



FYLDE BOROUGH COUNCIL



## Meeting Agenda

**Performance Improvement  
Community Forum  
Lowther Pavilion, Lytham  
24 October 2005, 7.00pm**

# **PERFORMANCE IMPROVEMENT COMMUNITY FORUM**

## **MEMBERSHIP**

CHAIRMAN - Councillor Keith Hyde  
VICE-CHAIRMAN – Councillor John Dolan

### **Councillors**

Derek Lancaster

Fabian Wilson

Albert Pounder

Hilda Wilson

Thomas Threlfall

Contact: Andrew Lee, St. Annes (01253) 658491, Email: [andrewl2@fylde.gov.uk](mailto:andrewl2@fylde.gov.uk)



## **CORPORATE OBJECTIVES**

The Council's investment and activities are focused on achieving our five key objectives which aim to :

- Conserve, protect and enhance the quality of the Fylde natural and built environment
- Work with partners to help maintain safe communities in which individuals and businesses can thrive
- Stimulate strong economic prosperity and regeneration within a diverse and vibrant economic environment
- Improve access to good quality local housing and promote the health and wellbeing and equality of opportunity of all people in the Borough
- Ensure we are an efficient and effective council.

## **CORE VALUES**

In striving to achieve these objectives we have adopted a number of key values which underpin everything we do :

- Provide equal access to services whether you live in town, village or countryside,
- Provide effective leadership for the community,
- Value our staff and create a 'can do' culture,
- Work effectively through partnerships,
- Strive to achieve 'more with less'.



## A G E N D A

### PART I - MATTERS DELEGATED TO COMMITTEE

ITEM	PAGE
<b>1. DECLARATIONS OF INTEREST:</b> <i>In accordance with the Council's Code of Conduct, members are reminded that any personal/prejudicial interests should be declared as required by the Council's Code of Conduct adopted in accordance with the Local Government Act 2000.</i>	4
<b>2. CONFIRMATION OF MINUTES:</b> <i>To confirm as a correct record the Minutes of the Performance Improvement Community Forum held on 19 September 2005.</i>	4
<b>3. SUBSTITUTE MEMBERS:</b> <i>Details of any substitute members notified in accordance with council procedure rule 26.3</i>	4
<b>4. INTERNAL AUDIT INTERIM REPORT 2005/06</b>	5 – 12
<b>5. UPDATE ON CORPORATE PLAN PRIORITY ACTIONS AND IMPLEMENTATION OF THE CPA IMPROVEMENT PLAN</b>	13 – 28
<b>6. EXECUTIVE TEAM APPRAISAL</b>	29 - 32

# REPORT

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF INTERNAL AUDIT	PERFORMANCE IMPROVEMENT COMMUNITY FORUM	24 <sup>TH</sup> OCTOBER 2005	4

## INTERNAL AUDIT INTERIM REPORT 2005/06

### Public/Exempt item

This item is for consideration in the public part of the meeting.

### Summary

To consider the report of the Head of Internal Audit about the work of the internal audit team. It sets out the main elements of service delivery during the first six months of the current financial year.

### Recommendation/s

1. That members are invited to ask questions about the report.
2. That members are requested to determine if they wish to interview any of the unit business managers at a future meeting based on information given in the report.

### Executive brief

The item falls within the following executive brief: Quality Services (Councillor John Coombes)

## **Report**

### **1 Introduction**

1.1 The main purpose of this report is to provide the Community Forum with the opportunity to review the service provided to the Council during the first half of the audit year. In addition, the report sets out some necessary changes to the approved Audit Plan for the year.

### **2 Assurance on Internal Control**

2.1 In the period from 1<sup>st</sup> April to 30<sup>th</sup> September 2005 seven (7) final reports have been completed and action plans agreed, including one special investigation report. Copies of the reports and action plans are placed in the Members Room on the completion of each review.

2.2 In the Action Plans arising from audit work we categorise recommendations as high, medium or low priority. High indicates a significant control weakness that may lead to material loss, exposure to fraud or failure to meet regulatory requirements. Medium suggests a less important vulnerability not fundamental to system integrity. Low priorities relate to good practice or enhancements to procedures.

2.3 We also measure the overall adequacy and effectiveness of internal control in a system on a five-point scale where a score of 5 means the system is performing particularly well and 1 that the level of control is unacceptable. A score of 4 reflects a system with satisfactory controls and scores of 3 and 2 reflect increasing degrees of the need to improve control.

2.3 Table One shows the category of recommendations identified for each audit completed, together with the assurance rating for the system reviewed.

<b>Audit Area</b>	<b>High Risks</b>	<b>Medium Risks</b>	<b>Low Risks</b>	<b>Assurance Rating</b>
Anti-Fraud & Corruption	0	2	0	4.0
Tendering & Contracts	4	13	6	1.8
Council Tax*	0	1	2	4.6
Sundry Debtors*	0	6	10	2.9
Special Investigation <sup>1</sup>	2	1	4	-
Housing Benefits*	0	0	1	4.9
Creditors*	0	6	5	3.0
<b>Total</b>	<b>6</b>	<b>29</b>	<b>28</b>	<b>3.5</b>

\* Main Financial System

2.4 For those systems reviewed by Internal Audit in the first half of 2005/2006 the average assurance score was 3.5 on the scale of 1 to 5. The average score to date shows a positive improvement over last year. The main financial systems completed so far had also improved year on year from an average score of 3.4 to 3.9. This indicates that the framework of control is satisfactory with controls operating satisfactorily.

2.5 The assurance rating takes account of both the current audit review combined with the findings of any follow up work. Clearly significant recommendations accepted by management but not implemented would have a negative impact on the overall level of assurance provided by the system.

### 3 Follow-up Work

3.1 Follow-up reviews are performed to appraise management of post audit actions and provide assurance that audit recommendations have been implemented. Table Two shows the total number of agreed recommendations that were implemented by managers.

Audit Area	R e c o m m e n d a t i o n s		
	Total	Number	%
	Agreed	Implemented	Implemented
Council Tax*	5	4	80%
	19	15	79%
Housing Right to Buy	2	0	0%
Sundry Debtors*	6	4	67%
Credit Income <sup>1</sup>	4	2	50%
Planning/Bldg Regs Income	13	3	23%
Games Site Income	25	18	72%
Creditors*	16	11	69%
Car Parking	11	7	64%
Housing Benefits*	4	4	100%
<b>Total</b>	<b>101</b>	<b>66</b>	<b>65%</b>

\*MAIN FINANCIAL SYSTEM

<sup>1</sup>FRAUD & CORRUPTION MODULE (NOT FULL SYSTEM REVIEW)

3.2 Ten (10) follow-up reviews have been completed to 30 September. The overall implementation rate to date has improved from 56% during 2004/05 to 65%. Non-implementation of audit recommendations undermines the adequacy of the control environment and could indicate performance management weakness.

3.3 The follow up of main financial systems in the first half of the year revealed an implementation rate of 74% compared to 61% for other reviews. This situation reflects the impact of more regular auditing on risk and management action.

3.4 In addition to the overall rate, the percentage of high and medium priority recommendations implemented is also measured. Table Three shows the total number of agreed high and medium recommendations that were implemented by managers.

**Table Three: High & Medium Recommendations Implemented**

Audit Area	High Risks		Medium Risks		% Implemented
	Yes	No	Yes	No	
Council Tax	0	0	2	1	67%
Car Allowances & Expenses	2	1	8	0	91%
Housing Right to Buy	0	0	0	2	0%
Sundry Debtors	1	0	1	1	67%
Credit Income	0	0	1	2	33%
Planning/Bldg Regs Income	0	0	1	9	10%
Games Site Income	1	3	8	1	69%
Creditors	0	0	6	4	60%
Car Parking	0	0	4	2	67%
Housing Benefits	0	0	3	0	100%
<b>Total</b>	<b>4</b>	<b>4</b>	<b>34</b>	<b>22</b>	<b>59%</b>

3.5 The percentage of high and medium priority recommendations implemented in the first half of 2004/05 is 59%, which is lower than the overall rate. This possibly indicates a non-systematic approach to implementation.]

#### **4 Internal Control System**

4.1 There is a requirement for the Council to review annually the effectiveness of its system of internal control and to include a statement on internal control with the Council's published accounts. The Regulations require proper, up-to-date, procedures to be followed in accordance with best practice guidance published by the Chartered Institute of Public Finance and Accountancy (the CIPFA Guidance).



4.2 Internal Audit facilitated this process by developing a corporate assurance framework focussed on the key control issues as stated in CIPFA guidance. Auditors assisted senior managers with the preparation of assurance statements and provided advice on internal control. The completed statements were subject to realism checks and used to highlight areas for improvement.

4.3 Management Team and Internal Audit have identified several enhancements to strengthen the system of internal control to provide a generally sound basis for governance, service delivery, financial management and accountability in 2005/06. A joint Governance & Internal Control Action Plan to achieve this was adopted by the Council on 28 July.

## **5 Corporate Governance**

5.1 The Council's corporate governance arrangements provide effective direction and control of the Council's functions, and how the Council relates effectively to the local community. Corporate controls help ensure that policy setting and decision-making are carried out in accordance with the Constitution, and also that the actions of members and officers comply with established policies, procedures, laws and regulations.

5.2 These arrangements are underpinned by the local Code of Corporate Governance approved by the Council in 2004. A detailed review of the Council's arrangements compared to the CIPFA/SOLACE recommended guidance has been carried out within the framework of assurance developed by Internal Audit.

5.3 The audit team facilitated this process in conjunction with the review of internal control. A number of improvements to corporate governance arrangements have been identified and included in the joint Action Plan. Section Five above provides more detail about the joint Action Plan and the role of internal audit in the process.

## **6 Performance Management**

6.1 The Council's performance is monitored in part by Best Value Performance Indicators (BVPs), which are published annually in the Corporate Performance Statement. These are the clearest means of comparing Fylde's performance with that of other similar Councils throughout the country.

6.2 The audit team is closely involved in the detailed verification of the information, data and calculations supporting the published figures. This work is carried out on behalf of the Audit Commission and scrupulous independence must be maintained throughout the exercise. The input from Internal Audit resulted in the most accurate publication of performance indicators to date.

## **7 FRAUD & SPECIAL INVESTIGATIONS**

7.1 During the first half of the year the audit team undertook three investigations into allegations of fraud against members of staff. Two of the cases remain ongoing. The completed investigation showed no grounds for disciplinary action; however, six recommendations to improve security were made to management. Internal audit was also involved in one further case, which ultimately could not proceed.

7.2 So far in 2005/06 about 14 days have been taken up dealing with reactive fraud work. This compares with a total of 17 days spent on fraud in 2004/05 and 15 days in 2003/34.

Clearly the amount of fraud work required is not predictable and its impact on the audit plan can be considerable.

## 8 LOCAL PERFORMANCE INDICATORS

8.1 Three local performance indicators for internal audit have been adopted and form part of the Overview & Scrutiny Unit service plan. Table Four sets out the PIs adopted as part of the service plan and the situation after six months:

**Table Four: Internal audit performance indicators**

Performance Indicator	Actual 2004/5	Target 2005/6	Actual to 30/9/05
% completion of the Audit Plan	94%	90%	51%
% of audit recommendations implemented by managers	55%	70%	65%
% of audit work good or excellent	100%	96%	100%

8.2 The implementation of audit recommendations by managers has improved in the first half of this year although there is still a need for further improvement to reach an ambitious target for the year. Section Four above provides detailed background information about this PI.

## 9 Annual Plan

9.1 The Performance Improvement Community Forum approved the Internal Audit Plan for 2005-06 at the meeting on 17th March 2005. At the conclusion of six months the percentage of the plan completed was 50.7% adjusted for time saved and approved extensions.

9.2 The Internal Audit team consists of four employees – three full time and one working four days per week. The Annual Plan for 2005/06 allowed for 685 days to be spent on audit work after deductions for holidays, training, election duties and an allowance for sickness.

9.3 One member of the team is taking maternity leave from mid-October 2005 for 6 months. However, the auditor currently working 4 days is willing to work full time for the duration of maternity leave. The net result of the above means the total time available for the year will be around 600 days.

9.4 An assessment of the work to separate essential tasks from desirable has been undertaken with the results set out in Table Five.

**Table Five: Audit Plan 2005/06**

Type of Audit Work	Original	Revised	Change +/-
	Plan	Plan	
Audit Section Management & Admin	180	168	-12
Fundamental Financial Systems	160	182	+22
Other Financial Systems	81	64	-17
Non-Financial Systems	21	13	-8
Corporate Governance	24	24	-
Performance Management	34	27	-7
Establishment Audit	10	-	-10
IT Audit	2	2	-
Contract Audit	3	3	-
Fraud & Corruption	24	9	-15
VFM/Management Audit	38	-	-38
Other Audit Work	37	37	-
General Advice	16	16	-
Reactive Audit/Contingency	55	55	-
<b>Totals</b>	<b>685</b>	<b>600</b>	<b>-85</b>

9.5 The principles behind the alteration to the Plan are to undertake all work on fundamental financial systems and all follow-up audits. In addition, work relating to governance, performance management and IT will also be completed in full.

9.6 The most significant savings in time will be achieved by rescheduling some less significant audits performed on a cyclical basis, postponing a review of the HB/CTB Performance Standard in relation to fraud and deferring an establishment 'remote site' audit planned for Lowther Pavilion.

9.7 Work in the VFM/Management category is essentially of a discretionary nature and can also be postponed, although some aspects are being looked at as part of other audit reviews. Finally an exercise mapping the major systems now needs to take place across two audit years with a resultant saving in time.

## IMPLICATIONS

Finance	Section 151 officer has responsibility for maintaining an effective internal audit.
Legal	No further implications arising from the report
Community Safety	No further implications arising from the report
Human Rights and Equalities	No further implications arising from the report
Sustainability	No further implications arising from the report
Health & Safety and Risk Management	No further implications arising from the report

REPORT AUTHOR	TEL	DATE	DOC ID
Savile Sykes	(01253) 658413	9 <sup>th</sup> October 2005	Audit six month report Oct 05

LIST OF BACKGROUND PAPERS		
NAME OF DOCUMENT	DATE	WHERE AVAILABLE FOR INSPECTION
Interim internal audit report 2005/06	N/A	All background papers or copies can be obtained from Savile Sykes – Head of Internal Audit on 01253 658413 or e-mail <a href="mailto:saviles@fylde.gov.uk">saviles@fylde.gov.uk</a>

### Attached documents

None

# REPORT



REPORT OF	MEETING	DATE	ITEM NO
OVERVIEW AND SCRUTINY BUSINESS UNIT	PERFORMANCE IMPROVEMENT FORUM	24 <sup>TH</sup> OCTOBER 2005	5

## UPDATE ON CORPORATE PLAN PRIORITY ACTIONS AND IMPLEMENTATION OF THE CPA IMPROVEMENT PLAN

### Public/Exempt item

This item is for consideration in the public part of the meeting.

### Summary

The report and its attachment set out the progress to date of implementing the actions contained within the Corporate Plan and the implementation of the CPA Improvement Plan.

### Recommendation/s

1. Members note the progress to date.
2. Members select any areas of the Corporate Plan or CPA Improvement Plan they feel is unlikely to meet agreed targets to return to the Forum with a corrective action plan.
3. Members to consider a small random number of areas in which they would like to see further evidence of how targets are being met.

### Executive brief

The item falls within the following executive brief: Quality Services (Councillor John Coombes)

## **Report**

1. Appendix 'A' contains the current position of how the Council is progressing towards its targets as set out in the Corporate Plan and the CPA Improvement Plan.
2. It is the task of members to scrutinise the improvements that are being made and to judge whether or not they are progressing sufficiently to enable the targets to be met.
3. If members feel that certain areas of the plans are unlikely to meet their targets it would be beneficial to request corrective action plans from the responsible Business Units. A corrective action plan should contain the reason for under performance and more importantly should explain how through increased efforts the target will be successfully met. Within the respective action plans a realistic timescale should come before members to ensure progress can be monitored at the relevant Community Forum.
4. Members may also wish to consider requesting further evidence from relevant Business Units to demonstrate how they are meeting the targets. The areas chosen would not be on the grounds of concerns surrounding performance but more focused on bringing evidence to the Forum to demonstrate the methods which have been employed to bring about the improvements. The evidence which may come back to the Forum may be documents such as individual service Plans.
5. Using the above method in paragraph four, there is the possibility members may find areas of good practice that could be highlighted to other areas in the Council to emulate.

<b>IMPLICATIONS</b>	
Finance	No direct implications arising from the report.
Legal	No direct implications arising from the report.
Community Safety	No direct implications arising from the report.
Human Rights and Equalities	No direct implications arising from the report.
Sustainability	No direct implications arising from the report.
Health & Safety and Risk Management	No direct implications arising from the report.

REPORT AUTHOR	TEL	DATE	DOC ID
Oliver Shimell	01253 658423	11 <sup>th</sup> October 2005	Corporate Plan and CPA Improvement Plan Update

LIST OF BACKGROUND PAPERS		
NAME OF DOCUMENT	DATE	WHERE AVAILABLE FOR INSPECTION
None	N/A	N/A

**Attached documents**

Appendix 'A' - Corporate Plan and CPA Improvement Plan Update

## PRIORITY ACTIONS FOR 2005/06

### Six Month Update

<b>CORPORATE OBJECTIVE</b>		<i>Conserve, protect and enhance the quality of the Fylde natural and built environment.</i>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>HIGH PRIORITIES</b>					
ENV1	<ul style="list-style-type: none"> <li>▪ Maintain 'clean and green' public spaces.</li> </ul>	SS	ENV	To achieve and maintain top-quartile position on BVPI 199. Programme agreed and resources approved via E C after Community Forum consultation.	BVPI 199 currently in top quartile.
ENV2	<ul style="list-style-type: none"> <li>▪ Produce a programme of tree planting throughout the Borough</li> </ul>	CS	ENV		
ENV3	<ul style="list-style-type: none"> <li>▪ Develop a sea defences and dunes management Action Plan for the Borough.</li> </ul>	SS	ENV	Agree a 10 – 15 year Action Plan with identified funding streams.	Coastal Defence Management Plan complete – due to be presented to Executive in Oct 2005. Sand Dunes Management Plan adopted by Exec in May 2005



<b>CORPORATE OBJECTIVE</b>		<b><i>Conserve, protect and enhance the quality of the Fylde natural and built environment.</i></b>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>SECONDARY PRIORITIES</b>					
ENV4	<ul style="list-style-type: none"> <li>Increase the number of "Friends of Parks" groups.</li> </ul>	CS	ENV	4 'Friends of Parks Groups' in operation.	Currently 5 'Friends of Parks Groups' in operation. 1 Friends group being set up
ENV5	<ul style="list-style-type: none"> <li>Implement stage 3 of the Recycling4Fylde programme</li> </ul>	SS	ENV	Recycle 32% of household waste.	Current recycling rate of 32% - annual target will be exceeded.
ENV6	<ul style="list-style-type: none"> <li>Support the work of the Fylde Vision Environmental Enhancement &amp; Protection Working Group</li> </ul>	BE	ENV	Implementation of 05/06 actions allocated to FBC within the action plan of the Working Group.	Relevant FBC staff are engaged with the LSP Working Groups and assisting with the implementation of Action Plans.

<b>CORPORATE OBJECTIVE</b>		<b><i>Work with Partners to help maintain safe communities in which individuals and businesses can thrive.</i></b>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>HIGH PRIORITIES</b>					
SAF1	<ul style="list-style-type: none"> <li>Support the work of the Fylde Vision Community Safety (CS) Partnership.</li> </ul>	EWR	COMM	Achievement of year one targets detailed in the adopted CS Strategy.	Relevant FBC staff are engaged with the LSP Working Groups and assisting with the implementation of Action Plans.
SAF2	<ul style="list-style-type: none"> <li>Report on the feasibility of appointing Community Wardens / Support Officers</li> </ul>	EWR	COMM	Feasibility report/options appraisal presented to E. C.	Feasibility work scheduled into workplan of P&SRCF.
SAF3	<ul style="list-style-type: none"> <li>Develop a programme for evaluating street lighting standards in public areas and identify priority areas for improvement.</li> </ul>	SS	COMM	Street Lighting Standards adopted and published.	Work scheduled for winter period.
SAF4	<ul style="list-style-type: none"> <li>Evaluate the effectiveness of and need for additional CCTV facilities.</li> </ul>	EWR	COMM	Evaluation report/options appraisal presented to EC.	Proposed CCTV strategy scheduled for consideration by January 2006.
SAF5	<ul style="list-style-type: none"> <li>Consider extending the coverage of alcohol exclusion zones.</li> </ul>	CWP	LIC	Evaluation report / options appraisal presented to LC.	Potential areas currently under consideration by CSP.

<b>CORPORATE OBJECTIVE</b>		<i>Work with Partners to help maintain safe communities in which individuals and businesses can thrive.</i>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>SECONDARY PRIORITIES</b>					
SAF6	<ul style="list-style-type: none"> <li>Complete the audit of the Council's formal partnerships.</li> </ul>	O & S	CO	All scheduled audits undertaken and proposals reported to EC via Community Forums	All Formal Partnerships reviewed through the Community Outlook Forum. Reported to the EC in July.
SAF7	<ul style="list-style-type: none"> <li>Implement the action plan of the review of services for young people</li> </ul>	CS	YP	To implement the actions detailed in the BV Review Improvement Plan and develop a Youth Strategy with key partners.	First meeting of the new Youth Panel – end July

<b>CORPORATE OBJECTIVE</b>		<b><i>Stimulate strong economic prosperity and regeneration within a diverse and vibrant economic environment.</i></b>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
<b>HIGH PRIORITIES</b>		<b>UBM</b>	<b>LEAD MEMBER</b>		
EW1	<ul style="list-style-type: none"> <li>Review the Council's Economic Development Strategy including a consideration of rural economic diversification.</li> </ul>	EWR	DL	Review completed via PSRF and new five- year E D Action Plan adopted.	Scheduled in work programme of PSRF from December 2005.
EW2	<ul style="list-style-type: none"> <li>Implement the selected actions from the leisure trust options appraisal</li> </ul>	CS	ENV	FBC Swimming pools transferred to a Leisure Trust operator.	Feasibility discussions with YMCA are continuing.
EW3	<ul style="list-style-type: none"> <li>Develop a car parking management strategy.</li> </ul>	SS	ENV	On-street and off-street parking management Action Plan adopted.	Complete - Fylde Car Park Strategy presented to and adopted by Exec. in June 2005
EW4	<ul style="list-style-type: none"> <li>Completion of the 'Classic Resort' delivery plan.</li> </ul>	EWR	DL	Delivery Plan developed via PSRF and confirmed by EC.	Work proceeding on defining the brand values. Enlisting support of strategic funding partners proceeding.
EW5	<ul style="list-style-type: none"> <li>Revise the Asset Management Plan.</li> </ul>	EWR	L	Plan revised & adopted by EC	Work proceeding on defining the brand values. Enlisting support of strategic funding partners proceeding.
EW6	<ul style="list-style-type: none"> <li>Produce an implementation plan for the Kirkham Market Town Initiative.</li> </ul>	EWR	DL	Plan developed via COF and confirmed by EC.	Work commenced. New partnership formed. Funding approved by LSP.

<b>CORPORATE OBJECTIVE</b>		<b><i>Stimulate strong economic prosperity and regeneration within a diverse and vibrant economic environment.</i></b>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>SECONDARY PRIORITIES</b>					
EW7	<ul style="list-style-type: none"> <li>Investigate and develop a 'Passport to Leisure' scheme.</li> </ul>	CS	QofL	Pilot "Passport to Leisure" scheme in place.	Pilot scheme introduced during August 2005.
EW8	<ul style="list-style-type: none"> <li>Undertake an evaluation and risk assessment of establishing a Fylde Property Company.</li> </ul>	L&DS	L	Options appraisal and business case presented to E C.	Scoping meeting held with relevant Members.
EW9	<ul style="list-style-type: none"> <li>Review the Council's Cultural Strategy (Arts, Tourism, Parks, Sports).</li> </ul>	CS	QofL	Review of strategies undertaken through P & S R Community Forum.	Internal Strategy Review team established to prioritise issues.
EW10	<ul style="list-style-type: none"> <li>Support the work of Fylde Vision Enterprise and Employment Working Group</li> </ul>	EWR	DL	Implementation of 05/06 actions allocated to FBC within the action plan of the Working Group.	Relevant FBC staff are engaged with the LSP Working Groups and assisting with the implementation of Action Plans.

<b>CORPORATE OBJECTIVE</b>		<i>Improve access to good quality local housing and promote the health and wellbeing and equality of opportunity of all people in the Borough.</i>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>HIGH PRIORITIES</b>					
HH1	<ul style="list-style-type: none"> <li>Complete the review of housing policies within the Forward Planning regime.</li> </ul>	BE	QofL	New forward planning housing policies examined in public and published.	Inquiry now completed. Inspector's Report received.
HH2	<ul style="list-style-type: none"> <li>Implementation of the Council's Housing Strategy.</li> </ul>	BE	QofL	Implementation of the actions planned for 05/06. (cross-ref. Housing Strategy)	The updated strategy now adopted. Awaiting confirmation from GONW that it is 'fit for purpose'
HH3	<ul style="list-style-type: none"> <li>Review the Council's role in Countryside Recreation.</li> </ul>	CS	QofL	Evaluation report / options appraisal presented to the PSRF.	Scheduled in work programme of PSRF from December 2005.

<b>CORPORATE OBJECTIVE</b>		<i>Improve access to good quality local housing and promote the health and wellbeing and equality of opportunity of all people in the Borough.</i>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
<b>SECONDARY PRIORITIES</b>		<b>UBM</b>	<b>LEAD MEMBER</b>		
HH4	<ul style="list-style-type: none"> <li>Establish a Home Improvement Agency.</li> </ul>	BE	QofL	Agency established with SLA & output targets.	
HH5	<ul style="list-style-type: none"> <li>Implement the Homelessness Strategy.</li> </ul>	BE	QofL	Implementation of the actions planned for 05/06. (cross-ref. Homelessness Strategy)	
HH6	<ul style="list-style-type: none"> <li>Support the action plan of the LSP Health &amp; Wellbeing Working Group</li> </ul>	CWP	QofL	Implementation of the FBC actions allocated within the Action Plan.	

<b>CORPORATE OBJECTIVE</b>		<b>Ensure we are an efficient and effective council.</b>			
<b>KEY ACTION</b>		<b>'SMART' Performance Measures</b>			
		<b>RESPONSIBILITY</b>		<b>YEAR-END TARGET</b>	<b>CURRENT POSITION</b>
		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>HIGH PRIORITIES</b>					
EE1	<b>Implement the CPA Improvement Plan</b>				
EE1a	a) <u>Community Engagement &amp; Leadership</u>				
	<ul style="list-style-type: none"> <li>▪ Work with LSP partners to establish a Citizens Panel which recognises community diversity, social inclusion and service access for hard to reach groups</li> </ul>	PCM	COMM	Citizens Panel in place. Research project completed to ensure we engage fully with communities, including 'hard to reach' groups.	Agency appointed in July to develop this.
EE1b	<ul style="list-style-type: none"> <li>▪ Implement an Equality &amp; Diversity training programme for staff and Councillors.</li> </ul>	PCM	L	75% staff & Members trained.	100% staff completed. Not compulsory for members.
EE1c	<ul style="list-style-type: none"> <li>▪ Work with LSP partners to facilitate an annual 'Listening Day' event.</li> </ul>	PCM	COMM	Results from Listening Day used to inform 2006/07 plans & budgets.	Listening Day held on 25 <sup>th</sup> August. Results being collated
EE1d	<ul style="list-style-type: none"> <li>▪ Support the development of LSP web pages and provide linkage from FBC website.</li> </ul>	PCM	CENG	LSP Web pages complete and links in place.	LSP investigating use of Lancashire Portal (due on line in autumn).
EE1e	<ul style="list-style-type: none"> <li>▪ Facilitate routine feedback forums with Town and Parish Councils.</li> </ul>	ED	PAR	Minimum 5 parish liaison meetings held.	3 meetings held to date.
EE1f	<ul style="list-style-type: none"> <li>▪ Evaluate the effectiveness of the new Customer Contact Points.</li> </ul>	PCM	CENG	Evaluation report considered by EC and customer contact satisfaction standards adopted.	Evaluation in progress.



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<b>HIGH PRIORITIES</b>					
EE1g	<ul style="list-style-type: none"> <li>▪ Annual reports submitted to COF by all Members representing FBC on external bodies.</li> </ul>	O&S	COF	70% of scheduled reports presented.	Audit of member representation on outside bodies included in O&S work programme
EE1h	<ul style="list-style-type: none"> <li>▪ Revise the format of Full Council meetings</li> </ul>	LDS	L	Amended Constitution agreed.	Constitution amended. First new format council meeting held July 2005.
EE1i	b) <u>Councillor Engagement</u> <ul style="list-style-type: none"> <li>▪ 'State of the Council' discussion time-tabled in Council workplan.</li> </ul>	LDS	L	Debate scheduled in Council workplan.	Format to be clarified. Scheduled for October.
EE1j	<ul style="list-style-type: none"> <li>▪ Implement the Member Training and Development and Capacity Building Programmes (cross-ref.)</li> </ul>	ED	TDSG	90% of programmes implemented.	Completed. Evaluation to take place in September.
EE1k	<ul style="list-style-type: none"> <li>▪ Revise Member briefing arrangements.</li> </ul>	LDS	L	Less than 10% Committee reports taken as late items.	New briefing arrangements now in place.
EE1m	<ul style="list-style-type: none"> <li>▪ Revise the Media Policy.</li> </ul>	PCM	CENG	Revised policy adopted and supported by political groups.	Comm's Officer working with PSRCF to revise the policy. Due by end of Sept.

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		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>HIGH PRIORITIES</b>					
	<u>c) Corporate Planning &amp; Performance Management</u>				
EE1n	<ul style="list-style-type: none"> <li>▪ Embed the new Performance Management Framework (PMF).</li> </ul>	DCE	PIF	Nil errors on BVPI returns. 95% BVPI data provided on time.	June 30 <sup>th</sup> deadline achieved. Data currently being assessed.
EE1n	<ul style="list-style-type: none"> <li>▪ Implement the revised staff development and appraisal (SDA) scheme.</li> </ul>	PCM	PIF	90% staff able to identify links between SDA & PMF.	Revised SDA being rolled out.
EE1o	<ul style="list-style-type: none"> <li>▪ Timetable the Corporate Plan review and budget setting framework for 2006/07 within workplans.</li> </ul>	ED	L	Actions scheduled in workplans.	Planning Cycle agreed.
EE1p	<ul style="list-style-type: none"> <li>▪ Implement the Capacity Building Programme as it relates to Management Team &amp; middle managers.</li> </ul>	ED	L	Minimum 4 'working together' days held.	2 Events held by end of July.
EE1q	<ul style="list-style-type: none"> <li>▪ Revise the Intranet as a recognised source of corporate information and reinforce the role of the Corporate Communications Group.</li> </ul>	PCM	L	Intranet revamped – 80% staff confidence in content.	Intranet launched. Employee survey due in Nov 2005 to determine confidence %.
EE1r	<ul style="list-style-type: none"> <li>▪ Implement efficiency improvements agreed during the 2005/06 budget preparations.</li> </ul>	F	PIF	Achievement of all proposed improvements.	Implementation of proposed improvements tracked monthly by Mgmt Team.
EE1s	<ul style="list-style-type: none"> <li>▪ Undertake the market analysis of services agreed by Management Team.</li> </ul>	DCE	PIF	80% of analyses complete.	
EE1t	<ul style="list-style-type: none"> <li>▪ Evaluate partnership-working opportunities with Wyre B.C.</li> </ul>	DCE	L	Framework partnership agreement adopted.	E.C. approval given in May to partnership protocol.

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		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>HIGH PRIORITIES</b>					
EE2	<ul style="list-style-type: none"> <li>▪ Implement the Council's new accommodation project.</li> </ul>	DCE	L	Contracts let for construction of 'back office' and civic suite.	Project & Design team appointed. Planning permissions applied for.
EE3	<ul style="list-style-type: none"> <li>▪ Evaluate the impact and feasibility of 'equitable council taxation'</li> </ul>	F	L	Impact report considered by E C after community consultation.	Scheduled for 28 <sup>th</sup> October.
EE4	<ul style="list-style-type: none"> <li>▪ Deliver against the Council's IEG Statement.</li> </ul>	PCM	L	Delivery plan agreed & delivery of relevant LPSA target.	Quarterly reports to Members give current situation.
EE5	<ul style="list-style-type: none"> <li>▪ Implement the Council's Health &amp; Safety policy framework.</li> </ul>	CWP	L	95% of quarterly audit reports in place.	Risk assessment register now held corporately, with quarterly monitoring due for implementation September 2005.

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		<b>UBM</b>	<b>LEAD MEMBER</b>		
<b>SECONDARY PRIORITIES</b>					
EE6	<ul style="list-style-type: none"> <li>Facilitate the production of Customer Charters for the Council's front-line services.</li> </ul>	PCM	COMM	75% of operational sections with customer charters in place.	Audit being carried out.
EE7	<ul style="list-style-type: none"> <li>Develop a programme of customer satisfaction surveys for front-line Council services.</li> </ul>	PCM	CENG	50% of operational services to have undertaken customer satisfaction surveys.	Audit being carried out.

# REPORT



REPORT OF	MEETING	DATE	ITEM NO
HUMAN RESOURCES MANAGER	PERFORMANCE IMPROVEMENT COMMUNITY FORUM	24 <sup>TH</sup> OCTOBER 2005	6

## PERFORMANCE APPRAISAL SCHEME FOR THE CHIEF EXECUTIVE AND EXECUTIVE DIRECTORS

### Public item

This item is for consideration in the public part of the meeting.

### Summary

The development and implementation of a formal performance appraisal scheme for the Chief Executive and Executive Directors.

### Recommendation/s

1. That the Committee approve the development and implementation of a performance appraisal scheme for the Chief Executive and Executive Directors

### Executive brief

The item falls within the following executive brief: Quality Services (Councillor John Coombes).

### Report

1. Scope of the Scheme – The scheme is intended to apply to the Council's Chief Executive and Executive Directors but it may be applied to other Council posts covered by the JNC for Chief Officers.
2. Purpose of the Scheme – The scheme is designed to enable the measurement and recognition of individual and team performance. It is intended to provide guidance about poor performance but it is not a replacement for the Council's arrangements for managing poor performance or conduct.

3. Operation of the Scheme – The scheme is designed to be used throughout the working year and to provide guidance on the performance management of the officers covered by the scheme. The scheme is not meant to be prescriptive and amendments to its operation that stay within the spirit of the scheme are allowed providing they are agreed between the parties. No party to the scheme should become involved in performance management or measurement until they have been trained in the operation of the scheme.
4. Relationship with other Council procedures – This scheme relates to the Council's arrangements for capability and conduct. Nothing in the scheme should be taken to alter those arrangements unless it is explicitly provided in the scheme and accepted by those covered as a replacement for current practice. No recourse to the Council's grievance procedure is recognised for decisions taken using the scheme.
5. Monitoring and review of the scheme – The scheme will be monitored each year to ensure that it delivers an effective framework for performance management of those officers covered by the scheme. The Human Resources Manager together with the Independent Adviser will conduct the monitoring and review of the scheme and will recommend amendments as required to the Appraisal panel.
6. Independent facilitation and advice – The Council has asked the Employers Organisation for Local Government that provides a consultancy service on pay, performance and job evaluation to provide independent facilitation and advice in respect of the scheme. Richard Penn, a Senior Associate Consultant with the Employers Organisation, has been assigned to provide this support which will include:
  - Assisting with the development and implementation of the Scheme
  - Assisting with the monitoring and review of the Scheme
  - Advising on the application of the Scheme
  - Attending meetings of the Member Appraisal Panel

Once the scheme is established it is estimated that the support will require between six and eight consultancy days each year.

## 7. Operation of the Scheme

May each year Chief Executive and the Executive Directors agree performance objectives, individual/corporate targets and performance measures for the coming twelve months with the Member Appraisal Panel (Leader, Deputy Leader, Leader of the Opposition and two Community Forum Chairs, to include one opposition Chair).

Late July First meeting of the Member Appraisal Panel to monitor progress.

September/October Mid year appraisal review by Member Appraisal Panel.

January/February Second meeting of Member Appraisal Panel to monitor progress

May End of year appraisal meeting of Member Appraisal Panel/agreement of performance objectives/targets and performance targets for the coming twelve months.

8. **Setting Performance Objective** – The scheme requires measurement of performance against ‘service’ and ‘corporate’ objectives. Service objectives should be derived from the Council’s Corporate Plan and priorities. The officers covered by the scheme should identify no more than five such key objectives that they consider they will be able to contribute to over the following twelve months and these key objectives should then be agreed with the Member Appraisal Panel. Members need to play a key part in the determination of the top team’s performance objectives and the monitoring of service development and delivery should also be the subject of member attention. The scheme recognises that the Chief Executive and Executive Directors are also required to provide support and contribution on Council wide improvement. Individual contribution to corporate performance should be identified and measured as part of the scheme. Each officer should also be appraised on their individual contribution to three key corporate objectives agreed with the Member Appraisal Panel.
9. **Objectives** – Objectives must reflect the corporate and service objectives of the Council. The scheme requires that tasks be identified for each objective. Whilst objectives may be broad the identification of tasks enable the appraisee and the appraisers to be clear about what is required, when it is to be achieved and the standard required expressed as either ‘outputs’ or ‘outcomes’. The scheme also provides an opportunity to state performance measures/outputs for each task.
10. **Monitoring and reviewing objectives** – The achievement of service and corporate performance objectives is likely to result from a series of contributing factors, some of which will be in the control of the appraisee, others of which will not. In monitoring performance against objectives it is important to identify that which is to be directly controlled and that over which the appraisee is expected to exert influence.  
  
Members will be involved in the monitoring of performance throughout the year. It is important that these occasions are used to maximum advantage.
11. **Sources of performance data** – The scheme provides for self-assessment as a key part of the process. Appraisees are required to collect evidence of performance against the objectives. Appraisers are free to ask for data to be made available by the appraisees for the purpose of appraisal. As a general rule appraisers should avoid too great a reliance on hearsay and anecdotal evidence. Instead, issues relating to performance should be discussed and based on objective, job related and evidenced data. A mixture of quantitative and qualitative data should be used. The appraisal documentation will include provision to record performance indicators whether local or national. Corporate and individual indicators of success are also included.
12. **Documentation** – The scheme is based on standard forms for recording agreed individual and corporate objectives and for measuring performance.
13. **Poor performance** – The scheme is designed to provide a basis for personal improvement and development. A part of the process requires that appraisee identify areas for improvement. The primary aim of the scheme is to support improved performance by a variety of developmental activities. In some cases opportunities for improved performance will be less apparent. Regular discussion and monitoring about service and individual objectives throughout the year should ensure that such occurrences are not a surprise for any of the parties involved. Recourse to disciplinary action may be required in extreme circumstances and are governed by separate procedures.

14. Confidentiality – The detail of individual appraisals will remain confidential between the appraisee and the appraisers. Discussions at the Member Appraisal Panel are held in closed session with the press and public excluded under the Local Government Act.

<b>IMPLICATIONS</b>	
Finance	There are no direct Financial implications.
Legal	There are no direct Legal implications.
Community Safety	There are no direct Community Safety implications.
Human Rights and Equalities	There are no direct HR/Equalities implications.
Sustainability	There are no direct Sustainability implications.
Health & Safety and Risk Management	There are no direct H&S/Risk implications.

REPORT AUTHOR	TEL	DATE	DOC ID
Lorraine Charlesworth	(01253) 658587	17 <sup>th</sup> October 2005	

LIST OF BACKGROUND PAPERS		
NAME OF DOCUMENT	DATE	WHERE AVAILABLE FOR INSPECTION
None	N/A	N/A