

## OVERVIEW & SCRUTINY BOARD

10<sup>th</sup> FEBRUARY 2009

### FIT FOR PURPOSE – REVIEW OF AIM AND PRIORITIES

**Karen Robinson – Head of Corporate Performance**

#### PURPOSE OF THE REPORT

1. To inform OSB of the rationale for changing the 'Fit for Purpose' priorities and to provide the opportunity for feedback on the detailed proposals relating to the suggested wording of the new priorities.

#### BACKGROUND AND EXTERNAL CONSULTATION

2. The Council delivers the vision for Middlesbrough through six overarching themes:
  - Creating stronger communities
  - Creating safer communities
  - Supporting children and learning
  - Promoting adult health and well-being, tackling exclusion and promoting equality
  - Enhancing the local economy
  - Securing environmental sustainability.
3. In addition to the above six themes the Council has an overarching 'Fit for Purpose' theme. The aim of this theme is to ensure that the Council is organisationally 'Fit for Purpose; to act as community leader and contribute effectively to the achievement of the Sustainable Community Strategy'. To achieve this aim it is underpinned by six priorities; these are:
  - Provide strategic support and guidance to the Council on areas of corporate significance and promote a culture of continual improvement.
  - Provide service to the public, other departments and stakeholders, either directly or through acting as a client for Service Middlesbrough.
  - Support Members in the democratic process.

- Promote high standards in service delivery and performance management and promote the implementation of Council values across the authority, including fairness and probity.
  - Ensure that the Council achieves, manages and improves value for money.
  - Ensure the organisation is able to act as community leader and deliver partnership working at a strategic level.
4. The 'Fit for Purpose' theme and priorities were first introduced in 2004/05 and, with the exception of a slight amendment and addition in 2007/08, have remained largely unchanged since then; consequently it is timely to review them. The work undertaken by staff in Central Services contributes, mainly, to the 'Fit for Purpose' theme and priorities; therefore, staff within Central Services are one of the key stakeholder groups to be consulted on the wording of the new 'Fit for Purpose' priorities. The work undertaken by Central Services impacts on all departments across the Council; therefore, feedback, from any service area that wishes to comment, is sought.
5. Since 2007/08 consultations have been undertaken nationally regarding the introduction of a new national performance framework called Comprehensive Area Assessment (CAA). CAA will replace Comprehensive Performance Assessment (CPA) from the 1<sup>st</sup> April 2009. The change to the national performance management framework and the work required by the Council to ensure it meets the new national performance framework also provides a trigger for a review of the existing 'Fit for Purpose' aim and priorities.

### Rationale and Proposal

6. The CAA introduces an integrated Organisational Assessment of councils from 2009. The Organisational Assessment comprises two assessments across four themes:

Assessment	Theme
Use of Resources Assessment	Managing finances
	Managing resources
	Governing the business
Managing Performance Assessment	Managing performance

7. The four themes are underpinned by Key Lines of Enquiry (KLOE) that provide details of what is included within each of the four themes.
8. The CAA regime will result in the need for the Council to prepare an organisational self-assessment each year, probably against the four Organisational Assessment themes. In preparation for the self-assessment it is intended that a detailed action plan be developed to ensure that the Council, and specifically Central Services, meets the requirements set out in the KLOEs. In future, the Organisational Assessment action plan will be a key element of the Central Services Group Plan.

9. It is clear that the Organisational Assessment themes could represent an effective performance framework for Central Services. The KLOEs set out the focus for each assessment, which is generally consistent with the core business of Central Services.
10. Whilst the overarching aim of the 'Fit for Purpose' theme fits well with the Organisational Assessment, the existing supporting priorities appear unclear in comparison with the themes of the assessments. Therefore, moving forward, it appears logical to align the 'Fit for Purpose' priorities with the themes of the Organisational Assessment.
11. It is proposed that the 'Fit for Purpose' aim remains largely the same, with a slight addition to the wording of the aim to incorporate the Local Area Agreement but that the supporting priorities are revised to reflect the wording of the key themes of the Organisational Assessment, as follows:

<b>Aim of the Fit for Purpose Theme</b>	
To ensure that the Council is organisationally 'Fit for Purpose' to act as a community leader and contribute effectively to the achievement of the Sustainable Community Strategy <i>and Local Area Agreement</i> (additional wording in italics).	
This will be achieved by effectively and efficiently:	
<b>Priorities</b>	<b>What will be included under each priority (these match the Audit Commission's Organisational Assessment KLOE)</b>
<b>Managing finances</b>	<ul style="list-style-type: none"> <li>▪ Financial planning, management, monitoring and reporting.</li> <li>▪ Value for money reviews and reporting.</li> <li>▪ Integration of priorities and financial planning processes, monitoring and reporting.</li> <li>▪ Communication of performance and financial information to stakeholders.</li> </ul>
<b>Governing the business</b>	<ul style="list-style-type: none"> <li>▪ Procurement and Commissioning.</li> <li>▪ Customer experience and effective use of ICT.</li> <li>▪ Data Quality and Risk Management across the organisation and across partnerships.</li> <li>▪ Ethical framework and culture, internal control including Internal Audit across the Council and partnerships.</li> </ul>
<b>Managing resources</b>	<ul style="list-style-type: none"> <li>▪ Sustainable use of resources and Asset Management.</li> <li>▪ Workforce Development Planning, Organisational Development and Diversity.</li> </ul>
<b>Managing performance</b>	<ul style="list-style-type: none"> <li>▪ Community leadership.</li> <li>▪ Priority setting, planning, monitoring and evaluation including approach to vulnerable groups.</li> <li>▪ Performance management, monitoring, evaluation and reporting.</li> </ul>

## Consultation Approach and Timetable

12. In November 2008, at the second quarter Central Services Performance Clinic, the proposal to amend the 'Fit for Purpose' aim and priorities was raised and discussed. The proposal to amend the priorities to ones that were aligned to the Organisational Assessment themes was agreed in principle at the Central Services Integrated Performance and Budget Clinic on 10<sup>th</sup> December 2008.
13. This consultation exercise relates to providing information on the rationale underpinning the changes agreed and gaining feedback on the detailed proposals.
14. The timetable for consultation is outlined in the table below.

<b>Consultation timetable</b>	<b>Date</b>
Initial proposal to Central Services Performance Clinic	November 2008
Initial proposal to Central Services Integrated Performance and Budget Clinic	December 2008
Central Services staff consultation	To 20 <sup>th</sup> February 2009
Discussion with Service Area Performance Leads	January 2009
CMT report and draft Equality Impact Assessment (EIA) for information and comment	15 <sup>th</sup> January 2009
Report and draft EIA to Corporate Diversity Group and specific diversity groups	By 20 <sup>th</sup> February 2009
Scrutiny report – for information and comment	10 <sup>th</sup> February 2009
Deadline for comments	20 <sup>th</sup> February 2009
Analysis of feedback	27 <sup>th</sup> February 2009
Executive Report and final EIA	March 2009
Email all stakeholders with consultation outcome	March 2009
New priorities used in all relevant documents	April 2009

15. Feedback would be specifically welcomed on the following questions:
  - Is there anything in the proposed changes of concern to OSB. If so, what?
  - The wording suggested for the four new priorities is simple and succinct i.e. managing finances, governing the business, managing resources and managing performance – is there general agreement to this wording; if not, please suggest an alternative.

## **RECOMMENDATIONS**

16. That OSB notes the content of this report, and that any comments on the proposals are forwarded to Carol Taylor by 20<sup>th</sup> February 2009.

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