



Corporate Performance Plan

2006 - 2007

LANCASTER CITY COUNCIL
Promoting City, Coast & Countryside



Our Key
Improvements &
Performance



CORPORATE PERFORMANCE PLAN:

A story of improvement:

In the financial year 2005/06 Lancaster City Council continued to consolidate its position as an improving authority.

This is the opinion of the Audit Commission, an independent external body whose dual function is both to regulate local authorities and provide them with the support they need to improve for the benefit of the communities they serve. In his Annual Letter (March 2006) the District Auditor said that in the past year, “the City Council has continued to address areas of weakness identified in the Corporate Performance Assessment in 2004” leading to “improved outcomes” and “improving service delivery”.

We are confident that we will continue to rise to the improvement challenge. This document is a key element of improving the management of our performance and making sure we always focus on what matters.

This element of the Corporate Plan – **The Corporate Performance Plan** highlights our key improvements over the last year. The following information supports the ‘what’ and ‘how’ outlined in the main Corporate Plan and meets the statutory duty of the Council to produce an annual **Best Value Performance Plan**. In order to clearly link what we have achieved to what we want to achieve, the content relates to the Council’s specific priorities and improvement objectives

It includes the following information:

1	Our progress over the past year
	What the Auditor said
	<ul style="list-style-type: none">❑ Improvement progress❑ Further Action
	Improvements we have made that our customers will have noticed
	<ul style="list-style-type: none">❑ To deliver value for money customer focussed services❑ To make our district a cleaner and healthier place.❑ To reduce crime and the fear of crime❑ To lead the regeneration of the District❑ To support sustainable communities
	Improvements we have made which are less visible to the public
	<ul style="list-style-type: none">❑ To continue to improve the Council
2	Corporate Governance
	<ul style="list-style-type: none">❑ Statement on Internal Control and Corporate Governance❑ Annual Statement of Contracts❑ Corporate Commitment to data quality❑ Gershon efficiencies
3	Review to Improve Programme
	<ul style="list-style-type: none">❑ Current Review and Recent Inspection – Waste Management Inspection❑ Access to Services – Inspection Findings and the Way Forward
4	Performance Information –
	<ul style="list-style-type: none">❑ Lancashire Local Area Agreement❑ Local Public Service Agreement (LPSA) – final update❑ Corporate Improvement Plan❑ Detailed Performance Tables - relating to all statutory BVPI's and local performance indicators

1. Our progress over the last year

What the Auditor said.....

Improvement - The auditor highlighted particular areas of progress:-

- A consistent vision and clear priorities are providing good strategic direction and attracting the commitment of Councillors, staff and partners
- The Council has an ambitious annual plan which demonstrates a strong commitment to achieving better outcomes for the community. There is a clear recognition and understanding of the improvement needed*
- Firm political and managerial leadership is setting a clear strategic direction and decision making processes are more streamlined and transparent
- The Council's financial situation continues to strengthen and a sound financial base for the Council's future has been maintained. Risk management is becoming effectively embedded within management processes. Low levels of Council tax increases have been maintained.
- Strengthened internal structures are supporting better analysis of weak areas so that the Council can focus its efforts and resources more efficiently.
- Improved outcomes in targeted service areas such as benefits, planning, housing and customer access.

Future action –the auditor said the Council needs to:

- Continue to focus on the outcomes in our high level improvement plan
- Ensure that improved consultation and engagement arrangements are applied consistently across the organisation
- Further improve arrangements for risk management
- Address those areas which are of the greatest concern to our communities (such as cleanliness of streets and open spaces)
- Develop a more sophisticated approach to identifying public satisfaction with the Council and identify underlying causes for dissatisfaction and take appropriate action

* A comprehensive update on the Council's progress in relation to the ambitious Improvement Plan may be found in [Section 4](#) of this document.

Improvements we have made that our customers will have noticed.....

Evidence of corporate and service improvement is provided by a mixture of 'hard' measures such as external inspections and performance indicators, and 'softer' more qualitative evidence such as user satisfaction and public perception. The following information relates to our progress in meeting our priorities over the last year.

Value for Money, Customer Focussed Services

- Lowest Council Tax rise in seven years (4.5%)
- Our well received council magazine 'Your District Council Matters' takes council news and useful information into every home in the district
- The Council's website continues to improve with the latest Society of Information Technology Management (SOCITM) awarding maximum points for local news provision.
- A new electronic consultation website has been launched enabling citizens to become more involved in democratic processes. We have also set up a Consultation Register so that we can better understand the needs of our communities.
- Customers are now able to submit and pay for Planning applications on line, to track current applications, to view applications and submit comments
- Following a successful pilot the Customer Service Centre will continue to expand making it easier than ever for our customers to access our services by telephone.
- Our Revenues and Benefits service has recently been awarded a Charter Mark, highlighting the excellent service offered to our customers.

A Cleaner and Healthier District

- Significant improvements in the way we handle customer requests for environmental services through the Customer Service Centre
- Improved our Bulky waste collection service by working in partnership with Furniture Matters – through the same innovative project we aim to re-use up to 40% of bulky waste in the next year
- Roll out 3 stream waste to 10,000 more properties over 30,000 properties now on the scheme
- Recycling rates in the District continue to improve, by the end of the year we estimate that 25% of household waste collected will be recycled
- Anti Litter Action Plan
- District selected to be targeted by Department of Food and Rural Areas (DEFRA's) summer anti-chewing gum campaign

- Lancaster is one of six towns chosen for Cycling Demonstration Town Status – with the aim to double the rate of utility cycling over three years
- Successfully hosted the Youth Games
- Begun a four year programme of improvements to children’s playgrounds across the district

Crime and the Fear of Crime

- The Community Safety Partnership (CSP) has purchased cigarette stub plates for litter bins
- The popular Warden schemes, the mobile service and those located in the West End and Poulton are to be integrated into the Police Community Safety Officer (PCSO’s) scheme to secure their future.
- Four PCSO’s are focussing on the safer cleaner greener agenda
- The district benefited from extra street lighting of £40,000 due to a successful bid from the CSP
- Successful prosecutions for litter offences, offences involving dogs, breaches of planning control and benefit fraud
- All PCSO’s in the District are now trained to issue Fixed penalty notices

Regeneration

- New managed office premises at 4-5 Dalton Square to be known as Citilab. This project commenced on site in May 2005 and is due for completion in July 2006
- Port of Heysham industrial access – nearly 10 acres of serviced industrial land has been opened up at the Port
- Flagship scheme of Luneside East has secured all its external funding after very lengthy and complex negotiations
- Midland Hotel and Central promenade - The refurbishment contract has continued at the Midland and the hotel is on track to open its doors in 2007.

Sustainable Communities

- In the West End of Morecambe, progress is being made with our partners Adactus and English Partnerships in delivering better housing conditions
- Levels of family homelessness have been reduced through partnership with Adactus to provide more temporary accommodation
- We continue to meet the Decent Homes Standard for all Council homes.

Improvements we have made which are less visible to the public.....

Improving the Council

- Maintained Level1+ of the Equality Standard for Local Government
- We have low levels of staff turnover and sickness absence rates continue to reduce
- Work opportunities have been granted to 18 long-term unemployed people via the Job Guarantee initiative
- Formal quality standards continue to be achieved in Council Housing, Benefits, City Contract Services, Tourism and Leisure
- We have improved our performance management arrangements, implementing a revised Performance Management Framework and continue to strengthen arrangements for monitoring and scrutiny
- Once again received a positive 'direction of travel' assessment from the Audit Commission
- Played a full role in the development of Local Area Agreement (LAA) - see Section 4, p19 of this document for more details
- Our staff appraisal systems include monitoring of progress against individual targets and council priorities

2. Corporate Governance

Statement on Internal Control and Corporate Governance 2005/06

SCOPE OF RESPONSIBILITY

Lancaster City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Lancaster City Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk. To this end the Council has adopted a Constitution and Code of Corporate Governance which is consistent with CIPFA/SOLACE¹ framework – *Corporate Governance in Local Government: A Keystone for Community Governance*. A full copy of the Council's Constitution is available on the Council's website.

Regulation 4 of the Accounts and Audit Regulations (2003) requires audited bodies² to conduct a review at least once a year of the effectiveness of its internal control and risk management systems and to publish a statement on internal control (SIC) each year with the financial statements.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

Effective systems of internal control are based on an ongoing risk management process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

¹ The "Chartered Institute of Public Finance & Accountancy" and the "Society of Local Authority Chief Executives."

² Those bodies whose accounts are audited in accordance with Section 2 of the Audit Commission Act 1988
Corporate Performance Plan - June 2006 - -- Corporate Strategy Service

THE INTERNAL CONTROL ENVIRONMENT

The system of internal control has been in place at Lancaster City Council for the year ended 31 March 2006 and up to the date of approval of the annual report and accounts and, except for the details of significant control issues set out in section 5, accords with proper practice.

The following sets out the key elements of the Council's internal control environment:

- The Council has adopted a constitution (recently revised), which sets out how we operate, how decisions are made and the procedures followed to ensure that these are efficient, transparent and accountable to local people.
- The facilitation of policy and decision making, in line with the Council's overall budget and policy framework, is established through the Council's Cabinet, with any key decisions (as defined in the Constitution) outside of this framework being referred to the Council as a whole. The Council publishes a Forward Plan containing details of key decisions made on behalf of the Council by Cabinet and by senior officers under their delegated powers.
- The adopted Code of Corporate Governance sets out how the values of openness, inclusivity, integrity and accountability are applied to the Council's activities, in line with the principles and requirements of the CIPFA/SOLACE³ framework – *Corporate Governance in Local Government: A Keystone for Community Governance*.
- A Risk Management Policy and Strategy, updated in July 2005, sets out the framework for managing risk throughout the Council. Senior officers of the Council have primary responsibility to effectively manage strategic and operational business risks relating to their Service. The process of identifying, assessing and managing these risks is underpinned by the ongoing development of the Council's Risk Register and the supervisory activities of the Risk Management Group.
- The Council seeks to ensure the economical, effective and efficient use of resources and continuous improvement in the way in which it exercises its functions, through reviews carried out by Cabinet's Star Chamber, its Internal Audit and Best Value review teams and those conducted by our external auditors and other external agencies.
- For 2005/06, the Corporate Director (Central Services) was the Council's designated Monitoring Officer, with responsibility for promoting and maintaining high standards of financial conduct and for ensuring compliance with established policies, procedures, laws and regulations. The Monitoring Officer is required to

³ The "Chartered Institute of Public Finance & Accountancy" and the "Society of Local Authority Chief

report any actual or potential breaches of the law or maladministration to full Council and supports The Standards Committee in its function of promoting and maintaining high standards of conduct of Councillors and co-opted Members.

- The Council's commitment to high standards of conduct and integrity is supported by our established codes of conduct for employees and elected Members and probity is maintained through our Anti-Fraud and Corruption Policy and Strategy and the Whistleblowing Policy.
- The financial management of the Council is conducted in accordance with rules set out in the Financial Regulations and Procedures within the Constitution. The Council also has in place a three-year Medium Term Financial Strategy to support the key priorities and objectives set out in the Council's Corporate Plan, and the Head of Financial Services has statutory duties for the financial administration and stewardship of the Council, in accordance with Section 151 of the Local Government Act 1972.
- Internal Audit operates to the standards set out in the '*CIPFA Code of Practice for Internal Audit in Local Government 2003*' and the Council has established an objective and professional relationship with its external auditors and other statutory inspectors.
- The Council's performance management framework is driven by our Corporate Plan which focuses attention on our corporate priorities and objectives, which are in turn cascaded into Service business plans and individual employee appraisals and action plans.
- The Council sets out its approach to partnering in service delivery and in construction projects through the introduction of the Framework for Partnership Working and the Procurement through Partnering Guidelines published in November 2004. These documents set out clear guidance on how the Council will meet the strategic objective of delivering better services to citizens through the creation of sustainable partnerships between the Council and suppliers in the public, private and voluntary sectors and the carrying out of major projects, including construction.

REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the systems of internal control. The review of the effectiveness of internal control is informed by the work of internal auditors and senior managers of the Council who have responsibility for the development and maintenance of the systems of internal control, and also by comments made by the Council's external

auditors and other review agencies and inspectorates in their annual audit letter and other reports.

The following are the main processes applied in maintaining and reviewing the effectiveness of the systems of internal control and governance:

- The Audit Committee and the Corporate Director (Central Services), in his role as the Council's Monitoring Officer, have a duty to monitor and review the operation of the Constitution to ensure that its aims and principles are given full effect. A function of full Council is to adopt and change the Constitution following recommendation(s) from the Monitoring Officer and/or Audit Committee
- The Council's Overview and Scrutiny Committee has responsibility to consider and, if necessary, 'call-in' decisions made by Cabinet and the Budget and Performance Panel reviews the Council's budget and performance at both a strategic and service level
- The Audit Committee has responsibility for reviewing the Internal Control & Corporate Governance Framework and the Council's assurance statement on corporate governance is now incorporated within this Statement of Internal Control and Corporate Governance.
- The Audit Committee also reviews the adequacy of internal controls and risk management arrangements, monitoring the performance of Internal Audit and agreeing the external audit plan
- Internal Audit is responsible for providing assurance on the effectiveness of the Council's systems of internal control, including arrangements for risk management and governance. Internal Audit's role is to assist managers by evaluating the control environment, providing assurance wherever possible and agreeing actions to optimise levels of control. The Council's external auditors place reliance on the work of Internal Audit in fulfilling their statutory duties and regularly inspect Internal Audit work
- The Internal Audit Manager is responsible for submitting an annual report to the Audit Committee detailing the performance of Internal Audit for the previous financial year, and giving an opinion on the effectiveness of the Council's systems of internal control
- The Council's performance management arrangements have been fundamentally reviewed during the year, with a new framework being adopted from 1st January 2006. The new arrangements provide clearer roles and responsibilities for managers and elected members, particularly Cabinet portfolio holders and scrutiny members of the Budget and Performance Panel. Ongoing

development and implementation of the new computerised corporate performance management system is continuing to improve the scope and quality of information and decision making.

- In tandem with performance management developments, the ongoing development of corporate and service-level risk registers is providing improved information and focus on the key risks facing the Council, again serving to improve the overall decision making process.
- The Comprehensive Performance Assessment (CPA) carried out by the Audit Commission in 2003/04 assessed the Council as a 'Fair' performing authority, placing it in the middle of a range of possible scores from Poor to Excellent. The report identified areas for improvement, particularly around prioritisation and performance management. The Council has continued to address these, as well as other priority action areas, through our Corporate Improvement Plan.
- In April 2006, the Audit Commission, in its Annual Audit Letter, reported that the Council was addressing the weaknesses in the CPA and had strengthened its arrangements in a range of areas, including financial management and control, corporate governance, its internal structures and had particularly set a good strategic direction through its vision and priorities. The Commission's views drew on assessments of the Council's "Direction of Travel" and its "Use of Resources", in which it judged us to be "consistently above minimum requirements – performing well".

SIGNIFICANT INTERNAL CONTROL ISSUES

Work carried out by both our external and internal auditors has indicated that effective internal financial controls exist within the Council's main financial systems to ensure the accuracy and integrity of the information they provide and no significant control weaknesses have been brought to our attention.

From assurances provided from the review of the effectiveness of our systems of internal control and the corporate governance framework, it is our opinion that they accord with proper practice and are working effectively.

Whilst the Council has received praise from the Audit Commission and other external inspectors and peers we recognise that more needs to be done in order to address any significant issues affecting the Council and to ensure continuous improvement of our already considerable governance controls, and to that end we will:

- ***Improve our delivery of customer-focussed services*** by continuing to improve how we undertake consultation and community engagement, contributing to more focussed business planning and allocation of resources.

- **Improve decision making** by fully implementing new performance management arrangements and improving the scope and quality of performance information.
- **Manage risk more effectively** by fully implementing the risk management strategy and embedding risk management processes throughout the Council and its main partnerships. Also by drawing up service continuity plans for all critical service areas to provide compliance with the Civil Contingencies Act.
- **Improve the Value For Money** we provide by continuously challenging and reviewing the efficiency with which we manage the organisation and provide our services.
- **Resource and implement action plans** through the development of our workforce planning arrangements to ensure that our staff have the necessary skills and training to deliver services.
- **Continue to develop the effectiveness of governance arrangements** by increasing staff, elected Member and stakeholder awareness of our standards and by continuing to build effective relationships with our partners.

Statement of Contracts

"The Council complies with best value requirements in procurement, including the requirements of the Code of Practice on Workforce Matters in Local Authority Service Contracts, in the awarding of contracts and the establishment of partnership arrangements."

Corporate Commitment to Data Quality

Lancaster City Council is committed to ensuring that all its published performance data is reliable. All our performance information must be correct and fit for external scrutiny. Responsibility for ensuring the robustness of our data rests at the highest level with the Leader of the Council and the Corporate Director (Finance and Performance).

This Council is keen to ensure that all data gathering processes are of the highest possible standard. Accordingly we have set a target to score a Level 4 (maximum rating) against the Audit Commission assessment of data quality by the end of the financial year 2007/08.

‘Gershon’ efficiencies

In 2004 Sir Peter Gershon undertook a review of public spending and imposed upon local authorities a duty to release resources out of activities which can be undertaken more efficiently and into front line services which meet the public’s highest priorities.

Every council must produce two annual statements, one saying what efficiencies they intend to make and a second which looks back to determine whether they have been achieved.

Annual Efficiency Statement – Forward Look

Our Strategy for Securing Efficiency Gains – period 07/08

“Lancaster City Council’s strategy for securing efficiency gains is a key element of its wider Value for Money (Efficiency) Strategy, which was formally adopted by the Council in December 2005. This framework document recognises that many initiatives and other activities generate efficiency savings and it sets out how all these different strands contribute to the achievement of the Gershon targets as well as other financial targets such as those contained within the Medium Term Financial Strategy (MTFS). Under this, the Council aims to limit Council Tax increases to below 5% each year for the next three years, whilst achieving its key priority outcomes as set out in the Corporate Plan.

The Value for Money (Efficiency) Strategy focuses particularly on cross cutting activities and processes that will contribute to meeting the efficiency targets. In particular the Strategy encompasses the following:

▪ Corporate Property Strategy	▪ Procurement Strategy
▪ E-Government Strategy	▪ Risk Management Strategy
▪ Human Resources Strategy	▪ Corporate Consultation Strategy
▪ Access to Services	▪ The role of Overview & Scrutiny
▪ Performance Management Framework and Budget Review	▪ The role of Internal Audit

As part of the Council’s recent Use of Resources Assessment undertaken by the Audit Commission, the Council score ‘2: only at minimum requirements – adequate performance’ in the Value for Money element, with an overall score of 3. The outcome of this, and other peer challenge reviews, will be used to inform and develop the Council’s strategy for securing efficiency gains in current and future years.

Key Actions in 2006/07

The Customer Service Centre will be expanded to include other key front line services such as Local Taxation and Housing Benefits. Community consultation will also be undertaken on the options identified for rationalising office accommodation in line with Customer Services developments and the earlier Access to Services Review.

Regarding procurement, the Council will continue with implementation and review of its Procurement Strategy in line with the National agenda, encompassing:

- Progressing the planned implementation of e-procurement solutions
- Collaborative working with neighbouring Councils and other partners

Following completion of the Senior Management restructure, further reviews will be completed to generate efficiencies in the following areas:

- Cultural services, encompassing Leisure, Arts, Events, Museums etc
- Council Housing Management and working practices, to support viability of the Business Plan
- Grounds maintenance and street cleansing to achieve service integration

The Council's new performance management framework will be embedded. To support this, a corporate approach to Project Management will be devised and implemented also. The Council's Improvement Plan will be updated to take into account recent external inspections with progress being monitored to ensure that any further efficiency opportunities are identified and taken forward as appropriate.

Annual Efficiency Statement – Looking Back

(This statement looks back at the financial year 2004/05 and is the most recent available at the time of going to print. The statement covering 05/06 will be published on **6th July 2006**)

Activities undertaken to achieve efficiency gain (2004/05)

“The Council has developed a three-year rolling Medium Term Financial Strategy (MTFS) that identifies the indicative budget levels the Council would wish to set to limit annual Council Tax increases to no more than 5% per annum.

This strategy involves identifying real savings each year to meet the estimated gap between expenditure and income forecasts over the period of the MTFS. In order to achieve this, the Council has introduced a Star Chamber procedure led by Cabinet members whereby each Council service activity is assessed and challenged against how it contributes to the Corporate Plan objectives and how value for money can be demonstrated. This process begins each year in May and continues throughout the year until Cabinet has a range of options to consider before making budget and policy framework proposals to Council.

To supplement this process, the Council has in place a number of strategies that will assist and aid Star Chamber in determining its savings options. In particular, the Council's E-Government and Procurement strategies are major contributors to this to this as is the Council's Performance Management Framework.

This process proved very effective in setting a realistic budget (for 2005/06) that linked the Council's key priorities to the allocation of available resources whilst limiting Council Tax increases to the minimum set out in the MTFS. In 2006/07 there will be one important addition. Star Chamber has also integrated into the process key objectives to generate and demonstrate its Gershon efficiency targets within the context of the wider corporate targets of its MTFS. In this way the Council can demonstrate a clear audit trail of which efficiencies have been made and how they contribute into the Council's MTFS and help to meet the Corporate Plan objectives.

3. Review to Improve Programme

To date the Council has completed seven Best Value Reviews with an eighth currently underway. Of those seven, six have been inspected and assessed by the Audit Commission. The three most recent of these have been assessed as having ***promising prospects for improvement***, further pleasing evidence supporting our view that Lancaster City Council is an improving Council.

Best Value – Current review and recent inspection

From time to time the Audit Commission carries out specific, targeted inspections with a view to supporting a council's improvement against its stated priorities. One of the Council's three over-riding priorities is to improve the cleanliness of our streets and open spaces for our communities. Our customers have told us that this is of particular importance.

An Audit Commission inspection of our environmental services in the area of **Waste Management** took place between 12th and 16th June 2006. At the time of writing we have yet to receive their final judgement.

However, we hope that this external assessment will highlight innovative improvements in the delivery of our environmental services such as the introduction of the Bulky Matters service, delivered in partnership with Furniture Matters.

Undoubtedly, the Council has undergone a step-change with the introduction in June 2005 of a single telephone number for accessing environmental services. We are confident that the Customer Contact Centre has improved customer experience and we hope that the final report will highlight all the many ways in which we have become more focussed on our customers in recent years.

Access to Services – Inspection Findings and the Way Forward

Findings:

In June of 2005, the Audit Commission spent a week interviewing staff, members, partners and our residents to come to a judgement as to how well we are meeting the needs of our customers.

They published that judgement on the 5 September 2005. They said that overall we are providing a 'fair' service with 'promising' prospects for improvement.

The main findings were that:

- We have a strong vision and clear plans for improvement
- We make effective use of new technology
- We provide a wide range of traditional and modern access methods
- There was good ownership of this priority amongst Members and staff
- We work well with our partners
- They found good examples of consultation and innovative ways of engaging with 'hard to reach groups'

The Way Forward:

The auditor said the council needs to consolidate these improvements by concentrating on the following areas:

- Making systematic use of feedback and complaints to make service improvements
- Introducing a corporate approach to consultation
- Concentrate on increasing levels of customer satisfaction which are below average in some service areas
- Ensure that clear and well publicised service standards are in place across the authority
- Routinely monitor and analyse usage and take up of services by specific priority groups.

The Council welcomed the Auditor's recommendations, which were incorporated into the existing Action Plan. We are pleased to report that many of these recommendations have now been implemented.

The Access to Services Review may now be over but the work goes on -

- Rolling out Customer Services
- Deciding our future accommodation needs
- Continuing to focus strongly on improving those service areas where we know we need to improve.

4. Performance Information

Lancashire Local Area Agreement

A Local Area Agreement (LAA) is a three year agreement that sets out the priorities for a local area agreed between Central government, represented by the Government Office, and a local area, represented by local authorities and Local Strategic Partnerships (LSPs) and other key partners at local level. The primary objective of an LAA is to deliver better outcomes for local people.

Local Area Agreements (LAAs) are a new way of striking a deal between central Government, local authorities and major local delivery partners in an area.

The priorities addressed are grouped into four broad areas: children and young people; safer and stronger communities; healthier communities and older people; and economic development and enterprise.

LAAs are intended to:

- improve central and government relations
- enhance efficiency
- strengthen partnership working
- enable enhanced leadership by local authorities

Lancaster City Council has signed up to the agreement and is committed to making a strong contribution to the LAA. Some targets are specific to the Lancaster district and some are collected on a county-wide basis. Progress against our targets is monitored on a quarterly basis.

For more information follow the link (below) to the Lancashire Local Area Agreement website : <http://www.lancashirepartnership.co.uk/content/laa/index.asp>

Local Public Service Agreement (2003-2006)

The Lancashire Public Service Agreement was a multi-agency initiative which ended on 31 March 2006 and was superseded by the more wide ranging LAA (see above). It focussed to improving the quality of life of older and younger people across the county.

We know that by meeting some stretching targets, the LPSA has already delivered significant benefits to vulnerable groups or individuals across the County of Lancashire. Successfully meeting the PSA targets will not only result in some financial reward for the City and County Councils and their partners, but will demonstrate our strong commitment to these priorities to the public and the Government.

At the time of writing, the success of the initiative is still being evaluated so we are not yet in a position to publish final performance against targets.

Improvement Plan Update

Following the Council's CPA assessment in 2003, an ambitious improvement programme was drawn up. The *Corporate High Level Improvement Plan* ensures that we maintain focus on the priority areas for improvement identified during our CPA report (January 2004) and IDeA Peer Challenge.

The improvement plan is both comprehensive and current as it is refreshed annually and integrates the actions arising from other more recent external inspection reports, including the Annual Audit Letter (including audit of Best Value Performance Plan), Audit Commission Reports and our own Review Programme. This plan will help us to deliver better service provision in our priority areas and improve key functions in line with the priorities identified by our citizens. It is monitored quarterly.

Alongside the Corporate Plan, the actions highlighted in the Corporate Improvement Plan show the Council's key priorities for improvement. These actions will support and assist us in delivering our goals and strategic objectives and ensure that we continue to improve our services whilst at the same time generating efficiency savings which will either contribute towards achieving the Medium Term Financial Strategy or be re-invested in improving services.

We are committed to delivering the outcomes in this plan for the benefit of the community and the following pages provide an update of the Council's progress at the year-end.

LANCASTER CITY COUNCIL - CORPORATE IMPROVEMENT PLAN - 2005/06 END OF YEAR OUTCOME

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
WHAT IS THE COUNCIL TRYING TO ACHIEVE?					
Ambition					
The Council has yet to implement a systematic approach to dialogue with its community over either its broad ambitions or specific policies developed to implement these	Build on the Service consultation programme and develop overall Annual Consultation Plan	July	Cabinet CE/HCS	The ambitions of the Council will be aligned with the aspirations of the community as stated in the Community Strategy, influencing specific council policies	A consultation management system, Consultation finder, has been implemented and a Corporate consultation programme and toolkit developed. Annual consultation plan in place.
Prioritisation					
The proposed 'Star Chamber' process which is the council's mechanism for reviewing current services and setting the budget for 2004/05 is described as the mechanism by which the council will ensure that the budget proposals follow and are consistent with the corporate plan priorities. However the 'star chamber' process will take place before the further refinement of the priorities. It is not clear how the council will deal with priorities it cannot afford to fund.	Continue with redefined 'Star Chamber' , but make more outcome focussed and lined to the targets agreed in the MTFS	Throughout the year	Cabinet/MT	The Council has a clear set of priorities informed by meaningful consultation and local and national priorities – with clear targets for delivery and resources allocated	The 2006/7 Budget & Policy Framework process refined to include public consultation that resulted in a new set of corporate priorities. Budget process aligned spending plans to new priorities and MTFS updated accordingly. Targets for 2006/7 budget met.
	Continue to develop risk management practices	Throughout the year	CD(Cen), HFS Integrated Business Planning Group		Star Chamber working year round to revised terms of reference that include service delivery challenges and options to meet latest MTFS & Gershon targets.
Corporate Performance Plan - June 2006 - Corporate Strategy Service					

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
	<p>Prepare Budget and Policy Framework review strategy for 2005/06</p> <p>Determine what are non priorities</p>	<p>June/July</p> <p>Throughout the year</p>	<p>CE, CD(Cen), HFS, Cabinet</p> <p>Cabinet/MT</p>	<p>Done as part of public consultation to agree new priorities for 2006/2007</p>	<p>Further work on risk mgt has continued. Strategic Risk Register has been produced and Risk assessments introduced to all executive decision making. Operational risk register is currently being prepared. Progress against Risk Mgt Action plan reported quarterly to Audit Committee</p> <p>COMPLETED</p>
<p>Ambition in rural areas – there is a lack of clarity about what the council wants to achieve through its vision and this means that services have not addressed this priority in their business plans to ensure that the appropriate impact is achieved. The council’s plans for improving prioritisation in this area start from services currently delivered rather than from the identification of desired outcomes. There is an absence of the systematic use of consultation to inform and shape priorities, service design or identify poor services.</p>	<p>Implement Corporate Plan priorities but strengthen Performance Management reporting. New Corporate Plan gives clear sense of priorities that link to Community Strategy – outcome focussed</p>	<p>Throughout the year</p>	<p>Cabinet/MT</p>	<p>The development of “rural-proofing” procedures will ensure that any decisions made by Council which have a particular impact on rural areas will be taken into account.</p>	<p>Cabinet Member with special responsibilities for rural affairs now takes lead role on rural issues.</p> <p>Improved consultation outcomes with Town and Parish Councils.</p> <p>Corporate Plan priorities now more focussed with clear links to Community Strategy and revised Corporate Plan priorities publicly consulted on.</p> <p>Access to Services review report used to inform updated Council Improvement Plan.</p>
	<p>Use annual consultation progress and Access to Services Review to inform future priorities.</p>	<p>Throughout the year</p>	<p>CE</p>		

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
	Continue consultation on required outcomes with key stakeholders	Throughout the year	Cabinet		Enhanced use of corporate consultation activity through consultation finder approach will assist in shaping priorities and service design. Forward Plan to be expanded to 12 monthly rolling plan to aid consultation and scrutiny processes. Cabinet reports now "rural proofed"
Focus					
The mechanisms for managing the council do not support it to maintain its focus: portfolio roles within cabinet and the council scrutiny arrangements (review boards) do not fully reflect the council's priority areas. The agendas for Cabinet, management team and review boards do not consistently address progress and decision making against key themes and priorities. Business Plans are not structured towards delivery against corporate key themes and priorities. Although the opportunity is available to report the impact on cross cutting reviews in reports to cabinet and review boards, it is not used effectively.	Implement democratic renewal decisions. Reporting mechanisms into Cabinet and overview and scrutiny processes established	July	Cabinet/Overview and Scrutiny	Improved democratic procedures enable Council to focus on achieving impact on priority areas	<p>Presentation of Annual Executive, and Overview and Scrutiny Annual Reports to Council.</p> <p>Review of Full Council now completed with improvements agreed by Audit Committee and full Council and scheduled for implementation throughout 2006/7.</p> <p>Business Plans format for 2006/07 amended to improve linkages to Corporate Plan and vfm. Process continues to be refined.</p>

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
	The revised Business Plan matrix clearly links actions to Corporate Plan and performance measures. These will be completed by the end of May.	5 months	Cabinet Performance Review Committee		New Performance Mgt Framework approved. Quarterly reporting system to Review teams lead by each Cabinet member established for 2006/7 that will replace business plan monitoring. New system centres on the Council's newly developed Performance Mgt system "Escendency". Reports will also be copied to Budget and Performance Panel for scrutiny.
	Monitor Business Plans		Individual Cabinet Members		Performance Review Committee discontinued to avoid duplication.

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
The way the council operates also undermines focus, as has already been identified in the Audit Commission's report on democratic renewal in the council. Existing arrangements are overly bureaucratic causing unnecessary delays in decision making and ineffective use of officer and councillor time. Too much time is spent focussing on process and procedure rather than the outcomes which are being planned and achieved for the community. A relatively high proportion of senior manager's time is spent on supporting member meetings, thereby reducing the time available for their wider management roles including implementing and monitoring the achievement of councillor decisions.	<p>Implement democratic renewal report recommendations:</p> <ul style="list-style-type: none"> • Provide options for change to full Council to generate public involvement and participation • Overview and Scrutiny and Cabinet changes already implemented 	<p>October</p> <p>Completed</p>	CD(Cen)	Improved ability to retain focus on stated Council priorities	<p>All changes for Democratic Review now agreed and in process of being implemented.</p> <p>New system will allow process driven decisions to be delegated to a small Business Committee of council. Also there will be a new topic based council meeting once a year to encourage public engagement.</p> <p>The new computerised Committee Administration system and introduction of member notepad computers has rationalised the delivery and availability of information in the Council to allow access 24/7.</p>

KEY: **CE:** Chief Executive; **CD(Com):** Corporate Director (Community Services); **CD(Cen):** Corporate Director (Central Services); **CD(Reg):** Corporate Director (Regeneration); **MT:** Management Team; **HCS:** Head of Corporate Strategy; **HHR:** Head of Human Resources; **HFS:** Head of Financial Services; **HAS:** Head of Administration Services

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
HOW HAS THE COUNCIL SET ABOUT DELIVERING ITS PRIORITIES?					
Capacity					
<p>The Council does not have a strategic approach to staff resources: the adequacy of staff resources to deliver the council's future improvement agenda has not been assessed at the corporate level; capacity has not been compared to either current or future skills needs. The council's effective use of its staff resources is further hampered by it continuing departmentalism, which limits its capacity to work together as an organisation. There is an absence of consensus amongst staff, management and personnel function on the best means of securing improvement</p>	Develop Human Resource Management Strategy into a three-year People Plan	September	CE/HHR	<p>Internal capacity maximised through effective HR practice, including training and development linked to priorities</p>	<p>The objective of developing a 3 year people plan to support the HR Strategy has been overtaken by the requirements of a Pay and Workforce Strategy. The Council has almost completed gathering workforce data (workforce survey) and this is being used to form the basis of a Workforce Strategy over the medium term. Personnel Committee have received a presentation on Pay and Workforce Strategy. Senior managers have been trained in developing plans to ensure that the Council identifies what capacity/skills are needed to deliver the Council's business priorities and forward agenda., and this training is ongoing</p> <p>Management of sickness absence now embedded in Council Management.</p> <p>The review of Service Head responsibilities was completed in February 2006</p>
	Continue to develop the "one council" culture	Continuing	CE		
	Achieve liP status	Spring 2006	CE		
	Monitor sickness absence through a corporate PI	July	Cabinet		
	Identify ambiguities and clarify responsibilities	October	CE/HHR		

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Capacity – continued					
<p>The District Auditor in his Public Interest Report issued in January 2004 stated that 'reports to members should be clear and set out in an objective manner the advantages and disadvantages of different options under consideration. Members should question any lack of clarity in, or omissions from, reports placed before them, where appropriate and adopt a critical and challenging approach to information placed before them'. The CPA report goes further than this and says 'there is improved clarity about councillor and officer roles through a revised constitution. However, the working relationship between cabinet and the corporate management team is not yet sufficiently established and there is a reticence to provide cabinet with sufficiently robust or specific advice to support effective decision making. The council recognises that the relationship needs to become less formal and that communication and understanding between the two needs to be improved and changes have been agreed to address this'.</p>	<p>In future there will be robust advice given at an early stage in the development of reports AND all reports will include officers' preferred options and a robust analysis and risk analysis relating to the preferred option and all other officer options included in the report. The Monitoring and Section 151 Officers will comment on Officer options and Member recommendations in accordance with their statutory duties as set out in the Constitution. Training will be provided to report authors on correct format and style.</p>	June	CE	<p>Members and Officers are clear about their respective roles and responsibilities. Improved quality of Member meetings, decision making and scrutiny.</p>	<p>Reports format improved, greater clarity on Statutory Officer comments and the difference between officer options and Member recommendations. Nothing further planned.</p> <p>Joint working arrangements have been strengthened to include regular meetings between Directors and Cabinet members and the introduction of Cabinet Liaison Groups. Mgt Team now meets on regular occasions with Groups not represented in the Cabinet. The new Performance Mgt system will schedule regular monthly meetings between senior managers and cabinet portfolio holders to provide service performance information.</p>
	<p>Star Chamber and the Cabinet Performance Management Committee will strengthen joint working between Cabinet and Management Team</p>	Ongoing	Cabinet/MT		

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Performance Management					
Business Plans are linked to the Corporate Plan but are not yet an effective tool for driving change and prioritising performance but instead focus on financial and staff resources, they are short-term and do not systematically identify future performance or investment. Business plans do not systematically set out evaluations of impact for service users and wider stakeholders and are not connected to one another to address cross-cutting issues. They do not effectively evaluate performance or consider options for improving performance. As a result of this, performance monitoring information throughout the year is not supported with options for improvement or connection through to cross-cutting issues.	Develop Business Plans as tools for change over a 3 year period		CD(Com)	Effective performance management driven by Corporate priorities which cascade down to individual level across the Council. Performance monitoring focuses on priorities and outcomes and enables members and managers to understand variations against targets.	COMPLETE
	Implement individual performance targets through EDPA and monitor	April and throughout the year			COMPLETE

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Performance Management - continued					
The council has no mechanism for systematically addressing value for money in service delivery. The council has undertaken no formal market testing since the demise of CCT in 2000. Risk management approaches are at the very early stages of development and are not contributing to business planning	Ensure risk management techniques embedded in Business Plans	November	CD(Cen), CD(Com), HFS Integrated Business Planning Group	Ability to demonstrate value for money	Risk Registers in place, Risk Assessments included in all executive decision making. And built into business plans.
	Star Chamber will need to challenge VFM in service delivery and commission market testing reports	Throughout the year	Cabinet		VFM/Efficiency strategy approved and progress reported to each Budget and Performance Panel who have responsibility for VFM. Use of Resources vfm self assessment undertaken and judged "performing well".
	Continue to refine Procurement Strategy	Throughout the year	CD(Cen)		Star Chamber concluded full service VFM exercise and actions implemented. Exercise identified market testing of some service activity. Annual efficiency statements prepared. Officer working group continues to liaise with Procurement Champion. Procurement strategy updated throughout year and progress monitored by Champion and Budget Performance Panel. IDeA procurement challenge took place in March 2006 and results awaited.

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Performance Management - continued					
<p>The Council has also struggled to identify what it means by good performance. There are too many targets but an absence of meaningful local performance measures, particularly in priority areas, although there are some services, such as housing, which make effective use of indicators and targets. The council has been a pilot for the development of 'quality of life' indicators but has yet to capitalise on this work and develop it within service areas. Service standards have not been made explicit and have not been communicated to stakeholders.</p>	Establish clear, SMART PI's for services that relate to Corporate Plan objectives, tasks	July	CD(Com)	<p>A clear set of SMART PI's and Customer Service Standards driving improvement against Council priorities which are understood by both our customers and staff, are communicated effectively and set with regard to top performing councils.</p> <p>Good practice by Council services is externally recognised.</p>	<ul style="list-style-type: none"> • Key performance Indicators now included in Corporate Plan and will be reviewed by new Performance Review teams. • Establishment of clear Service Standards being developed through Access to Services Review • Local Performance Indicators also being reviewed and developed. • Actions from last year's Best Value Performance Plan reviewed by Budget and Performance Panel and used to inform latest business plans. • Development and roll out of new Escendency PM system underway and scheduled for completion by June 2007. • Business Planning process now requires inclusion of service VFM PIs. • PM training undertaken by DA. Project Mgt being introduced throughout the Council for major priorities and capital projects. • Accreditations being sought
	Needs a clear set of milestones and PI's that relate to corporate priorities and are embedded in service business plans. Use of key PI's for Cabinet/MT monitoring.				
	Review PI's as part of Business Planning	5 months	MT		
	Put Council forward for Quality Assurance, Charter Mark, Beacon Council and Service Award Schemes			MT/Service Heads	
	Corporate performance training for managers				

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
	Explore the use of Service Charger/Service Promises. Access to Services Review – development of Customer Service Standards	16 months	Service Heads		Customer Service Standards being developed for services as they are integrated into the Customer Services Centre.
The Performance Management system is currently not effective in systematically translating the Council's ambitions into clear targets and outcomes for services, teams and individuals.	The Corporate Plan identifies specific tasks to take our ambitions forward. The High Level Objectives/Tasks are allocated to service areas for delivery through business plans and to individuals through EDPA.	July	Service Heads	A systematic corporate approach to the setting, collection and monitoring of clear targets and outcomes through an integrated business planning process.	This is now embedded in our Policy and Budget process and taken through into our business Plans. New PM Escendency system in place. Responsibility for Performance Mgt now clearly located within one Corporate Director. (CD for Finance & Performance)
Complaints from outside the Council are dealt with via separate service-based complaint processes and there is no corporate complaints procedure to gather and evaluate feedback on service provision and Council activity. There is no formal reporting of complaints, other than those to the Ombudsman, to the corporate management team or to Councillors.	Establish new corporate complaints and reporting mechanisms as part of Access to Services Review.	October	Access to Services Review Board	Service users understand service standards and targets and how to report complaints. Information on complaints and performance against service standards is taken into account when reviewing performance.	Work on this continues as part of the establishment of Customer Contact Centres and Service Standards to feed back information to help improve performance. Pilot telephone scheme has provided service information that has been used to introduce service improvements. New Information and Customer Service established to improve complaints handling and use of information to drive improvements.

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
<p>The Council has made little progress generally in addressing quality of service issues such as customer focus and the accessibility of services to all parts of the community</p>	<p>Implement Access to Services Review recommendations</p>	<p>January 2005</p>	<p>CE</p>	<p>Improved levels of customer satisfaction</p>	<p>Access to Services Review broken down into stages and taken forward. Customer Service pilot project implemented, evaluated and being rolled out across all Council Services in line with agreed programme. Accommodation options being publicly consulted on. Clear Service Standards, enhanced complaint/feedback procedures being introduced throughout year as services are integrated into the customer service centres.</p>

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
WHAT HAS THE COUNCIL ACHIEVED/NOT ACHIEVED TO DATE?					
Achievement in quality of service					
	Undertake annual customer satisfaction surveys	October	Service Heads		All these three strands of work are aimed at improving customer focus and accessibility. Inspection of Review of Access to Services completed and judged fair with prospects to improve. Action plan targets included in Corporate Improvement Plan
Achievement of improvement					
There is a continuing failure to deal effectively with hard to reach groups and the chronic problem of the transient population of the West End of Morecambe	Use consultation strategies to engage community	Throughout the year	CE/HCS	Quality of life of those living in the West End of Morecambe is improved as a direct result of effective partnership working and consultation.	Accessibility and hard to reach groups being addressed through Access To Services Review. Consultation undertaken on a range of services and the latest Corporate Plan priorities. West End Action Plan adopted with evaluation criteria built into the Plan. Implementation Team established and operational.
	Morecambe Action Plan and West End Masterplan designed specifically to tackle the problem.		CD(Reg)		
	Development and implementation of the West End Masterplan	5 years	CD(Reg)		

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Investment					
A new consultation strategy and toolkit has been developed which addresses how the Council will engage with local people and seeks to involve them in identifying needs, priorities and developing solutions. Whilst it aims to ensure a consistent and corporate approach to consultation, there is no plan for how this will be implemented or how any results will be used to inform the Council's priorities and service planning	Implement annual consultation programme	Throughout the year subject to resource availability	CE/HCS	Improved engagement with the community stakeholders and partners. Consultation outcomes fed back into the Corporate/Business Planning process, contributing to the development and delivery of Council's priorities and future service planning	Revised Consultation Strategy agreed and being implemented.

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Investment -continued					
<p>The Council has a new Human Resources strategy which highlights its aims and the challenges facing the organisation. The strategy establishes the key policy and procedure framework and identifies that lead responsibility for equalities and diversity issues and for co-ordinating the response of services to race equality legislation will be a personnel function. However, it is not yet clear how the new HR Strategy will be implemented.</p>	<p>Establish process for implementing HR 3 Year People Plan</p>	<p>July</p>	<p>CE/HHR</p>	<p>The Council is self aware about capacity and has the people, skills and capability to deliver its priorities. Recruitment, training and development are linked to priorities</p>	<p>The proposal to develop a 3 year people plan has been revised in respect of the requirements to develop a pay and workforce strategy as part of the 2004 pay settlements. During 2004/05 the Council commenced work in order to develop its workforce strategy by issuing a workforce survey intended to provide baseline information to inform the strategic approach to ensure capacity. The data is almost complete and arrangements are in place to train both elected members (Personnel Committee) and senior officers in the requirements of forecasting future objectives and taking steps to ensure future capacity to meet those objectives.</p> <p>Personnel Committee has approved a Job Evaluation (Fair Pay) exercise to facilitate the completion of this Strategy.</p>
	<p>Personnel Service business plan and ongoing monitoring</p>				

Areas for Improvement	Action	Timescale	Who by?	Outcome	Achievements in 2005/06
Investment – continued					
<p>The Council has been more open in inviting and responding to external challenge. It was one of the first district councils to have a peer review from the IDeA in 2000 and a follow-up a year later. However, it has not systematically followed through its improvement plans developed following Best Value reviews of services and there is little assessment of whether BVRs have been successful in challenging and improving services.</p>	Prepare and implement Council Improvement Plan	May/June	Cabinet/MT	<p>Newly established Overview and Scrutiny and Performance and Budget Committees provide challenge to the decision making process, ensuring the focus on delivering the Council's plan for improvement is maintained. The Council continually seeks best performance elsewhere and seeks to adopt where possible.</p>	<p>Business Plans and Corporate Performance Plan include sections on benchmarking and comparison with other authorities in our Family Group.</p> <p>VfFM self assessment judged a 3 out of 4 with plans in place to improve VFM judgement</p> <p>Corporate Processes are now in place to examine performance and embed accountability. Responsibility for Performance Mgt now with CD (Finance & Performance)</p>
	Regeneration and Jobs Improvement Plan largely implemented				
	Best Value Review Action Plans are built into Business Plans. For 2004/05 these will include improvement outcomes	5 months			

Detailed Performance Tables

The following section of the Corporate Performance Plan sets out the Council's detailed performance targets linked to the six Priorities laid out in the Corporate Plan.

Each of the six sections details the performance measures, which the Council has in place to help us in working towards achieving our Corporate Priorities. ALL services and staff throughout the authority play their part and have highlighted their individual contributions in their Service Business Plans.




Performance at Lancaster City Council is monitored through a range of Statutory Performance Indicators and locally based targets for the next three years up to March 2009, in this plan we will account for our performance against these targets. We will look back at what we said we would do last year and track our progress. These targets and objectives form a central element of our Service Planning and Best Value Review programmes.

Indicator types

- **Statutory PI's are numbered in bold**
- Local PI's are in plain type
- We will also highlight where a particular PI is of key strategic importance to the authority – we call these **Key Performance Indicators (KPI's)**

Improvement?

A simple key will indicate performance trends

	Got worse
	Stayed the same
	Got better