



Performance Framework

RECOMMENDATIONS

- 1.1 To approve the new performance framework and reporting timetable for 2008/09.
- 1.2 To refer the report to Scrutiny Commissions for consideration and ask for nominations for the new Performance Support Group.

BACKGROUND

- 2.1 The Local Government and Public Involvement in Health Act (2007) introduced a new performance framework from 1 April 2008, which includes a set of 198 national indicators for local authorities / partnerships and reflects the shared delivery of outcomes through partnership working. The set replaces existing Best Value Performance Indicators and forms the basis of new Local Area Agreements - LAAs.
- 2.2 These national changes have important implications for local performance arrangements and provide an opportunity to rationalise Derby's reporting process. Discussions have been held with Derby City Partnership - DCP to align the performance reporting timetables for the Partnership and Council, and to develop a coordinated approach to performance 'challenge' with involvement from Overview and Scrutiny.
- 2.3 The updated framework which reflects both Council and Partnership reporting cycles is shown in **Appendix 2**. This is based on the existing practice of submitting data within three weeks of the end of each quarter.
- 2.4 The Council's Performance and Finance Teams will be responsible for coordinating quarterly data collation and reporting to the DCP Cities and Council Cabinet. Data for all Corporate Plan measures and National Indicators - NIs will be collated on Performance Eye, the Council's performance management system.
- 2.5 The main changes proposed are as follows...
 - Performance monitoring will now cover the new national performance indicator set. As part of Comprehensive Area Assessment inspection which comes into being from April 2009, the Council and its partners will be assessed upon performance against all indicators in the national set, not just those in the LAA (although these will obviously take priority).
 - Performance monitoring reports will be integrated with budget monitoring updates (both capital and revenue) at September, November, February and July Cabinet Part 1 meetings. The proposed reporting timetable for 2008/09 is shown in **Appendix 3**.

- Performance coordination groups have been streamlined. A new Heads of Performance Group will replace the Organisational Performance Board (previously part of the Building on Excellence programme). The main forum for discussion of operational performance issues will be through a combined Partnership Performance Group (which has been merged with the Council's own Performance Management Coordinators Group).
- 2.6 In addition, a new Performance Support Group is proposed to coordinate the review of areas of underperformance and minimise the risk of duplication across and within partner organisations - for example through Council Performance Surgeries and Scrutiny. The Group would also engage members of Overview and Scrutiny in reviewing the performance of the Partnership and LAA (as defined in the Act).
- 2.7 It is envisaged the Support Group would consist of representatives from DCP State of the City Forum, Scrutiny, Cabinet and could include co-opted members from partner boards. The proposed terms of reference for the Group is shown in **Appendix 4**.
- 2.8 Each quarter the Group would receive a highlight report on the LAA and NI set against set criteria. The group would be encouraged to review indicators which covered two or more of these criteria. Priority would obviously be focused on LAA areas.
- 2.9 The remit of the Group would be to consider underperforming indicators and challenge progress against delivery plans referring action back into relevant DCP or Council groups. There would be no hard and fast rules for the Group to decide where to refer issues of potential underperformance, however some guidelines could be...
- LAA or cross cutting national indicator, significant underperformance – Scrutiny Commission.
 - LAA or cross cutting national indicator, moderate underperformance – City Executive or partner organisation in first instance.
 - Non-LAA Partner lead indicator – City Executive or Partner organisation e.g. Council Cabinet in first instance, Scrutiny Commission in second.
- 2.10 If appropriate, the Group could recommend that a formal Surgery takes place for all relevant partners/officers involved. To ensure appropriate coordination between Scrutiny and Cabinet, it is proposed that any underperforming Council PIs are considered by the Council members of the Group.
- 2.11 Subject to agreement by Cabinet, It is proposed to pilot the reporting process and the new Performance Group during quarters one and two of 2008/09. The Scrutiny Management Commission is undertaking a review of the scrutiny function over the next few months. The coordination of challenge arrangements through the Support Group could be influenced by the outcome of this review. In the meantime, Scrutiny Commissions will be asked to nominate members of the Group.

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Background papers:

List of appendices:

Appendix 1 – Implications

Appendix 2 – Performance Framework from 2008/09

Appendix 3 – Performance Reporting Timetable 2008/09

Appendix 4 – Performance Support Group – Terms of Reference

IMPLICATIONS

Financial

1. Budget monitoring will be integrated with performance reporting in 2008/09. Performance against Local Area Agreement targets is directly linked to Government reward grant of around £2 million.

Legal

2. None directly arising from this report.

Personnel

3. None directly arising from this report.

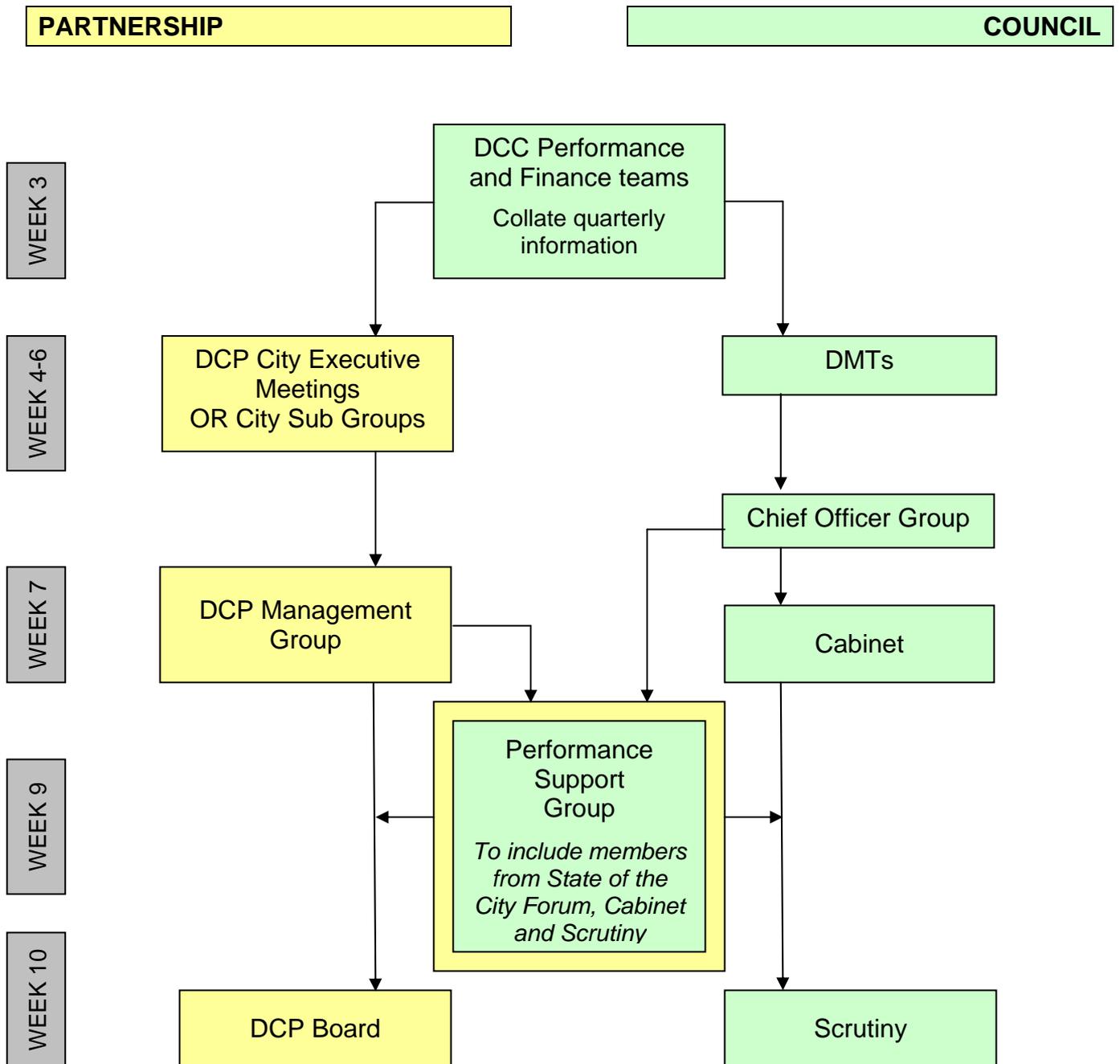
Equalities impact

4. The performance framework included performance indicators that measure how the Council and Partnership is addressing equalities in both service delivery and employment.

Corporate priorities

5. The new framework shows how we will monitor progress made in achieving the Council's corporate priorities, Local Area Agreement and wider Community Strategy.

Performance Framework from 2008/09



Council Performance Reporting 2008/09

For 2008/09 onwards, Council performance reports will include exceptions on:

- LAA indicators, relevant National Indicators, NIs and Corporate Plan Measures
- Revenue and Capital budgets.

Timetable

Quarter end date	Deadline for data entry to Performance Eye	Deadline for data approval in Performance Eye	COG Meeting	Deadline for draft report	Pre-agenda meeting	Deadline for final report	Part 1 Cabinet
30 Jun 2008	11 Jul 2008	18 Jul 2008	6 Aug 2008	14 Aug 2008	20 Aug 2008	21 Aug 2008	2 Sep 2008
30 Sep 2008	10 Oct 2008	17 Oct 2008	5 Nov 2008	6 Nov 2008	12 Nov 2008	13 Nov 2008	25 Nov 2008
31 Dec 2008	9 Jan 2009	16 Jan 2009	28 Jan 2009	29 Jan 2009	4 Feb 2009	5 Feb 2009	17 Feb 2009
31 Mar 2009	10 Apr 2009	17 Apr 2009	24 Jun 2009	9 Jul 2009	15 July 2009	16 Jul 2009	28 Jul 2009

Notes

- The schedule enables prompt reporting to both Partnership and Council, especially following the second and third quarters when performance trends in the year will be established, but with time to affect the outturn position where necessary – it is critical that Performance Eye deadlines are adhered to.
- Data entry to Performance Eye should include quarterly outturn data and supporting commentary.
- Assistant Directors / Heads of Finance should make sure that data and commentary in Performance Eye is accurate and up-to-date using the authorisation module, as this information provides the basis for published reports.
- Where DMTs wish to take a collective view of departmental performance, this should be done by the COG meeting.

Performance Support Group – Terms of Reference

Chair:	To be elected once group is in place
Membership:	State of the City Forum Representatives (5) Lead Cabinet Member for Performance (1) Representative from each Scrutiny Commission (6)
Support:	Council Performance Team
Frequency	Quarterly

Purpose

To oversee the review of areas of underperformance and highlight areas of improvement across the Partnership.

Activities

- To receive quarterly highlight reports against set 'underperformance criteria' and recommendations from DCP Management Group and Chief Officer Group...
 - Underperformance against target.
 - Deteriorating direction of travel.
 - Poor comparative performance (e.g. against other similar unitaries).
 - Missed milestones in delivery or action plans.
 - Significant under/over variances of relevant funding streams.
 - Data quality issues (e.g. consistently late data submission, classified as high risk during self assessment process).
- To consider underperforming indicators and challenge progress against delivery plans referring action back to City Groups, Scrutiny Commissions or partner organisations as necessary.
- To receive updates on indicators selected for performance review e.g. action plans, minutes of surgery meetings.