Huntingdonshire
DISTRICT COUNCIL

Performance Management Framework 2023

Contents

Wording or diagrams surrounded by a coloured border identify recent examples where the Council has demonstrated how the principles of this Framework are being applied.

Introduction

This Performance Management Framework explains how Huntingdonshire District Council will manage, report and scrutinise performance. This version replaces the Performance Management Section of the Performance Management and Data Quality Framework approved by Council in 2017. This refresh of our Performance Management Framework is needed following the adoption of a new Corporate Plan that has set out a new approach to monitoring, managing and reporting our performance, with greater focus on the delivery of our outcomes.

To ensure the Council complies with amendments to statutory obligations, we will undertake a regular review of the way we manage performance. The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which our functions are exercised.

In July 2023, a consultation seeking views on statutory guidance for local authorities on the Best Value Duty was launched. Under section 26 of the Local Government Act 1999 we are required to have regard to this guidance. The proposed guidance is expected to provide greater clarity to the local government sector on how to fulfil the Best Value Duty by describing what constitutes best value, the standards expected by the department and the models of intervention at the Secretary of State for Levelling Up, Housing and Communities' disposal in the event of failure to uphold these standards. Where possible, we have reflected the expectations set out in the consultation in this revised Framework.

What is Performance Management?

Performance Management is about monitoring progress and using data as evidence to drive change and inform the actions we take to improve outcomes for our residents. Aligning Performance Management to the Council's cyclical strategic planning process ensures our performance is monitored effectively and reviewed continually.
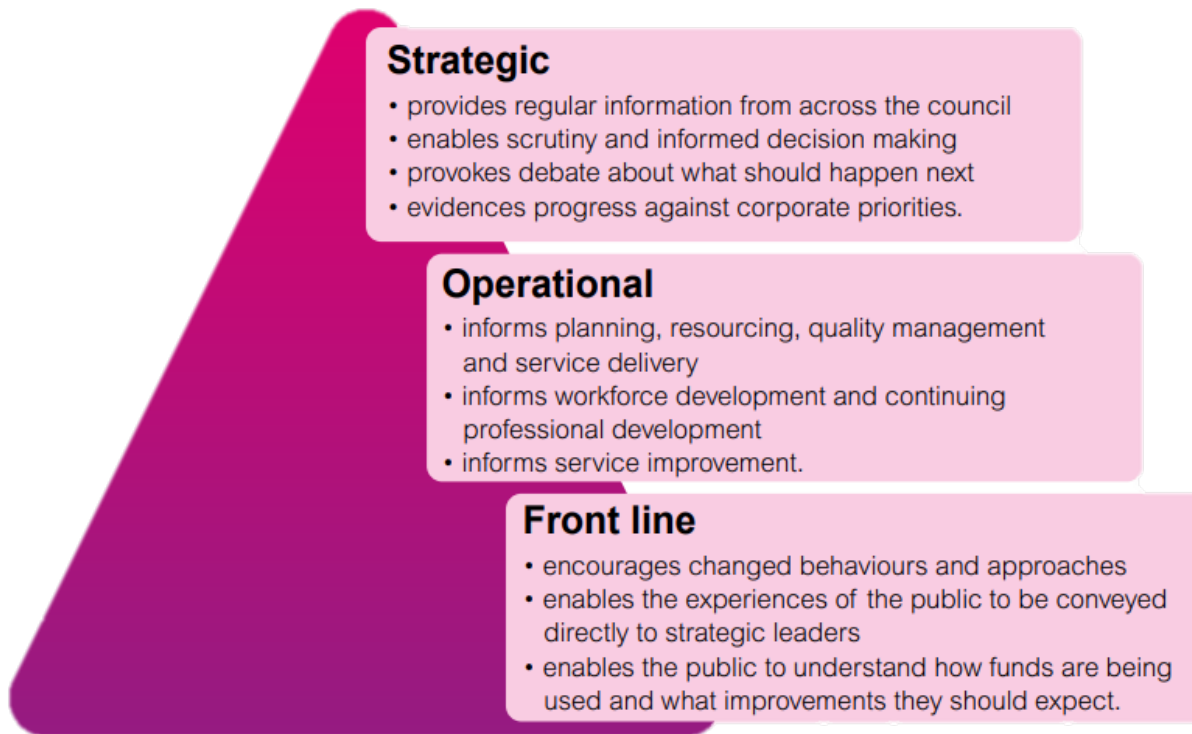
The Corporate Plan outlines the Council's strategic and operational priorities. It shows what we are focusing on and why, how we plan to improve outcomes for residents and who we will need to work with to deliver them. We will measure how much progress is being made in achieving the priorities and delivering the outcomes set out in the Corporate Plan in a robust and timely manner.

Why is Performance Management Important?

There is a clear and understandable expectation that the Council is accountable for and transparent about the services and outcomes we deliver to local residents and service users. It is our responsibility to manage performance of our services in a way that is open, accessible, suitable and appropriate to local needs.

Performance data also informs how we can be as efficient and effective as possible while delivering good quality, high value for money services. Good performance highlights foundations to build on whilst off track or poor performance identifies opportunities to learn from and to drive change.

The value of performance management can be seen at different levels within the Council (see diagram on next page). Performance Management provides valuable insight and applies to all levels of the organisation including elected Councillors as well as individual employees (see roles and responsibilities at Appendix A).

Strategic
- provides regular information from across the council
- enables scrutiny and informed decision making
- provokes debate about what should happen next
- evidences progress against corporate priorities.

Operational
- informs planning, resourcing, quality management and service delivery
- informs workforce development and continuing professional development
- informs service improvement.

Front line
- encourages changed behaviours and approaches
- enables the experiences of the public to be conveyed directly to strategic leaders
- enables the public to understand how funds are being used and what improvements they should expect.

Value of performance management at different levels
Local Government Association Performance Management Guide For Local Authority Officers
© Local Government Association, May 2022

Our Performance Cycle

Effective Performance Management is based on a continual process, or cycle, which follows these key principles:

1. **PLAN** what needs to be done to achieve a set of outcomes

2. **DELIVER** what is in the Plan and establish ways to measure performance

3. **MONITOR** the impact of our work against the outcomes

4. **REVIEW** progress and performance regularly to identify what has gone well or what could have been improved
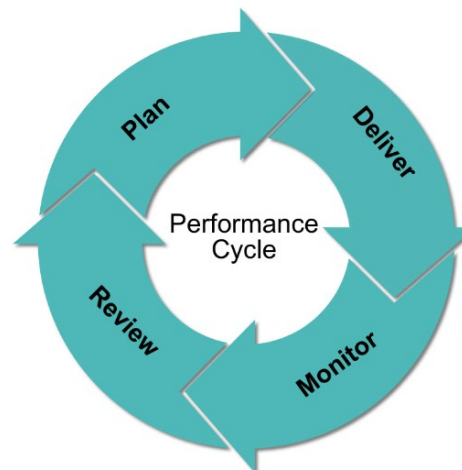
Data Quality

All performance information should be underpinned by good data quality and the adherence of robust Information Governance procedures. The Council aims to ensure that across all service areas, there is a consistently high standard of data production and data quality. While the principles in our existing Data Quality Framework are likely to still apply, we are proposing to replace this with a Data Quality Policy, developed with stakeholders to ensure best practice is adopted Council wide.

National Performance Management Framework

Some service-specific data is still reported to national government through the 'single data list', although this tends to be factual raw data rather than analysed data. This means that how local authorities organise, deliver and performance manage their services has essentially been up to them - with minimal reporting up to Government. There was, however, a clear expectation that local councils are accountable to local residents and service users.

A new performance body for local government called the Office for Local Government (Oflog) was launched in July 2023. It is expected that Oflog will develop over time, initially presenting some performance data through a Data Explorer tool, some levels of contextual / explanatory information and the development of some indicators showing areas of risk or failure. The current focus at lower tier authority level is on waste and finance only but as Oflog matures it is anticipated that more indicators will be reported for all district councils, along with further analysis and interpretation of how local authorities are performing.

Where, over a period of time, continuous improvement is not demonstrated sufficiently, the 1999 Act grants the Secretary of State powers to intervene to ensure compliance with the Best Value Duty. To give greater clarity to local authorities and help to identify potential failures, the Department for Levelling Up, Housing and Communities (DLUHC) recently undertook a consultation into new statutory guidance on what constitutes Best Value, and the standards authorities are expected to meet by government and residents. The guidance also sets out the models of statutory and non-statutory intervention available when standards are not upheld (e.g. directions for a commissioner-led intervention). This consultation took place in July and August 2023 and DLUHC are currently analysing the feedback received.

Our Plans and How We Deliver

We will stand accountable for performance against our priorities by setting actions and annual performance measures in our Corporate Plan and reporting on progress made in delivering on these. These will be refreshed yearly to reflect work completed and the development of new approaches informed by ongoing engagement with partners and residents, including activities aimed at influencing and engaging others in addition to actions we deliver ourselves ('Do, enable, influence').

Where appropriate, annual performance measures will be reported against set targets developed in collaboration between Service Managers, the Senior Leadership Team and Portfolio Holders. Measuring performance against targets helps the Council to focus on meeting set service standards and delivering against our outcomes as well as helping to identify where improvements are needed. The targets set for each year should reflect trends in historic performance, including seasonality or benchmarked information. Targets should be balanced between our aspirations to deliver improved outcomes for residents and what is realistically achievable given the resources available and external factors.

> How targets were developed for indicators in the Corporate Plan 2023/24
> The Chief Operating Officer and the Business Intelligence & Performance Management Team worked with Service Managers and Cabinet Members to review targets and intervention levels for the operational Performance Indicators in our Corporate Plan 2023/24. This approach created a transparent and collaborative environment for stakeholders to inform and shape how we measure performance against our Corporate Plan. Once the review was completed, the targets were scrutinised by the Overview & Scrutiny (Performance and Growth) panel and members were invited to comment on the targets set. This process resulted in some targets being changed to be more challenging. At the outset of the reporting year, target and intervention levels were in place for all 27 Performance Indicators, meaning that there is a higher level of consistency when assessing performance.

In setting target and intervention levels, the Council needs to take into consideration any unintended consequences and negative impacts on performance such as undermining data quality, narrowing focus, reducing employee motivation or prioritisation of work to achieve targets (as noted in the Performance Management Guide for Local Authority Officers, Local Government Association, May 2022).

Our Corporate Plan

The Corporate Plan outlines the Council's strategic and operational priorities with a focus on delivering real outcomes to the district as a result of our work and work with partners. It also sets out how the Council wants to use its own resources, including any planned efficiency improvements and service priorities. Actions and measures in the plan are refreshed yearly.

The Corporate Plan sets out what the Council aims to achieve in addition to our core statutory services and is aligned with the Council's Medium Term Financial Strategy (MTFS). The MTFS explains how the Council will manage its resources and budgets over a five-year period and how resources will be used to deliver services and meet the Council's objectives. Key service priorities are considered each year as part of the budget setting process and the budget is adjusted accordingly to reflect changes to targets and new activities planned.

> Corporate Plan 2023/24
> The Corporate Plan 2023/24 explains how we will measure success through monitoring actions, operational Performance Indicators and contextual outcome measures (page 10).

Sitting beneath the Corporate Plan are Service Plans which cover all services. Service Plans should also be aligned to our Corporate Plan priorities and MTFS and identify key areas of work that each service aims to deliver over the coming year. It is important to reflect regularly, and services are encouraged to adapt plans as and when needed to keep pace with changing priorities. Service Plans outline how work will be delivered, the resources that this will involve, and any risks identified.

The Council's Performance Guidance for staff is intended to align individual objectives to the Corporate Plan outcomes via Service Plans (the 'golden thread'). The guidance encourages managers to assess employees' contributions to team objectives and organisational priorities. Key measures tracking and benchmarking a service's performance may be included in the Corporate Plan while others remain at Service Plan level.

Our icare Values

These values fit with the Council's ambitions and are key enablers for our Corporate Plan.

Inspiring: We have genuine pride and passion for public service; doing the best we can for customers.

Collaborative: We achieve much more by working together, and this allows us to provide the best service for customers.

Accountable: We take personal responsibility for our work and our decisions, and we deliver on our commitments to customers.

Respectful: We respect people's differences and are considerate to their needs.

Enterprising: We use drive and energy to challenge the norm and adapt to changing circumstances. We are always ready for challenges and opportunities, and we embrace them.

Working Together

We will develop and report annually on a range of contextual outcome measures to monitor how outcomes for the district and its residents are changing. Most outcome measures will be based on external data sources published less frequently than our own operational performance indicators and provide a reflective view of what has happened in the district. Results will be presented against our preferred direction of travel but will not have targets since we will not have direct control over performance. However, monitoring them will allow us to identify trends over time and changes the Council and our partners may need to react to in the future.

Collaborating With Partners in 2023/24

Do, Enable, Influence is a key phrase within our Corporate Plan 2023/24 and this approach calls on the Council to play more of an enabling role, to make more use of partnership working. As part of our work to develop contextual measures for our outcomes, we have reviewed how our partners are measuring outcomes such as the proposed new Key Performance Indicator set being developed by the Cambridgeshire and Peterborough Combined Authority (CPCA) as part of their Single Assurance Framework.

How We Monitor and Review

The delivery of all key projects, initiatives and action plans are monitored regularly through a range of internal Boards. Cabinet Members monitor project and service performance through regular meetings with relevant Corporate Directors and Service Managers.

The Strategic Board monitors progress and delivery of actions that align to the outcomes and priorities featured in the Corporate Plan and the Senior Leadership Team receives quarterly reports on progress made. These actions cover not just what we do directly but what we are doing to enable and influence others.

The Council's progress on projects and programme delivery are reviewed on a regular basis by the Major Change Board. An overview is maintained by Corporate Directors and progress on key projects linked to our Corporate Plan outcomes is also reported through the quarterly corporate monitoring process.

Service Managers monitor their own operational performance information, including budget monitoring, service performance and progress on key projects, reporting to their Corporate Director. Operational indicators included in the Corporate Plan and other key metrics are reviewed regularly by the Operations Board.

Quarterly reports are focussed on outcomes and cover actions, projects and Performance Indicators. These are published on the Council's intranet and website and are formally presented to the relevant Overview and Scrutiny Panel, which uses them to hold Cabinet Members accountable for their portfolios. The reports and feedback from Overview and Scrutiny Panel are also considered at Cabinet meetings on a quarterly basis.

Managers are expected to monitor staff performance regularly, checking that agreed performance measures are on track for achievement.

Delivering The Corporate Plan 2023/24

The diagram below shows the internal boards that monitor the delivery of each component of our Corporate Plan 2023/24 (actions, projects and performance indicators) and how the work these boards do informs reports reviewing performance against our outcomes and priorities.
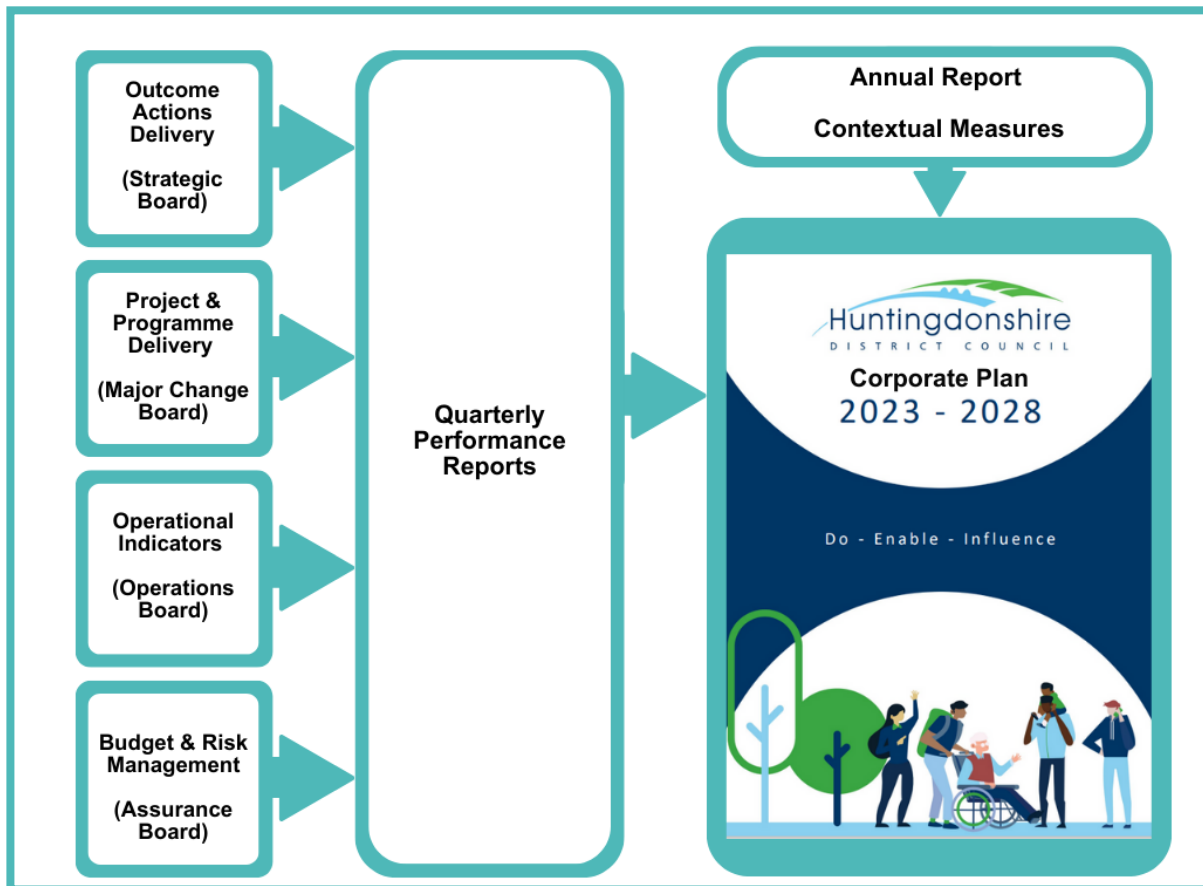
Acting on Performance Information

Opportunities for improvement are identified through a range of processes.

The Business Intelligence and Performance Management Team, Finance Team and members of the Strategic Board, Operations Board and Major Change Board check that financial and performance decisions are aligned and that resources are focused on supporting the key priorities. Board members will work with service managers and Councillors to resolve any performance issues that arise and share learning and good practice to ensure that value for money considerations are central to decision making.

Government expects local authorities to make their own arrangements to secure continuous improvement in the way in which their functions are exercised. Opportunities for improvement may be identified through research into best practice at other authorities, as well as by reviewing our own processes and how they can be improved. There are a number of opportunities to share learning and good practice with other local authorities and organisations through networks and attendance at collaboration events. Peer challenge processes can also be used where appropriate. These involve another council or an improvement group being invited to spend time reviewing our processes to identify and address issues and provide recommendations to inform an improvement plan. The consultation on Best Value Guidance sets out a new expectation that Local Authorities should undertake a corporate or finance peer challenge at least every 5 years.

In addition to monitoring how well services are performing, their efficiency is also reviewed through benchmarking and monitoring of unit costs. Further development of a consistent

approach to measuring unit costs across more services is required. Responsibility for this sits with the Operations Board and individual service managers.

Where possible, benchmarking enables comparison of our performance with other local authorities and demonstrates how our services perform in the wider environment. The new Oflog Data Explorer presents some performance data for all Councils, however there is limited data published or even collected consistently for most of our Performance Indicators. As a result, benchmarking activity is variable and lacks maturity beyond some of our key services, but we are committed to improving this.

Customers, service users and other stakeholders can provide an important source of performance information through feedback mechanisms, focus groups, surveys and complaints. Our approach to consultation and engagement is being developed by the Communications Team in line with a new set of Engagement Principles. The Council deals with complaints and monitors that data through the Customer Services function.

Feedback from staff can also be useful in identifying opportunities to improve services and performance. Feedback can come from team meetings, staff consultations, one to one meetings with managers and exit interviews.

Cabinet can request managers to provide information on performance issues and call for further work to be undertaken to address specific concerns. The relevant Overview and Scrutiny Panel can also ask that information about performance be provided and explained.

Market Towns Programme Updates

Member interest in the progress made in delivering the Market Towns Programme has led to regular update reports being presented to both Overview and Scrutiny Panel (Performance and Growth) and Cabinet. This allows Members to keep up to date with how the work is advancing and ask questions if further information is needed.
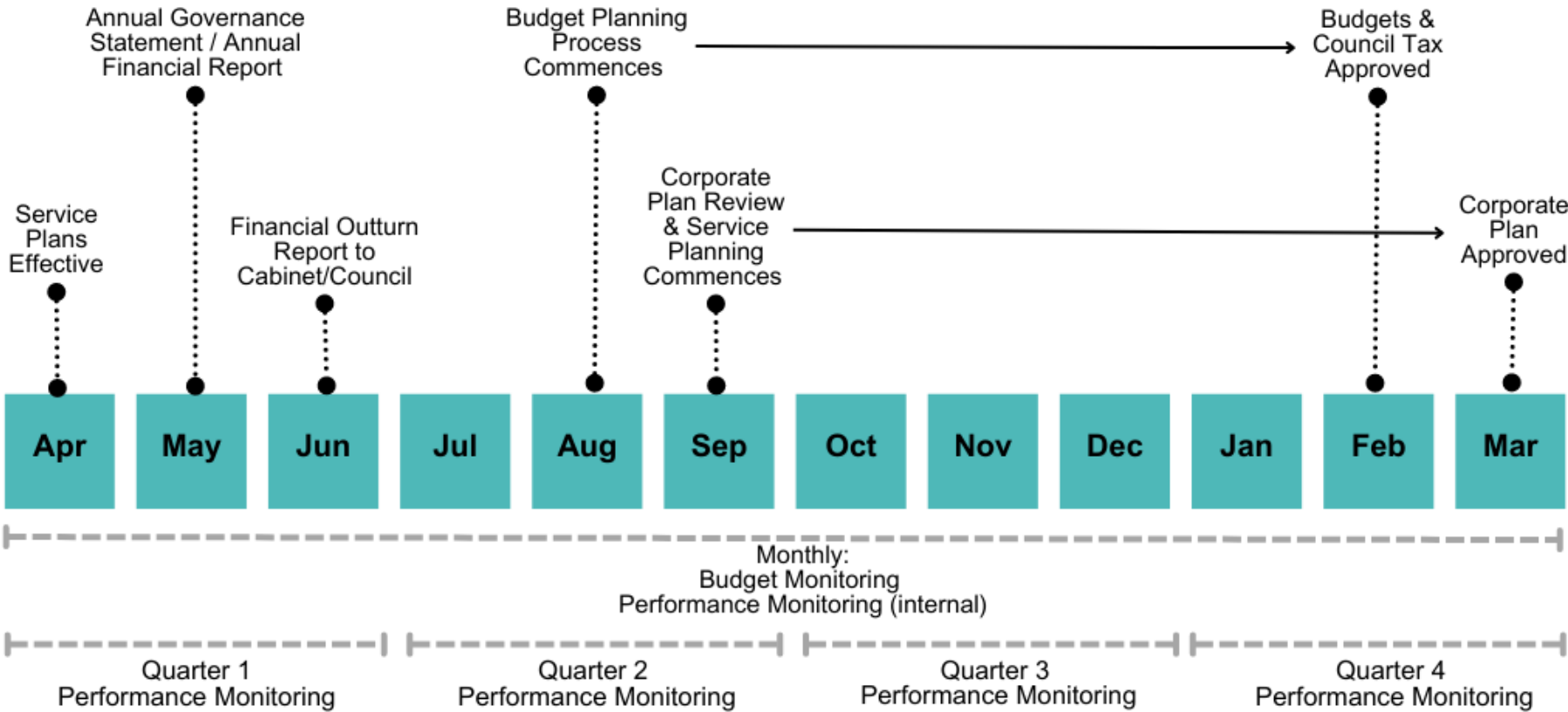

Corporate Governance

The Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk. Our approach to risk management includes monitoring of our performance in delivering on the Corporate Plan's actions and measures.

The Council's Code of Corporate Governance is consistent with the principles of the Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives' Framework Delivering Good Governance in Local Government.

On an annual basis, a review must take place of the effectiveness of the systems of internal control and an Annual Governance Statement must be produced. We assess how well we are complying with our Code of Corporate Governance and give an opinion on whether the corporate governance arrangements are adequate and operating effectively.

The Internal Audit team carry out independent review of controls, Risk Management and Corporate Governance and provide an independent opinion to management which feeds into the Annual Governance Statement.

The Annual Corporate and Budget Planning Cycle

Annual Governance
Statement / Annual
Financial Report

Budget Planning
Process
Commences

Budgets &
Council Tax
Approved

Service
Plans
Effective

Financial Outturn
Report to
Cabinet/Council

Corporate
Plan Review
& Service
Planning
Commences

Corporate
Plan
Approved

| Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |

Monthly:
Budget Monitoring
Performance Monitoring (internal)

Quarter 1
Performance Monitoring

Quarter 2
Performance Monitoring

Quarter 3
Performance Monitoring

Quarter 4
Performance Monitoring

Appendix A: Roles and responsibilities

Our approach relies on us all to take performance management seriously and ensure the Council makes its plans, policies and decisions based on good quality information. Roles and responsibilities are outlined below:

Council
Elected Members are ultimately accountable to the electorate for the overall performance of Council services. Council is responsible for approving the budget and MTFS.

Executive Leader of the Council
Has overall political accountability and is ultimately responsible for the Council's performance.

Cabinet
Is the executive body of the Council. Key actions within each Cabinet Member's portfolio are set out in the Corporate Plan and Service Plans, and the associated resources needed are within the annual budget setting and prioritisation process.

Portfolio Holders
Each Cabinet Member is given a portfolio of services and activities for which they take responsibility. Portfolio Holders are actively involved in reviewing performance and setting targets in relation to their portfolio. The Executive Councillor for Customer Services has portfolio responsibility for the Council's performance management arrangements. However, performance management is an integral part of every Portfolio Holder's responsibilities.

Overview and Scrutiny Panels
The role of these bodies is set out in the Council's Constitution. The Panels identify areas of the Council's work that need to be scrutinised and challenge performance and service improvement initiatives. The Performance and Growth Panel receives the quarterly Performance Monitoring reports for discussion and comment. Overview and Scrutiny Panels may choose to convene task and finish groups to investigate a specific performance issue.

Corporate Governance Committee
The Committee monitors the risk management and governance arrangements at the Council to help ensure the effective delivery of services and the achievement of objectives. This Committee ensures the Council has adequate controls in place. The Committee reviews, and should contribute to the development of, the Annual Governance Statement.

Senior Leadership Team
Senior Leadership Team advise Members regarding the setting of strategic direction and performance improvement priorities. They recommend targets and standards for performance and identify and manage strategic and performance issues and opportunities facing the Council. They are responsible for resources, budgets and risks within their remit.

Senior Leadership Team receives regular information on performance from service managers and considers reports on key strategic performance issues, including achievement against the Corporate Plan. Senior Leadership Team has responsibility for ensuring that services have effective data processes for monitoring performance indicators and ensuring that operational responsibilities for data quality have been delegated to individuals. They also have responsibility for promoting the integration of performance management into the culture of the Council and for ensuring that performance information used in decision making is fit for purpose and reliable.

Service Managers
Service Managers are responsible for operational performance and developing Service Plans and are accountable for contributing to strategic priorities and objectives within the Corporate Plan. They are responsible for resources, budgets and risks within their specific service areas.

They are also responsible for contributing to the integration of performance management into their area and for ensuring the quality of all data collected and reported within their areas of responsibility. Service Managers should consider how their service performs in the wider environment and proactively seek continuous improvement through benchmarking against comparable local authorities. Where performance targets are not achieved, Service Managers are required to explain this and consider what remedial action is required; for corporately monitored performance indicators this is reported in the quarterly monitoring reports. Service Managers are required to provide assurance on the effectiveness of controls in place to mitigate/reduce poor performance in their service and ensure the involvement of staff in setting relevant and appropriate targets through the Service Planning process.

Business Intelligence & Performance Management Team
Support and guidance are provided to Senior Leadership Team and Service Managers in delivering the performance management framework, and on elements such as performance indicators, monitoring of achievement against corporate priorities, target setting and data quality. This includes collating and presenting the quarterly Corporate Performance Reports. Support is also provided to services in the creation of data processes that support monitoring, including advice and guidance regarding the collection and calculation of performance indicators and the maintenance of the performance section of the Council's intranet system.

Strategic Insights and Delivery Team
This team supports Service Managers with service planning and Transformation activities as well as overseeing the delivery and monitoring of corporate projects. Business Analysts identify opportunities within the Council to improve business processes.

Finance
This team is responsible for providing guidance and the correct allocation of costs and income to budgets, as well as the production of all financial reports.

Internal Audit
The team informs the Annual Governance Statement, provides audit services and guidance and acts on risk management information provided by service managers. If data quality issues are identified through the course of an audit, this will be raised in the audit report. They provide independent review of the corporate approach to performance management and data quality.

Human Resources Team
This team supports managers within the Council by co-ordinating the approach to employee performance management.

Managers / Supervisors / Team Leaders
Staff with managerial responsibility are responsible for operational performance of their team and two-way communication of corporate initiatives and performance issues. They are responsible for meeting with their staff regularly and reviewing the training and skills needed.

Individual staff
All staff have a responsibility to manage their own performance and understand how their work contributes to their service plan and the overall performance of the Council. Managers and staff discuss and identify actions and targets for the current year as well as relevant training/personal development needs. Formal procedures exist to address continual and serious cases of under-performance.