
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM:
DATE OF MEETING:	24 TH NOVEMBER 2005	CATEGORY: DELEGATED/ RECOMMENDED OPEN
REPORT FROM:	<u>DEPUTY CHIEF EXECUTIVE</u>	
MEMBERS' CONTACT POINT:	IAN REID (5790)	DOC:
SUBJECT:	"ACHIEVING MORE" – A FRAMEWORK FOR MANAGING PERFORMANCE AND IMPROVING SERVICES	REF: IR/SAC
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM02

1.0 Recommendations

- 1.1 The Committee approves the proposed Performance Management Framework.

2.0 Purpose of Report

- 2.1 To inform Members of the context of a Performance Management Framework within Local Government and in particular the Government's vision for Local Authorities to play their part in delivering better outcomes for all communities.
- 2.2 To recommend to Members a revised Council Performance Management Framework.

3.0 Detail

- 3.1 In July 2004 the Office of the Deputy Prime Minister (ODPM) published a document entitled "The Future of Local Government: Developing a 10 Year Vision". This vision focussed on vibrant local leadership, citizen engagement and participation together with service delivery and a performance framework, as a basis of a new relationship between central, regional and local government. The desired outcome was to create sustainable communities, which are "places where people want to live and that will promote opportunity and a better quality of life for all".
- 3.2 In relation to service delivery the vision notes that whilst performance, measured by best value performance indicators and CPA Assessments, is improving, this is within a context of rising public expectations and falling satisfaction. The vision concludes that new ways must be found to offer a range of attractive public services which meet the needs and preferences of citizens. These will be delivered through a range of partnerships and innovative approaches to service delivery. It also concludes that services should be designed, delivered and joined up around the needs and

preferences of users who should be involved in the development and review of those services. The vision goes on to discuss how that will be achieved and concludes that we must also secure significant improvements in streamlined back office functions to pay for the improvements in access, quality and coverage of services.

- 3.4 The vision is therefore one of increased efficiency, effectiveness and value for money which results in better services for all stakeholders with much improved user focus and user empowerment.
- 3.5 The ODPM and the Treasury develop these arguments further in paper produced earlier this year entitled "Securing Better Outcomes: Developing a New Performance Framework". Whilst celebrating the success local and central government have had to date, this paper lists the wider challenges which must be met within the Governments definition of continuously improved public services. These include: -
- Tackling disadvantage, inequalities gaps and poverty
 - Joining up service delivery to meet multiple needs and provide more personalised services
 - Ensuring that service delivery takes into consideration long term impacts and the needs of future generations
 - Maximising value for money from the recent investment in public services
 - Increasing citizen empowerment and engagement from all sections of the community.

It can be seen from these challenges that the government is seeking to deliver on a wider range of its socio-economic objectives than one might conclude from the current list of best value performance indicators. Specific mention is made within this document of public service agreements, Local Strategic Partnerships and Local Area Agreements and it is clear that any local performance management framework will need to encompass these areas if it is to deliver on this wider vision and agenda.

The South Derbyshire Context

- 3.6 The Councils current approach to performance management has been reviewed in the context of the new national framework which has resulted in a number of broad conclusions.
- Performance across the Council is improving but there are indications that we are not improving as quickly as other Councils.
 - Our current focus is on the specified best value performance indicators and the milestones required to deliver our Corporate Plan.
 - We have made significant improvements in "embedding" performance measurement and monitoring across the organisation and now need to establish intervention triggers and tackle under performance in priority areas.
 - Where targets are set locally, they are often based on the current capacity of the organisation to deliver, rather than the aspirations of the community or the ambitions of elected members. The process of target setting should have wider engagement and clearer accountability to elected members.

- The credibility of this Council with our partners depends on how reliably we deliver within the Local Area Agreement, Local Strategic Partnership and other key partnerships. Our performance monitoring and reporting mechanisms need to reflect this so that we can be aware of our partners perspective.

A New Framework for South Derbyshire (Annexe 1)

- 3.7 The proposed new framework is entitled “Achieving More” and this is designed to reflect our ambitions for performance management. It is not just a comprehensive management process, it is about achievement and delivering improved services and better outcomes for the communities of South Derbyshire.
- 3.8 The framework defines the building blocks of effective performance management and on page 4 outlines the principles upon which our framework will be based. Key elements of this framework are that responsibilities and accountabilities are clearly defined and that performance monitoring judgements are self assessments by those who are responsible. It is important to note that the principles include celebration of successes as well as intervention in and learning from under performance.
- 3.9 The thrust of the national framework is the drive to achieve wider goals and this local framework seeks to identify a “golden thread” which links national, community, corporate, service and individual objectives. In this way local people can understand what the council is trying to achieve and employees know how they are contributing to this bigger picture.
- 3.10 The planning documents which define that wider picture include the Local Area Agreement and the Community Strategy, but other plans and strategies, operating at policy committee level will also contribute this wider agenda.
- 3.11 Pages 7 to 9 of the framework outline responsibilities for actions and accountabilities for outcomes and these are listed in detail in Appendix A. Establishing the brief, preparing plans and delivery are essential elements of the framework which will ensure that our actions and performance measures relate to the “golden thread” and our wider objectives. It will be noted from Appendix A that Members are responsible or accountable in some instances for the early development stages of key planning tools. This to strengthen the role of Members in Policy development and shaping the future direction of the Council.
- 3.12 Performance Monitoring and Reporting is covered on page 10 of the framework and the key elements are detailed in the box at the bottom of that page. In order for Members to maintain a strategic approach to performance monitoring, reports will be on an exception basis and use a “traffic lights” methodology to highlight actual or risk of non achievement. An outline of the template for performance monitoring reports are included in Appendix B and these cover all the key planning tools within the framework. These reports will form a compendium of performance reports which will demonstrate how the Council is delivering on its plans. Whilst some performance indicators or measures will feature in more than one report, the reader will be able to judge how we are progressing on each of our key plans. The individual elements of this compendium will include the following: -

- Corporate Plan
- CPA Improvement Plan
- South Derbyshire Community Strategy
- Local Area Agreement
- Best Value Performance Indicators

- 3.13 Each element will provide a summary position of the proportion of milestones or indicators that are on track. More detailed information of those which are at risk of non achievement or where there is a risk of failure the report will be included. The responsible individual or body will be required to identify proposed remedial measures which can then be agreed, or otherwise, by the accountable body.
- 3.14 Performance review and intervention is an essential part of the framework, when indicators show that targets will not be met. It is important that any intervention is both timely and proportionate. Equally, any undue delay may make worse the impact of failure to hit an agreed target. The table at the bottom of page 11 outlines a proportionate and incremental approach to intervention designed to put the proposed outputs or outcomes back on track.
- 3.15 Appendix C within the report outlines the timescales for developing, monitoring and reviewing our performance. The principle within that programme is one of quarterly monitoring for all of the main planning tools.
- 3.16 The Council's draft Corporate Plan, which is currently under consultation, outlines a more cross cutting approach to the delivery of services and improved outcomes for local communities. This performance management framework similarly needs to engage both employees, members and external stakeholders in the wider improvement agenda. However, this framework cannot and must not remain fixed. A range of issues are identified on page 13 which will further develop and improve both the framework and our performance. This framework and these developments will build on the Council's capacity to deliver on the Corporate Plan ambition to be an excellent Council by the end of this decade.

4.0 Conclusions

- 4.1 The Council's draft Corporate Plan and the recent publication of a national performance framework for Local Government makes the development of a revised performance management framework very timely. The proposed framework links into the Government's vision for local government and the ambitions expressed in this Council's draft Corporate Plan.