

REPORT OF THE DEPUTY LEADER

BEST VALUE PERFORMANCE PLAN 2006/07, STATEMENT OF ACCOUNTS 2005/06 AND STATEMENT ON INTERNAL CONTROL 2005/06

1 SUMMARY

This report highlights the progress that has been made by the Council through strong leadership and management and highlights the priorities for forthcoming years. Key aspects of the Council's progress are contained within the Best Value Performance Plan 2006/07, the Statement of Accounts 2005/06 and the Statement on Internal Control 2005/06, all of which Members are asked to adopt. In addition, Members are asked to note that the Council's adopted Corporate Plan forms part of the Council's Performance Plan. All four items are being circulated separately to Members.

2 RECOMMENDATIONS

It is **RECOMMENDED** that:-

2.1 The Council recognises:-

- a) that there has been significant progress in delivering the actions underpinning the Council's priorities that were set out in the Strategic Plan Refresh (2005-06). Over half of the key performance indicators demonstrated better performance than in 2004/05 and 8 of the 13 LPSAs have been achieved. This builds on the general performance improvements that have been made, with three quarters of all performance indicators demonstrating improvement over the last 3 years;
- b) that further work is underway and planned to tackle remaining areas of under-performance and to progress priority areas for improvement. This drive will be spearheaded through the Serving Nottingham Better programme, the continued implementation of the corporate performance management framework and continued scrutiny activity framed by the Strategy for Supporting Improvement;

c) the successful management of resources – enabling the allocation of over £16 million of extra revenue to our priorities in 2005/06 and £104 million spend on capital works; delivering to date £11 million efficiency savings and exceeding the targets, with more demanding targets for 2006/07; and all this being achieved whilst delivering a balanced budget for Social Services, despite significant pressures and a national backdrop of overspending in Social Services Departments.

2.2 The Best Value Performance Plan 2006/07 be approved, subject to the Acting Chief Executive being authorised to make changes in response to observations from the Executive Board and Performance and Resources Panel, and any other minor amendments or corrections as may be necessary.

2.3 The Statement of Accounts for 2005/06 be approved, in accordance with the Accounts and Audit Regulations 2003, subject to the Chief Finance Officer being authorised to make any changes in response to observations from Performance and Resources Panel and any other minor amendments or corrections as may be necessary.

2.4 The Statement on Internal Control for 2005/06 be approved, subject to the Acting Chief Executive being authorised to make any changes in response to observations from Performance and Resources Panel and any other minor amendments or corrections as may be necessary.

2.5 That the Corporate Plan, which has been approved by Executive Board, be noted.

3 BACKGROUND

3.1 The Best Value Performance Plan sets out the authority's progress in delivering local and national priorities, as set out in the Strategic Plan Refresh for 2005-06. In particular, it includes details of actual performance in 2005/06 against the national Best Value Performance Indicators (BVPIs) and sets out targets for this and the subsequent 2 financial years. The Best Value Performance Plan must be published by the 30th June and its approval is a decision reserved for Full Council. The Council's recently adopted Corporate Plan forms part

of the Council's Performance Plan and sets out the Council's future priorities.

- 3.2 The City Council is required to publish, for each year, a Statement of Accounts containing prescribed information, and a Statement on Internal Control. Both of these Statements, once approved, will be audited by the Audit Commission.
- 3.3 By grouping these items under a single agenda item, the Council has the opportunity to consider the position of the City Council across a range of inter-related financial and performance information.
- 3.4 The Performance & Resources Standing Panel scrutinised a number of draft targets for performance indicators at its meetings on the 25th May and 22nd June to help to ensure that suitably ambitious targets are being set. Key points / issues to consider from these meetings will be circulated for Members' information, together with a note setting out a schedule of changes.

4 PROPOSALS

4.1 Delivering improvements through better ways of working

The Council can note considerable achievements in performance. We have improved performance for more than half of our key performance indicators on the previous year and we have delivered many key actions which underpin the Council's priorities. Our strengthened performance culture and the ongoing implementation of our clearly articulated performance management framework have supported the delivery of these improvements.

The Gearing Up programme delivered significant success, with 26 of its 33 success measures set for the last 12 months being fully met and with significant progress on the others. The recent Corporate Peer Review recognised that Gearing Up was successfully bringing about attitudinal and organisational change.

Improvements are also being recognised by the public. In December 2005, two-thirds of respondents to the MORI survey thought that the Council had got better or stayed the same.

Management actions to secure significant improvements in the collection rates of Council Tax and debt have strengthened our control over our revenue budget.

Our performance in debt collection continues to improve, including a significant reduction of tenants in arrears, and we are planning further improvements in the forthcoming year through a comprehensive improvement plan. This plan incorporates a number of initiatives to target activity in areas where there are particular problems of non-payment and undertake proactive work to support those experiencing difficulty in paying and further increase the use of direct debits.

Resources were successfully managed – enabling the allocation of over £16 million of extra revenue to our priorities in 2005/06 and £104 million spend on capital works. To date, £11 million efficiency savings have been delivered, exceeding 2005/06 targets and with more demanding targets for 2006/07. This has been achieved whilst delivering a balanced budget for Social Services, despite significant pressures and a national backdrop of overspending in Social Services Departments.

4.2 Providing better services

A great deal of progress has been made in providing better services.

- a) **Educational attainment:** There has been an overall sustained improvement in educational attainment. The quality and standard of Early Years is above the national average. For Key Stage 3, Nottingham has recorded some of the highest improvements since 2003 of any authority in the country. At GCSE, there is continued good progress and the gap between Nottingham and the national average is decreasing. 8 out of 12 schools inspected by Ofsted between September 2005 and March 2006 were graded 'outstanding' or 'good' for teaching and learning. Attendance rates continue to improve.
- b) **Adult social care:** More households are receiving an intensive homecare service. We are making assessments significantly more quickly and have substantially lowered waiting times for care packages.

- c) **A cleaner city:** There have been significant improvements to actual street cleanliness and more positive satisfaction levels. This resulted from effective action to create a cleaner city, with the 2005 'Big Spring Clean' successfully following the '100 Day Clean Up' in 2004.
- d) **Culture:** We remain one of the best in the country at attracting visitors to our museums and galleries through major exhibitions like the *Waking Dreams* Pre-Raphaelite show. We have clear plans to strengthen the cultural offer of the city. Wollaton Hall is the subject of a £9.3m refurbishment scheme and plans for a Centre for Contemporary Arts are now well advanced. Sport & leisure facilities are being improved, with an increasing focus on addressing health inequalities. Libraries have extended opening hours and have introduced self-service facilities.
- e) **Adoption of children in care:** There have been continued improvements in adoption rates, with performance now at top national levels.
- f) **Waste:** We collected less waste than in the previous year and continue to landfill very little of it. We have also increased the proportion of waste that is recycled or composted.
- g) **Housing Benefits:** There continue to be significant improvements in the Housing Benefits service, and we have the highest possible rating from the Benefit Fraud Inspectorate.

Challenges still remain and these form the basis of improvement priorities set out in the Corporate Plan. Key priorities that will be tackled through the Serving Nottingham Better programme include aspects of children & young people's services, housing, adult care and the use of resources.

4.3 The Council as an agent for change

- a) **Transportation:** Our public transport remains a leading area nationally. We had the highest national rating for the Local Transport Plan progress report and experienced increases in the usage of public transport, against a national backdrop of decline. In addition, there has been a significant reduction in the level of road accidents and the Road Safety service has now been awarded Beacon Status.
- b) **Economic Development:** We have been designated as 1 of 6 Science Cities in the UK. Toyota is making a significant investment in a £10m automotive training facility. The regeneration of the Eastside has commenced, kick-starting a £900m investment.
- c) **Crime & anti-social behaviour:** Gun crime and domestic burglary levels have fallen as a result of concerted action and the latest survey showed that local people feel increasingly safe in the local neighbourhoods. We are continuing to tackle absolute levels of crime and its impact on the reputation of Nottingham.
- d) **Partnership working:** There has been a 'fresh start' for the Local Strategic Partnership, One Nottingham, through a considerable investment of Councillor and senior management time and resources.

4.4 The latest Comprehensive Performance Assessment by the Audit Commission noted that the Council's progress was mixed and recognised the improvements we have made in priority areas. It also acknowledged the developments in the capacity of the Council and our plans to drive further improvement.

The City Council's approach to managing its resources has led to expenditure being contained within its resources, which has required active management, careful monitoring and a clear focus on what matters. We have been able to move over £16 million to resource our priorities, allocating above inflation increases in strategic priority areas.

In the Statement on Internal Control, there is one significant issue to report, relating to the failure of Nottingham City Homes to achieve 2-star status and the subsequent effects for the Council in achieving the Decent Homes Standard. This, together with four other areas of note and the measures put in place to address them, have been set out in the full Statement on Internal Control.

5 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None.

6 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

Accounts and Audit Regulations 2003

Audit Commission CPA 2005 Scorecard

'Strategy for Supporting Improvement' report to Overview and Scrutiny Committee May 11th 2006

**COUNCILLOR MICHAEL EDWARDS
DEPUTY LEADER**