

FALKIRK COUNCIL

Subject: PERFORMANCE MANAGEMENT – WAY FORWARD
Meeting: PERFORMANCE PANEL
Date: 19 NOVEMBER 2015
Author: DIRECTOR OF CORPORATE AND HOUSING SERVICES

1. BACKGROUND

- 1.1 This report outlines for Members proposals to take forward the recommendations made in the recent Best Value Audit report on Falkirk Council relating to performance management. It notes the actions agreed as part of the improvement plan agreed by Council and also suggests how these can be taken forward over the coming months.

2. BEST VALUE AUDIT

- 2.1 The best value report considered by Council notes that improvements were required to the way the Council looks at performance management. Specifically the report noted:
- 2.2 *The Council should integrate its various strands of performance management, service improvement and business transformation to ensure it has a coherent approach. It should use this to target its resources, focus on delivering its priorities and drive continuous improvement. It should:*
- *Coordinate its activities such as service reviews, self-assessments and business transformation and show how these will lead to specific improvement.*
 - *Regularly and systematically carry out self-assessment of services, including comparison with other Councils and use this information to identify areas for improvement in its Service Plans.*
 - *Ensure its programme of service reviews focuses on its strategic priorities and objectives and is based on areas for improvement identified through performance information.*
 - *Ensure its business transformation and improvement projects build on the priorities identified through service reviews and good practice from other areas, to identify how to significantly improve services and contribute to required budget savings.*
- 2.3 *The Council should ensure that its performance reporting arrangements make improvement happen. It should produce action plans where performance reports identify a need for improvement, take the action required and provide assurance to Councillors that these actions are followed up.*
- 2.4 *The Council should further improve the performance information that it reports to Councillors and publishes so that Councillors and the public have a good understanding of the Council's performance.*

2.5 *In line with good practice, and the Council's new guidance, its public performance reporting should include:*

- *Performance indicators that include a baseline figure to show where services have improved or otherwise; they should also include contextual information or an explanation when using trend arrows or traffic light indicators to help readers interpret the data, for example whether an indicator increasing indicates performance is better or worse.*
- *Performance indicators that are SMART, and have a clear target for what is to be achieved or what is expected.*

2.6 In order to address the issues in the Audit, Council agreed that the following improvements would take place:

- A programme of reviews and self-assessments will be submitted to the Performance Panel by March 2016.
- A systematic programme of service reviews and self-assessments will be undertaken to influence the Council's budget strategy and improvement agenda.
- Performance reports will be developed through the Performance Panel to reflect the good practice outlined. These reports will in turn, be published on the Council's website

2.7 At the last meeting of the Performance Panel and following the presentation of annual Service Plans, it was agreed that the format of performance reports would be revised and refined and that a workshop would be organised for Members to start the process of reviewing our performance management arrangements. This report notes progress on both these issues.

3. PERFORMANCE REPORTING

3.1 Over the last number of years Services have reported a range of information to Members of the Performance Panel. There have been issues raised about the quantity of information, the focus of information and also the level of detail presented. Concerns have been expressed by Members that it is unclear how the information presented gives Members a picture of how services are improving over time and where they need to specifically focus attention on.

3.2 A new template has been prepared and issued to Services for performance reports. This requires Services to report on the following information:

- Service Priorities
- Areas for Improvement
- Challenge and risks
- Public Performance Reporting
- Actions within the service plan that are behind schedule
- Important PIs including more detail on those area behind target or in danger of not achieving target
- Audits and Inspections for each Service.

- 3.3 The Performance report from Corporate and Housing services has been prepared in this new format and feedback from Members on this is invited following the meeting. It is proposed that this new format is discussed further at a workshop to be organised for Members on performance management.

4. MEMBERS WORKSHOP

- 4.1 It was agreed at the last Performance Panel that a workshop for Members would be organised focussed on developing clarity around performance management and the framework that underpins this. It is proposed that this workshop be organised for December and that the purpose of this would be; to raise Members awareness of performance management; ensure effective scrutiny and also to drive improvement. Services of the Council have done work over the last few months on performance management and in particular identifying areas for improvement and important PIs. It is proposed that the rationale for this work is presented and discussed at the workshop. A number of areas will be covered in this initial workshop. These are:

Session One

- 4.2 This session will provide an overview of the Council's Strategic Planning and management System. What is our performance management framework and the various elements of this i.e. SCP, Corporate Plan and Service Plans?
- 4.3 The purpose of service plans, the process of development and their content, ensuring resources are assigned to driving achievement of Council and service priorities and outcomes will be covered.

Session Two

- 4.4 This session will explore the improvement framework. Various elements of continuous improvement cycle including:
- Service Plans
 - Self-Assessment – purpose and criteria for selection, improvement planning etc.
 - Service / Best Value Reviews – purpose and criteria for selection of areas of service
 - PIs - important indicators – targets, tolerances and benchmarking
 - Audit and Inspection

Session Three

- 4.5 This small group work session will be designed to engage Members more fully in discussing, and therefore, understanding the process of improvement.
- Review of important PIs: criteria for determining an important indicator
outputs of the work with services
targets and tolerances

Session Four

- 4.6 How will Members know we're improving
- Reporting to the Performance Panel – structure of new report.
 - Scrutiny of services – what are the best questions to ask?
 - Reporting to the public.
- 4.7 It is proposed that this first workshop will last a couple of hours and be open to all Members. The output of this workshop will inform future work on performance management.

5. CONCLUSIONS

This report sets out some of the key actions that will take forward and inform the Council's response to its Best Value Audit. The new style Performance Report and the proposed workshop will give Members more oversight and engagement in how Services plan to improve and report.

6. RECOMMENDATIONS

It is recommended that Members:

- 6.1 **Note the specific improvement actions in our Best Value Improvement Plan relating to Performance Management;**
- 6.2 **Note that a workshop for Members is being organised and is focussed on the areas outlined in section four of this report; and**
- 6.3 **Note the new style performance report format being prepared by Services.**

.....
DIRECTOR OF CORPORATE & HOUSING SERVICES

Date: 11 November 2015

Ref: ABC1115FC – Performance Management Way Forward

Contact Name: Fiona Campbell

LIST OF BACKGROUND PAPERS

1. Report to Falkirk Council – Best Value Audit – October 2015

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506230 and ask for Fiona Campbell.