

THE EXECUTIVE

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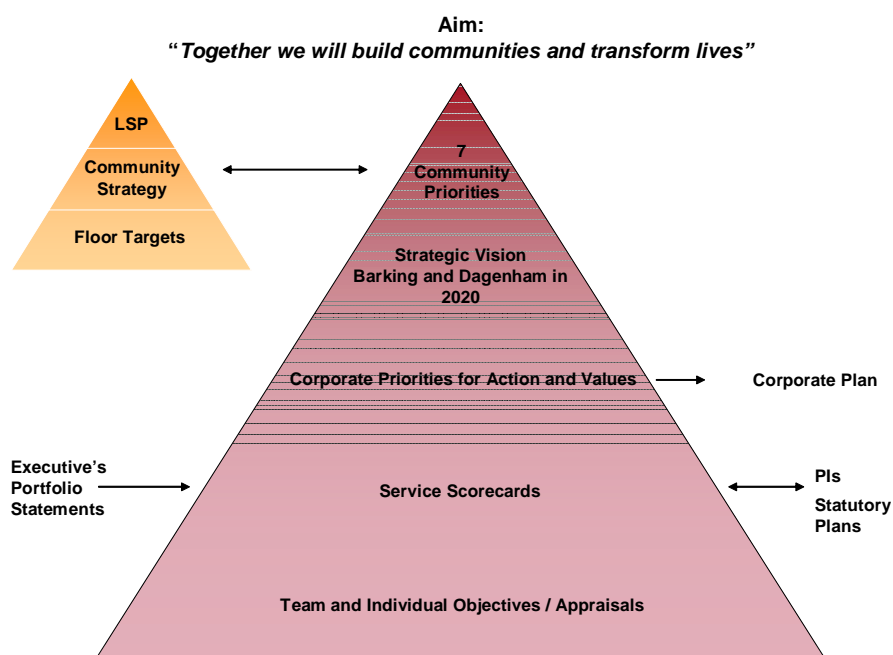
REPORT OF THE DIRECTOR OF CORPORATE STRATEGY

Title: PERFORMANCE MONITORING	FOR DECISION
<p>Summary:</p> <p>This report provides:</p> <ul style="list-style-type: none">▪ An overview of the Planning and Performance Management Framework and the impact on Performance Monitoring.▪ An update on the 3rd Quarter performance data and end of year projections for 2005/06, to promote discussion on progress, for a selection of the following performance indicators:<ul style="list-style-type: none">– Best Value Performance Indicators (statutory)– Comprehensive Performance Assessment (CPA) Performance Indicators– Local Public Service Agreements (LPSA) targets– Member Portfolio Holder Performance Indicators▪ Provides performance and cost information to promote value for money discussion. <p>Wards Affected: None</p>	
<p>Implications:</p> <p>Financial:</p> <p>Value for Money requirement to report performance and financial information together.</p> <p>Legal:</p> <p>Not applicable</p> <p>Risk Management:</p> <p>Areas of performance that are highlighted as significantly under-performing, are not sufficiently discussed and adequate actions not identified. Subsequent cost and value for money issues are not explored. CMT and the Executive to ensure that underperformance/ inadequate actions are thoroughly discussed.</p> <p>Social Inclusion and Diversity:</p> <p>The Race Relations (Amendment) Act 2000 places a requirement on local authorities to make an assessment of the impact of new and revised policies in terms of race equality. Existing policies have already been subjected to impact assessments. This Authority has adopted an approach of extending the impact to cover gender, disability, sexuality, faith, age and community cohesion.</p> <p>As this report does not concern a new or revised policy there are no specific adverse impacts insofar as this report is concerned.</p> <p>Crime and Disorder:</p> <p>Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals. There are no specific implications insofar as this report is concerned.</p>	

Recommendation(s): The Executive is asked to discuss and consider any significant performance issues highlighted by the information presented and decide the appropriate action that needs to be taken.		
Reason(s) To ensure that the Council's performance continues to improve in order for Barking and Dagenham to become a 'Good' Council by 2006 and 'Excellent' by 2008.		
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1. Introduction and Background

- 1.1. From 2005/06 the Council has introduced a new Performance and Planning Framework, (see diagram) to ensure we focus on the performance of key service areas.



- 1.2. The framework sets out how our broad strategic aims are translated into specific measurable actions, through the development of annual service and financial priorities (the process of developing Service Scorecards). In turn these inform team and individual objectives and appraisals.
- 1.3. In light of this framework, from 2005/06 some 200 indicators need to be monitored (alongside preparation for Inspection) to ensure the Council is aware of the progress made.

- 1.4. It has been agreed that The Executive will look at a manageable range of performance indicators quarterly which are referred from CMT. These indicators include:
- ❑ **Comprehensive Performance Assessment (CPA) Performance Indicators** – These are critical to the CPA Service Scores and our overall CPA rating.
 - ❑ **Local Public Service Agreement (LPSA) Targets** – These will deliver a range of significant, stretched improvements in key services with a potential Performance Reward Grant (PRG) of £4.6 million.
 - ❑ **Member Portfolio Holder Performance Indicators** – These have been chosen by Portfolio Holders, as the key indicators which will be a priority for the Council over the coming year
 - ❑ **A selection of some other Performance Indicators** – To be determined by CMT.
- 1.5. By monitoring Performance Indicators quarterly, the Executive will be able to identify problem areas at an early stage and take remedial action to improve performance. There will also be the opportunity for the Executive to highlight areas of good practice within the Council and ensure that the good practice is shared throughout the organisation
- 1.6. In addition to the Executive, the new Performance and Planning framework requires other forums to have a responsibility in reviewing the Council's performance, using the performance monitoring graphs. These forums are set out in the table below:

Forum	Frequency	Purpose
CMT (Corporate Management Team)	Quarterly	To monitor the key performance indicators crucial to the delivery of good quality services (CPA, LPSA and Member Portfolio Holder PIs)
DMT (Departmental Management Team)	Monthly / Quarterly (varies between depts.)	Discuss performance information and agree action plans.
Chief Executive's Performance Boards	Weekly	In-depth analysis of key performance indicator issues facing the Council and what remedial action will be taken to improve performance.
SMB (Scrutiny Management Board)	Monthly	Directors and their representatives whose departments have performance indicators in the bottom quartile attend this Board meeting to discuss the reasons for this and possible solutions.

Forum	Frequency	Purpose
CMG (Corporate Monitoring Group)	Quarterly (will go to next CMG following quarterly presentation to Executive)	Oversee performance, in relation to the remainder of the performance indicators.

2 Quarterly Monitoring at The Executive

- 2.1 Underneath the performance graphs, there are action plans for each indicator. The action plan aims to articulate what activities will take place over the coming year to ensure performance will improve. It also takes into account the key risks to performance if these actions are not carried out successfully.
- 2.2 Value for Money (VFM)
Members are asked to note the additional box on VFM in the notes section underneath the graph. Departments need to demonstrate the links between cost and performance.
When completing the box, departments have been asked to consider the following:
- How well the service currently achieves good value for money
 - How well service costs compare with others
 - How external factors affect cost and how adjusted costs compare
 - To what extent costs commensurate with service delivery, performance and the outcomes achieved
- 2.3 For presentational purposes, each Performance Indicator is being reported in a graphical format, which allows performance to be shown over time and compared with other Local Authorities. PI headings are traffic light colour-coded and "smiley faces" have been added to clearly express how we are performing.
- 2.4 Those indicators in the CPA basket and those that are considered High Risk are highlighted with a red tab at the top left hand of the graph.
- 2.5 For the national indicators, neighbouring Borough information is shown as vertical bars on the graphs.
- 2.6 Top 25% National and London target lines have now been removed from the graphs. They have been replaced with horizontal bands of colour. These bands of green, amber and red represent either:
- National - top 25%, middle 50% and bottom 25%
 - CPA - upper threshold, middle threshold and lower threshold
 - LPSA – Maximum Performance Reward Grant (PRG) achieved, 60% or more of PRG achieved and no PRG achieved.

- 2.7 The 2004/05 BVPI quartile data was published in December 2005 and has been updated on the graphs for Quarter 3. The graphs clearly show how far performance is in to or away from the bandings.
- 2.8 For Social Services performance information, comparison is not made with top quartile data. Comparison is made with Performance Assessment Framework (PAF) performance targets for England.

3 Comparing Performance

- 3.1 Guidance from the ODPM advises each Authority to compare performance with other Local Authorities. The monitoring system established allows the comparison of performance across a number of levels. National indicators provide the greatest opportunity for comparing performance as each Local Authority is collecting and reporting identical information.
- 3.2 *Neighbouring Boroughs* – Research undertaken by the Audit Commission has identified that people are particularly interested in comparing the performance of their Local Authority with neighbouring areas. Barking and Dagenham compare their performance with the neighbouring boroughs of Redbridge, Havering and Newham.
- 3.3 *Top 25% of performing Councils* – All authorities must aim to perform within the Top 25% of councils nationally. Top 25% is a minimum performance standard set by central government to ensure that in key policy areas all local authorities are performing to at least a minimum level.

4 Consultee

- 4.1 CMT

Background Papers Used in the Preparation of the Report:

- Best Value Performance Indicators Guidance 2005/06
- Futures 2005/06 – Barking and Dagenham's Corporate Plan
- Consultation on Best Value Performance Indicators 2005/06