

EAST AYRSHIRE COUNCIL

GOVERNANCE AND SCRUTINY COMMITTEE – 21 MAY 2010

COUNCIL-WIDE STRATEGIC SELF-ASSESSMENT OF PERFORMANCE – IMPROVEMENT ACTION PLAN – ANNUAL REVIEW OF PERFORMANCE

Report by Chief Executive

1. PURPOSE OF REPORT

- 1.1 To provide the Governance and Scrutiny Committee with an update on annual review of performance against the high level Improvement Action Plan agreed by Cabinet in response to the Improvement Agenda arising from the second Council-wide Strategic Self-Assessment of Performance.

2. BACKGROUND

- 2.1 The outcome of the second Council-wide Strategic Self-Assessment process was considered by Cabinet on 20 May 2009 when the Improvement Agenda arising from the Self-Assessment exercise was agreed. Cabinet on 17 June 2009 subsequently considered and approved a high level Improvement Action Plan to address the Improvement Agenda arising from the second Council-wide Strategic Self-Assessment of Performance.
- 2.2 Cabinet on 17 June 2009 also agreed that details of the outcome of the second Council-wide Strategic Self-Assessment of Performance should be referred to the Governance and Scrutiny Committee for their interest. Members will recall that a report on this matter was considered by this Committee at its meeting on 28 August 2009 when it was agreed that the Governance and Scrutiny Committee should receive annual progress updates against the agreed Improvement Action Plan.
- 2.3 It should be noted that a key outcome of the recent BV2 Audit was a recognition of the Council's embedded culture of continuous improvement and a well established and comprehensive approach to self-evaluation and review. Audit Scotland stated in the BV2 audit report that the Council is self aware and knows where changes are required. The audit report also recognises the areas for improvement that have already been identified by the Council and acknowledges that arrangements are already in place to deliver the progress that is needed. This is reflected in Audit Scotland's comments below:-
- “There is a very good level of awareness of what needs to improve. Key areas for improvement, such as performance management, reporting and scrutiny, member development and staff and management development, are already being addressed by the Council.”*
- 2.4 The Improvement Action Plan arising from the second Council-wide Strategic Self-Assessment of Performance is a key document in ensuring the delivery of required improvements recognised by Audit Scotland. Implementation of identified actions will ensure that wider improvements in important areas such performance, resource and asset management are secured by the Council. This report seeks to

advise Committee of the outcome of the first annual review of performance against the high level Improvement Action Plan.

4. ANNUAL REVIEW OF PERFORMANCE

- 4.1 Details of progress made against each of the actions within the high level Improvement Action Plan are provided within Appendix 1 of this report. Members will note the excellent progress made in a number of areas and in particular the positive progress that has been made in rolling out the new electronic performance management system.
- 4.2 Six of the fifteen improvement actions have now been achieved (40%) and good progress has been made against a further 6 actions (40%). In addition some positive progress has been made in tackling longer term issues such as aligning Community Planning Partners' budget contributions and the alignment of joint service delivery arrangements.

5. FINANCIAL / LEGAL / POLICY IMPLICATIONS

- 5.1 There are no direct financial implications arising from this report. There are no new policy implications arising from this report. The implementation of the actions included within the high level Improvement Action Plan arising from the Second Council-wide Strategic Self-Assessment of Performance demonstrate the Council's commitment to continuous improvement and will ensure that the Council remains well placed to meet the statutory Best Value responsibilities contained in the Local Government in Scotland Act 2003.

6. RECOMMENDATIONS

- 6.1 It is recommended that the Governance and Scrutiny Committee:-
- (i) consider the outcome of the first annual review of performance against the high level Improvement Action Plan arising from the Second Council-wide Strategic Self-Assessment of Performance as outlined in Appendix 1 of this report;
 - (ii) note the achievement of forty percent of the improvement actions and the good progress made in implementing a further forty percent of the improvement actions contained within the high level Improvement Action Plan;
 - (iii) note the strong improvement made in a number of areas, including performance, resource and asset management, and the contribution that these achievements will make in responding to the findings of the Council's Best Value 2 Audit Report; and
 - (iv) otherwise note the contents of this report.

Fiona Lees
Chief Executive
20 April 2010

LIST OF BACKGROUND PAPERS

1. The Council's Second Strategic Self-Assessment of Performance document.

Any person wishing to inspect the above background paper or seeking further information should contact Jim Farrell, Performance, Development and Projects Manager telephone (01563) 576223

Implementation Officer: Jim Farrell, Performance, Development and Projects Manager

EAST AYRSHIRE COUNCIL: STRATEGIC SELF-ASSESSMENT OF PERFORMANCE NOVEMBER 2008
IMPROVEMENT ACTION PLAN
No 1. Performance Management

Purpose of Action: To take the Council's performance management arrangements to the next level, through the review of all performance indicators and the introduction of an IT-based performance management reporting system.

Action		Action Owner	Time / Target	First Annual Review of Performance – April 2010
1.1	<p>Continue to progress the implementation and council wide roll out of the new electronic performance management system (PMS) to consolidate existing reporting arrangements.</p> <p>This will include the development of corporate and service level scorecards, incorporating targets and reporting tolerances and the provision of robust performance management monitoring and reporting arrangements for Members, Chief Executive, Executive Directors, and Heads of Service.</p> <p>ACHIEVED</p>	All Executive Directors	January 2010	<p>New Electronic Performance Management System (EPMS) is now operational and populated with a wide range of performance indicators.</p> <p>The new system includes a SPI benchmarking database which facilitates comparative performance analysis and reporting across all 32 Scottish authorities for the last 4 years.</p> <p>A Project Board is in place and a project implementation plan has been agreed. Good progress has been made, and all of the required actions have been delivered on or ahead of schedule. Significant achievements are detailed below:-</p> <ul style="list-style-type: none"> • The completion of a review of all service-based indicators (KPIs) across the Council which required Executive Directors to review their current suite of indicators for suitability and appropriateness, and to supplement this suite with newly designed SMART indicators. • The Chief Executive's and Executive Directors' Performance Scorecards are in place. • Head of Service Performance Scorecards have been developed and are currently being tested;

				<ul style="list-style-type: none"> • Electronic Scorecards allow performance to be monitored against agreed targets and tolerances using a traffic light system and provide trend and contextual information to facilitate a comprehensive review of service performance. • The Single Outcome Agreement Performance update Report is now available through the EPMS. • Major software upgrade completed ahead of schedule. Further enhancements have been made which allow us to monitor progress made against agreed action plans electronically through the EPMS. • Further system developments are detailed within the EPMS Project Plan.
1.2	<p>Further develop systems and procedures for managing the scrutiny of performance information produced by the new electronic Performance Management System.</p> <p>GOOD PROGRESS</p>		March 2010	<p>Real time period performance information is used to inform electronic performance scorecards for the Chief Executive and for Executive Directors and the system is used to enhance the performance information provided within the regular Finance and Service Strategy Report. Regular consideration of this Report by the Corporate Management Team, Cabinet and the Governance and Scrutiny Committee ensures a systematic approach to the reporting of performance to both Senior Officers and Elected Members.</p> <p>Development of scorecards for Heads of Service is underway, and enhanced access to performance information for Elected Members, based on the Finance and Service Strategy Report is currently being progressed.</p>
1.3	<p>Working with Community Planning Partners, exploit the capabilities of new electronic performance management systems to report progress against the Single Outcome Agreement.</p> <p>ACHIEVED</p>		September 2009	<p>SOA annual performance reporting is available through the EPMS. A presentation has been made to the Community Planning Joint Officers' Group and work is in hand with Community Planning Partners to develop arrangements for more regular in year update and reporting of performance against a range of key performance measures within the SOA.</p>

1.4	<p>Further develop use of robust baseline data and benchmarking across all services.</p> <p>GOOD PROGRESS</p>		March 2010	<p>Benchmarking is an integral element of EFQM Assessments and Best Value Service Reviews.</p> <p>The new EPMS includes a SPI benchmarking database which facilitates comparative performance analysis and reporting across all 32 Scottish authorities from 2005/06 to present.</p> <p>An audit of current benchmarking activity was carried out in September 2009. This identified robust activity in some areas of the Council such as Education, Housing and Building Control.</p> <p>Further development is underway, particularly in relation to cost of service delivery. As part of the Budget and Performance Review Strand of SRRB2, the Council's Efficiency Strategy, a proactive approach to benchmarking activity costs and performance with other authorities has been agreed. A Cross Council Budget and Performance Working Group, comprising North Ayrshire, South Ayrshire, Clackmannanshire, East Renfrewshire, South Lanarkshire, Inverclyde and West Dunbartonshire has recently been established, the aim of which is to benchmark costs and performance. The information derived from this Group will be used to benchmark comparative spend and performance, drive efficiencies and reduce costs by adopting best practice from a review of processes.</p>
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EAST AYRSHIRE COUNCIL: STRATEGIC SELF-ASSESSMENT OF PERFORMANCE NOVEMBER 2008

IMPROVEMENT ACTION PLAN

No 2. Responsiveness

Purpose of Action: To review and further develop our customer interface and feedback arrangements, all with the intention of improving further our services.				
Action		Action Owner	Time / Target	First Annual Review of Performance – April 2010
2.1	<p>Review corporate approach to Customer First Strategy and develop appropriate indicators to measure performance against Customer First Service Standards.</p> <p>This will include finalisation of the review of existing Corporate Complaints Policy and a review of arrangements for recording and reporting of complaints.</p> <p>SOME PROGRESS</p>	EDF&CS	December 2009 (Revised to September 2010)	<p>Revised Corporate Complaints Policy and associated information and training materials currently being developed.</p> <p>As part of the Building and Works Improvement Agenda, improvements to customer interface and associated processes have been implemented with customer care training delivered to employees. This has resulted in consistently high levels of customer satisfaction with response repairs. In addition, the Governance and Scrutiny Committee approved a report on the review of the level of complaints relating to contract upgrades at its meeting on 19 March 2010, including a number of specific actions to further improve customer service.</p> <p>The Council, in partnership with the Improvement Service, has implemented the accredited Customer Service Professional Qualification which introduced structured learning and support around our customer service activity. The first graduates qualified in 2009 and the course continues to attract employees with direct customer contact.</p> <p>In addition, a range of service standard indicators relative to customer responsiveness are included within the Councils new suite of SPIs and within the wider suite of KPIs held on the Council's Electronic Performance Management System.</p>

2.2	<p>Review the capacity of Residents Panels.</p> <ul style="list-style-type: none"> ▪ Review composition of Residents Panel to ensure equalities balance is appropriate. ▪ Consider the potential need for other mechanisms and arrangements to engage with our customers and stakeholders. <p>ACHIEVED</p>	EDE&SS	March 2010	<p>The East Ayrshire Community Planning Residents' Panel currently comprises a representative number of 969 East Ayrshire residents. The Panel membership needs to continue to be broadly representative in terms of gender, age, ethnicity and ward of East Ayrshire's adult population as a whole and able to provide a reliable cross-section of local views.</p> <p>There are currently 883 active participants on the resident's panel which remains representative in terms of gender, age, ethnicity and ward of East Ayrshire's adult population as a whole. In 2009/10 three surveys were issued to the panel covering Employability, the Primary Care Strategy and Community Based Adult Learning.</p> <p>Taking into account that the panel is still representative and the cost of refreshing the panel every 18 months, it is proposed that the Panel is now refreshed every three years as part of the Resident's Survey process.</p> <p>In addition to the resident's panels, consultation and engagement with other stakeholders takes place through the Local Community Planning Forums, Equality Networks, Children and Young People's Representative Forum & the two Federations.</p> <p>Extensive community engagement arrangements, including a budget workshop were used to inform the 2010/11 budget and to assess priorities for future financial years in recognition of anticipated financial pressures. This generated over 1,000 responses from community and voluntary sector representatives. To ensure ongoing community and voluntary sector engagement throughout 2010/11, existing Community Planning mechanisms</p>
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				including the Community Planning Residents' Panel/Local Community Planning Forums and the Equalities Forum/Networks will be utilised, as appropriate, to keep the wider community engaged/updated on budget decisions/development.
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EAST AYRSHIRE COUNCIL: STRATEGIC SELF-ASSESSMENT OF PERFORMANCE NOVEMBER 2008

IMPROVEMENT ACTION PLAN

No 3. Sustainability

Purpose of Action: To improve the mainstreaming of sustainable development across all Council services.				
Action		Action owner	Time/Target	First Annual Review of Performance – April 2010
3.1	<p>Ensure the Social Services budget is sustainable in the medium and longer term.</p> <p>GOOD PROGRESS</p>	EDE&SS	September 2009	<p>Sustainability Board established. Phase 1 complete. Key Achievements include:-</p> <ul style="list-style-type: none"> • Streamlined Management arrangements for Social Work. • Review of Admin and Support Services completed and now being implemented. • Modernisation programme for homecare service agreed and now being implemented. • New community care management model agreed and now being implemented. • Revised adult service models agreed and now being implemented. • Review of Adult Day Services completed and implemented. <p>To date the Social Work Sustainability Review has released efficiency savings of £1.6 Million from Care and Homecare services and identified a further £1 Million of efficiencies in Adult Services, all of which will be available to re-investment into Social Work priorities and to address increasing demand for Social Work Services.</p> <p>Further Phase 2 work streams in respect of the redesign and resourcing of Children’s Services and the review of arrangements for Performance, Quality Improvement, Contract Management, Commissioning and Complaints handling across Educational & Social Services are currently being undertaken and progress on this work will</p>

				be reported to Cabinet on 19 May 2010 .
3.2	<p>Ayrshire Strategic Waste Group – Develop on an all Ayrshire basis suitable solutions to meet long term waste objectives.</p> <p>GOOD PROGRESS</p>	EDNS	<p>5 Year Programme commencing December 2008</p>	<p>The Ayrshire Joint Strategic Waste Management Project Group (AJSWMPG), consisting of members and officers from the three Ayrshire Authorities, meets on a regular basis (minimum quarterly) to drive forward action to deliver a Joint Ayrshire residual waste treatment facility. The AJSWMPG approved the formation of a project board comprising of Waste, Planning, Finance and Procurement officers from the 3 Ayrshire Authorities. The board appointed a Project Manager with Admin support in October 2009 to progress this initiative.</p> <p>The procurement process for the provision of an Ayrshire residual waste treatment facility has now commenced and an invitation to submit outline solutions was issued on 4th May 2010.</p> <p>The contract is on schedule to be awarded around November 2011 with full service commencement anticipated from April 2013.</p>

EAST AYRSHIRE COUNCIL: STRATEGIC SELF-ASSESSMENT OF PERFORMANCE NOVEMBER 2008

IMPROVEMENT ACTION PLAN

No 4. Effective Use of Resources

Purpose of Action: To further develop arrangements designed to achieve the most effective deployment of finance, property and human resources in support of the Council's three key priority areas: Improving Educational Attainment, Town Centre Regeneration and New Council Housing.				
Action		Action Owner	Time / Target	First Annual Review of Performance – April 2010
4.1	<p>Develop medium term financial strategy taking account of the reduced level of resources likely to be available over the next three years, 2009/10 to 2011/12.</p> <p>ACHIEVED</p>	EDF&CS	June 2009	<p>The Revenue Budget from 2009/10 to 2011/12 was set by the Council on 12 February 2009. The budget included a contingency sum of £0.5m to cope with the potential impact of the recession and provided indicative revenue budget allocations for each department for each year, as well as indicative departmental savings levels to allow forward planning.</p> <p>The Cabinet on 11 February 2009 approved a ten year General Services Capital Investment Programme which reflected the Council's priority areas of Improving Educational Attainment and Town Centre Regeneration.</p> <p>The Revenue Budget for 2010/11 to 2012/13 was approved by the Council on 10 February 2010. The budget took account of extensive consultation with community representatives, trade unions and employees and reflected the key priorities of the Council. This ensured that stakeholders were aware of the forward financial outlook and understood, as well as having an opportunity to help refine, the difficult spending decisions required. The Budget Strategy includes an Efficiency Strategy (SRRB2) to ensure sustainability in light of current forecasts of reducing grant levels in future years.</p>

4.2	<p>Secure efficiency gains through the detailed business reviews identified during the 2008/09 budget process.</p> <p>ACHIEVED</p>	All Executive Directors	September 2009	<p>Progress update on business reviews is a standing item on the Corporate Management Team Agenda. Thirteen reviews were completed in year and these resulted in efficiencies of £3.041m.</p> <p>The Council's programme of Business Reviews undertaken to inform our 2009/10 budget together with our joint and shared use of assets through collaborative working with NHS Ayrshire and Arran in delivering the shared North West Kilmarnock Area Centre were highlighted as examples of good practice in Audit Scotland's recently published Report on Improving Public Sector Efficiency.</p>
4.3	<p>Further develop the Council's approach to Asset Management to ensure optimum use of the Council's property portfolio for service delivery.</p> <p>ACHIEVED</p>	EDF&CS	September 2009	<p>An Asset Management Strategy which sets out the council's approach to the management of its property assets was agreed by Cabinet on 9 November 2009. This ensures that the Council has in place a sustainable long-term strategy for the management of its property assets.</p> <p>A data gathering exercise in progress and scheduled to be complete by May 2010. This will include a comprehensive conditions survey for all council properties.</p> <p>The Council's Office Accommodation Strategy was approved by Cabinet in October 2009.</p> <p>The School Estate Management Plan was approved by Cabinet in April 2010.</p> <p>Town Centre Regeneration Strategies have been agreed and are being implemented for Kilmarnock, Cumnock and Galston.</p> <p>The required building blocks are now in place to take the Council's Asset Management Arrangements to the next level.</p> <p>The Council has attracted funding from the Scottish Government for 40 new council houses and the building programme is under way.</p>

EAST AYRSHIRE COUNCIL: STRATEGIC SELF-ASSESSMENT OF PERFORMANCE NOVEMBER 2008

IMPROVEMENT ACTION PLAN

No 5. Partnership Working

Purpose of Action: To further develop partnership working at all levels within the Council.				
Action		Action owner	Time/Target	First Annual Review of Performance – April 2010
5.1	<p>Further develop the alignment of community planning partners' budget contributions for key action plan priorities</p> <p>SOME PROGRESS</p>	CE/ All Executive Directors	September 2009	<p>The Strategic Alliance has been established and has supported the introduction of new operating arrangements for the Community Health Partnership.</p> <p>Under the banner of the Scottish Government's Shifting the Balance of Care Programme, the three Ayrshire Council's, together with NHS Ayrshire and Arran are currently participating in an Integrated Resource Framework pilot, the aim of which is to identify opportunities for a more local, integrated and effective approach to partnership working. Four Service Areas are currently being examined:-</p> <ul style="list-style-type: none"> ➤ Older People's Services (South Ayrshire); ➤ Children with complex needs (North Ayrshire); ➤ Adults with complex needs (East Ayrshire); and ➤ Chronic Obstructive Pulmonary Disease (Pan-Ayrshire). <p>East Ayrshire is currently leading on the Adults with complex needs work stream. The focus of this work is to develop protocols that describe agreed and transparent methods to allow resources to flow between partners, following the patient to the care setting that delivers the best outcomes. Early findings are expected to be reported in July 2010 with recommendations to be implementation from March 2011.</p>

5.2	<p>Further develop data sharing partnership and information sharing protocols.</p> <p>GOOD PROGRESS</p>	CE/ All Executive Directors	December 2009	<p>An Ayrshire and Arran Data Sharing Partnership Group has been established and is Co-Chaired by the Executive Director of Educational and Social Services. This Group comprises of representatives from the 3 Ayrshire Councils, NHS Ayrshire and Arran and Strathclyde Police and aims to ensure that all partners have real time access to shared information for every client. This work will facilitate the use of the Single Shared Assessments and the Integrated Assessment Framework for children and young people.</p> <p>Significant progress has been made in agreeing:-</p> <ul style="list-style-type: none"> ➤ A Programme Definition; ➤ A benefits Realisation Plan; ➤ An information Sharing Protocol (approved by Cabinet); ➤ Data Error Notification Processes; and ➤ Multi-Agency Store reporting processes. <p>This work ensured that the Ayrshire and Arran Partnership was the first in Scotland to go live with the National eCare Framework which will be rolled out across Ayrshire from April 2010.</p>
5.3	<p>Develop arrangements for the joint management of teams.</p> <p>SOME PROGRESS</p>	CE/ All Executive Directors	December 2009	<p>This will be facilitated by the new CHP arrangements. The initial focus has centred on the joint delivery of services, themes and processes.</p> <p>Work has been initiated to ensure closer alignment of service delivery in relation to the development of rehabilitation and enablement services in East Ayrshire with new working practices and models of service delivery developed to ensure a single point of contact for users of rehabilitation and enablement services.</p> <p>The further development of joint management arrangements</p>

				will be informed by the Shared Services Scoping events outlined at 5.4 below and by the outcome of the Integrated Resource Framework pilots discussed at 5.1 above.
5.4	<p>Explore further opportunities to develop partnership working including, shared services, aligned budgets and joint management.</p> <p>GOOD PROGRESS</p>	EDF&CS	March 2010	<p>The Council has continuously demonstrated that it is making significant progress and is leading the way in terms of the volume of collaborative arrangements in place. The CoSLA Shared Services Position Statement issued in July 2009 reported that Local Government in Scotland has made significant progress on the Shared Services agenda in recent years. Almost 12% of the arrangements detailed in that report were attributable to East Ayrshire Council, the highest of any of the 27 respondents.</p> <p>Dedicated Chief Officers' session convened to explore opportunities for enhanced partnership working/activity in light of the recession.</p> <p>The Clyde Valley Review (Arbuthnott Review) is seen as a key driver for Shared Services. In addition to a number of other areas, the report recognises that local authorities and health boards share a number of joint outcomes, targets and resources and notes that while a lot of work has taken place to improve structures and joint working. A joint workshop, involving the three Ayrshire Councils and NHS Ayrshire and Arran, was held on Thursday 4 March 2010 to assess the findings in detail against the health and social care aspects, report progress against work already undertaken within Ayrshire and set out an approach to progress the shared services agenda in Ayrshire and Arran through CHPs and other structures. A follow up report on this will be submitted to the Strategic Alliance and Community Planning Partnership Board in June 2010.</p> <p>The Ayrshire Shared Services Group has achieved considerable success in driving and delivering shared</p>

			<p>services to date, and through its work programme has directed further work on services or parts of services which might be suitable for joint delivery. Successful projects to date have included co-location, emergency planning, joint procurement projects and strategic planning.</p> <p>The development of a Pan Ayrshire Regulatory Service is currently being progressed by the three Councils and a Joint Ayrshire Economic Regeneration Group has been established to identify strategic inhibitors which require to be addressed at an Ayrshire level in order to maximise sustainable economic growth for the economy.</p> <p>Arrangements in place to take forward Integrated Resource Framework with NHS and other Ayrshire councils.</p>
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April 2010