

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

2 JULY 2009

ANNUAL REPORT 2008/2009

Report from: Stephanie Goad, Assistant Director, Communications,
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Summary

The report presents the Annual Report 2008-09, with year-end performance tables. The Annual Report updates residents and stakeholders on the council's progress and achievements of 2008/09.

1. Budget and Policy Framework

- 1.1 The Annual Report reports back on achievements against priorities for 2008-09 and includes the performance reporting tables for the year including Local Area Agreement Indicators.

2. Background

- 2.1 The purpose of an Annual Report is to be a publicly accessible report looking back at performance and financial information in a format that is easy to understand. The report should celebrate achievements and reflect on the challenges that the Council has faced, in a way that is non technical and understandable.
- 2.2. Robust and comprehensive performance management processes are established best practice and essential to the proper management of the Council. They are also essential for achieving maximum performance against the Use of Resources and Organisational Assessment elements of the new Comprehensive Area Assessment arrangements.
- 2.3. On 23 June 2009 the Cabinet approved for publication the Annual Report 2008/2009, and associated end of year performance tables.

3. Advice and analysis

- 3.1 The annual report reviews the council's achievements against its 6 priorities and 2 core values for the year 2008/9. This includes progress in achieving local area agreement (LAA) targets for which the council is responsible. Of the 29 local area agreement targets for which the council is lead agency, we can at this stage report performance on 22.

14 (63 per cent) are rated green as on or exceeding target, 4 (9.1 per cent) are slightly off target but predicted at this stage to reach target by the end of the LAA and so are amber rated. Four (9.1 per cent) are red rated – and so currently behind target. The report also gives the current overview of the achievement of our local public service agreement targets.

- 3.2 In 2008/9 the government introduced a new set of national indicators to measure performance of all councils and their partners. The performance tables appended to the annual report include the council's performance against all of those national indicators for which the council is lead agency, and those where the council plays an important contributory role if the indicators are included in the local area agreement.
- 3.3 As the new indicator set includes many brand new indicators for 2008/9, the council was not in an informed position to set targets until the end of 2008/9 – the first baseline year. In addition, some of the targets have data collection periods that do not coincide with the year end – so performance is not yet available. These two factors mean that there are a range of targets for which we cannot report performance against target. It may be frustrating for members that there are so many gaps but this is the natural consequence of the introduction of a new national reporting regime, and should not be seen as an indication of local weaknesses in performance management and data collection.
- 3.4. Based on auditors' previous comments, the Annual Report has been produced much earlier following the end of the financial year and it will contain more financial information to help residents understand how the council spends its money. At the time of writing, the final Statement of Accounts was still subject to consideration by Cabinet, and therefore this information is still provisional. At the Cabinet meeting on 23rd July delegation was given to the Assistant Director of Communications, Performance and Partnerships, in consultation with the Portfolio Holders for Customer First and Corporate Services and Finance, to make minor changes to the Annual Report and appendices prior to publication to ensure its accuracy and consistency with the Statement of Accounts 2008/9.
- 3.5 The Annual Report 2008/9 will be published on the council's website, and in key council access points. A four page summary is proposed to be included in the August edition of Medway Matters.
- 3.6 The new national indicator set is extensive and for comprehensive area assessment requirements the council and its partners will need to set targets and, twice a year, monitor performance against the whole set of indicators. To enable members and officers in the council to focus on delivery of the council's priorities as expressed in the council plan, members agreed a sub set of the national indicators and a range of local indicators in February 2009 to form the key measures of success for tracking delivery of council priorities. Targets have been set against these key measures of success and this is reported elsewhere on this agenda in the report 'Council Plan 2009-12 Targets'. Where targets are set for national indicators in the tables appended to

the annual report they are consistent with the targets proposed in the council plan target report.

4. Risk Management

- 4.1 Robust performance management systems are a key part of the Council's risk management framework, ensuring risks to achieving the Council's priorities, outcomes and targets are adequately anticipated and managed.

5. Financial and legal implications

- 5.1 Following the removal of the requirement to publish a Best Value Performance Plan by the Department for Communities and Local Government there is no statutory requirement to publish an Annual Report. However, it continues to be regarded as best practice for the purposes of transparency and robust performance management.
- 5.2 The Council is the lead partner with statutory responsibility for agreeing the Local Area Agreement. It is also the lead partner for the monitoring of the Local Area Agreement. There is reward grant associated with the Local Area Agreement of approximately £1.6m available to the council and its partners if all targets are achieved.

6. Recommendations

It is recommended:

- 6.1. That the Committee identifies any specific performance issues they would like to scrutinise in more detail at a subsequent meeting, or that they would like to refer to another Overview and Scrutiny Committee for scrutiny;
- 6.2. That the Committee identifies any issues it would like to refer to cabinet and that officers be requested to ensure that these are covered in the first quarter council plan monitoring report

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Background papers

Annual Report 2007/8
Performance Plan 2007/8
Performance Plan Indicators 2008/9