

STRATEGY AND RESOURCES COMMITTEE

18 JANUARY 2018

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Report Title	TASK & FINISH GROUP REVIEW OF PERFORMANCE MANAGEMENT
Purpose of Report	To review current practice and discuss any improvements which could be made.
Decision(s)	The Task and Finish Group recommends that the Strategy and Resources Committee RESOLVES to: 1. Accept the recommendations of this report 2. Ask all committees to table this report for discussion at forthcoming meetings.
Consultation and Feedback	Members of the Task & Finish Group met with all current Performance Monitors, Committee Chairs, members of Corporate Team and Group Leaders
Financial Implications	There are no direct financial implications arising from this report, however it should be noted that any financial information presented as part of the performance monitoring needs to be verified by the finance team. David Stanley, Accountancy Manager (Section 151 Officer) Tel: 01453 754100 Email: David.Stanley@stroud.gov.uk There is a risk that unless the Council has a robust performance monitoring framework in place, Members may not be fully aware of how services are performing and have insufficient information on which to base decisions regarding future service delivery.
Legal Implications	Within the context of paragraph 3.2, it should be noted that reports to which committee agenda items refer should be in writing and published at least five clear days before the meeting. In any event, member performance management reports are subject to public access requests. (Ref:d4.12;rc9.1.1) Karen Trickey, Head of Legal Services Tel: 01453 754369 Email: karen.trickey@stroud.gov.uk
Report Author	Councillor Rachel Curley Email: cllr.rachel.curley@stroud.gov.uk
Performance Management Follow Up	Member Development programme to be updated. Quarterly performance monitoring meetings

Background Papers/ Appendices	Review of Excelsis Performance Management System; Audit & Standards Committee, 5 November 2013 https://www.stroud.gov.uk/media/208824/item-7-review-of-excelsis-performance-management-system.pdf Local Government Association on performance management. Appendix 1: Questions and feedback from consultation Appendix 2: Template for Directors to complete prior to quarterly performance meetings Appendix 3: Template for performance monitors to complete their quarterly report Appendix 4: Performance Monitoring Timetable
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1.0 BACKGROUND

The members of the group were Cllr Rachel Curley (Chair), Cllr Catherine Braun and Cllr Keith Pearson. The group was supported by the Principal Projects Officer, Eka Nowakowska.

The Task and Finish Group met on 4 occasions between 29 September and 11 December 2017.

1.2 Terms of Reference

- Review current practice in monitoring performance and how this links to risk management and governance arrangements
- Review and report on whether and how the following are carried out by performance monitors:
 - Meet quarterly with appropriate Director, HoS to discuss performance, using the Performance Monitoring template
 - Make recommendations on how best to feed in comments to committees and ensure feedback is given on how those recommendations were dealt with
 - Draft report and feed back to appropriate committee. Raise any particular concerns with Director/HoS
 - Note any recommendations from committee and feedback to service area
 - Attend annual training to ensure familiarity with the Council's performance management system, Excelsis.
 - Use Excelsis to review quarterly updates on Corporate Delivery Plan; Service Plans; Performance Indicators and Risks (prior to the PM meeting).
- Consider the effectiveness of the current Performance Monitoring Report Template and make recommendations for improvement
- Identify and recommend how best to ensure a consistent approach is adopted across each of the committee
- Identify and recommend any specific support/training needed for performance monitors and all members
- Any other reasonable recommendations to improve how SDC manages performance.

2.0 FINDINGS: Feedback from Consultees

Appendix 1 sets out the questions and findings from the meetings with performance monitors, committee chairs and Directors.

There is some good practice across different committees. Quarterly meetings are generally happening and reports are being given to committees.

2.1 Task & Finish Group Considerations

2.1.1 In general, based on the meetings held, the Group felt that there needs to be a more consistent approach to performance monitoring and that the role of the performance monitor and the regular performance monitoring meetings require a higher status across the Council.

2.1.2 The Group has considered whether Committee Chairs should attend all performance monitoring meetings. Some consider that this would give more weight to the meetings and make sure that the same discussions don't happen twice. Others feel that if the Chair is there some of the independence of the committee is lost as issues have been rehearsed already and challenge at committee may be reduced. On balance, the Group decided that there should be no expectation that Chairs attend as a matter of course but they may be invited by Performance Monitors. It is important that performance monitoring meetings are viewed as being "owned" by the performance monitors and that they run the meetings.

2.1.3 The Group considered but rejected making a recommendation that the tenure of Performance Monitors be limited.

2.1.4 The Group considered but rejected the suggestion that Performance Monitors should only be appointed once they have been on the committee for at least 12 months. It was felt this was too prescriptive and that the independence of a new member could offer the opportunity to ask the difficult question.

2.1.5 The Group considered external performance monitoring such as benchmarking or peer review to ensure we have the right focus and a section has been added to the report templates.

2.1.6 Consideration was also given to how we can better link performance monitoring into the work of Audit and Standards. If this doesn't happen we lose the opportunity to see trends across the council. Performance Monitors should be encouraged to report any significant concerns to Audit and Standards and a section should be added to the reporting template.

2.1.7 The Group agreed that Tenant Reps should continue to attend performance monitoring meetings.

3.0 RECOMMENDATIONS

3.1 Setting performance monitoring indicators

Each of the service committees (Strategy & Resources, Community Services & Licensing, Housing, Environment) must agree before the start of the Civic Year the performance objectives/indicators to be monitored for the next twelve months. Performance monitoring objectives/indicators for the relevant service will include:

- Corporate Delivery Plan (all elements of the plan must be picked up by one of the committees – including capital programme)
- Statutory responsibilities of committees (if they're not already covered in Corporate Delivery Plan)
- Key strategic risks – see Excelsis risk register
- Service issues and future policy issues
- Any external performance objectives/measures eg LG Inform

We should only monitor the key issues and this should be consistent across committees. There should be stats but also scope for comments with explanation, context, challenges, and how we compare to others.

It is recognised that urgent items may arise during the year which need to be added to the agreed objectives/indicators.

3.2 Meetings and reporting to Committee

- **Four performance monitoring meetings** will be held during the year. The dates will be set in the Performance Monitoring Timetable (Appendix 4) at the start of the year. It's important that the meeting is held 3 weeks before a committee meeting.
- **Attendees** at these meetings will be: Performance Monitoring Reps (2 per committee), Chairs of Committee and/or Vice Chair of committee (by exception/invitation), and Directors and/or Heads of Service.
- **Directors will ensure progress is updated** against the agreed indicators on Excelsis prior to performance monitoring meetings (preferably 1 week before the meeting). Directors will send a copy of the performance monitoring report to all attendees directly. (See Appendix 2 for new template).
- Following the meeting, Performance Monitors will send their own **report and summary** of key issues and risks (using the report template – see appendix 3) to Democratic Services. This template now includes a section to note any significant issue which should be reported to Audit and Standards and a section with recommended actions for the committee. This will be **circulated to members**, but not published with the Committee papers.
- Reports are presented at Committee four times a year, with an agenda item for **verbal feedback** from Performance Monitors.

3.3 Training for Performance Monitors

When Performance Monitors are appointed by each committee annually it will be made clear that it is a demanding role which requires training. The annual training will be obligatory from now on for all Performance Monitors.

This training will be made available to all members as part of the Member Development Programme. It will include training on Excelsis.

The Group would recommend using an external provider for this training.

3.4 PROPOSED ACTIONS

- **CEO/Directors** – clarify Corporate Delivery Plan actions – and allocate across Service Areas.
- **Directors/Heads of Service** identify other issues which would be important to monitor in addition (e.g. Statutory responsibilities of committees, Key risks, Service issues and future policy issues) by end Jan 2018)
- **Objectives/Indicators presented** to Committee at last meeting of this Civic Year (Feb / Mar)
- **Training date** set for Performance Monitoring Reps (after AGM)
- Make sure **the Performance Monitoring Timetable** sets dates for performance monitoring meetings (actual times/dates not needed but note which week meetings should take place)
- Make sure these dates are in everyone's **calendar**.
- Ensure that at end of Q1 (or as soon as possible) the delivery objectives and corresponding PM indicators are **fully reviewed and updated** by Directors/Heads of Service, Reps and Committees to take account of the next Corporate Delivery Plan for 2018/19.

Questions for performance monitors

1. How long have you been a performance monitor? For which committee?
2. Did you receive any training when you took on the role? Give details about any training received?
3. What briefing did you receive about:
 - The role
 - The monitoring performance template
 - Using Excelsis
4. Do you meet quarterly with the appropriate Service Head(s)?
5. What benefits do you get from these meetings? What reports do you receive and what follow up is there to any issues identified or raised?
6. Do you use the performance monitoring report template for these meetings?
7. Do you report back to your committee? Is that a written or verbal report?
8. What key areas of performance do you monitor currently for your committee? How were these determined? (eg Cost Savings/Revenue Budget, Capital Programme, Strategic Risks)
9. Are you aware of the recent review of the Risk Management Framework and new risk management toolkit?
10. How do you use Excelsis as a performance monitor (eg for updates on Corporate Delivery Plan; Service Plans; Performance indicators and Risks)?
11. What support or training would you like in your role?
12. What recommendations would you make about improving how SDC manages performance?

Questions for committee chairs

1. Do you attend the quarterly performance monitoring meetings with the performance monitor and Service Head? If yes, how do you see your role in those meetings?
2. Are there regular performance monitoring reports to your committee? In what format?
3. How are the key areas for performance monitoring determined? (eg Cost Savings/Revenue Budget, Capital Programme, Strategic Risks)
4. Are you aware of the recent review of the Risk Management Framework and new risk management toolkit?
5. What recommendations would you make about improving how SDC manages performance?

Not working well

- Lack of consistency in approach to performance monitoring across different committees – the most common feedback was that things are “ad hoc”.
- Some performance monitors use the performance monitoring template, some do not.
- Excelsis not up to date and typical feedback is that it is not user friendly
- Feedback from Corporate Team that current system doesn’t add value
- Feedback from PMs that the process is too often officer led
- Meetings don’t correspond to committee timetables
- Member engagement is critical to a well functioning system and not all members are engaged at present
- Training not offered on a consistent basis for incoming PMs – new PMs not aware of Excelsis or how to use it and not aware of the template form.

How things could work better

- Rolling programme of performance monitoring against agreed annual delivery objectives
- Establish agreed terms of reference and compulsory training for Performance Monitoring Rep role
- Establish consistent use of the performance monitoring template and an agreed process for reporting back to committees (to be included in training for new PMs)
- Need to consider risk in performance monitoring role and ensure clear links to the new risk management framework. There must be a shared understanding by Performance Monitors, Committee Chairs and Corporate Team about who “owns” the corporate risk register.
- Note the new recommendation to A&S Committee on 28 November:
 - a) “In line with the current Risk Management Policy, it is recommended that the performance monitoring meetings should also include discussions of strategic risk if the responsible officer is present at those meetings. (...) Further, such risk management updates should also be considered by the Audit and Standards Committee as part of its risk assurance responsibilities.”
- Monitoring must also delve deep enough to flag up concerns – and in future include additional elements including benchmarking and peer challenge
- Need a shared understanding of the ownership of PM reports
- Confirm how concerns will be escalated (to Audit Committee?) or resolved?

Performance Monitoring Report

This information is to be sent to the Performance Monitors 1 week prior to the quarterly performance meeting

Date of meeting	
Prepared by	Director: Head of Service:
Attach CDP Action Plans and Risk Report from Excelsis	<p>Run report from Excelsis. Go to https://intranet.stroud.gov.uk/PMF_Live/reports/filter.asp</p> <p>Reports – Filter Report – select</p> <div data-bbox="428 569 1523 810" style="border: 1px solid #ccc; padding: 5px;"> <p>Filter Options:</p> <p>Report On: * <input type="text" value="Action Plans & Risks"/> ▼</p> <p>Filter By: <input type="text" value="Corporate Delivery Plan"/> ▼</p> <p>Plan Name: * <input type="text" value="Stroud District Council"/></p> <p>CDP Vision: <input type="text" value="CDP: Leading a community that is making Stroud District a better place to live, work and play"/> ▼</p> <p>CDP Priority: <input type="text" value="CMTEE: COMMITTEE"/> ▼</p> <p>CDP Objective: <input type="text" value="..."/> ▼</p> </div> <p>Choose relevant Committee from drop down box ‘CDP Objective’ Click on ‘Generate Report’</p>
PROJECTS / CAPITAL PROGRAMME (if not covered in CDP)	<p><i>Any other significant projects your service area is working on that may not be covered in the CDP.</i></p> <p><i>These may be listed in your Strategic plan (which will also cover your CDP actions). You may therefore wish to Filter by your Strategic Plan instead.</i></p>
STRATEGIC RISKS (see Excelsis)	<p><i>Any other significant risks facing the service – should be listed on the Risk Register</i></p>
PERFORMANCE MEASURES (see Excelsis where applicable)	<p><i>Commentary on how your services are performing against key performance measures.</i></p>
RELEVANT FINANCE ISSUES	<p><i>Are budgets on track – any significant under or over spends</i></p>
What are the key challenges facing service areas?	<p><i>For example:</i></p> <p><i>Are there any upcoming changes in legislation that will impact on services?</i></p> <p><i>Any issues with recruitment / retention?</i></p>
BENCHMARKING eg Peer Reviews; External Audits; LG Inform.gov.uk	<p><i>How are we doing compared to others?</i></p>
Progress on any recommendations / actions from the last Committee meeting	

Performance Monitoring Report: xxx Committee

DATE OF MEETING	
ATTENDEES	Members: Officers:
PERFORMANCE UPDATE <i>(please give a brief progress update on the following areas)</i>	
CDP PRIORITIES <i>(see Excelsis)</i>	
PROJECTS / CAPITAL PROGRAMME <i>(if not covered in CDP)</i>	
PERFORMANCE MEASURES <i>(see Excelsis where applicable)</i>	
RISKS <i>(see Excelsis)</i>	

RELEVANT FINANCE ISSUES	
ANY OTHER ISSUES CONSIDERED AT THE MEETING (eg staffing / resources)	
FOLLOW UP (any issues for consideration at the next meeting)	

ANY ISSUES OF SIGNIFICANT CONCERN TO BE REPORTED TO AUDIT AND STANDARDS

ANY ACTIONS/RECOMMENDATIONS FOR THE COMMITTEE

REPORT SUBMITTED BY	
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DATE OF REPORT	
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Please complete and return to Democratic Services ASAP for circulation to the Committee.

