

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	25 July 2011
<b>Title:</b>	Open for Business – A Review of Key Strategies and Progress; Building on Success and Improvement
<b>Reference:</b>	3147
<b>Report From:</b>	Chief Executive

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#### 1. Introduction

- 1.1. At the same time as Cabinet embarked upon its Cost Reduction, Efficiency and Transformation programme, it also approved the development of a series of related *Open for Business* projects and strategies. This has ensured that while the Council is realigning its activity to the (reducing) resource base, every opportunity will be taken to develop approaches that lay the ground for future opportunities, create momentum for new policies; and generally use the County Council's capability and purchasing power to bring maximum benefit to Hampshire.
- 1.2. This report outlines the success to-date of those strategies, and demonstrates that notwithstanding the financial constraints on the Council, its performance and effectiveness remain major contributors to the well-being of Hampshire.
- 1.3. Cabinet asked for regular reports and reviews of these strategies. As we approach the summer recess and begin to plan for the 2012/13 budget, this seems an effective time to review and assess performance.
- 1.4. This report looks at progress against key elements of our business strategy, particularly:
  - the effectiveness of our financial strategy, including the Cost Reduction, Efficiency and Transformation programme;
  - the impact of our key asset arrangement strategies on the built estate and the road network;
  - the overall performance of the organisation against key indicators and 'hard to move' targets;

- the impact of the scale of change on our operations and services, in particular our staff and partners.

1.5 The challenges, risks and next steps that Cabinet will face in the autumn, are outlined in the final section of the paper.

## **2. The Financial Strategy**

2.1. Reports on the Cost Reduction, Efficiency and Transformation programme and the Medium Term Financial and Efficiency Strategy (MTF&ES) are covered in supporting reports. Performance in meeting the cash limit reduction programme is strong. The MTF&ES signals a return to a more normal financial landscape during its middle and final year – some two years ahead of the deficit reduction programme. Key to this success has been the extent of our planning; and the resilience the organisation has shown in realigning available resources with activity. Difficult decisions in all service areas have had to be taken.

2.2. The capital programme has long been a major strategy, both to enhance and redesign services, but also providing a valuable opportunity to invest in the infrastructure of the County. Members will be aware that this year's programme amounts to £124m. It is anticipated that with an increase in capital receipts and the use of prudential borrowing, the programme can be expanded. A series of viability/technical strategies will be recommended for decision later this year, when the Council sets its budget.

## **3. Asset Management Strategies**

### **3.1. Hampshire Workstyle**

3.1.1 The Hampshire Workstyle office rationalisation programme has been a huge success so far. There has been rapid implementation of the strategy approved by Members, with nearly one third of the work completed across the County. The overall aim is to create a small number of large office hubs across the county, with no more than eight key sites. This will include a significant volume of drop-in space, both in our offices and in those of our key partners.

3.1.2 The planned investment programme (largely self-funded from receipts), means that overhead and operating costs continue in a downward momentum. On completion, the programme will have reduced the County Council's office floor area by up to 35% and saved £2m pa in running costs. Following the successful refurbishment of Ashburton Court, the programme has now been developed to the point where it is clear that a total of 9,000 square metres of accommodation across Winchester will be released. This is a floor area roughly the equivalent of the whole of Elizabeth II Court South.

3.1.3 Workstyle has also delivered a new office hub in Eastleigh (operational from March this year), releasing a major freehold and three leasehold offices. The main property-related efficiencies in the town include a reduction in our office floor area of 33%, a net £0.6m capital receipt and

annual revenue savings of the order of £170,000. A range of service benefits for staff and customers have already been evidenced as a result of the facilities provided in this new office hub. In Havant, the first phase of the new Public Service Village will open its doors on 1<sup>st</sup> September. On completion of the whole project (in May 2012), there will be an estimated £70,000 annual revenue saving and office space reductions in the order of 1,000 square metres Other significant operational and service benefits will also accrue.

3.1.4 The next stages for Hampshire Workstyle will be to create a small number of new, large and more efficient office hubs – specifically in the north and west of the County, and also to deliver further efficiencies to our headquarters portfolio.

### 3.2 Other Asset Efficiencies and Key Issues

3.2.1 Future office infrastructure requirements will become clearer following the outcome of the Corporate Services Review and when demand for Shared Services are known. In the interim, the downward reduction and efficiency created by Workstyle remains, but a more radical review will be required next year.

3.2.2 The National Capital and Asset Pathfinders provide a good mechanism for realising the potential to rationalise property holdings across the public sector. Early discussions with a range of partners are proving fruitful. This work stream has the potential to deliver scope for greater sharing of property, reducing the total volume required. The Havant Public Service Village, which as indicated is nearing completion, will be a useful benchmark for other schemes being explored, for example with Hart and Rushmoor Borough Councils.

3.2.3 Reinvestment of receipts and prudential borrowing are also proving helpful to fund:

- the programme for Photovoltaic Panels;
- new facilities as part of the Learning and Disability Strategy;
- subject to Member approval, a future programme of extra care provision for elderly people.

## 4 ***Operations Restore and Resilience***

4.1 Following the success of *Operation Restore*, which recently won the 2011 Major Project Award in the ICE South East England Engineering Excellence Awards, *Operation Resilience* is progressing well. These programmes are taking forward the County Council's continued commitment to investment in strengthening and improving our roads and highway drainage systems.

4.2 The first stage of the campaign, *Operation Restore*, was a £12.5 million scheme designed to repair roads to the same standard as before the big freeze of 2009/10. In 2010, the team successfully filled around 30,000 potholes and resurfaced 70km of roads, in just six months.

- 4.3 Work has now started on the second stage of the campaign, *Operation Resilience*, which will 'future proof' highways so that they can cope with extreme weather, as well as increasing volumes of traffic. The first year of the programme will involve carrying out some 154 carriageway strengthening schemes; 113 resurfacing schemes; 46 planned maintenance schemes (drainage, footway, ditching, kerbing and investigation works); and patching and restoring skid resistance through surface treatments on a further 284 sites.

## **5 Area Based Insulation**

- 5.1 Following a successful tender, Yorkshire Energy Services and ScottishPower have begun to deliver the Area Based Insulation (ABI) project under its new operating brand of 'Insulate Hampshire'. Local contractors and suppliers have already been appointed by the lead contractor and the scheme is due to launch on 26<sup>th</sup> July. The price will be £99 for loft insulation and £75 for cavity wall insulation, based on an average three bedroom property. Residents will also have the option to purchase DIY loft insulation.
- 5.2 Insulate Hampshire has made successful links with the Hampshire Fire and Rescue Service community safety scheme. Through the Citizens Advice Bureau, residents will be offered benefit entitlement checks as part of the initial Insulate Hampshire assessment. Adult Services will distribute referral cards for the scheme through carers, social workers and other staff responsible for older people, ensuring that vulnerable groups are reached. Trading Standards are also involved, in order to ensure that the County Council's support for 'No Cold Calling' zones is recognised. Almost 200 leads have already been developed as a result of the small article in *Hampshire Now* and initial feedback from residents has been extremely positive.

## **6 Learning Disability Services**

- 6.1 Following extensive consultation on in-house learning disability services, a vision has been developed that will see services placed within a vibrant market of providers. The vision includes a clear focus on enabling people to reach their optimum independence within the community, requiring providers to be responsive to the needs of those people who want to exercise choice and control through individual budgets. The approved proposals include reinvesting 100% of the capital receipt from the sale of the existing sites and prudential borrowing, to build two new residential developments (estimated reinvestment of £8.265m): one in the north of the County to provide respite accommodation for those people living in Andover, Basingstoke and Aldershot; and one in the Fareham/Gosport area.

## **7 Internships Plus**

- 7.1 Cabinet took the decision at its meeting in January 2011 to provide further employment related support to young people, especially those from the

most vulnerable groups for whom the Council has corporate parent responsibilities.

- 7.2 Significant progress has been made in developing a proposal which has been created in partnership with the University of Winchester and Catch 22 (a training provider experienced in working with care leavers). The pilot begins on July 18<sup>th</sup> 2011. In essence, it is a particular and unique form of apprenticeship which has been given the different name of *Internships Plus* to avoid confusion with standard apprenticeships. It offers a 12-18 month paid work placement (or internship) to 16-18 year olds, during which time the intern is an employee of Hampshire County Council, working in a supernumerary role with significant pastoral support available to them and the managers who host their placement. All interns will work towards a Level 2 qualification in customer relations. The internship includes a four-day preparatory programme with the Lifelong Learning team at Winchester University prior to the work placement.
- 7.3 This programme is funded by the University through AimHigher monies. Successful completion of *Internships Plus* will help participants be far more competitive in the job market by giving them a generally applicable level 2 qualification, valuable and substantial workplace experience and skills, build their work 'network' and give access to role models, as well as the kudos of a university name and the label 'intern' on their CVs. To-date there are 23 participants due to begin the programme, but because of the nature of the client group, this figure may change. A detailed report was submitted to EHCC for approval at its meeting on 20 July 2011. This is a huge step forward to improve the life chances for young people.

## **8 Ofsted inspection of services for safeguarding and children in care**

- 8.1 Ofsted have recently completed a focused and intensive inspection of Hampshire's services for safeguarding and children in care. This process forms part of a wider inspection framework for Children's Services, including an annual unannounced inspection, contributing to an overall annual rating for the Department. Initial feedback has been positive, reflecting the trend of continuous improvement in these services. The final report will be published on 17 August 2011. A strong set of results will reflect the huge amount of skilled and dedicated work that takes place across the County Council to improve the lives of the most vulnerable children and young people.

## **9 Partnership with Headteachers and schools**

- 9.1 The change of government in May 2010 heralded a change in the relationship between local government and schools, the intention of which has been to transfer power to schools themselves. The White Paper, *The Importance of Teaching*, sets out a role for local authorities in championing excellence and the interests of parents and children. This includes ensuring that local provision is sufficiently diverse; and intervening in schools where performance falls below minimum standards. It is for local authorities to determine how they meet these responsibilities.

- 9.2 The changing school landscape also offers opportunities and challenges for the Local Authority in selling services to schools - participating in a growing, competitive marketplace alongside a variety of providers. A significant volume of work has taken place. This includes assessing the quality of Hampshire's services and producing a brochure for academies and schools, covering services for the academic year from September 2011. More work will need to be done on marketing; and also reviewing the small number of services which have relatively low take up.
- 9.3 In redefining the relationship with schools, it will be important to build on what has been achieved in Hampshire over the last fifteen years. It is also vital that the relationship is right with both academies/free schools and the remaining maintained schools. A core set of principles have been established to inform future developments.

## **10 Children and Young People's Plan**

- 10.1 The Children and Young People's Plan (CYPP) is the key strategic plan for Hampshire's Children's Trust, establishing priorities for the delivery of services to children, young people and families. The current plan is due to expire in 2012 and statutory requirements for local authorities to publish a CYPP have been removed by central government. However, the Children's Trust has decided to continue with the development and implementation of a strategic plan, reinforcing a sustained and shared commitment to improving the lives of children, young people and families. This approach has been endorsed by the Executive Lead Member for Children's Services. A new plan is currently under development, for publication in April 2012. The plan will be shorter than in previous years, with more of a local focus, and will incorporate Hampshire's Child Poverty Strategy.

## **11 Performance**

- 11.1 This section of the report and Appendix 1 provides a summary of Hampshire County Council's performance during 2010/11. Performance against the Corporate Improvement Plan has been positive, with the majority of targets achieved and a high proportion of areas demonstrating improvement from 2009/10. Bearing in mind that the Council was planning stretching targets from a high base line, this represents strong improvement.
- 11.2 This section also presents details of the refreshed County Council Performance Management Framework, which replaces the previous *Driving Success* model. An emerging set of medium term priorities for the organisation are introduced, reflecting the efficiencies and transformation agenda; the work streams established through the *Open for Business* reports; and mainstream service priorities. Together, these form the medium term plan for the County Council, the *Open for Business Plan*.
- 11.3 While all of the above have been reported on separately, this is the first time a new framework has been produced for Cabinet that brings together

the constituent policies, programmes and initiatives into a combined framework. The revised proposals reflect more effective self regulation and less formal inspection, but retains strong elements of internal challenge. Appendix 1 illustrates significant progress on both corporate and hard to move issues. Chief Officers also report significant success across the organisation (identified in Appendix 1).

#### **11.4 Committed to Excellence: a refreshed Performance Management Framework Background**

11.4.1 Revision of the existing performance management framework *Driving Success*, was prompted in 2011 in response to a number of factors, influenced by the challenges posed in the reduction of central Government funding and the opportunities arising from the localism agenda and reduced burdens. Consequently, the refreshed performance management framework has been designed to best position the County Council in:

- securing continuous improvement in services during a period of reduced resource and increased demand;
- regulating its own performance, strengthening local accountability and transparency;
- maximising business opportunities (as outlined in the *Open for Business* reports); and
- ensuring that limited resources are directed to priorities, thereby making the most effective use of public money.

#### **11.5 Principles and key components**

11.5.1 The principle underpinning the revised performance management framework is securing continuous quality improvement in all aspects of service planning and delivery. This is driven by strong leadership and management, which is self-aware, responsive and focused on outcomes. Section 5 in Appendix 1 builds on past success and begins the iterative process of establishing new themes on the basis of past success.

#### **11.6 Next steps**

11.6.1 The *Open for Business Plan* will be finalised for implementation over the summer. Specific support will be provided for departmental performance leads in implementing the revised performance management framework. Additionally, a communications work plan will establish activities to promote the priorities within the *Open for Business Plan*, to ensure consistency in approach and clarity of messages.

11.6.2 These key messages include:

Values	Key messages
Open for business	A modern business delivering public services
Caring	Looking after Hampshire, looking out for you
Quality	Committed to excellence
Value for money	Making the most of your money

11.6.3 Reporting will be undertaken on a regular basis, incorporating progress updates from departments against their Business Plans. Reports will consist of:

- the latest data for performance against success measures;
- a risk based performance rating for each measure (using 'red', 'amber' and 'green');
- commentary on any risks, issues or budget pressures (for any measures rated as 'red' or 'amber') - incorporating the approach to the previous Chief Officer Self-Assessment process.

11.6.4 Performance for the first part of the year will be reported to Cabinet in Autumn 2011.

## 12 Challenges and Risks

- 12.1 The report outlines a clear focus on achieving continued success through stretching performance and a *commitment to excellence*. At a time of unprecedented financial change, there is a risk that our performance may diminish, or that key service or policy outcomes are not achieved. The scale of today's agenda evidences the volume of pressures faced by the Council at a time when its capacity is reduced. However, the success outlined in this interim review, strongly suggest that this risk is being minimised. Migrating to a new self-regulated performance framework will further strengthen this position and this report begins that process.
- 12.2 The second and more obvious risk is that in pursuing efficiencies and cost reductions, major parts of our spending have less impact or indeed the budget gets out of alignment. Early indications are that departments are both achieving their reductions, remaining within their cash limits and continuing to deliver excellent public services. The first quarter monitoring reports will be provided to Cabinet by the County Treasurer in September which will illustrate financial progress/performance. The most significant risk must remain that the financial impacts of the Cost Reduction Efficiency and Transformation programme gathers up such momentum that we take 'our eye off the ball', on other important policies and strategies.
- 12.3 This report rehearses the success of these policies and strategies and would suggest these risks are largely mitigated by strong progress in a

significant number of areas. Looking ahead, 2012/13 must remain a very challenging year, as the law of diminishing returns impacts on our workstreams and our capacity. It is intended that the Corporate Services Review will assess our future capacity; and it may be at this point, that we look to grow elements of the organisation and different functions to a position that the Council can take advantage of a developing market in Shared Services and other partnerships.

### **13 Conclusion**

- 13.1 Continued improvement from a high base is always challenging. This is made more so by the current financial context. While there were many critics of the past centrally imposed regimes, they did evidence very significant progress and success. The opportunity to improve elements of self regulation and those aspects of life chances, quality of place and hard to move issues, lays the ground for more effective outcomes in many aspects of the Council's services.

### **14 Recommendations**

It is recommended that Cabinet:

- (i) Notes the successes achieved to date of the projects and strategies developed as part of Open for Business
- (ii) Notes the Council's overall positive performance against key indicators and 'hard to move' targets
- (ii) Notes that a further report on the Council's performance for the first quarter of 2011/12 be presented to Cabinet in the autumn.
- (iv) Endorses the direction of travel and emerging priorities for the *Open for Business Plan 2011-14*.

## Appendix 1

## Performance summary for 2010/11 year end

**1 Performance against the Corporate Improvement Plan (CIP)**

1.1 The 2010/11 CIP consisted of three sections:

- **‘Hard to move’** - those areas identified as requiring a ‘step change’ in performance in order to meet an improved standard.
- **‘Corporate basket’** - outcomes that are of importance to the County Council, but perform to a satisfactory standard.
- **‘Hotlist’** - those areas that potentially need improvement, but require further definition.

1.2 Performance against the CIP has been positive, with progress made in challenging areas. At year end, approximately one third of targets within the ‘hard to move’ category were achieved, with the majority of measures demonstrating improvement from the previous year. Performance against the ‘corporate basket’ was more positive, with almost three quarters of targets achieved and the same proportion of measures demonstrating improvement. A summary of results is provided in the table below:

**Table 1: Summary of performance against the 2010/11 CIP**

	Percentage of measures showing improvement between 2009/10 and 2010/11	Percentage of measures meeting targets in 2010/11
Hard to Move	55%	30%
Corporate Basket	73%	73%

**(a) ‘Hard to move’ areas**

1.3 The County Council was broadly successful in securing improvement against the three themes within the ‘hard to move’ areas:

- *Maximising well-being;*
- *Enhancing our quality of place;*
- *Better opportunities for children and young people.*

1.4 **Maximising well-being:** Only one measure was included for this aim - the percentage of eligible social care clients using personal budgets or Direct Payments. This measure was new for 2010/11 and exceeded the target (35.7% of eligible clients, against a target of 30.0%), reflecting Adult Services commitment to enabling greater choice and control in adult social care and support.

1.5 **Enhancing our quality of place:** All measures supporting this aim related to highway condition and road maintenance. 50% of targets were

achieved, with 25% of measures demonstrating improvement from 2009/10. Hampshire's performance in comparison to other authorities was one of the areas of improvement, with the county having the sixth highest level of satisfaction with highways maintenance (out of 24 County Councils – previously ranked 11<sup>th</sup>). Achievement of targets in this area was challenging due to the impact of poor weather on road surfaces over two severe winters. The new 'Operation Resilience' programme aims to strength and weather-proof the county's road network over the next five years.

- 1.6 ***Better opportunities for children and young people:*** The vast majority (80%) of measures demonstrated improvement from the previous year. Significant improvement was evidenced in reducing teenage conceptions and GCSE results for children in care. Stretching targets were established for each of the measures in this section, as part of the Local Area Agreement (LAA), which proved difficult to realise during a period of increased demand on services, combined with the impact of the economic downturn. Results for one remaining measure will not be available until autumn (the proportion of children in care achieving five or more GCSEs grade A\*-C, including English and maths). A significant volume of co-ordinated work is taking place to continue to improve outcomes for these vulnerable groups of children and young people. This includes developing the apprenticeship and work placement opportunities within the County Council; and recruiting additional foster carers to reduce pressure on placements for children in care.

**(b) The 'Corporate basket'**

- 1.7 Overall, performance against the 'corporate basket' was extremely positive, with the vast majority (73%) of targets achieved. The same proportion of measures demonstrated improvement from the previous year. Significant improvements were evidenced in the following areas:
- repeat incidents of domestic violence, which reduced from 29.0% to 21.9% (although did not achieve the stretching target of 18.0%);
  - the proportion of young people achieving five or more GCSEs grade A\*-C, including English and maths, which increased from 55.4% in 2008/09 to 58.9% in 2009/10;
  - the rate of first time entrants to the Youth Justice System, which fell from 1,340 per 100,000 young people aged 10-17 in 2008/09 to 815 per 100,000 in 2010/11.
- 1.8 Furthermore, strong performance continues to be demonstrated in the following areas:
- the percentage of vulnerable people who are supported to maintain independent living, which increased slightly from 99.04% to 99.13%;
  - the proportion of municipal waste land filled, which reduced from 10.41% to 9.29%.

## 2 The Local Area Agreement (LAA)

- 2.1 LAA targets were revoked at the end of 2010, as part of the coalition Government's commitment to reducing reporting requirements. Hampshire's performance over the three years, covered by the agreement, was reported in detail to partners in February 2011.
- 2.2 Overall, there was strong evidence of performance being stretched in a number of areas, as a result of collective prioritisation, targeted investment and stronger collaborative effort. The impact can be seen in school performance; improved children's health services; reduced accidents and lower speeds in villages; continued reductions in crime and anti-social behaviour; and the number of people helped to maintain independent living. Significant new projects have been established, including the 500 affordable homes scheme; the county-wide insulation scheme; and the establishment of the School for Social Entrepreneurs. Areas of weaker progress were associated with the impact of the economic recession. Furthermore, two severe winters placed significant strain on the condition of Hampshire's road network, requiring a substantial further investment programme.

## 3 Chief Officers' Self Assessments

- 3.1 Chief Officers' Self Assessments provided further evidence of key achievements as follows:
- Approval of the 2011/12 budget by Cabinet and County Council in February 2011, setting an 8% savings target across the Authority. A robust approach is in place for monitoring delivery.
  - Children's Services being judged as *performing excellently* by Ofsted in December 2010, demonstrating progress from the previous year when the Department was graded as *performing well*.
  - Completion of 'Operation Restore', which resurfaced and repaired 70km of road in a significant number of locations in just six months; and launch of the new 'Operation Resilience' programme. These schemes represent significant investment in Hampshire's roads, weather-proofing them for the future.
  - A decrease in the percentage of 16-18 year olds not in education, employment or training, despite the challenging economic circumstances.
  - Consistent improvements in a variety of attainment measures, particularly the proportion of children and young people achieving the expected levels at Early Years Foundation Stage; Key Stage 2; and GCSE.
  - Over 3,000 adults using personal budgets to choose support services through Self-Directed Support.
  - An increase in museum visits by 11.6%, achieving half a million visitors in 2010/11 for the first time.

- Facilitating a combined investment of almost £1 million in rural Hampshire, as a result of County Council 'rural funding' investment of £180,000.
- Reopening of Waterlooville Library and Learning Centre in October 2010 (part of the Learning, Education and Adult Development project). The centre now provides courses; Wi-Fi access; 'self service'; longer opening hours; and the first Hantsdirect Local.
- Launch of the 300<sup>th</sup> cold calling zone and 250,000 unsafe consumer products withdrawn from the marketplace by Trading Standards.
- Completion of the Eastleigh hub at Hampshire House, as part of the Workstyle programme.

3.2 Risks, challenges and improvement priorities identified by Chief Officers included:

- Managing/mitigating the impacts of the efficiencies programmes within departments, including supporting and developing the workforce through a period of change; and delivering services with reduced management capacity.
- Responding proactively to a significant amount of policy and legislative change, including transforming social care; absorbing new public health responsibilities; and establishing a new relationship with schools and academies.
- Developing income opportunities.
- Ensuring that economic development/regeneration is targeted on areas of particular need or economic under-performance.

3.3 All areas for improvement will be included within the new County Council *Open for Business Plan* as set out below.

3.4 The framework is based on the four key elements of performance management (planning, delivering, monitoring, revising), forming a cycle of continuous improvement (see Appendix 1). These are detailed below:

<b>Planning</b>
<ul style="list-style-type: none"> <li>• <b>County Council aims:</b> the three corporate aims (existing version).</li> <li>• <b>County Council Business Plan – for 2011-14, this will be the <i>Open for Business Plan</i>:</b> medium term (three/four years) strategic plan, refreshed annually. The plan is both 'inward' and 'outward' facing. Includes efficiency and work streams outlined in the <i>Open for Business</i> reports, integrating these key areas of work into mainstream business planning. Also incorporates activities for key service areas/those areas in need of improvement; communications; finance; and workforce. This approach ensures that resources are aligned to priorities.</li> </ul>
<b>Delivering</b>
<ul style="list-style-type: none"> <li>• <b>Department Business Plans:</b> the annual action plan for a department. Focused on key services and areas in need of improvement.</li> </ul>

Monitoring
<ul style="list-style-type: none"> <li>• <b>Monthly reporting on efficiencies:</b> completed templates for each work stream are used to provide a summary of progress for chief officers and monitor whether work streams are on track to achieve savings targets. These processes are already established and will remain in place (co-ordinated by the Policy and Programme Office).</li> <li>• <b>Reporting on performance against the County Council Business Plan:</b> providing an analysis of performance against key measures of importance, which integrates finance, workforce and performance. Reports are risk based, with departments providing progress updates against their Business Plan; and Chief Officer commentary on key risks/issues. Cabinet will receive a progress report against the priorities in the Business Plan, on a regular basis.</li> <li>• <b>External reporting requirements/inspection:</b> managed by departments.</li> <li>• <b>Annual departmental self-assessment:</b> based on six key standards (management and leadership; resources and performance management; partnership working; quality of provision; capacity for improvement). The aim is to provide an overall 'health check' for the organisation, with information used to inform the County Council annual performance report. Self-assessments are completed by each department, incorporating Chief Officer commentary/analysis.</li> <li>• <b>County Council annual performance report:</b> provides an overview of performance of the organisation against the Business Plan. Full report for CMT and Cabinet, with shorter public version also published online. The report identifies areas for improvement over the following year (which are then included in a refresh of the Business Plan).</li> </ul>
Revising
<ul style="list-style-type: none"> <li>• <b>Improvement support:</b> a clear procedure establishes a process for performance 'alerts' and the support on offer for areas of under-performance.</li> <li>• <b>Policy and Programme Office improvement support/consultancy:</b> individually tailored support or consultancy, which can be used for improvement, efficiencies work streams, or projects.</li> </ul>

#### 4. Outcomes

- 4.1 The refreshed framework aims to further streamline performance management, by bringing together a number of different reporting processes; and integrating performance reporting with budget/efficiencies and workforce planning. These integrated processes will be embedded within routine management practice and strategically linked to the budget of the County Council. The framework will support the realisation of the efficiencies and transformation agenda; reflecting the vision of the County Council as *a modern business providing public services*.
- 4.2 Using a 'count once, use numerous times' approach, information will be used to report progress against the *Open for Business Plan*; and by departments to report progress against their Business Plans or efficiency work streams. Reports can be 'sliced' by priority, or by activity type (e.g. a report focusing solely on Human Resources, or budget management). The

concurrent implementation of Business Objects software will also provide opportunities for developing more effective analysis and presentation techniques, providing benefits across the organisation.

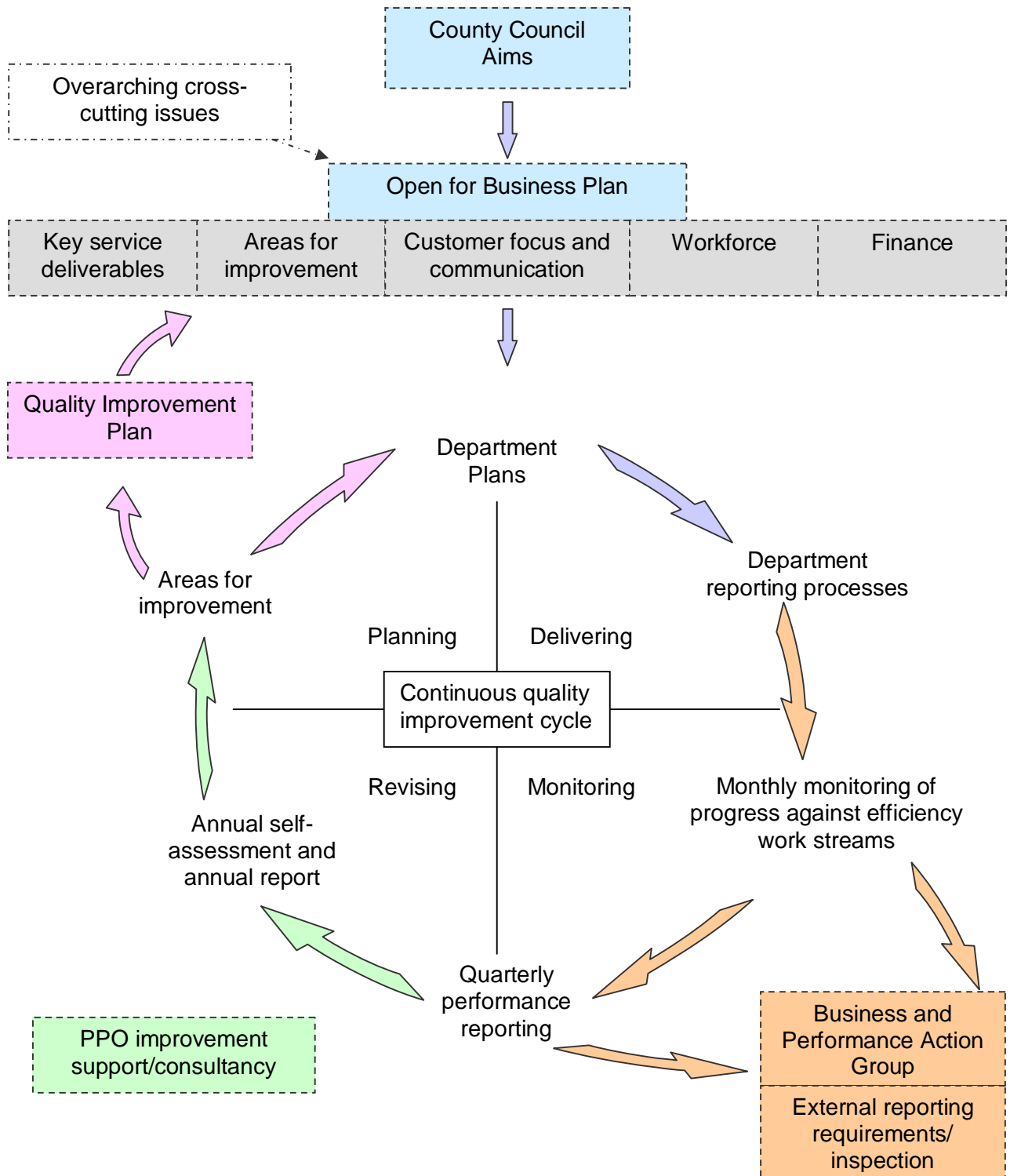
## **5 Emerging priorities and development of the *Open for Business Plan***

- 5.1 The emergent draft of the Business Plan, the *Open for Business Plan 2011-14*, combines:
- the transformational activities/themes outlined in the *Open for Business* reports;
  - the *Cost, Efficiency and Transformation Programme for 2012/12*;
  - mainstream service priorities.
- 5.2 The underlying ambition of the plan promotes the concept outlined in the *Open for Business* reports - “that during and throughout the period of cost reduction and changes, the County Council will want to review and maintain its high level of performance and also look to develop opportunities that will emerge in the local government landscape”.
- 5.3 Earlier *Open for Business* reports to Cabinet highlighted key issues facing the County Council and outlined some of the activities and work streams needed in response. In relation to the proposals in the Localism Bill, the Authority is working to build resilient and sustainable communities; improve understanding of, and communication with, communities; and develop new models of customer access. Other key activities in responding to future challenges include a continued focus on vulnerable groups; greater integration with Health; delivery of improved broadband connectivity; and a review of rural policies.
- 5.4 The Authority’s key role as ‘place shaper’ is reinforced through the review of economic policies and the ‘green estate’; development of Transport for Hampshire; and the establishment of a strategy for energy and climate change. These activities have been initiated in response to the economic situation and opportunities emerging from the Government’s business and growth agenda.
- 5.5 Securing a stable financial basis for the Authority is a key work stream, supported by cost effective delivery, which recognises the financial challenges in the medium and longer term. This has included reviewing the capital and asset management strategies; exploring new markets, trading and shared services opportunities with partners; and developing opportunities for strengthened partnership working with the voluntary and community sector.
- 5.6 A coherent corporate workforce development strategy has been established, with a focus on strengthening management and leadership skills to best support the organisation moving forward.
- 5.6.1 A clear set of priorities are being developed for staff and partners, bringing together these key activities with mainstream service delivery. The eight emerging priorities, aligned with departmental aims, are listed below:

<b>Hampshire County Council: emerging priorities for 2011-14</b>	
<b>1</b>	Enhance community engagement and partnership working – strengthening/empowering communities
<b>2</b>	Support and enable sustainable economic development – ‘place shaping’
<b>3</b>	Improve outcomes for vulnerable and potentially disadvantaged groups
<b>4</b>	Enhance Hampshire’s environment and promote sustainability
<b>5</b>	Develop new models of service provision
<b>6</b>	Deliver efficiencies and expenditure reductions/effective management of resources
<b>7</b>	Improve customer service
<b>8</b>	Rebuild training, leadership and competence frameworks to enhance the effectiveness, capacity and flexibility of staff and managers

- 5.8 Specific activities and targets, for each of the priorities, are currently being established with departments.

**Appendix 2: Cycle of Continuous Improvement**



**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	yes
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	yes
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Improvement plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Open for Business	2548	24 January 2011
Open for Business	2792	28 March 2011
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

Open for Business draws together a significant programme of transformation for the County Council updating policies and approaches. Equality impacts assessments of each element will be undertaken on the implementation plans.

### **2 Impact on Crime and Disorder:**

Many of the policy reviews underway present specific opportunities to enhance or promote community safety.

### **3 Climate Change:**

- i. How does what is being proposed impact on our carbon footprint / energy consumption?

The most significant areas relate to the policies on development and the future use of assets. Carbon and financial savings are key to the development of these specific policies.

- ii. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The most significant elements relate to the policies on development for which climate mitigation and adaption will be key considerations.