

PERFORMANCE MANAGEMENT

SUMMARY

- 1.1 This report explores how Overview and Scrutiny Boards can provide value in reviewing and challenging performance across the Council and wider partnerships. Changes to the national performance framework have resulted in less inspection and assessment of local authorities by central Government. There is an important role for Overview and Scrutiny to support improvement activity across the Council and demonstrate value for money to the local community.
- 1.2 The report includes a description of the current Council performance framework and puts forward possible ways in which Scrutiny can add value to existing arrangements. This could include greater monitoring of key performance measures by Board members and reinvigorated performance surgeries which focus more on outcomes.
- 1.3 Feedback from Overview and Scrutiny on the options will inform the review of the Council's performance framework. Proposals will be put forward to the Council Cabinet later in July 2012.

RECOMMENDATION

- 2.1 To consider how Overview and Scrutiny Boards would like to review and challenge performance going forward (to inform development of the Council's performance framework).

REASON FOR RECOMMENDATION

- 3.1 Active performance monitoring, challenge and learning will support the delivery of the Council's priorities contained within the Council Plan 2011-14 and service improvement more generally. Overview and Scrutiny Boards should play a key role in the performance framework to support areas of underperformance. The current performance framework, including the performance surgery process, is being reviewed to ensure it is fit for purpose.

SUPPORTING INFORMATION

- 4.1 The Council's performance framework ensures rigorous monitoring of 60-70 priority performance measures through the Council Scorecard. This is reported on a monthly basis to Chief Officer Group and quarterly to Council Cabinet. In addition, business plans are monitored by directorates on a quarterly basis, in terms of both objectives and performance measures.
- 4.2 As well as frequent monitoring, it is important that there is regular challenge of performance to promote improvement. The current framework consists of the following mechanisms for challenging performance...
- Directorate review and challenge – through regular performance monitoring at Departmental Management Teams, transformation programme activity and the review of staff objectives through Managing Individual Performance.
 - Chief Officer Group – in addition to monthly monitoring, challenge takes place at bi-monthly 'Performance COG' sessions led by the Chief Executive.
 - Performance Surgeries – are led by Cabinet Portfolio holders to focus on Council-owned indicators which are selected by either Chief Officer Group or Cabinet member themselves. Scrutiny chairs and vice chairs are invited to participate.
 - Overview and Scrutiny Boards – undertake thematic reviews and cover areas not picked up through Performance Surgeries.
 - Government / External assessors - such as CQC and Ofsted who undertake regular reviews and inspections of Childrens and Adults services. The LGA offers a peer review programme to support services that are not subject to inspection, for example, planning.
- 4.3 Due to changes in the national performance framework there is now reduced inspection of local authorities (for example, Comprehensive Area Assessment, CAA has been removed). This means a greater emphasis on sector self-improvement and councils putting in place their own arrangements to review, challenge and improve.
- 4.4 Performance surgeries have proved valuable in challenging areas of underperformance, prompting and reviewing action plans, raising awareness of performance issues and ultimately supporting service improvement. In recent years, surgeries have focused on indicators within the Council scorecard or those judged important from an inspection point of view.
- 4.5 However, there is now an opportunity to review the role of surgeries in relation to the work of Scrutiny Boards. Surgeries allow greater time to be devoted to discuss particular areas of underperformance and explore solutions which would be difficult to commit to as part of Board meetings. However engagement from Scrutiny has sometimes been limited. The approach can also create confrontation with officers, who may feel that it is more of a 'star chamber' than an opportunity to consider how to do things differently.

- 4.6 In order to demonstrate how the Council is working to improve and support the wider transformation programme, the challenge process needs to be...
- Open and collaborative – involving members, customers and partners to review performance and look at innovative solutions.
 - Actively using good practice – such as benchmarking information and bringing in experts where required to advise and promote creativity.
 - Value added – focus on improving outcomes for our service users.
- 4.7 Possible options for future performance challenge arrangements could include...
- Option 1 – Retain Surgeries but they could be chaired by Scrutiny Chairs and focus on service areas selected by Scrutiny Boards (rather than Cabinet members). This would require more information being presented to Scrutiny Boards than is currently the case to enable appropriate selection. Boards could select areas / measures from service business plans for monitoring and referral to Surgeries when required which could demonstrate greater autonomy.
 - Option 2 – Retain Surgeries but amend format to enable more discussion on action plans proposed by Service Directors with possible 'turning the curve' solutions and use of experts to advise. Surgeries would continue to be chaired by Cabinet Members and have greater involvement from Scrutiny Commissions.
 - Option 3 – Establish a separate working group of Scrutiny Board members (with one or two representatives from each Board) who could meet regularly to review performance against the Council Scorecard or any agreed areas and challenge underperformance using a Surgery type approach (as described under Options 1 and 2).
- 4.8 The Performance and Improvement Team has prepared a summary of relevant performance issues for discussion with Scrutiny Board Chairs during July 2012. This will help to inform the development of work programmes for each Board. The Performance Team would also like to clarify the information needs for Overview and Scrutiny Boards. Training on DORIS, the Council's performance system will be offered to all Scrutiny members.

OTHER OPTIONS CONSIDERED

- 5.1 None.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Director of Strategic Services and Transformation
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For more information contact:	Heather Greenan, Head of Performance and Improvement 01332 643462 e-mail heather.greenan@derby.gov.uk
Background papers:	None
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The performance framework is key to monitoring, challenging and demonstrating value for money to local communities.

Legal

- 2.1 Local authorities have a statutory duty to secure continuous improvement.

Personnel

- 3.1 The Council Scorecard and Business Plans contain performance measures that demonstrate how well we are managing and supporting our personnel.

Equalities Impact

- 4.1 The Council Scorecard and Business Plans contain performance measures that demonstrate the impact of our policies and services on different equality groups.

Health and Safety

- 5.1 Business Plans contain performance measures that demonstrate how well we are managing health and safety.

Environmental Sustainability

- 6.1 Business Plans contain performance measures that demonstrate our performance in promoting environmental sustainability.

Asset Management

- 7.1 Business Plans contain performance measures that demonstrate how well we are managing our assets.

Risk Management

- 8.1 None.

Corporate objectives and priorities for change

- 9.1 The Council Scorecard and Business Plans contain performance measures that demonstrate our progress in achieving priorities in the Derby Plan and Council Plan.