RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO
OVERVIEW AND SCRUTINY COMMITTEE

Agenda Item No.

meeting date: 5th August 2008
title: Member Involvement in Performance Management and Scrutiny of targets
submitted by: Chief Executive
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1   PURPOSE

1.1   To raise awareness of the importance and significance of performance management and its relevance to achieving our ambitions and providing excellent services - and in particular members' roles.

1.2   To increase the understanding of the systems currently in place at Ribble Valley BC.

1.3   To review targets that have been set for 2008/09, 2009/10 and 2010/11.

2   RELEVANCE TO THE COUNCIL'S AMBITIONS AND PRIORITIES:

- Council Ambitions:

- Community Objectives:

- Corporate Priorities:

- Other Considerations:

Monitoring our performance allows us to ensure that we are both providing excellent services for our community as well as ensuring we meet the Council's ambitions and objectives, which together formulate the corporate priorities. Monitoring the performance of our locally provided services provides the key means of assessing how well we are meeting our corporate ambitions and objectives.

3   WHAT IS PERFORMANCE MANAGEMENT?

3.1   Performance management is taking action in response to actual performance to make outcomes for users and the public better than they would otherwise be. It is about both the systems and culture that turn ambition into delivery, by being clear about what the Councils top priorities are and what needs to be done to achieve them.

3.2   The 'Golden Thread' is a term used to describe the concept of linking performance throughout an organisation, linking our community and corporate objectives through to individual performance appraisals, so that each person in the Council knows what they do to contribute to achieving the Council's ambitions and priorities.

4   MEMBER ROLE IN PERFORMANCE MANAGEMENT

4.1   Officers will carry out much of the work, but members have an important role in leading and supporting change. They should also work with officers to make sure that performance management arrangements take account of their specific needs, eg. by ensuring easy-to-use performance reporting and clear lines of accountability for delivering political priorities.

4.2   From a councillor's viewpoint, the performance management process begins with setting political priorities. There are vast numbers of worthwhile things the Council could do, if we had infinite resources. But we live in a world of finite resources that are often stretched. As democratically-elected representatives of local people, members have a duty to make decisions about what is most important and what is currently of less importance. Some priorities are set by central government, others are determined locally. A number of priorities will be identified following consultation exercises with our citizens. Consultation can be carried out in a range of different ways, one of which is through our Citizens' Panel. It is vitally important that we consult on relevant topics in a manner that ensures the results will be useful and members can influence consultation activity by making suggestions for future survey topics. Some priorities will be long-term, others may have risen up the agenda because of an emergency or unacceptably low performance and may slip down again once they have been dealt with.

4.3   There are several ways of reflecting on the Councils priorities. It can be done through the budgeting process, directing resources towards our key priorities. It can be done through target setting – by setting challenging targets against our key priorities and easier ones against lower priorities, to emphasise where officers are to focus their efforts. Staff and citizens can be told, through the Corporate Performance and Improvement Plan and other publications, what the Councils priorities are, and by focusing attention on what's important, enabling

the electorate to hold members to account for what is achieved.

4.4 Councillors have a central role in making sure that resources are flowing from low to high priorities, as well as in setting targets.

4.5 Setting targets is not as simple as seeing what has been achieved this year and aiming to do a bit more next year, or aiming to do less just because we didn't manage to meet last year's target. Targets have an important role to play in directing attention towards key priorities. Well-designed targets are sometimes described as SMART:

- **S**pecific
- **M**easurable
- **A**chievable
- **R**ealistic
- **T**ime-bound

4.6 This leads directly on to measuring and reporting performance. While gathering data and producing comparisons is a job for officers, councillors have a number of roles to play in making sure that this stage delivers real outcomes rather than simply generating vast amounts of paper. The outcomes we want for various local communities can't be measured by a single performance indicator, so we often need to identify a group, or basket, of indicators which together paint a picture of performance.

5 CURRENT ARRANGEMENTS

5.1 Key performance indicators, which monitor our key objectives are tracked against the targets set out within our Corporate Performance and Improvement Plan.

5.2 We have a formal system to monitor and evaluate our performance. National Indicators (NIs) and Local Performance Indicators (LPIs) are the main way that we measure our performance and these are reported to committee and Corporate Management Team by exception (this means that officers only report on indicators that are performing particularly well or particularly badly) on a quarterly basis.

5.3 We ensure that performance is improving and weak areas are closely monitored to ascertain reasons for poor performance and remedial action is taken to ensure that they improve where possible.

5.4 Annually we produce a 'Performance Plan' (now the Corporate Performance and Improvement Plan), which summarises all our achievements including detailed performance information for each service.

5.5 Our performance can also be measured through consultation and public satisfaction levels. Involving the community in the local decision making process simply 'makes sense' as it provides a greater feeling of involvement/empowerment, less 'finger in the wind' decision-making, greater transparency of local government and with greater involvement comes greater satisfaction (and improved PI scores.)The Council has a Performance Management System called Covalent, which acts as a database to hold information on all our Performance Indicators and Action Plans and facilitates performance monitoring. The system includes/can include:

- Current and historical performance & targets

- Data source, formulas, calculation guidance & member/officer responsibilities

- Indicator details (whether the aim is to maximise/minimise performance, target profiles, etc)

- Working papers and evidence

- Service Plans Action Plans

5.7 **Performance Clinics** - Councils seeking to improve their performance management arrangements are increasingly adopting Performance Clinics. Clinics are where those who are accountable for a service are asked to report on its performance. They:

- create better ownership and accountability for performance management and service improvement;

- enhance the role of managers in driving improvement and the management of key performance indicators;

- assess and remedy poor performance by developing an action plan or revising existing plans;

- identify potential shifts in resources and additional support required and

- provide the Performance Clinic panel the opportunity to formally recognise good performance

5.8 A Performance Clinic was carried out, in December 2007, looking at the performance of NI 195 (the old BVPI 199). This was requested following the submission and analysis of a quarterly performance report and comparison with the national quartiles.

5.9 **Use of Covalent –** The Council's performance management system (Covalent) has been specifically designed for use by district councils. One of the advantages of this system over some of its competitors is that it is web based. This means that with minimal technical help authorised users can access the system from anywhere as long as the computer can access the Internet. This allows members to access the system from home. Each committee chair, vice chair and member of Overview and Scrutiny has been set up on the system to have access to the priorities, actions and performance indicators relevant to their committee. It is proposed that another member training session (for new Overview and Scrutiny members) be organised to encourage members to make full use of this facility.

6 TARGET SETTING

6.1 National Indicators (NIs) were introduced from 1 April 2008. All the NIs which are to be collected at a district spatial level are listed in appendix A attached. It is indicated for each NI which organisation will responsible for collecting and reporting the data.

6.2 As many of these NIs are completely new the organisations which are responsible for them do not have a duty to set targets for the year of introduction. The data collected for 2008/09 will be used as a baseline for setting future targets. However, some targets have been set for NIs that existed previously as BVPI's and the LAA has also set targets for others. This has been done in collaboration/consultation with our LSP officer and relevant service managers.

6.3 The table at appendix A also lists all of our local performance indicators (LPIs). When the BVPIs were 'deleted' at 31 March 2008 organisations were encouraged to continue to manage its performance at a local level by using the old BVPIs and guidance. Ribble Valley now continues to collect a significant proportion of these – indicated by the old BVPI reference in brackets.

6.4 The final column in the table has been used to relate how the target has been set.

7 CONCLUSION

7.1 Performance management is not an end in itself, but many councils successfully use performance management to deliver improvement. There are still authorities that have wonderful systems in place but where councillors and officers do not know how their work has made life better for local residents. Many local authorities are excellent at designing and carrying out consultation, but are less successful at integrating this information into decision-making. Processes are only ever a means to an end. The only real measure of success is whether the Council is delivering its vision for improving the quality of life for its citizens.

8 RISK ASSESSMENT

- Resources:

- Technical, Environmental and Legal:

- Political:

- Reputation:

9 IT IS RECOMMENDED THAT COMMITTEE

9.1 Approve the targets set for 2008/09, 2009/10 and 2010/11 as presented to members in Appendix A.

9.2 Agree to the organisation of a member training session in the use of the Covalent Performance Management system.

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For further information please ask for Michelle Haworth, extension 4421