

FOR PUBLICATION

AGENDA ITEM

DRAFT PERFORMANCE MANAGEMENT FRAMEWORK

MEETING:	OVERVIEW AND PERFORMANCE SCRUTINY FORUM
DATE:	16 th June 2015
REPORT BY:	POLICY MANAGER
WARD:	ALL
COMMUNITY ASSEMBLY:	ALL

1.0 PURPOSE OF REPORT

1.1 To consult the Overview and Performance Scrutiny Forum during the development of the new Performance Management Framework for the Council.

2.0 BACKGROUND

2.1 Since 2010 there have been major national level changes impacting on local authority performance management and improvement. These include:

- The 200 measure strong national indicator set was abandoned
- The requirement for undertaking Public Satisfaction Surveys including the Place Survey (general residents survey) and the Status Survey (local authority tenants) was removed
- Comprehensive Area Assessments, Key Lines of Enquiry and formal performance assessments co-ordinated by the Audit Commission were abolished

2.2 Council's no longer have formal assessments and performance management is entirely voluntary. Since 2010 the Council's performance management framework has been eroded and is no longer considered to be effective in challenging and improving performance.

2.3 We have been working with East Midlands Councils and other authorities across the East Midlands to develop a new fit for purpose framework which recognises the importance of transparency, accountability and sector led improvement. The draft Performance Management Framework (PMF) is attached at Appendix A.

3.0 **NEW PERFORMANCE MANAGEMENT FRAMEWORK PRINCIPLES**

3.1 The new PMF sets out the high level approach to performance management ensuring that all services and employees are:

- Clear about what we are aiming to achieve, by when and by whom
- Focusing resources and actions on the right outcomes
- Increasing their awareness and ownership of how things are going- both the successes and where things need to improve
- Able to report on progress to both internal and external audiences
- Able to access effective performance management improvement and support

4.0 **THE PERFORMANCE MANAGEMENT CYCLE**

4.1 Analyse

We need a solid understanding of our communities' needs and aspirations and increasingly require an understanding of the wider market conditions. We need to assess and analyse this information to inform our plans. Key data could include:

- Legislative and regulatory considerations
- Demographic information
- Emerging social trends
- Customer satisfaction and feedback
- Past performance information
- Workforce data

4.2 Plan

This is where we need to be clear about our vision – where do we want to go?. We need to identify our priorities – what needs to be done? What are the most important actions? Who is responsible for delivery?

The Key plans identified include:

- The Council Plan 2015 – 2019 – sets out the key priorities and the actions and activities we will deliver in year and by the end of the plan
- The Medium Term Financial Strategy – sets out how resources will be aligned to deliver the Council Plan priorities

- Service Plans – each service develops an annual plan setting the high level themes, approach and tone for their work
- Employee Personal Development meetings – Every employee has an annual performance and development meeting with their line manager at which objectives and milestones for the year are set

Accountability is a key part of the new PMF. Responsibilities of Elected Members (including a specific role for Overview and Scrutiny), Senior Officers and Employees are clearly identified within the PMF. The support commitment via the Policy Service is also made.

4.3 Do – Deliver the objectives and priorities – Implement the plans

The Council's plans are live documents which set out what will be done in the period ahead. They are updated to reflect emerging issues such as demographic changes, community engagement feedback and political changes. We also use a competency framework for all employees and managers against which employees are assessed. Part of this framework includes demonstrating ownership of their own performance and striving for improvement.

4.4 Review/Revise – monitor, challenge, review and revise

Performance information needs to be actively used to achieve outcomes and drive improvement. Challenge and review needs to occur at all levels of the authority and includes reviews of past performance, learning lessons, benchmarking and looking ahead to what could be emphasised or done differently in the future.

5.0 **PERFORMANCE REVIEW**

5.1 Service Performance Review

Within in each service (or group of services) there will be a dedicated quarterly management team meeting to consider and challenge their performance against their service plan. Services will be encouraged to discuss this information at their wider team meetings as appropriate.

5.2 Corporate Performance Review

The Corporate Performance Review comprises of Political Cabinet, Senior Leadership Team and Corporate Management Team. The review will take place quarterly as part of the Executive/Management Team away days and focus on reviewing and challenging overall performance and aligning resources to improve areas of greatest need.

A balanced scorecard would be a key element of the corporate performance review. An example scorecard is attached at Appendix B. The scorecard brings together a variety of data including:

- Council Plan – Projects and performance indicators
- Workforce information – pay and productivity indicators, workforce profile information, health and safety indicators, employee surveys indicators and relevant action plans
- Customers and communities – complaints, avoidable contact, communication indicators, public satisfaction indicators
- Business critical activity – key income streams, key service level indicators, governance indicators, PPP indicators and business critical projects
- Big ticket progress – could include Great Place: Great Service information, transformation programme data, trading etc.

This wouldn't be new data, it will involve bringing together data from a variety of sources so that the data is more transparent and more accessible for decision making. Exception reports and options for improvement would be available in addition to the scorecard.

Corporate Managers will be encouraged to discuss this information at their management and employee team meetings as appropriate to increase the engagement and ownership of performance management at all levels.

5.3 Performance Review Timing

An issue to consider is whether the service performance reviews should take place before the corporate review so they can feed into the corporate review or if the corporate review should go first and information cascaded down.

It is important that performance reviews take place soon after the quarter end to ensure that where necessary improvement activities can be put in place in order to improve performance in year. With this in mind depending on timing we may not be able to get the quarterly reports to Scrutiny before the performance review meetings – they would of course be available for viewing.

5.4 Performance Reporting

Twice a year a full performance report will be developed to highlight performance data, trends and the findings and actions for the service and corporate performance reviews. This report will be challenged by Overview and Scrutiny and Cabinet to ensure our PMF is achieving change and

driving improvement. The six monthly performance reports will also be available to the public on the Council's website.

6.0 **OTHER FORMS OF CHALLENGE**

- 6.1 Community engagement – there is a wealth of feedback from our community engagement programme including community assemblies, satisfaction surveys, Equality and Diversity Forum which help to challenge our performance. Employee engagement and Trade Union activity also offer effective opportunities to challenge performance.
- 6.2 Complaints, comments and compliments – our communities are encouraged to give feedback to the Council on the services we provide. Each service will be provided with quarterly updates of their comments, complaints and compliments to inform their decision making and service level performance reviews.
- 6.3 Sector led improvement – The Council is actively using the Local Government Association's "Taking the Lead" approach for sector led improvement including a commitment to a Peer Challenge every four years. Additional voluntary challenges such as investors in people and Equality Framework are also used to drive performance.
- 6.4 We also use a variety of benchmarking tools and services to benchmark our performance, costs and employment issues against other local authorities.

7.0 **ACTION SO FAR**

- 7.1 The following activities have been taking place over the last six months to increase momentum on our performance improvement journey:
- New four year Council Plan approved. This document clearly sets out the in-year deliverables and what is expected by the end of the plan term
 - Service Plans have been developed for all service areas which include key performance indicators, projects, risk assessments and workforce development issues. Each Service Plan has been cross-referenced with the Council Plan to ensure all Council Plan deliverables have been allocated to the appropriate lead service
 - The Council Plan and Service Plans were used to discuss the support requirements with arvato and Kier for the coming year
 - There was a big push on employee personal development appraisals this year so that all employees had the opportunity to meet with their manager to discuss objectives and development needs
 - Working with East Midlands Council and authorities across the East Midlands to raise Performance standards across the region – this work has informed our new PMF

- Development of a single data list which clearly identifies the data type, frequency of collection, opportunities for benchmarking, lead service area and how the data can feed into the new PMF
- Data has been reviewed to boost the frequency of collection on key indicators to enable improvement actions to be put in place much earlier in the year and improve in-year performance

8.0 **CONSULTATION**

8.1 We are currently consulting a number of stakeholders including Overview and Performance Scrutiny Forum on the new PMF in order to inform the proposals before they are considered by Cabinet.

9.0 **NEXT STEPS**

9.1 Suggestions for improvement emerging from the consultation will help inform the final draft version of the PMF which we are planning to take to Cabinet on the 21st July. If the PMF is approved we are aiming to bring in the majority of the framework for the second quarter of 2015/16, although there will be further improvements into 2016/17.

D. M. REDDISH
POLICY MANAGER

Further information on this matter can be obtained from Donna Reddish (Extension 5307).

Officer recommendation supported/not supported/modified as below or Lead Members' recommendation/comments if no Officer recommendation.

Signed

Lead Member

Date

Consultee Lead Member/Support Member comments (if applicable)