

**PERFORMANCE MANAGEMENT
(Report by Head of Policy)**

1. INTRODUCTION

- 1.1 In publishing the Annual Statement of Assurance on Corporate Governance, the Council identified a number of emerging developments and, specifically, the challenge inherent in implementing the new Comprehensive Performance Management Framework (CPMF) and its effectiveness as a measure of our progress in meeting objectives and in applying the principles of good governance.
- 1.2 The importance of the contribution made by performance management to good governance is recognised in the District Council's Local Code of Corporate Governance (Dimension 2).
- 1.3 The purpose of this report is to provide the Panel with an update on the progress to date and future planned actions in the implementation of the CPMF.

2. BACKGROUND

- 2.1 It was acknowledged during the CPA process and other reviews, that the Council has had elements of performance management systems in place for some time. However, the Council also recognised the need to bring these systems together into a comprehensive framework. Some two years ago a decision was taken to develop a CPMF based on the "balanced scorecard" approach. It was felt that this approach had a number of advantages, including —
- its focus on achievement rather than activity;
 - its ability to assess performance from a number of perspectives, not just financial;
 - its linkage to the contribution made by employees and Members in achieving priorities; and
 - the facility provided for continuous monitoring of performance, with the opportunity for remedial action at an early stage where this is necessary.
- 2.2 In 2004 the Council adopted a new Corporate Plan – "Growing Success". This Plan provided the context within which the CPMF would operate. In particular, it identified the Council's key priorities and the other outcomes that we are seeking to achieve to bring about our vision for the future of Huntingdonshire.

3. PROGRESS

- 3.1 During the last year work has continued to develop the framework, particularly in the area of prioritisation. The Council's six key priorities have been assessed and categorised as high, medium and low in

accordance with perceived current needs. It is envisaged that the categorisation will change in the light of achievements made against the priorities and in relation to the changing needs of the District over time. The impact of Council services on these priorities has also been assessed and ranked similarly as high, medium or low. When combined, these two exercises provide an important aid to service planning, service review and the allocation of resources.

- 3.2 A considerable body of work has also been undertaken to develop outcomes, measures and targets at service levels. This establishes a clear link or thread between our day-to-day or operational activities and the achievements of the Council's overall priorities and outcomes. The exercise has involved the design and data capture required to commission the computerised system which is to be used to manage, analyse, monitor and report.
- 3.3 The Council has recently considered and updated "Growing Success". For the first time, it has been possible to include within the Plan a "scorecard" which will provide information on performance in terms of the Council's priorities and other outcomes against the targets set last year.
- 3.4 Many of the performance measures have been collected from an annual survey. When the framework was introduced there was a need to identify targets and set measures: this proved to be a significant and innovatory piece of work for the Council. In some cases, baseline information was incomplete or simply unavailable and, accordingly, revised targets have been set where performance data or additional information has become available subsequently. In some areas data is still not available, either because it is in the course of collection – eg via a staff survey, (since completed) – or because work was still underway to develop the systems and criteria against which performance would be measured.
- 3.5 It is critical to the value and success of the framework, for the information provided from it to be used to improve performance in the future. In that respect, both Overview & Scrutiny Panels and the Cabinet have considered the performance data contained in "Growing Success" and have —
 - sought clarification on aspects of performance for the past year;
 - suggested that the priorities referred to in the Plan should be used to support future decision-making, particularly when allocating resources; and
 - commented on the ranking of services in terms of their perceived impact on the achievement of the Council's priorities.
- 3.6 In future the Panels and the Cabinet will receive quarterly reports on performance against targets in the Plan and other indicators on performance. Monitoring will focus on interim or "leading" measures which are intended to provide assurance that performance at the end of the year will meet the targets set or highlight the need for remedial action in the meantime.

4. FUTURE ACTIVITIES

- 4.1 It will take time to ensure that a culture of performance management is in place across all Council services and activities. One of the primary activities which will help to embed that culture and the new framework will be to ensure that performance data is extracted and used regularly. The frequent and regular reporting to Managers and Members will help to achieve that objective.
- 4.2 Work will continue to improve the quality and scope of the measures, targets and data available via the CPMF. Performance in achieving the Council's overall Improvement Plan and in monitoring planning obligations – benefits which arise from growth in the area – will be incorporated into the framework during the forthcoming year. Work will also continue to develop the criteria against which aspects of our performance can better be assessed.
- 4.3 Training for users of the system has been commissioned and specific training for members of the Overview & Scrutiny Panels is scheduled to take place in the autumn. The computerised system also will be developed over time to make information available online as well as in hard copy and to publish performance data via the Council's website.

5. RECOMMENDATION

- 5.1 The Panel is invited to note the progress to date in the implementation of the Council's Comprehensive Performance Management Framework and the areas for future development over the next 12 months or so.

BACKGROUND INFORMATION

Corporate Plan – "Growing Success"

Contact Officer: Ian Leatherbarrow, Head of Policy
☎ (01480) 388005