
REPORT TO:	Finance and Management Committee	AGENDA ITEM: 11
DATE OF MEETING:	27th July 2006	CATEGORY: DELEGATED
REPORT FROM:	Chief Executive	OPEN PARAGRAPH NO: N/A
MEMBERS' CONTACT POINT:	Paul Spencer 595722	DOC: Imp. Panel
SUBJECT:	Improvement Panel	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: FM02

1.0 Recommendations

1.1 That the Minutes of the Improvement Panel Meetings held on 15th February and 14th June 2006 be received.

2.0 Purpose of Report

2.1 To receive the Minutes of the Improvement Panel Meetings held on 15th February and 14th June 2006.

3.0 Detail

3.1 The Open Minutes of the Improvement Panel Meetings held on 15th February and 14th June 2006 are attached at Annexes 'A' and 'B' respectively.

4.0 Financial Implications

4.1 As detailed in the Minutes.

5.0 Corporate Implications

5.1 None arising directly from this report.

6.0 Community Implications

6.1 None arising directly from this report.

7.0 Background Papers

7.1 See Minutes.

IMPROVEMENT PANEL

15th February 2006

PRESENT:-

Labour Group

Councillor Whyman M.B.E. (Chair) and Councillors Carroll and Taylor.

Conservative Group

Councillors Ford, Harrison and Mrs. Wheeler (substitute for Councillor Atkin).

APOLOGIES

Apologies for absence from the Meeting were received from Councillors Harrington and Murphy (Labour Group) and Councillor Atkin (Conservative Group).

IP/13. **MINUTES**

The Open Minutes of the Meeting held on 21st December 2005 were taken as read, approved as a true record and signed by the Chair.

IP/14. **PERFORMANCE MANAGEMENT REPORT APRIL TO DECEMBER 2005**

The Chair introduced this item and asked Officers to confirm the purpose of the report. This second performance report sought to raise awareness and showed the progress being made towards achievement of targets. Officers referred to the uncertain future of the Comprehensive Performance Assessment and the direction of travel assessment. Reports would also be submitted to the next round of Policy Committees for their respective service areas. The Improvement Panel could, if it wished, make comments to each of the Policy Committees on their respective areas. The Chair summarised the points raised.

The Deputy Chief Executive confirmed that this report had been authored by Beverly Nash, formerly of the Audit Commission, who was now working for the Council on a three month contract. The Deputy Chief Executive explained the report's format and the sections contained within it. The report summary looked at whole Council performance at September 2005. The Chair questioned whether the Panel should be concerned that nearly 20% of performance indicators were not likely to be achieved. Officers felt that any organisation that achieved 100% of its targets, had not set

sufficiently challenging targets. Officers also spoke about setting smart, stretching but achievable targets. It was noted that last year, approximately 60% of targets were achieved and this year the figure was more likely to be 70%, which showed that the Council was moving in the right direction.

Councillor Harrison noted that the performance on the CPA Improvement Plan was the worst overall. This point was accepted. It would be a key issue when the Audit Commission undertook its “direction of travel” assessment. Developing a clear focus on priorities for improvement was essential, if the Council was to be successful. The Chief Executive explained the opportunity to address this. The document gave useful management information to look at goals and outcomes and to target the areas that required attention.

Councillor Mrs. Wheeler referred to the allocation of resources, the scoring mechanism for service improvements and targeting resources to areas like the failing CPA targets. The Chair replied that the Corporate Plan should dictate where resources were directed. Councillor Mrs. Wheeler referred to a specific partnership project that was anticipated to fail and she commented on the funding issues. The Chair was aware of the particular issue and intended to raise it through his political group. There was a discussion about the scoring mechanism and the need to take into account other issues such as those raised. The Deputy Chief Executive pursued this point and he referred to the direction of travel assessment. At the final Meeting of the Service and Financial Planning Working Panel there was a need to draw together all information when agreeing the final ranking of service developments. There was a discussion about the allocation of resources, including staffing resources. The Chair agreed that the scoring mechanism provided useful guidance, but he recognised the need to take into account wider issues. The Chief Executive felt a degree of comfort that the community consultation exercise and scoring mechanism were not wide apart in terms of the identified priorities.

With regard to the Corporate Plan 2005/09, the Chair referred to a table which summarised performance by key aim. He asked whether Officers were concerned at the indicators relating to the key aim of improving services and the projected proportion that were unlikely to be achieved. Officers agreed that for next year the Council needed to have a better focus. This year was a “dry run” and it was expected that some positive feedback would be received. However, from next year, there would be a league table of performance.

Following a question from Councillor Harrison, there was a discussion on the definition of affordability related to the Corporate Plan action on producing best practice planning guidance on the provision of such housing. Councillor Harrison sought information on the remedial measures proposed under Corporate Plan action 69, relating to the youth facilities plan. The Director of Community

Services explained that the Council received better value for money by working with a preferred partner. The Chair commented that remedial measures should be given for all such failing indicators.

Councillor Mrs. Wheeler referred to an indicator on rural proofing. She was aware of a consultation document on rural issues, which the Deputy Chief Executive was looking into. Arising from this, there was a discussion about the Council's approach in responding to consultation documents. In general, because of capacity issues the Council did not respond to all consultation documents. Specific examples were given of where the Council did submit a response and it was noted that through the LGA, the views of local authorities were represented. The Chair explained that he received many consultation documents and executive summaries from bodies like the LGU and LGIU. He agreed that local authorities were represented through feedback from these organisations. Councillor Harrison accepted that the approach was logical but there was a need for local authorities to give feedback to the LGA in order that it could formulate its response. Councillor Taylor was one of the Council's representatives on the LGA and he commented on this issue. Councillor Mrs. Wheeler hoped that the planning policy section would respond to the consultation on rural issues. There was a discussion about rural proofing and the efforts to date to assess comparative service delivery levels. The Chair requested that a paper be submitted to inform Policy Committees of the approach to dealing with consultation documents. Councillor Harrison asked about the consultation from the Nottingham East Midlands Airport on its twenty year Master Plan. The Chair felt that as the Council had responded to the Government White Paper, it would need also to respond to this consultation.

The Improvement Panel then focussed on the section of the Performance Report on the CPA Improvement Plan. The Deputy Chief Executive highlighted a number of issues. The Chair felt that the proportion of failing indicators was not due entirely to capacity or resources issues. There had been much talk about the demise of the Comprehensive Performance Assessment, but it was likely that an inspection regime would remain. The Deputy Chief Executive agreed that the Government's "building blocks" approach was likely to remain with a focus on the use of resources and direction of travel assessments. The Audit Commission expected that authorities would still have some form of Improvement Plan. The Corporate Plan included targets to achieve a CPA rating of "good" and then "excellent" by specified dates in the future. The Chief Executive felt that the direction of travel assessment would provide a good indication of the progress made to date. He explained how this process had been refined from its early days. He touched on the work undertaken with the Audit Commission and there was a discussion about the arrangements for this year of assessment.

The Chair questioned whether the Council should be concerned at the number of CPA Indicators that were projected to fail. Officers felt that if the Council had no means of measuring or taking remedial measures, then there would be grounds for concern.

However, there should be less concern because of the work undertaken so far. It was felt this gave a context of the Council's current position and the issues to be taken into account before setting the final budget. There was a need for a balanced view and examples were provided to show the need to focus on improving services and on other areas of Council activity. The Chair spoke of a variety of ways in which service delivery might be improved.

The Improvement Panel then focussed on Section 3 of the document, relating to the Community Strategy. In this section of the report, it was highlighted that partnership working was one of the key strengths of the Council and this had been recognised in the CPA. Delivery in partnership with others was fraught with risks that had to be managed actively. The Council needed to learn from these experiences to improve its management of partnership risk, some of which were ultimately outside the Council's control. The Chair reminded that the Corporate Plan underpinned the Community Strategy. He questioned whether there was a direct link between the failing indicators in the respective sections of the Performance Report. The Deputy Chief Executive confirmed that there were some partnership issues and he gave examples to demonstrate this.

The Improvement Panel considered the final section of the report, which was concerned with Best Value Performance Indicators. Better progress was being made in this area. It was noted that the table submitted, included an extra column to show assessment against upper quartile performing authorities nationally. The example of sickness absence was used to show that despite the projected failure of the Council's target, performance in this area was upper quartile. It showed the need to become smarter at target setting. The Deputy Chief Executive explained that the tables included within this report focussed on poorer performing areas. The summary level pie charts showed overall performance and shortly, master spreadsheets would be available via the intranet to show overall performance.

IP/15. **BEST VALUE PERFORMANCE PLAN SUMMARY 2006**

A report was submitted to agree arrangements for the publication of Best Value summary information along with the content of that information. The Council continued to be required to produce summary performance information by 31st March each year, together with the full Best Value Performance Plan by 30th June. For the last two years, the Council had produced a single A4 size leaflet and details were given of its content. This year the publication of the Council's newspaper provided a different opportunity for presenting the summary performance information. This approach was generally supported by guidance from the Office of the Deputy Prime Minister. The summary performance information would include Best Value Performance Indicators, as these applied nationally and were one of the main yardsticks for judging and reporting on performance. Approximately half a page was available within the newspaper for performance information. It

was proposed that this should be taken up by the BVPI data submitted in the Annexe to the report. Details were given of new indicators this year and the extra comparative data for top performing English Councils and those in Derbyshire. The newsletter would provide a context for the Council's performance. If space permitted, it was planned to mention the new performance management framework, together with items on a number of specific services. The newspaper would be published on 13th March and would be made available via the web site.

The Chair asked whether the inclusion of performance information would make the publication too complex. An example was used to show how each article would include a cross reference to the performance charts. Councillor Carroll referred to feedback from an Area Meeting and she felt there was a benefit in informing residents. The Deputy Chief Executive added that the funding for the former leaflet had now been reallocated to the Council's newspaper.

IP/16. **DATE OF NEXT MEETING**

The date of the next Improvement Panel Meeting would be confirmed in due course.

B. WHYMAN M.B.E

CHAIR

The Meeting terminated at 5.10 p.m.

IMPROVEMENT PANEL

14th June 2006

PRESENT:-

Labour Group

Councillors Bell, Carroll, Lane, Taylor and Whyman M.B.E.

Conservative Group

Councillors Atkin and Harrison.

In Attendance

Councillor Mrs. Wheeler (Conservative Group).

IP/1. **APPOINTMENT OF CHAIR**

It was agreed that Councillor Whyman M.B.E. be appointed Chair of the Improvement Panel for the ensuing year.

APOLOGY

An apology for absence from the Meeting was received from Councillor Ford (Conservative Group).

IP/2. **MINUTES**

The Open Minutes of the Meeting held on 15th February 2006 were taken as read, approved as a true record and signed by the Chair.

IP/3. **MEMBERS QUESTIONS AND REPORTS**

The Chair welcomed Councillors Bell and Lane to the deliberations of the Improvement Panel.

IP/4. **"ACHIEVING MORE" - PERFORMANCE MANAGEMENT FRAMEWORK - END OF YEAR REPORT 2005/06**

The Chief Executive introduced this item, complimenting the presentation that was to be made to Members, which clearly demonstrated the performance improvements that the Council was making. He referred to the recent presentation by the District Auditor, the Council's current position and that projected for the future.

The Chair considered South Derbyshire to be a good Council that worked hard. He related a recent comment from the Chair of the Local Strategic Partnership, regarding the Council's cohesive nature

and the lack of political divide. The District Auditor had advised that the way in which the Council would improve was through its performance statistics. This report would show if the Council was hitting its performance targets and he stressed the need to spend time on this matter. He felt it would be interesting to see how the Council had moved on from the position reported by the District Auditor. He gave credit to the Improvement Panel and recognised the need to have a more external focus.

A report was submitted to present end of year performance information to the Improvement Panel. The information would be used when setting targets for the next three years and when considering the draft Best Value Performance Plan 2006. The report summarised performance in relation to the Corporate Plan, the CPA Improvement Plan, contributions to the Community Strategy and the Best Value Performance Indicators. It provided an overall summary, together with performance information in each area. The following overall conclusions had been made:

- There had been significant improvements in performance in delivering plans across the board, with particular, significant improvement in delivering Corporate Plan and CPA Improvement Plan milestones.
- Overall, the Council achieved or partially achieved 84% of its targets, which compared with a figure of 61% in 2004/05. The number of targets not achieved had been reduced from 39% to 15% over the same period.
- The end of year monitoring and management process had improved the focus on performance management generally. This had resulted in an outturn position better than previous “in-year” predictions. By contrast, the final position relating to Best Value Performance Indicators (BVPIs) was slightly worse than projected and the reasons for this were being investigated.

The Deputy Chief Executive gave a presentation and took Members through the end of year Performance Management Report for 2005/06. With regard to overall performance, the Chair reminded of a comment from the District Auditor, that the Council should not expect to achieve all targets. The District Auditor felt that the Council was slightly internally focused. Councillor Atkin questioned whether those indicators that had been partially achieved were the same as last year and the Deputy Chief Executive replied that there had been more targets this year. However, he stressed that significant improvements had been made overall. With regard to the Community Strategy the Chair reminded that this was the strategy of the Local Strategic Partnership, but the Council was a key contributor.

Reference was made to the BVPIs and there was a need to focus on these increasingly, as they gave a comparative position to other local authorities. The report showed the steady improvement made over the last two year period. Officers explained the former

comparative method used and that introduced under the CPA regime, “the All England Group”, which was considered to be a harder test. The Council’s projected performance was in line with other Councils rated under CPA as “excellent”.

Councillor Harrison referred to the poor performance on Corporate Health Indicators. He noted that many of these related to ethnic minorities and spoke of the demographic make up of the area. The Deputy Chief Executive clarified that South Derbyshire had a significant ethnic community located on the southern Derby fringes. However, many of these residents looked to Derby for work, which affected the performance indicators in question. There was an ethnic community within Swadlincote’s travel to work area and the Council had looked at its People Strategy to ensure that appropriate efforts were made on recruitment. The Chair stated that the Council was measured against this national indicator and against its policies and strategies. He referred to the comparative percentage of ethnic minority residents in Stenson Fields, those for the City of Derby and also the Burton-on-Trent area. It was noted that the Council’s performance on promoting race equality had slipped. However, reference was also made to the size of the Council’s establishment and the impact on performance statistics by the resignation of one postholder.

Councillor Atkin spoke about the introduction of new BVPIs and the comparative performance against these and more established BVPIs. The Deputy Chief Executive reminded that BVPIs were a method for the Government to set priorities for local government. New indicators tended to be more difficult to achieve. Councillor Lane referred to the Corporate Health Indicators and he asked whether there was confidence in the ability to improve on those failing indicators. The Deputy Chief Executive advised that the following report considered target setting. Councillor Lane asked whether the Council made a statement that certain BVPIs were not considered to be a priority and this was also covered by the following report.

Councillor Bell noted that the information was presented in a format that linked achieved indicators with those that were partially achieved. The Deputy Chief Executive explained that for areas where substantial work had been completed, but the indicators were not totally achieved, it would be harsh to record this as a failure and there was a need to motivate staff.

The Improvement Panel noted the report and would use the information to consider and agree performance targets for the next three years, under the following item.

IP/5. **TARGET SETTING 2006/09**

A report was submitted to present a set of proposed three year targets for Best Value Performance Indicators (BVPIs), for incorporation by the Council in the Best Value Performance Plan 2006. The report built on Corporate Plan priorities, to provide a set

of recommended priority indicators and to set three year targets for these and other indicators. The target setting regime and priority BVPIs were appended to the report. 31 of the 93 indicators had been identified as a priority and the reasons for prioritisation were also provided.

Managers had applied this regime to the set of indicators and developed targets for each of the next three years. A table of those targets was appended to the report and this detailed the "All England" quartile levels published recently by the Audit Commission. An analysis of the quartile data was included in graphical and tabular form. Therefore, if the projected targets were achieved, the graphs demonstrated a continuous and significant improvement in performance. The quartile levels improved on an annual basis, but set against the 2004/05 figures, top quartile performance would improve over the three year period from 29% to 50%. At the same time, indicators in the bottom quartile would reduce and performance above the medium would increase from 61% to 76%. Further appendices provided a table of user satisfaction surveys and an analysis of those service areas that had not been able to set targets under this regime.

Reference was made to the advice from the District Auditor for a more outward focus. Members were referred to the report's Annex and the principles for target setting on BVPIs. Corporate Management Team had agreed a list of priority areas, which were shown, together with the reason for their priority.

Councillor Mrs. Wheeler questioned why the performance indicator on robberies per thousand population was considered as a priority. In reply, the Director of Community Services reminded Members of the funding provided towards initiatives for reducing repeat burglary problems. In reply to a related question from the Chair, Officers gave an outline of the reasons why the priority indicators had been chosen.

The Working Panel then looked at the projected position on BVPIs for the period to 2008/09. If the proposed targets were achieved, this would be the level of achievement for a CPA rating of "excellent". Officers cautioned that all councils were seeking to improve their performance, but the projections showed how the Council was moving forward at a good rate compared to others. The Chair referred to the new CPA regime and the Council might feel it appropriate to invite a re-inspection. Similarly, District Audit could reassess those councils where it was considered performance was falling.

Councillor Atkin questioned the impact of additional BVPIs being brought forward in future years and this point was discussed. Performance indicators were a method of the Government achieving its objectives through local government. Last year there had been a lot of new indicators introduced and indicators tended to be reviewed on a three yearly cycle. It was noted that this year three new indicators had been introduced. The Director of Community

Services used the examples of refuse collection and recycling to show the comparative costs and performance of this Council's services. The Chief Executive and Chair gave further information on the relative progress made by the Council. Councillor Mrs. Wheeler noted that there was a slight dip in performance projected for 2006/07. This was acknowledged and the Director of Community Services gave a further example to demonstrate why this projection had been made.

There was a discussion about the future use of data from this performance report. Councillor Lane felt it would be useful if it was presented to policy committees, to assist them in monitoring service plans and to inform the budget setting process. The Deputy Chief Executive reminded that the Improvement Panel had an overview role and reported its findings to policy committees. This report sought to give the Panel an awareness of current performance. The Best Value Performance Plan would be submitted to a Special Council Meeting on 26th June 2006. The Chair considered the Panel to be a "think tank" and it was important for the data to be submitted to both policy committees and scrutiny committees. The information should be disseminated across the Council and performance management embedded thoroughly. Members discussed the various mechanisms that could be used to display current performance figures. Councillor Lane questioned whether it was planned to report performance to the Area Meetings and it was noted that the next round of meetings would be used to feedback on the Corporate Plan. The Director of Community Services outlined the involvement of Heads of Service in this process and how the performance regime would be cascaded to individual staff through the performance development review process. The Chief Executive confirmed that performance management information would be available in real time and it would be embedded throughout the organisation. There was an opportunity to launch the Corporate Plan. The performance information would be visual within the Council in the next few weeks. Councillor Carroll explained how staff in the Health Service were informed of performance levels through "pop up" messages on computer screens. Reference was made to an unsuccessful service development proposal for a performance management IT system. From next year it was felt that such a system would be useful to help the Council drive performance forward. The Chair felt that Heads of Service should own and work towards their performance targets and be reminded of them constantly.

In response to a question from Councillor Lane there was a discussion about setting "SMART" targets and the approach taken in setting the proposed targets reported.

The Improvement Panel then reviewed performance statistics on Best Value User Satisfaction Surveys. These tended to be difficult to manage, due to the impact of other external factors. Through the Editorial Working Panel there was a need to inform the public of service standards. The Council was trying to ensure through informing residents, that they would feel better about the services

delivered. Reference was made to a housing indicator and the levels of confidence in the statistics reported because of the small sample involved. The Chair agreed that the approach in setting such performance measures was for “one size fits all” and it was not as applicable for some smaller local authorities like South Derbyshire.

Councillor Atkin referred to indicators under cultural and related services and he spoke about the lack of facilities available. Under this indicator, the Council could seek to inform residents of other facilities available, not necessarily within its own district. Several Members spoke about known facilities within South Derbyshire and the mechanisms available to publicise these and other facilities. Councillor Lane questioned whether policy committees provided the right format for such detailed discussions.

The Working Panel considered how these cultural aspects could be researched. The Chief Executive explained that the Improvement Panel could invite Policy Chairs or Heads of Service to attend its Meetings. The Deputy Chief Executive considered this issue was about information and marketing. Use could be made of the Council’s website, its periodic newspaper and through issuing press releases. Comparisons were made about the number and type of facilities in a rural district like South Derbyshire, those in other towns and cities and London, where there was substantial numbers of private facilities.

Councillor Lane clarified that his point was a more generic one about the discussion of detailed policy issues. The Chair felt this was a function of the policy unit. Councillor Carroll felt that the formal nature and format of policy committees tended to stifle debate. She considered that less formal meeting arrangements would stimulate discussion. The Chair disagreed and felt that the Council Chamber was better suited for policy committee meetings. He used the example of Meetings being held at Rosliston Forestry Centre to demonstrate this. Councillor Lane questioned whether there was a case to have additional policy committee meetings of a less formal nature.

The Deputy Chief Executive highlighted the indicator related to parks and open spaces. Grass maintenance was discussed and a report would shortly be submitted to the policy committee.

Members were referred to a further annexe that showed an analysis of proposed targets. Details were provided of priority indicators and the projected position by 2008/09. In discussing this section of the report, the Chair related the positive feedback received from a developer about the quality of debate at a Development Control Committee. There were concerns that the quality of this process would be surrendered to achieve time indicators, but Officers confirmed the intention to retain quality. It was recognised that the position on the local plan had caused difficulties.

The Deputy Chief Executive explained the process to set realistic targets for those priority indicators. The Chair questioned whether it was instinctive to blame capacity for the non-achievement of targets. For some areas, performance did relate to cost. Reference was made to the business re-engineering proposed for the planning section and the relative Officer caseload was also highlighted. The Chair noted that some dynamic organisations looked constantly at refocusing how they worked. The Director of Community Services confirmed that performance had increased significantly over the last twelve months, in the main without additional resources. The Chief Executive pursued this issue and explained how Member's directions had been taken forward.

In conclusion it was noted that two service areas had priority indicator targets that were not top quartile by 2008/09. These were in waste management and planning and it was suggested that they be reviewed by the relevant Policy Committee. There was a need to continue the good progress made and to develop the "achieving more" framework.

Councillor Atkin questioned whether Policy Committees could look at the indicators relating to museums, galleries and theatres/concert halls. The Deputy Chief Executive questioned whether this was a priority area for the Council. In closing the discussion, the Chief Executive gave examples of the dynamic areas that the Council was looking at and the improvements made in the Council's performance.

IP/6. **BEST VALUE PERFORMANCE PLAN 2006**

The Committee received a draft copy of the Best Value Performance Plan 2006. In particular, this contained the section related to the Corporate Plan for the period 2005/08 and performance on 2005/06 milestones. It included Section 6, the Improvement Plan 2005/06 and Section 7 on Best Value Performance Indicators for the same period. The report looked at the Year One Action Plan for the South Derbyshire Community Strategy also. The report was noted.

IP/7. **DATE OF NEXT MEETING**

The date of the next Improvement Panel Meeting would be confirmed in due course.

B. WHYMAN M.B.E

CHAIR

The Meeting terminated at 6.45 p.m.

