

CORPORATE POLICY SCRUTINY AND PERFORMANCE COMMITTEE

10 November 2008

Performance Management Scrutiny Working Group Executive response to the final report's recommendations

1. Purpose of report

The purpose of the report is for the Portfolio Holder Organisation and Performance, County Councillor Edward Boden, to respond to the recommendations of the final report of the Performance Management Scrutiny Working Group.

2. Report of the Deputy Corporate Director (People, Policy and Performance)

2.1 At its meeting on 7 October 2008, the Corporate Policy and Performance Committee approved the final report of the Performance Management Scrutiny Working Group. The report contained a number of recommendations for the Executive's consideration. Each of the recommendations is detailed below together with the Executive's response. The Cabinet would like to thank the working group for all its help in addressing performance management in the County Council. The Committee will be aware of the substantial improvement in the performance of the County Council since the working group was convened.

2.2 **Recommendation 1** – The County Council ensures, where necessary, that a local/proxy indicator is developed to support the national indicator and that the Performance Management Information System (PMIS) is developed so that it links to the appropriate national indicator.

Response – the new national indicator set was introduced in April 2008. The Corporate Performance Management Group will ensure the development of appropriate local/proxy indicators to ensure effective management of the new indicator set for 2009/2010.

2.3 **Recommendation 2** – The Authority ensures that the processes in place for developing the Thematic Improvement Plans and Corporate Improvement Plan, and the indicators within them, reflect the Authority's priorities for that thematic area. In particular, that the Authority's Scrutiny Committees/Panels undertake a fuller role in the scrutiny of the plans before they are approved.

Response – meetings of the plans' authors with the Chief Executive's Office performance team are diarised in order to develop the plans for 2009/2010. Once the plans are in draft form, they will be quality assured by the Head of Policy and Performance and the Deputy Corporate Director (People, Policy and

Performance), to ensure that the measures included reflect priority areas. The draft plans have been scrutinised for the last three years. However, the Deputy Corporate Director (People, Policy and Performance) will work with the Scrutiny Managers to ensure adequate consideration of the plans takes place via the scrutiny process for 2009/2010.

2.4 Recommendation 3 – Procedures are established to ensure that the relevant Portfolio Holder is involved in establishing an appropriate target for each of the indicators in the plans for which they are responsible. Also, that a protocol is established that requires all targets to be signed off by the relevant Portfolio Holder and that these targets reinforce the Authority's priorities.

Response – the Head of Policy and Performance will work with the plans' authors to ensure the greater engagement of Portfolio Holders in agreeing and signing off measures and targets. This process will then be quality assured by the Chief Executive's Office performance team and Portfolio Holders.

2.5 Recommendation 4 – The Authority ensures that more robust methods for setting targets for performance indicators included in the plans are developed and adhered to. These methods must ensure that targets reinforce the County Council's priorities.

Response – The business planning workshops scheduled for autumn 2008 will address the training need for setting appropriate targets. This will be supplemented by sessions with groups of service managers tailored to their circumstances. A commentary will also be included in PMIS explaining the rationale for the target set. The setting of appropriate targets will be quality assured by the Chief Executive's Office performance team.

2.6 Recommendation 5 – The Executive reviews the resource allocated to performance management within the Directorates, with a view to ensuring that the performance management function is value for money. The Portfolio Holder is requested to report back to Corporate Policy regarding the outcome of this review.

Response - The resource allocated to support performance management across the organisation is reviewed annually as part of the Service Review process. In the last two years the team based in the CXO has been restructured to ensure that it provides value for money through a lean central team. Two directorates have reduced their level of support including the deletion of a Head of Service post. One directorate has seen an increase in resource over the last eighteen months. This reflects the need to build capacity and expertise within this service area and to support the new district based structure. The intention has always been to regularly review this level of support and is currently being assessed as

part of the “lean systems thinking” approach. This Committee will be updated on the progress of this review once completed.

2.7 Recommendation 6 – The Authority reviews the 5% tolerance for the automatically generated RAG rating and reports back to the appropriate meeting regarding the outcome of this review – including the reasons for setting the RAG rating tolerance at a particular level.

Response - The introduction of a tolerance for the automatically generated RAG rating has been a positive step forward for a more sophisticated approach to performance management in 2008/2009. In seeking continuous improvement, the Corporate Performance Management Group has been charged to review the 5% tolerance approach to ensure that performance is managed as effectively and transparently as possible. The recommendations of the group will be reported back to this committee early in 2009.

2.8 The Cabinet welcomes the conclusion of the working group that the Corporate Performance Management Framework is sufficiently developed to support further necessary improvement in performance management. Future improvement actions will be captured within the corporate improvement plan and monitored via the quarterly reporting process to Corporate Policy Scrutiny and Performance Committee. We will ensure that we engage with scrutiny to inform any significant changes to our approach to performance management, this will include assessing that we are as prepared for the new performance regime of Comprehensive Area Assessment as possible. The continued development of the Performance Management Information System will encompass the provision of web based information for Members and the public.

County Councillor Edward Boden
Portfolio Holder for Organisation and Performance