting every quarter to give an overview of progress on performance management. The Panel heard that –

- all areas of concern have been looked at recently;
- with regard to police community support officers, the current figure is 31 and Members will be advised of the intended number of PCSOs over the next 12 months;
- with regard to the City Centre North, Members will be advised before the next meeting as to progress;

RESOLVED that the Policy and Review (Performance) Panel –

- (1) notes the assessment of the Corporate Plan outcome (Appendix 1) attached to the report;**
- (2) notes the specific recommendations where performance concerns have been identified (Section 4);**

66 Quarterly Overview of Key Issues from Performance Monitoring Including Corporate Scorecard

(TAKE IN REPORT)

Consideration was given to a report from the Head of Strategy which informs the panel of key issues arising from performance reporting over the last quarter. The report is part of the regular programme of reporting every quarter to give an overview of progress on performance management. The panel heard that the Strategic Directors' Board (SDB) received monthly reports on the Corporate Scorecard highlighting areas where performance is failing against targets as well as areas that have shown considerable improvement. The panel heard that areas of concern include –

- some social care indicators;
- council tax collection rate;
- national non-domestic rates (NNDR);
- invoices paid;
- Planning appeals upheld – data for the April to June quarter shows 3 of 5 appeals (60%) against Planning Committee decisions were upheld by the Planning Inspector. Performance on this indicator needs to be

lower than 36.8% just to avoid the bottom quartile;

- Risk management - as at the end of July 2006 no reports had complied with the use of resources requirement that reports to the Executive for strategic policy decisions should include a risk assessment;

The panel heard that there had also been a number of areas of performance which had shown significant improvement during 2006 to date. These include –

- Homelessness acceptances. Portsmouth City Council is well on course to achieve its long term objective of halving the level of homelessness from its 2003 level by 2008;
- Benefits payments - Cycle times for the processing of new benefit claims has improved dramatically;
- Child protection reviews. Portsmouth City Council now has 100% compliance with target times for child protection reviews;
- Housing repairs. Non urgent repairs are currently being completed on average within 8.3 days compared to 14.99 days at the same point in 2005/06;

In response to questions the panel heard –

- that Council Tax collection is below target mainly as a result of a large backlog in the rate of collection three years ago. However, Portsmouth City Council's collection rates are improving faster than most authorities albeit from a lower base. If there has been a poor collection rate in previous years, the older debt is paid first.
- that overall Portsmouth City Council's performance is improving against the indicators included in the CPA framework for 2006, but new rules on the weighting of inspection scores as well as the considerable tightening of the use of resources assessment mean that the CPA process for 2006 will be considerably tougher than in 2005.
- that the annual announcement of CPA scores is likely to be delayed from its usual date in December until February 2007 to enable the Audit Commission to gather data from the customer surveys. The data reported so far appears to suggest that Portsmouth City Council will retain its 3 star CPA rating although this could be affected by customer satisfaction surveys and a number of auditor judgements.

RESOLVED that the panel notes the performance issues considered by the Strategic Directors' Board in the last quarter and the plans agreed to address performance issues.

67 Value for Money Update for CPA 2006: Portsmouth City Council

(TAKE IN REPORT)

Consideration was given to a report from the Head of Strategy which provides the panel with an update to the value for money (VFM) assessment made for the Comprehensive Performance Assessment (CPA) annual update in 2005 by presenting evidence on changes since then in the VFM achieved by Portsmouth City Council and changes in the methods used to promote and deliver VFM.

The Panel heard that for the 2006 CPA update the Audit Commission asked the City Council to update the main aspects of its value for money results and methods in the last year and not to repeat in detail those points or comment on levels of performance that are similar to the assessment made for the CPA 2005. The tables in Appendix 3 give the key evidence on the level and improvement of VFM at Portsmouth City Council currently achieved. Table 4 in Appendix 3 compares the percentage of services that were evaluated in 2005 and 2006 in terms of cost and performance. This evaluation shows that there has been substantial improvements in value for money terms between the assessment made last year and that being made now –

- the percentage of high performing services is up from 34% to 42%;
 - the percentage that are low performing is down from 38% to 6%;
 - the percentage that are high cost have dropped from 60% to 41%;
 - the percentage that are low cost has remained roughly the same at 12-13%;
 - the percentage that are average in performance has risen from 28% to 51% and the percentage that are average cost has risen from 28% to 45%. The panel heard that there have been major improvements in Portsmouth City Council's performance in –
- highway repairs;
 - waste collection and recycling;
 - social care for adults;
 - social care for looked after children;
 - educational attainment at GCSE;

The panel heard that Portsmouth City Council expects to see its score on levels of VFM to increase from 2 to at least 3 for 2006.

There have also been a few areas of service where Portsmouth City Council's performance has been less than aimed for and which are being followed up; These include –

- school attendance;
- violent crime;
- direct payments for social care;
- medication for clients in care homes.

The panel heard that Appendix 4 shows how Portsmouth City Council has addressed VFM issues that were highlighted during the CPA 2005 update, showing that the City Council has responded to the majority of the points raised.

The Panel is pleased to see that the City Council is going in the right direction concerning the value for money assessment.

RESOLVED that the panel endorses the document for the Audit Commission's CPA update for 2006 on value for money.

68 Date of Next Meeting (AI 12)

Thursday 16th November at 2006 at 4.00 pm in the Conference Room B, Civic Offices.

Meeting closed at 8.05 pm.

Chair