

**To:** Communities Policy Overview and Scrutiny Committee

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**Subject:** Performance Management in the Communities Directorate.

**Classification:** Unrestricted

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## Summary

In a time of transition for national performance regimes, this paper gives an overview of how the Communities directorate manages service performance, looks ahead to how the approach will develop in the light of greater self regulation.

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## 1. Background

- 1.1 From 2002 to 2008 KCC operated within the Audit Commission's Comprehensive Performance Assessment (CPA) regime. In addition to the two inspections that took place during that period, several Services that transferred into the Communities Directorate upon its inception were also monitored in part of the wider CPA framework. The Culture block consisted of mostly Library-related indicators, while the Environment block contained several Trading Standards performance indicators. In addition, an annual performance assessment was conducted by Ofsted, along with an adult social care self assessment survey overseen by the Commission for Social Care Inspection (CSCI).
- 1.2 A Use of Resources assessment has also taken place annually up to now, which involves the auditing of KCC's finances, including the Communities directorate.
- 1.3 KCC's medium term priorities, Towards 2010, contained 63 commitments that were monitored over the past four years, 2006-2010.
- 1.4 A new National Indicator Set was introduced from April 2009, containing 198 key indicators that local authorities, with partners, would be judged against. This was launched alongside the Comprehensive Area Assessment (CAA) regime, which was a successor to the CPA. Its aim was to focus more on impact and outcomes for the people of Kent, rather than organisational processes. Of these XX were led by

services within the Communities directorate and have previously been reported to Policy Overview and Scrutiny Committee as part of six monthly performance monitoring arrangements.

## **2. Recent Changing Landscape**

- 2.1 On the 28<sup>th</sup> May 2010 the Government announced the abolition of CAA, with any work in progress ceasing with immediate effect. Alongside this, the Place Survey and TellUs national schoolchildren survey, both sources of national indicator data, have been scrapped.
- 2.2 On the 13<sup>th</sup> October 2010 local authorities were given notice that all designations of local improvement targets in Local Area Agreements were revoked with immediate effect. Any targets that Kent wishes to continue focusing on will not be monitored nationally and there is no requirement for local authorities to prepare a new agreement from April 2011.
- 2.3 In addition, it has been announced that the National Indicator Set is to be replaced with a single, comprehensive list of all the data that local government is expected to provide to central government. This is expected to be in place by April 2011.
- 2.4 Both Ofsted and the Care Quality Commission (formerly known as CSCI) regimes have continued. Ofsted derives a grade from a performance profile of the quality of services and outcomes for children and young people in each local area. In addition, the Care Quality Commission (CQC) publishes an annual rating for adult social care. It is likely that independent evaluation and inspection of vulnerable groups will continue in future years.

## **3. Self-Regulation**

- 3.1 It has been noted that self-regulation mechanisms will become even more important with the demise of CAA. However, much of the work of CAA relied on the local authority having robust self-regulation mechanisms in place, the outcomes of which were reported to the Audit Commission.
- 3.2 The approach to performance management since the Communities Directorate was formed in 2006 can be summarised as follows:
  - Responsibility for operational business planning and performance management is delegated to Heads of Service;
  - Central monitoring, management and co-ordination of key performance indicators and strategic objectives takes place within the Policy & Resources Division, as well as the monitoring of risk and essential controls, both financial and non-financial;

- Ownership of accountability of the performance of the directorate is led at the highest level with the Managing Director and Portfolio Holder
- Staff and middle managers are involved in the development of the directorate's annual business plans.

3.3 In particular, the Directorate's monitoring, management & review arrangements are summarised below:

- KCC Core Monitoring: an agreed list of indicators from the Communities Directorate features in KCC's Core Monitoring report, which aims to monitor the 'organisational health' of KCC.
- Annual Operating Plans: monitored six-monthly and reported to Policy Overview and Scrutiny Committee in January.
- A review of previous year's service performance within the directorate is presented to Policy Overview and Scrutiny Committee in July, alongside financial outturn.
- Financial monitoring is reported monthly to SMT and Portfolio Holder and quarterly to Cabinet & POSC. The quarterly reports also include monitoring of key activity.
- 1:1 Updates – the Managing Director has monthly 1:1 update sessions with Directors to discuss issues, including any of concern arising. The Portfolio Holder meets the Managing Director weekly, as well as Directors regularly.
- Internal & External Audit: services within the directorate are subject to internal and external audit and / or inspection programmes.
- The Senior Management Team receives updates on performance & other business information (e.g. workforce information, customer intelligence) as and when necessary, and it is the responsibility of divisional Directors to take forward any issues arising.

3.4 At the time of abolition of CPA and Best Value Performance Indicators services in the directorate focused on developing 'operational' indicators that feature in our operating plans. These include national indicators, Towards 2010 indicators (up to 2010/11), activity levels that impact on budget, or income targets as appropriate.

#### **4. In-year Update 2010-11**

4.1 Services within the Communities directorate have been focusing on preparations for delivery of a very tough 2011-14 Medium Term Financial Plan, whilst operating in a period of rapid change. Half-year monitoring of 2010-11 Annual Operating Plans is being completed and the following headlines are emerging. The Communities directorate extract of the next KCC Core Monitoring report will be presented to this Committee in January 2011, incorporating a full half-year performance update.

## Progress against Projects / Developments / Key Actions

- 4.2 The significant majority of actions set out in Annual Operating Plans are on course for completion by March 2011. However, there are a greater number of actions this year that are unlikely to be completed by year-end. In most cases this is down to changing central government priorities in areas such as anti-social behaviour and public confidence in the criminal justice system; ESOL (English for Speakers of Other Languages) course provision; and the ending of the Building Schools for the Future programme. This has often resulted in reduction or cessation of grants e.g. Dept of Health funding for County Sports Partnerships; the Volunteering Community Action pilot for 14-16 year olds; Youth Capital Fund; Supporting People administration grant etc.
- 4.2.1 Some actions originally set out in operating plans are on hold pending outcomes of Service reviews or potential KCC-wide changes.

## Key Performance Indicators

- 4.4 Services within the Communities directorate work to a series of 'operational' indicators set out in their annual operating plans. Several of these feature in this core monitoring report with a contextual summary underneath. Targets that are not covered by core monitoring that are unlikely to be met in 2010/11 are:
- 4.4.1 KDAAT – The percentage of young people assessed as requiring specialist community treatment receiving their treatment within 15 days of referral is currently running at 92%, against the national target of 100%. Young Person's specialist community treatment services work closely with local children's services to ensure that young people in need of treatment receive a fully integrated service. These young people often have complex needs and are not always ready to engage in treatment. This means the 100% target is unrealistic, although KDAAT works with specialist treatment provider to ensure that services are able to offer treatment within 15 days whenever required.
- 4.4.2 Youth Service – the service is unlikely to meet its target for working with 16plus young people as the project is now supported by only one youth worker following moratorium on staff recruitment (post is funded through Catch 22).
- 4.4.3 Sport - The Service aimed to advise on 60 facility developments during the year. The final number is likely to be closer to 40 as less funding is available for these sorts of developments, including closure of the Building Schools for the Future Programme. The number of Kent Sport website visitors is increasing year-on-year in the build up to the 2012 Games, although the total may fall slightly below the original target set.

- 4.4.4 Community Safety – the Kent Partnership has been using a proxy measure for the % of people who agree that the police and other local public services are successfully dealing with anti-social behaviour and crime in their local area, taken from the Kent Crime & Victimization survey. This shows that confidence has decreased in recent months, from 73.8% in 2009/10 to 63.7% (Jul 09 to Jun 10). However, the Home Secretary has announced that the single Police Confidence measure and the Policing Pledge would be scrapped. Therefore associated work-streams have been removed from the County Community Safety Agreement and will no longer be a partnership priority.
- 4.4.5 Kent Scientific Services – Calibration section income is forecast to be below target as not as much private sector work has materialised in the current climate. However, this is expected to be offset by the Analytical section exceeding target.

### Forward Look

- 4.5 The directorate will continue to apply a risk-based approach to monitoring service performance, and will pay particular attention to the following areas in the coming months:
- Library usage as the modernisation programme continues: including physical and 'virtual' visits, activities held in Libraries – PC Usage and book and AV loans;
  - First-Time Entrants to the youth justice system. A key partnership indicator, this has been continually improving in recent years, although the Kent level per 100,000 10-17 population is still above (worse) than statistical neighbours and national average.
  - Numbers of Kent Success Apprenticeships taken on by KCC. This will be particularly important in the light of the new 'Bold Steps for Kent' consultation document, which pledges that KCC will taken on a minimum of 350 apprentices during the next four years.
  - Monitoring of activity linked to income generation, particularly linked to Registration Service ceremonies, adult education enrolments.

## **5. The Future**

- 5.1 The Department for Communities and Local Government's Structural Reform Plan published in July 2010 contains two actions that refer to some form of future performance framework:
- i) "Identify exceptional areas where central government needs to retain an oversight role".
  - ii) "Design and implement a new approach with less reporting burdens on local government and greater transparency for local people".
- 5.2 The Local Government Group has also produced a consultation document entitled, "Sector self-regulation and improvement", which is

based on the principles that councils have a collective responsibility for the performance of the sector and will collaborate to both give and receive support. This will involve a greater amount of peer review and benchmarking of performance and costs.

- 5.3 CIPFA (the Chartered Institute of Public Finance and Accountancy) is developing a Value for Money toolkit based on that developed by Somerset County Council.
- 5.4 It is important to note that whatever changes take place to national frameworks, services within the Communities Directorate will continue to manage service performance in a robust manner using relevant 'operational' indicators and will be fully involved with KCC efforts to ensure services are accountable to the public of Kent.

### **Recommendations**

Members are asked to:

- i) NOTE the report and COMMENT on the service performance management arrangements within the directorate and the in-year performance update.

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