

<b>Agenda Item 8 ES/005/11</b>
<b>Executive Scrutiny Committee 25 January 2011</b>
<b>Report Title: Quarterly Performance Report</b>
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### **1. Purpose of the report**

The purpose of this paper is two-fold.

The first is to provide the Committee with an update on performance relating to the EssexWorks Corporate Plan (2010/11) and referrals made to the relevant Policy and Scrutiny Committees for the period from September 2010 to December 2010.

The second - and most significant - is to update the Committee on work that has taken place within Essex County Council to redefine our own performance and intelligence framework in light of changes to the national regulatory landscape and abolition of the National Indicator set. As a result, this report contains recommendations on improving the current performance indicator referral arrangements by replacing them with a more strategic and rounded assessment of how we are delivering our priorities.

In light of this the Committee is asked to:

1. Note the points made in the paper outlining: changes to the national landscape; work undertaken to redefine our own performance and intelligence framework; and our assessment of current performance arrangements with Scrutiny Committees;
2. Endorse replacement of the current performance indicator referral arrangements with a more strategic assessment demonstrating progress against outcomes which seek to strengthen the scrutiny of performance by Committees;
3. Note the referrals made to the relevant Policy and Scrutiny Committees in 2010/11, decisions agreed through such referrals and agree whether further action is needed in relation to them (as outlined in Appendix A).

### **2. National and Regional Changes**

The last year has seen a number of changes in the national landscape supporting a shift from Central regulation by top down measurement, inspection and targets towards local accountability and sector led improvement. These changes enable us to address concerns raised by members of individual Policy and Scrutiny Committees about the focus that has necessarily been placed on individual national indicators and process measures, rather than wider impacts and outcomes.

A summary of the key changes which have taken place is outlined below:

- **Changes in the statutory framework of inspection and assessment for Local Government.** 2010 has seen the removal of Comprehensive Area Assessment, abolition of the Audit Commission as well as changes to service-based inspections – the Children’s Minister announced in December that the annual rating of Children’s Services would be halted as soon as a suitable legislative opportunity could be identified with changes to a revamped framework being announced in 2011 and the Care Quality Commission will no longer conduct an annual performance assessment of adult social care under the existing framework. We expect however that some form of inspection will remain for critical services such as safeguarding;
- **Changes in the data submitted to Central Government.** In October the Coalition Government announced the removal of the National Indicator Set. The National Indicator Set is, on the whole, reported through statutory returns submitted to Central Government Departments. These returns, which also collate other information, are being reviewed into a single data set which will go live from April 2011. CLG published this list for consultation in December;
- **Changes to the monitoring of how areas perform.** Alongside the removal of the National Indicator Set there has been a relaxation of Government interest in how an area performs through the handing over of Local Area Agreements to local areas, alongside the abolition of Government Offices. There is no requirement to produce a new agreement from April 2011, freeing local areas to decide their own priorities, alongside confirmation that Reward Grant will not be payable against the 2008-11 LAA targets.
- **Sector led rather than nationally led improvement.** Plans are being developed nationally by the Local Government Group to support the sector to continue the drive for efficiency and improvement. Consultation carried out in October considered how best to support the sector through areas that included self assessment, peer review and benchmarking.

## **2. Local Developments**

The changes that have taken place nationally have given us a good opportunity to review the way that we monitor performance within Essex County Council. The Committee may recall that we committed to adopt a more “business intelligence” based approach enabling us to replace the National Indicator Set with local measures that give greater insight into high priority areas.

It is essential that any organisation (whether private or public) knows how it is performing to help drive continued improvement in the delivery of services. As an organisation the information we utilise is essential in this respect – we need accurate, timely and robust management information that supports decision making. But we also need to ensure that this information is locally relevant rather than nationally prescribed.

As a result the following areas will be key to our approach going forward:

- **Articulation of our priorities:** Work is underway to develop our Corporate Business Plan and Budget for 2011/12 – 2013/14 which will be presented to Full Council in February. This will establish the key priorities for Essex County Council, aligning Council wide and Directorate priorities. This will not include (as has been undertaken in previous years) a proliferation of measures and targets but will be streamlined - focusing on delivery of priorities with a small number of headline targets and priorities where appropriate (including EssexWorks Pledges).
- **Agreement of measures.** A key Transformation project for us as a Council has been to review the measures that we report on across Essex County Council both at a Directorate and Council wide level. Previous reporting has been based on individual indicators – often top down National Indicators which have not always had total relevance locally. As part of this work we have worked with Directorate Leadership Teams to design Scorecards around what is genuinely needed to manage and commission services rather than be prescribed by Central Government.

These Scorecards are structured around Directorate wide (and therefore Council) priorities and includes a balanced suite of strategic measures for the organisation – drawing on information around the following areas: customer, workforce, operational / financial and delivery of results. This includes a consistent set of financial and HR measures common to all Directorates and the embedding of diversity and equality measures (we are working closely with the Equality and Diversity team in this respect). The aim is to provide a more balanced set of business critical measures which are aligned to priorities and move us away from nationally imposed measures and targets.

From April 2011 these new measures will be used exclusively across Directorates (and available for Members) although they will continue to evolve to meet the needs of the business.

- **Strategic review of progress:** Whilst reporting through the Scorecards highlighted above will be critical to operational performance, it is essential that we take a joined up strategic view of how we are doing in delivering against the priorities and actions that we have committed to deliver. This will draw on, in part, the Scorecards (enabling us to quantify our progress), but will also take into account contextual intelligence, delivery of key projects (such as EssexWorks Pledges) as well as financial information. At the centre of this will be our new Quarterly Business Review. This will enable us as an organisation to take a joined up view of progress in delivering priorities. The onus will be on Directorates to self-assess their own progress with challenge arrangements put in place by the Corporate Leadership Team, Cabinet Members and Scrutiny (see below) to ensure a balanced assessment is given.

### **3. Proposed Changes**

To support these developments we feel that it is necessary to bring the arrangements for reporting performance to Executive Scrutiny Committee and individual Policy and Scrutiny Committees in line with this work.

Members will be aware of the current referral arrangements which are made from the EssexWorks Corporate Plan and based on individual performance indicators (often National Indicators). The current referral procedure is as follows:

- The target was missed last year and there is strong concern that the target this year will not be met;
- The position for this indicator has been assessed as 'red' for three consecutive times during the year; or
- The target has been missed.

The existing arrangements were put in place some time ago – particularly when we had Local Area Agreement 1 measures which had reward attached. Referrals have been made to existing Policy and Scrutiny Committees with Executive Scrutiny Committee taking an overview of all referrals made. In addition, from research undertaken we have found no other County Council that has a referral procedure based on individual measures.

There has been a need to minimise the overlap between Executive Scrutiny Committee and Policy and Scrutiny Committees and Executive Scrutiny Committee therefore have an overview of the discussions that have taken place within individual Policy and Scrutiny Committees

Discussions with Members have renewed the focus on improving existing arrangements prompted by:

- A general consensus that the Scorecards currently produced are difficult to find, rarely user friendly and not consistently used by all Members;
- A need to move away from a focus on purely numerical defined indicators towards an assessment in terms of delivering outcomes and priorities;
- Performance information is often limited by data only being available annually or having a significant time lag. Taking a more holistic assessment including delivery of key projects will help tackle this;
- There has been no alignment of performance and finance at any level. Bringing these together through a Quarterly Business Review will start to prompt joined up discussions;
- Discussions often focus on the quality of the specific measures used and the target at which the indicator has been set rather than what this means for delivery of outcomes or what action is needed to drive improvement.

#### **4. Recommendations**

In light of this and to strengthen the scrutiny of performance the Committee is asked to endorse the following recommendations:

1. Given the significant reduction of measures in the Corporate Business Plan and Budget from 2011/12 and the issues highlighted above, that the current performance referral procedure and the existing EssexWorks Corporate Plan Scorecard be removed from 2011/12. **This will help us further embed a culture of delivering outcomes rather than meeting targets.**
2. That Scrutiny Board (Chairman of each Committee) receive copies of the Quarterly Business Review (starting in the next financial year) following discussion by the Corporate Leadership Team and Cabinet Members using this as a basis to decide which areas they would like to scrutinise with the appropriate Directorate. **This will help us as an organisation to strengthen the framework we have in place for the Quarterly Business Review.**
3. That Executive Scrutiny Committee continue to maintain an overview of progress in delivering the EssexWorks Corporate Plan through a quarterly report detailing what has been discussed at the Policy and Scrutiny Committees (developed both by Performance and Organisational Intelligence and Member Governance) supported by an end of year report demonstrating progress against the EssexWorks Corporate Plan. **This will help to ensure that the governance arrangements are working effectively, ensure there is a feedback loop to inform the Committee of discussions that have taken place and support a holistic assessment of progress.**
4. That the Quarterly Business Review and MI Scorecards at a Directorate level are published from 2011/12 internally on the Essex County Council Intranet site demonstrating a link to delivery of priorities. **This will ensure all Members have the opportunity to review our progress as an organisation.**

5. That the Performance and Organisational Intelligence Service (specifically the Assistant Director for Performance and Organisational Intelligence and Strategic Intelligence Manager) provide professional and advisory support to Members regarding performance by developing closer links (through Performance Business Partners) to each Committee (via Governance Officers). **This will ensure that Members are given the support they need to review and scrutinise effectively.**

### **Current Performance**

Appendix A provides detail on the performance referrals made so far in 2010/11 relating to delivery of the EssexWorks Corporate Plan. Please note that this is an exceptions based report providing an update on areas which are missing or have missed target. Appendix A has been structured around the relevant Policy and Scrutiny Committee.

The 2010/11 EssexWorks Corporate Plan details 22 high level outcomes mapped to our EssexWorks priorities. Each of these outcomes has a series of performance measures – both national and local which we are using to assess our performance.

Our progress against these measures is reported to Members on a monthly basis through the EssexWorks Corporate Plan Scorecard.

At this stage in the year performance data is available for 60 of 116 measures due to anticipated availability of data. 60% of these measures are currently on target, including placement stability of Children Looked After, Early Years Foundation Stage achievement, schools with fewer than 30% of pupils achieving 5+ A\*-C GCSEs inc. English and Maths and carers receiving a service.

15 referrals have so far been made in 2010/11 to Policy and Scrutiny Committees. As the report to the Children and Young People Scrutiny Committee on 6 January outlines, we are meeting or exceeding the target of all improvement notice targets with the exception of NI 59 (timeliness of initial assessments), NI 60 (timeliness of core assessments) and 2016SC (re-referrals). For the former two the positive direction of travel and latest performance mean we can be confident we will exceed target by the end of the year. These areas have shown significant improvement on results at the end of last year. Although the direction of travel for re-referrals is down, this is due to the target being measured on a 12 monthly rolling basis and our currently monthly performance of around 20% means we expect to meet the target by March 2011.

Corporate Plan referrals for the period from September 2010 to December 2010 are outlined below:

	<b>New Scorecard Referral (September to December)</b>
Children and Young People Policy and Scrutiny	7

Committee	
Community Wellbeing and Older People Policy and Scrutiny Committee	2

A summary of the discussions taking place regarding performance at each of the Policy and Scrutiny Committees during this period is included as part of this in Appendix A.

### **Conclusion**

The changes in the national regulatory landscape have given us an opportunity as an organisation to review our approach to performance and assessing our progress against the delivery of outcomes. Work with Directorates to refine the information that is considered, alongside the development of a Quarterly Business Review will give us the opportunity to focus on what matters locally. In light of this the Committee are asked to endorse the recommendations made to replace the current performance indicator referral arrangements with a more strategic assessment by Directorates and the Council of the delivery of priorities and outcomes.

Finally, the paper has provided an update for Members in delivery of the 2010/11 EssexWorks Corporate Plan.

## Appendix A: Quarter 2 2010/11 Referrals

### Children and Young People Policy and Scrutiny Committee

Date referred	Indicator	Performance at referral	2009/10 performance	2010/11 Target	Current Performance	Summary of Discussions at Policy & Scrutiny Committee
Sept 2010	% of pupils achieving level 4 + in English and Maths at Key Stage 2  (NI 073)  <i>Good performance is a high value</i>	73.1% (Provisional)	72.0%	80.0%	73.1% (Provisional)	<p><b>Discussion at Policy and Scrutiny:</b> This indicator was discussed at the Children and Young People Policy and Scrutiny Committee in November. The Committee heard that these figures should not be taken as final or fully comprehensive as they are provisional. When asked by Members what can be done to raise standards, Mr Reynolds pointed out two particular requirements: good quality teaching with high expectations all the way through school and good parental support. Both of which are a challenge within poorer performing schools, often located in areas of significant deprivation.</p> <p><b>Update from SCF:</b> Work has been undertaken to identify and target intervention in schools where there is a significant gap between reading, writing and maths. These schools have been targeted to improve use of assessment and tracking, teaching and learning. School Improvement Partners challenge Governing Bodies and headteachers in schools where there has been under-performance over time or predicted to be underperformance in this academic year. Children with SEN or entitlement to FSM have an allocation of One-to-One tuition to help accelerate progress.</p>
Sept 2010	% of pupils progressing by 2 levels between Key	82.2% (Provisional)	80.0%	88.0%	82.2% (Provisional)	<p><b>Discussion at Policy and Scrutiny:</b> See above</p> <p><b>Update from SCF:</b></p>



Date referred	Indicator	Performance at referral	2009/10 performance	2010/11 Target	Current Performance	Summary of Discussions at Policy & Scrutiny Committee
	Stage 1 and Key Stage 2 in Maths (NI 094)  <i>Good performance is a high value</i>					Schools where there is a history of low conversion from Level 3 to 5 (Key Stage 1 to Key Stage 2) are targeted with additional support, including One-to-one tuition, to help accelerate progress.
Sept 2010	% of pupils progressing by 2 levels between Key Stage 1 and Key Stage 2 in English (NI 093)  <i>Good performance is a high value</i>	81.7% (Provisional)	81.0%	90.0%	81.7% (Provisional)	<b>Discussion at Policy and Scrutiny:</b> See above  <b>Update from SCF:</b> This measure is in line with national rates of progress and our statistical neighbours. Headteachers of all schools with low progression rates attend events focusing on accuracy of assessment, targeting provision for vulnerable children at pupil progress meetings. School Improvement Partners evaluate performance and agree priorities and strategies to accelerate progress and improve outcomes for all.
Sept 2010	% gap between all children and the average score of the lowest achieving 20% at the Early Year Foundation Stage (NI 092)	32.1% (Provisional)	34.0%	30.65%	32.1% (Provisional)	<b>Discussion at Policy and Scrutiny:</b> This indicator was discussed at the Children and Young People Policy and Scrutiny Committee in November. The Committee heard that Essex has seen significant improvement here. It was agreed that Mr Reynolds would provide statistics relating to Children Looked After, for circulation after the meeting.  <b>Update from SCF:</b> Work has been undertaken to raise awareness of vulnerable groups through direct work with schools. Support and challenge is provided to teachers and

Date referred	Indicator	Performance at referral	2009/10 performance	2010/11 Target	Current Performance	Summary of Discussions at Policy & Scrutiny Committee
	<i>Good performance is a low value</i>					practitioners regarding teaching and learning strategies. In addition, work is undertaken to liaise with the Early Years Inclusion Manager, SENCAN teams and EY Ethnic Minority Achievement Development Workers to support practitioners.
Oct 2010	% difference of achievement of level 4 at Key Stage 2 (including Maths and English) between those with SEN and without (NI 104)  <i>Good performance is a low value</i>	55.4% (Provisional)	56.0%	50.0%	55.4% (Provisional)	<p><b>Discussion at Policy and Scrutiny:</b> This area is still to be discussed.</p> <p><b>Update from SCF:</b> Whilst the gap has reduced by 0.5%, performance is some way from the target of 50%. However, 85% of the non-SEN pupil cohort achieved compared to 83.5% in 2009 (a rise of 1.5%) whereas the SEN cohort increased from 27.5% to 29.6% (a rise of 2.1%). Please note that DfE figures are subject to rounding (55.9% to 56%).</p> <p>Schools where there is a history of low conversion from Level 2c to Level 4 are targeted with additional support including One-to-one tuition, to help accelerate progress. In addition, the Achievement for All pilot has been working with 40 primary schools over the past eighteen months to bring about improved performance amongst SEN pupils who are now in Year 6. SEN coordinators are working closely with these schools to track progress and School Improvement Partners are supporting headteachers in evaluating the impact of the interventions and classroom provision.</p>
Dec 2010	% of pupils achieving 5+ GSCEs at A*-C, including	54.4% (Provisional)	50.2%	56.2%	54.4% (Provisional)	<p><b>Discussion at Policy and Scrutiny:</b> This area is still to be discussed.</p> <p><b>Update from SCF:</b></p>

Date referred	Indicator	Performance at referral	2009/10 performance	2010/11 Target	Current Performance	Summary of Discussions at Policy & Scrutiny Committee
	English and Maths (NI 075)  <i>Good performance is a high value</i>					<p>Although 2010 performance has not quite reached target, since 2009 performance has risen by 4.2%. Such improvement has been achieved in spite of the fact that 7 Academies' performance is included within DfE calculations and Essex has no role in working with them to bring about improvements.</p> <p>The 2010/11 AY sees the final year of the National Challenge and Gaining Ground programmes. The earlier years have helped bring about improvements and the Improvement Team will continue to work with the 20 schools in the final year. In 2010 there was just one school below 30% threshold of pupils achieving 5+ A*-C grades including English and Maths. Schools above the new threshold of 35% have been identified and intensive work programmes are being put in place to support them.</p>
Dec 2010	% difference of achievement of 5+ GCSEs at A*-C, (including English & Maths) between those with SEN and those without (NI105)  <i>Good performance is a low value</i>	46.7% (Provisional)	49.0%	45.3%	46.7% (Provisional)	<p><b>Discussion at Policy and Scrutiny:</b> This area is still to be discussed.</p> <p><b>Update from SCF:</b> 2010 performance narrowly missed target but did show an improvement on the 2009 gap of 49.0%. There was a healthy rise in both the non SEN (57.9% to 62.9%) and SEN pupils (11.8% to 16.2%).</p> <p>Under the 'Achievement for All' programme, Essex is working with 8 secondary schools to bring about improved performance amongst SEN pupils. Additionally, using the November release from the 'Raise on Line' system, schools have been identified where the required level of progress is not being made by SEN pupils. SEN co-ordinators are working closely with these schools.</p>

<b>Date referred</b>	<b>Indicator</b>	<b>Performance at referral</b>	<b>2009/10 performance</b>	<b>2010/11 Target</b>	<b>Current Performance</b>	<b>Summary of Discussions at Policy &amp; Scrutiny Committee</b>

**Community Wellbeing and Older People Policy and Scrutiny Committee**

Date referred	Indicator	Performance at referral	2009/10 performance & DoT	2010/11 Target	Current Performance	Summary of Discussions at Policy & Scrutiny Committee
September 2010	% of all adults, older people and carers receiving social care services that are receiving Self Directed Support (NI 130)  <i>Good performance is a high value</i>	12.4%  (July 2010)	12.8%	30.0%	16.7%  (October 2010)	<p><b>Discussion at Policy and Scrutiny:</b> This area is still to be discussed.</p> <p><b>Update from ACHW:</b> The project for transferring existing service users over to Personal Budgets (TESU) began to impact between June and July and it is anticipated that the level of growth will continue to increase, with the target of 30% being met by March 2011.</p> <p>All new service users receiving on going community based support are going through the Self Directed Support process. The TESU project which is transferring existing service users over to personal budgets will continue through to March 11.</p>
September 2010	Number of older people using telecare services (LI 055)  <i>Good performance is a high value</i>	1,300  (July 2010)	6,257	6,172  (end of year target)	3,066  (October 2010)	<p><i>Please note: This is a cumulative measure.</i></p> <p><b>Discussion at Policy and Scrutiny:</b> The telecare 2009/10 pledge was discussed at the Community Wellbeing and Older People Policy and Scrutiny Committee in October, which touched on performance with relation to telecare provision. However this indicator is yet to be discussed.</p> <p><b>Update from ACHW:</b> In 2009/10, 6,257 new older people received telecare which was supported by £4m pledge money to offer free telecare to all older people aged 80+. The target of 6172 this year is not supported by additional pledge monies, and it is not yet clear what the impact of this will be on take-up (i.e. telecare no longer being offered</p>

						<p>for free.)</p> <p>The provision of telecare remains a key component of the Procurement Savings programme of work – both to avoid costs and to reduce the cost of existing support packages. Telecare continues to be promoted by the operational teams and is co-ordinated through the Older Persons and Working Age Adult Commissioning and Delivery Plans.</p>
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