**Title of meeting:**        Governance and Audit and Standards Committee

**Date of meeting:**        30th January 2015

**Subject**:        Performance Management update - Q2, 2014-15

**Report by:**        Head of HR, Legal and Performance

**Wards affected:**        n/a

**Key decision:**        No

**Full Council decision:**        No

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## 1. Purpose of report

1.1      To inform members of performance issues arising in the first 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. 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*.

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),* and the service budget is predicting an overspend of c£2m *(reduce costs)*

- In Adult Social Care, the implementation of the Care Act raises issues in relation to *capacity* to undertake the necessary finance work, and the anticipated increase in assessments required. There are also concerns about the ability of current financial and IT systems and their ability to support the implementation of the Care Act in 2015 *(capacity and sustainability of service).* We need to achieve a shift to more people receiving direct payments *(reduce costs),* particularly around Adult Mental Health.

- For Revenues and Benefits, the challenge of achieving savings requirements and balancing this with pressure on subsidy and income are highlighted *(reduce costs).*

- Corporate Assets, Business and Standards report increased *demand* in a number of areas, including pollution control and to enforce illegal sales of age-restricted products, and there are clearly challenges with driving out the required levels of *increased income* in key areas including rentals from assets (due to the pipeline of leases due for review).

- *Capacity* issues are highlighted as a significant challenge for the Environment and Transport service across a range of areas - PFI modernisation, highways development control, particularly in relation to large city developments.

**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)  The governance, partnership and management arrangements for Portsmouth Youth Offending Team (YOT) were judged to be ineffective by Her Majesty's Inspectorate of Probation (Stephen Kitchman, Head of Children's Safeguarding and Social Care to provide an update)

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b) Work undertaken by the Building Control Surveyor is not checked (Lyn Graham, Chief Internal Auditor to provide an update)

c) Member training and political development is not systematic or sufficiently championed and would benefit from more robust succession planning (Michael Lawther, City Solicitor and Liz Aplin, Operational Training Manager, to provide an update).

## 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**

**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 30th January 2015.


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Signed by:

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