

Briefing: Corporate Performance in the transforming organisation

1. Background

- 1.1 Throughout the latter half of the 1990s, a new emphasis began to be placed on performance measurement and management in local government. Sets of national performance indicators, mandated by central government, began to emerge, with an audit regime to ensure the quality of data. This became enshrined in the Best Value regime, which saw every local authority under a duty to publish an annual performance plan and report on approximately 150 Best Value Performance Indicators (BVPIs), which covered a range of local authority services, some of which had statutory targets attached to them.
- 1.2 The next evolution of this focus on performance management in local government was the introduction of the Comprehensive Performance Assessment (CPA) a system which took the performance on a suite of BVPIs, and allied it to a judgement from a Corporate Assessment inspection, and used a numerical model to assign a rating to authorities. This process went through a number of iterations, including "CPA: the harder test" and the Comprehensive Area Assessment (CAA), which also included judgements around key partners to create an area-wide rating. Alongside this work, largely driven by the Audit Commission, service specific inspectorates such as Ofsted implemented a number of assessment frameworks, including the Joint Area Reviews.
- 1.3 Significant claims were made about the extent to which these stronger performance regimes drove improvements in the quality of local services. Equally, there were representations that the regimes placed a burden on local authorities, in terms of providing data and servicing inspectorate requirements that could be deployed elsewhere actually delivering the services. There were some moves to rationalise data collection requirements with the introduction of a combined National Indicator Set, but this still placed a requirement to collect lots of data, and in some cases, the value was questioned. There was a sense that what was being collected was that which *could* be measured, rather than that which *should*, and that too much focus was on process measures rather than measures of quality of outcome. For example:

- Processing of planning applications

This national indicator sought to capture the proportion of planning applications that authorities determined within set time limits. Statutory targets were applied to these indicators. However, the definition was such that if a planning application was kept "open" whilst discussions took place with a householder or agent, then it would register as a failure, with no allowance given for quality of service or outcome. The perverse incentive would be to determine an application by refusing it, and starting the clock ticking again, without regard to the impact on the customer (it is worth noting that this indicator is still part of the Single Data List which sets out which information councils are required to provide to central government through various statistical returns

- Repairs done on time

This national indicator of housing services looked at the number of repairs carried out according to a centrally determined timetable. However, no allowance was given if the timetable did not fit with a customer requirement. So, for a given customer, it might be more convenient for a repair deemed to be in the "within 3 days" category to be carried out on Day 4, according to their arrangements. This would be a failure according to the definition.

- 1.4 For those indicators which sought to measure more meaningful issues, they often became weighed down with the complexity of their own definitions (an example would be for the national indicator on "reducing avoidable contact: minimising the proportion of customer contact that is of low or no value to the customer", where the definition ran to several pages).
- 1.5 Nonetheless, the indicator-driven model of performance measurement and management became very much the expectation among inspectorates, and formed the basis of engagement around mechanisms such as Public Service Agreements and Local Area Agreements. The working of the authority reflected this too, with quarterly performance reports developed which listed the indicators and reported on them in a RAG (red, amber, green) rating format to strategic directors and members.

2. The current situation

- 2.1 In 2010, the abolition of the Audit Commission was announced by the Government, along with the scrapping of the CAA inspection and rating regime. This removed the requirement to report on many of the nationally mandated indicators, and there was an assumption that those which were meaningful for the running of services would continue to be monitored by service managers.
- 2.2 In line with this less prescriptive central approach, Strategic Directors Board (SDB) and Cabinet supported recommendations for an approach to corporate performance monitoring in the organisation which moved away from monitoring lists of indicators to a more open-ended model, which took business plans for services as the starting point. It was agreed that as regular discussion on the progress against business plans took place on a one-to-one basis between Strategic Directors (SDs) and Heads of Service (HoS), and in Department Management Team (DMT) discussions, the quarterly discussions at SDB should focus on areas that service heads felt were blocks or barriers, or areas where awareness needs to be built. It was also agreed that areas of particular good practice or wider relevance should be shared for learning.
- 2.3 The first round of discussions, at the end of 2011/12 surfaced a number of issues about service performance, but also some wider issues around the corporate culture. Following these discussions, work moved on to look at performance against business plan objectives set out for 2012/13. There were limitations to the process, and it is interesting to consider these in the light of the initial enthusiasm to move away from an indicator set:
 - the business plans that formed the basis of the discussions were variable in quality, and clearly very different processes and timelines were adopted in their development.
 - in the absence of an mandated set of standards against which to monitor, the self-selecting nature of the presentation of issues raised some concerns that SDB and

Cabinet might not be fully sighted and able to challenge on some points (note that in at least one case a potentially serious area of concern was flagged only in response to a direct question from the Chief Executive and not as a leader for the discussion).

- There was little benchmarking data submitted to allow challenge on relative performance.

2.4 It was agreed that in developing business plans for 2013 that SDB were asked to consider, more focus needed to be on the key performance indicators that services would use to measure their efficiency and effectiveness. This is an area that is being further challenged in quarterly reporting in an attempt to arrive at a suite of measurements that provide insight into performance across the authority.

2.5 It is, however, important to remember that there are a number of services where the central collection and monitoring of performance indicators continues largely unchanged. This is the case in children's services, where there are performance regimes relating to performance in schools and safeguarding of children (including the Adoption scorecard) and in adult services, where there is a clearly defined outcomes framework set out by the Department of Health.

3. Key Portsmouth City Council performance issues highlighted in quarter 1

3.1 For the first quarter of the reporting period 2013/14, Heads of Service were asked to provide performance reports against their summary business plans, looking at highlights, but also areas of concern or requiring improvement. Issues raised included:

- **Adult Social Care** - There have been a number of highlights, with the completion of the Caroline Square show flat, and the assumption of lead agency responsibility for learning disability services. However, there are concerns about the number of people still at home 90 days after entering intermediate care, and around the reduction in Direct Payment clients (although some measures are being introduced which should improve that). There are also a number of s113/s75 agreements which need finalising.
- **Corporate Assets, Business and Standards** - There have been highlights in relation to assets, with the disposal on Merefield House complete, offers received for Greetham Street, and expressions of interest in for the Brunel Wing of the Civic Offices. However, it has not been possible to recruit to a post crucial to the delivery of asset management objectives. There has been a great deal of Environmental Health and Trading Standards activity, and KPIs around contracts for supported employment are performing well.
- **Customer, community and democratic services** - Design revenue is on the increase, and there is generally good performance across the authority in relation to Equality Impact Assessment compliance, although some areas are of concern. Lack of an agreed organisational approach to income generation is seen as a challenge.
- **Children's Social Care and Safeguarding** - There has been an increase in Common Assessment Frameworks completed since the introduction of the Joint Action Team, but some concern expressed in the Peer Review that the JAT was functioning more as a gatekeeping function than a gateway service, and this needs consideration. Whilst core assessments are being completed on time, timeliness has slipped on some open cases. There is lots of positive work in relation to looked after children (specifically in relation to permanence) and care leavers. Some important recruitments have been completed, including the Principal Social

Worker to take forward the Social Work Matters agenda, and a LADO to support investigations.

- **Education and Strategic Commissioning** - Despite some positive results across Key Stages, GCSE results have slipped back by 5% points from last year and this is disappointing. Whilst more children now attend "good" or "outstanding", there are still challenges in improving education in the city, with four schools moving into special measures. Core challenges in relation to education PIs are the impact of revised Ofsted frameworks and the new curriculum. There are also challenges expected around the resourcing of SEN support, and the impact of reforms. Work has concluded on the early support offer to be in place for September, and there are still very promising indicators in this area, although the Early Intervention Audit remains a challenge, and there will be a need to address the quality of childminding in the city (a function which reverted to the local authority in Q1).
- **Housing and Property Services** - the delivery of the 5 year acquisition and new build development plan is underway.
- **HR, Legal and Performance** - Despite a great deal of activity to proactively tackle staff sickness levels, there has been little movement, although it is expected that it will take time to see changes in the PI. There has been an improvement in the legal support provided for child protection cases, with more permanent solicitors in place and reduced locum support, although some legacy cases are still in the system.
- **Revenues and Benefits** - Core service standards have been maintained well in the face of change, with the exception of processing for new HB claims, and an improvement plan is in place for this. Council Tax collection is slightly (0.8%) below plan, although income exceeds that collected in the same period last year. There have been improvements in levels of staff sickness. It is expected that future budget pressures will impact on some of the PIs, specifically the protection of HB subsidy and tax collection. There remains a great deal of uncertainty over the implementation and impact of Universal Credit and the wider welfare reform agenda.
- **City Development and Culture services** - Q1 has seen the implementation of structure changes for the new service. Planning is now well underway for the D-Day 70th anniversary in 2014, and some bids for funding have been successful. A date has been confirmed for a Portsmouth inward investment showcase (November 26th) in London and planning for this is underway. Development of income generation opportunities continues, including wedding venues.
- **Health, Safety and Licensing** - there are some promising trends emerging in relation to community safety, with overall crime down, and particular reduction in arson and criminal damage. In relation to substance misuse, there has been a reduction in alcohol-related hospital admissions, and reconvictions for offenders subject to interventions for alcohol, although this picture is not repeated in relation to drugs. Regarding public health activity, a full change programme is established that looks at a range of issues including budgets, delegations, business continuity and structure, and alongside this, work is ongoing to change the focus on delivery to ensure mandated services provided, but that the public health outcomes are supported in the ongoing work of the authority.

3.2 Quarter 2 reports are due very shortly. As part of this reporting, Heads of Service have been asked to ensure that issues raised as highlights or needing improvement are supported by the relevant evidence for judgements, such as KPIs, project milestone progress, or relevant comparative data (this was particularly emphasised). Whilst high-level outcome data is important, it has been emphasised that reports should focus on the quality and impact of the actual service delivery. As with all

quarterly reports, the outcomes of these will be reported in summary to Cabinet and in detail to Governance and Audit and Standards Committee.