

## APPENDIX 2



### **Draft Isle of Wight Council Performance Management Framework October 2008**

**Corporate Performance Team-V12**

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## **1. Introduction**

This Framework sets out the different components that together will enable a strong performance culture to be embedded to effectively deliver the Council's priorities and plans and improve services to the Island.

## **2. Components of the Performance Management Framework**

The diagram at Appendix 1 demonstrates the links between the main components of the Council's performance management framework which are:

### **Strategic Themes**

These are the Council's agreed priorities which are translated into corporate aims and themes and link to the Island Strategic Partnership's Sustainable Community Strategy-Eco Island.

### **Corporate Plan**

The Corporate Plan will set out the Council's vision, values and priorities and will include the One Island projects.

Within the Corporate Plan will also be the Directorate Plans that will be updated annually to reflect changing priorities taking into account internal and external factors.

The Medium Term Financial Plan will ensure budgets are aligned with these priorities. The process of establishing those priorities must be carried out concurrently with the medium term financial planning process.

Thematic strategies like the Economic Development Strategy will provide the link between the priorities identified in the Sustainable Community Strategy and the Corporate Plan.

## **Directorate Plans**

These are a brief textual summary of the Service Plans and will encapsulate the strategic service objectives of the Directorate linking to the Community Strategy and will pull together a brief description of services provided within each Directorate. They will be used to inform Members of commitments to delivery of the Council over-arching strategic themes and give external partners and organisations a context of the services within that Directorate.

## **Service Plans**

Each Head of Service and direct reports are required to produce an annual Service Plan that identifies the activities of their service. The emphasis within these plans is to reflect high level strategic objectives and the service's contribution to the delivery of those objectives. It will be SMART with greater emphasis on the outcomes of strategic objectives.

## **Team Plans**

Team Plans will give the detail for service delivery and “business as usual” reflecting clearly how there is a focus on delivery starting from the Strategic Objectives through the corporate and service plans down to team and individual level. These contributions will be SMART with again an emphasis on outcomes but at a more detailed level.

## **Personal Development Reviews**

This is part of the annual staff appraisal process and is vital if the priorities and improvements of the Council are to be delivered and achieved. Staff need to clearly understand those priorities, their Directorate's service objectives and how they and their team contribute to those objectives and is considered best practice in most local authorities. This is the opportunity for staff to understand their own responsibilities, establish personal targets and identify any blockages to their line manager which may affect delivery of those targets and objectives. It is also an arena for identifying training and development needs required to improve skills and knowledge. This process is also a major contributor to the Council's Investors in People accreditation.

### **3. Monitoring of the Framework**

Performance is monitored via information on performance indicators, service and strategic risks, financial management of both capital and revenue budgets and effective project management of major, medium and minor projects.

The Directors' Team will be reviewing performance, risk, finance and projects, from a cross-cutting perspective on a quarterly basis by introduction of the quarterly performance meetings. Greater emphasis will be placed on Directors to address these areas on a more intense basis, with more high level, overarching performance issues being addressed at these meetings, in preparation for onward transmission to Cabinet and Scrutiny.

Directors will hold Service Boards on a monthly basis with their Heads of Service to monitor performance, risk, finance and projects for their Directorates, information being driven by service and team meetings. This will also be used for communicating actions and outputs from Cabinet, Directors' Team and Corporate Management Board meetings.

Due to the success of Directorate Service Boards in monitoring performance, risk, finance and projects, Heads of Service have begun their own 'mini' Service Boards which follow the same concept as the main Service Board, with issues being escalated to Directorate Service Boards on a monthly basis.

It is a key action of the Performance Management Framework to roll out this concept throughout the Council to ensure full engagement, ownership and understanding of the four main areas of Service Boards.

The table at Appendix A illustrates the operational process for monitoring performance throughout the Council.

The table at Appendix B shows the annual corporate timetable.

The Performance Management Framework will be monitored for its effectiveness annually with a progress report to Directors' Team

## **Service Board Process**

### **Terms of Reference for Quarterly Directors' Team Performance Meetings**

Directors will receive the following reports on a quarterly basis at the appropriate Directors' Team meeting:

- Capital Programme report
- Financial Revenue Report
- Strategic Projects report
- Directorate Service Board Performance report (including Organisational Health, LAA2/NIS and 'killer' service indicators)
- Service Risk Register report
- Data Quality Update
- Draft Cabinet performance report

It is the Directors role to agree actions to be taken to improve under performance, highlight any issues to be escalated to Members through the Cabinet report and agree progress on any cross-cutting issues from the Directorate Service Boards.

This meeting will also be used to discuss implications for the Island Strategic Partnership (ISP) and Comprehensive Area Assessment (CAA) of any strategic under performance and agree presentation of these issues to the ISP Board.

The meetings should be held after all the Directorate monthly Service Boards have taken place and with sufficient time before the Cabinet receives the quarterly performance and risk reports.

## Terms of Reference for Directorate Service Boards

Service Boards were successfully piloted and introduced in autumn 2007 to enable three key elements of performance, risk and finance to be discussed on a monthly basis within Directorates.

This also enabled collective agreement on action to be taken to improve service performance and to prepare and agree information to be presented to Cabinet and Scrutiny.

The following points are a guide to how Directorate Service Boards should take place to maximum benefit to improve performance, including project management and move the council to a more performance oriented culture:

- a) Meetings to take place after the 15<sup>th</sup> of the month when data has been inputted to CorStrategy, JCAD, FIDO and project data submitted to the Change Programme Office.
- b) Meetings to take place before the end of the month.
- c) Attendance and roles at each meeting can be as follows:

Role	Responsibility
Director	To chair the meeting, celebrating achievements, sharing learning, challenge under and over performance, agree actions to improve and escalate serious and cross-cutting issues to Directors' Team
All direct reports to Directors	To lead the performance management of their service and to supply additional information and implement agreed actions
PA/Co-ordinator	To minute the meetings as CAA evidence and to track actions to improve performance, risks, budgetary position and project progress
Budget Accountant	To supply additional financial information and implement agreed actions
A Performance Management Group member	To supply additional performance information and implement agreed actions
A Risk Champion	To supply additional risk information and implement agreed actions

- d) Additional attendance and roles at each quarterly meeting should be:

Role	Responsibility
Head of Financial Management	<ul style="list-style-type: none"> <li>• To update on capital spend against projected profile</li> <li>• To agree the quarterly Directors Summary highlighting key issues for DT Performance Meeting and CX/Director 1-</li> </ul>

	1s
Corporate Performance Manager	<ul style="list-style-type: none"> <li>• To update on corporate activity</li> <li>• Advise on actions to be taken to improve service and project performance, including data quality</li> <li>• Agree cross cutting issues for onward discussion at Directors' Team</li> <li>• To agree the quarterly Directors' Summary highlighting key issues for DT Performance Meeting and CX/Director 1-1s</li> </ul>
Head of Audit and Compliance	<ul style="list-style-type: none"> <li>• To update on strategic risks adding any further risks if required</li> <li>• To agree the quarterly Directors' Summary highlighting key issues for DT Performance Meeting and CX/Director 1-1s</li> </ul>

- e) Actions agreed to improve performance based on information presented or to highlight serious areas of concern to Directors' Team or Cabinet Members to be documented and tracked at following Directors Performance Meetings.
- f) Reports to be presented on a monthly basis are:
- Revenue budget report and Capital monitor
  - Performance report including Corporate Health, LAA2/NIS and Directorate and service key indicators and any additional measures considered relevant to monitoring service performance
  - Strategic Programme projects linking with performance indicators
  - Service Risk Register report
- g) Additional reports to be presented on a quarterly basis are:
- Strategic Risk Register report
  - Data Quality Update
- h) Actions from previous Service Board to be checked back at the next monthly meeting and kept in a central place within the Directorate for providing evidence for future inspections.
- i) Actions and outcomes to be communicated to Directorate staff from Service Boards to be agreed at each monthly meeting and a process followed to deliver these key messages to all staff as set out by individual Directors.

- j) A quarterly Directors' Summary to be produced by the Service Board date, using a template highlighting Achievements of the Directorate and areas of concern relating to performance, risk, finance and projects. This Summary will be collated by the Corporate Performance Team to be available for all staff to read on the Council's Intranet and for the corporate centre to access achievements and milestones for the Use of Resources, Direction of Travel and Annual Governance Statement documentation and the quarterly Cabinet and Scrutiny reports.
- k) Use of CorStrategy, JCAD, FIDO (to be replaced via BSIP project in 2009) will be used to store data with CorBusiness, the Council's corporate report writer, being utilised to develop cross system reporting and facilitate performance management at 'mini' Service Boards, Directorate Service Boards, Directors' Performance Meetings, Cabinet and Scrutiny.

## **Terms of Reference for 'Mini' Service Boards**

'Mini' Service Boards are held by Heads of Service to discuss and agree actions on performance, risk, finance and projects for their services similar to the process that happens with Directorate Service Boards.

Reports to be presented are:

- Monthly/quarterly Head of Service performance report indicating those which are from service plans
- Monthly service risk report
- Monthly finance report

Service Plan monitoring will be a separate report of all measures from current Service Plans and take place at Mini Service Boards on a monthly basis. Any concerns or issues from this or other reports to be escalated to the Directorate Service Boards and onward to Directors' Performance meetings if necessary.

Meetings to be held monthly before the Directorate Service Board



## **4. Risk and the Performance Management Framework**

Risk is the potential for an event and its consequences to constitute an opportunity for benefit (upside) or a threat to success (downside) in terms of an organisation's ability to achieve its objectives and execute its policies. Risk management is about understanding the things that could help or hinder in trying to deliver an organisation's objectives. It might be that a risk can not be eliminated but can be managed, so risk management is the process by which risks and opportunities are identified, evaluated, mitigated down to the lowest acceptable level and then periodically reviewed.

There is a risk to the Council of not measuring and managing performance of the Council's services in that residents and partners will not have an understanding of those services and it will severely affect our future CAA score, substantially affecting the Council's desire to become a top-performing local authority.

There are also individual risks for the individual Services if they do not perform well and meet their targets. These risks could have statutory, financial or reputational implications and should be managed within Services, using the service board process (as in diagram 1) to report on the status of the risk. Just as with performance management, risk should not be considered as an add-on but should be embedded into the organisation's every-day workings.

## **5. Elected Members and the Performance Management Framework**

Elected Members engagement, ownership and understanding are crucial to the embedding of the Performance Management Framework. The role of Cabinet Members is to have a strategic overview of how the Council is achieving its key objectives through monitoring and managing projects and delivery of services.

The Scrutiny Committee will receive the quarterly Cabinet performance reports. Its role is to challenge the actions being taken to address areas where targets have not been achieved, or progress is slow and targets unchallenging, and to use the information to identify services which are not sufficiently resourced.

## **6. Staff and the Performance Management Framework**

Being successful at work is an important part of being motivated to achieve the expectations for high quality service delivery and to secure the achievement of required outcomes for the council. The development review process plays an essential part in helping staff to establish the link between council priorities, service objectives and individual work objectives and targets and to identify the level of and type of support needed to achieve them. Making sure that work activity is appropriately aligned to current and future

priorities is crucial to effective performance management. However, staff need regular time with their manager through formal regular supervision meetings which provides opportunity to review progress, identify problems before they become serious, provide support when difficulties are experienced and to recognise and acknowledge good work.

This pattern of regular meetings ultimately provides the basis upon which the annual development review meeting and six monthly review can be undertaken, where new work objectives and targets are formalised and reported against.

## **7. Communications**

Communication of performance is essential for engagement and ownership across the Council and its partners. How the message is managed will determine the level of engagement. The Corporate Performance Team will be working closely with the Head of Communications to produce a communications plan. This will include processes for disseminating information into the Public domain via the "One Island" magazine, newspaper articles and other local and national media outlets.

The internal communications process ensures performance is relayed across the staff groups. The "One Council" internal newspaper and the Intranet are both ways of communicating performance across the whole Council.

There will also be a quarterly Directors Summary of Issues and Achievements from the Service Boards that will be collated by the Corporate Performance Team and made available to all staff through the Council's Intranet.

## **8. Performance and Risk Management Group**

The Council, in recognising the need for a more co-ordinated approach to performance management, has formed the Performance Management Group. This group is made up of representatives from all Directorates who have responsibility and influence for performance across their Directorates and Departments. Initially the group concentrated on the training and roll out of the corporate Performance Management system, however the group now has a wider role in being the link with the Corporate Performance Management Team on matters relating to performance within service areas and helping to drive up performance across the Council by sharing best practice, implementing consistent frameworks and systems and being a sounding board for changes and enhancements to the Performance Management system and framework.

It has also linked with the Risk Management Group to form one forum for communication and discussion for risk and performance.

It is also a forum for key players to discuss other cross-cutting issues such as corporate plan, data quality, value for money and change management processes.

## **9. Data Quality**

Good Data Quality underpins the entire Performance Management process. As key decisions are made based on the data in the performance management systems, it is essential that the information is accurate, reliable, complete, relevant and can be evidenced. Members, officers and partner organisations need to feel they can rely on information produced to make sound decisions and the general public also needs to have trust and faith in the quality of decisions made.

For these reasons, as well as for the impact data quality has on the Use of Resources and Comprehensive Area Assessment score, the Council recognises the importance of good data quality and has produced a data quality strategy and policy.

The responsibility for the integrity of data quality lies with Heads of Service, who have assigned Data Quality Champions to assist them with the task of ensuring the performance management information used within the Council is of the highest possible quality in terms of accuracy, consistency, relevance and timeliness.

The Data Quality Action Plan agreed by Members and Directors in June 2007 has been updated regularly and is being reviewed in line with recommendations from the Audit Commission in October 2008.

## **10. Conclusions**

Performance Management is an essential element on our journey towards excellence. It can, if properly implemented, clarify objectives and targets, identify problem areas or barriers, highlight resources required to achieve goals, identify training and development needs and lead to the Council meeting, even exceeding the expectations of residents in its delivery of local objectives.

Through structured processes and reporting procedures, the implementation of the performance framework and the support of Members and Officers to change the culture towards managing performance, this Council can enjoy the maximum benefits achievable through excellent performance management and ensure the Council is in the best possible position in preparation for the new Comprehensive Area Assessment process.

**11. Corporate Reporting Timetable 2008/09 (from September 2008)**

Ref	Activity	Monitoring Action	Deadline Dates						
			Quarter 2 (2008)	Quarter 3 (2008)	Quarter 4 (2009)	Quarter 1 (2009)	Quarter 2 (2009)	Quarter 3 (2009)	Quarter 4 (2010)
1	Updated Performance, Risk & Financial data on source systems for Service Board Reporting	Heads of Service to review performance, risk and finance data and associated commentary prior to Directorate Service Boards.	15-Oct-08	15-Jan-09	15-Apr-09	15-Jul-09	15-Oct-09	15-Jan-10	15-Apr-10
2	Reporting deadline for circulation of Service Board Reports and Directors Quarterly Performance Summary (as detailed below)		Variable dates according to individual Directorate Service Board meetings and related reporting processes. Each Directorate will need to establish and communicate reporting deadlines to HoS, Budget Accountants, Performance Reps & Risk Champions and the corporate centre (via the CPT).						
3	Directorate Service Board Meeting	Directors to brief Lead Members. Directors to chair Quarterly Service Boards. Directors to produce Quarterly Performance Summary.	31-Oct-08	30-Jan-09	30-Apr-09	31-Jul-09	30-Oct-09	29-Jan-10	30-Apr-10
4	1:1 Director & CX	Discussion re reports presented to Directorate Service Boards	7-Nov-08	6-Feb-09	8-May-09	7-Aug-09	6-Nov-09	5-Feb-10	7-May-10
5	Reporting deadline for Directors Quarterly Performance Meeting		7-Nov-08	6-Feb-09	8-May-09	7-Aug-09	6-Nov-09	5-Feb-10	7-May-10
6	Directors Quarterly Performance Meeting	Discussion re reports to be presented to Cabinet & Scrutiny	11-Nov-08	10-Feb-08	12-May-09	11-Aug-09	10-Nov-09	16-Feb-10	11-May-10
7	Quarterly Performance Meeting with Leader, CX & Chair of Scrutiny	Discussion re reports to be presented to Cabinet & Scrutiny	11-Nov-08	26-Feb-09	13-May-09	tba	tba	tba	tba
8	Reporting deadline for Call Over reports		18-Nov-08	3-Mar-09	19-May-09	Not set	Not set	Not set	Not set
9	Call Over		20-Nov-08	5-Mar-09	21-May-09	Not set	Not set	Not set	Not set
10	Reporting deadline for Cabinet Meeting reports		21-Nov-08	6-Mar-09	22-May-09	Not set	Not set	Not set	Not set
11	Cabinet Meeting		2-Dec-08	10-Mar-09	2-Jun-09	Not set	Not set	Not set	Not set
12	Reporting deadline for Scrutiny meeting reports		9-Dec-08	7-Apr-09	Not set	Not set	Not set	Not set	Not set
13	Scrutiny Meeting		18-Dec-08	16-Apr-09	Not set	Not set	Not set	Not set	Not set

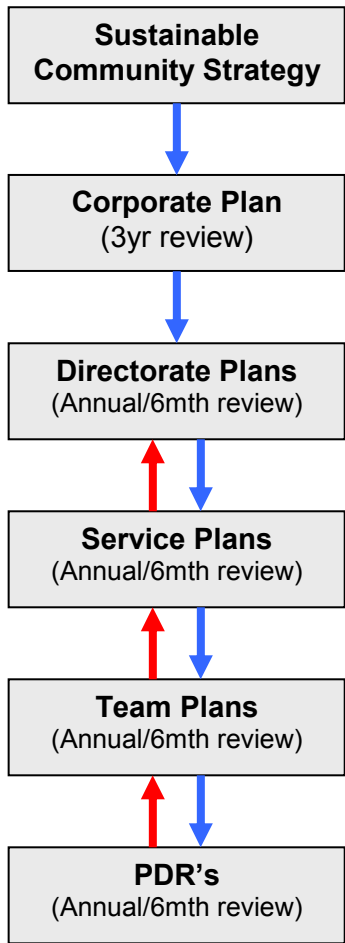
## **12. Action Plan to deliver the Framework-October 2008**

<b>Ref</b>	<b>Action Required</b>	<b>Responsibility</b>	<b>Timescale</b>	<b>Measures of Success</b>
1	Clarification of Corporate Objectives through Corporate Plan	Members and Directors	October 2008	Completion of Corporate Plan
2	Production of 2009/10 Service and Team Plans	Directors and Head of Service	By end March 2009	100% completion of qualitative Service and Team Plans with clear links to Council Themes and service objectives
3	Completion of Personal Development Reviews	All/Managers	By end of June 2009	Completion of Training Plans within agreed timescale
4	Drafting and approval of Communications Plan	Corporate Performance Manager/ Head of Communications	By end of November 2008	Completed and agreed by Directors within timescale
5	Monitoring and managing service performance at 'mini' Service Boards	Heads of Service with Service Managers	By end of March 2009 then ongoing	100% of all Heads of Service holding 'mini' Service Boards
6	Monitoring and managing of Performance at Directorate Service Boards	Directors and Heads of Service(Corporate Performance Manager attends quarterly meetings)	On-going	Improved services through 100% of targets achieved at year end
7	Manage strategic performance and actions at Quarterly Directors Performance meetings	Directors	On-going	100% of Corporate Objectives achieved within timescale
8	Reporting to Cabinet on Quarterly Performance identifying actions to agree improvement	Corporate Performance Team	On-going	Actions agreed at all meetings to improve performance
9	Produce an Annual Planning Cycle	Corporate Performance Team	October 2008	Annual Planning Cycle agreed and displayed at all office locations. Improved collection of information, creating increased efficiency
10	Implementation of the Data Quality strategy	Corporate Performance Team Data Quality Champions Group	On-going	Improved Data Quality score through Audit Commission assessment
11	Communication of Performance internally and externally	Corporate Performance Team Communications Team Risk and Performance Management Group	On-going	Increased awareness and improvement through corporate services staff and residents survey

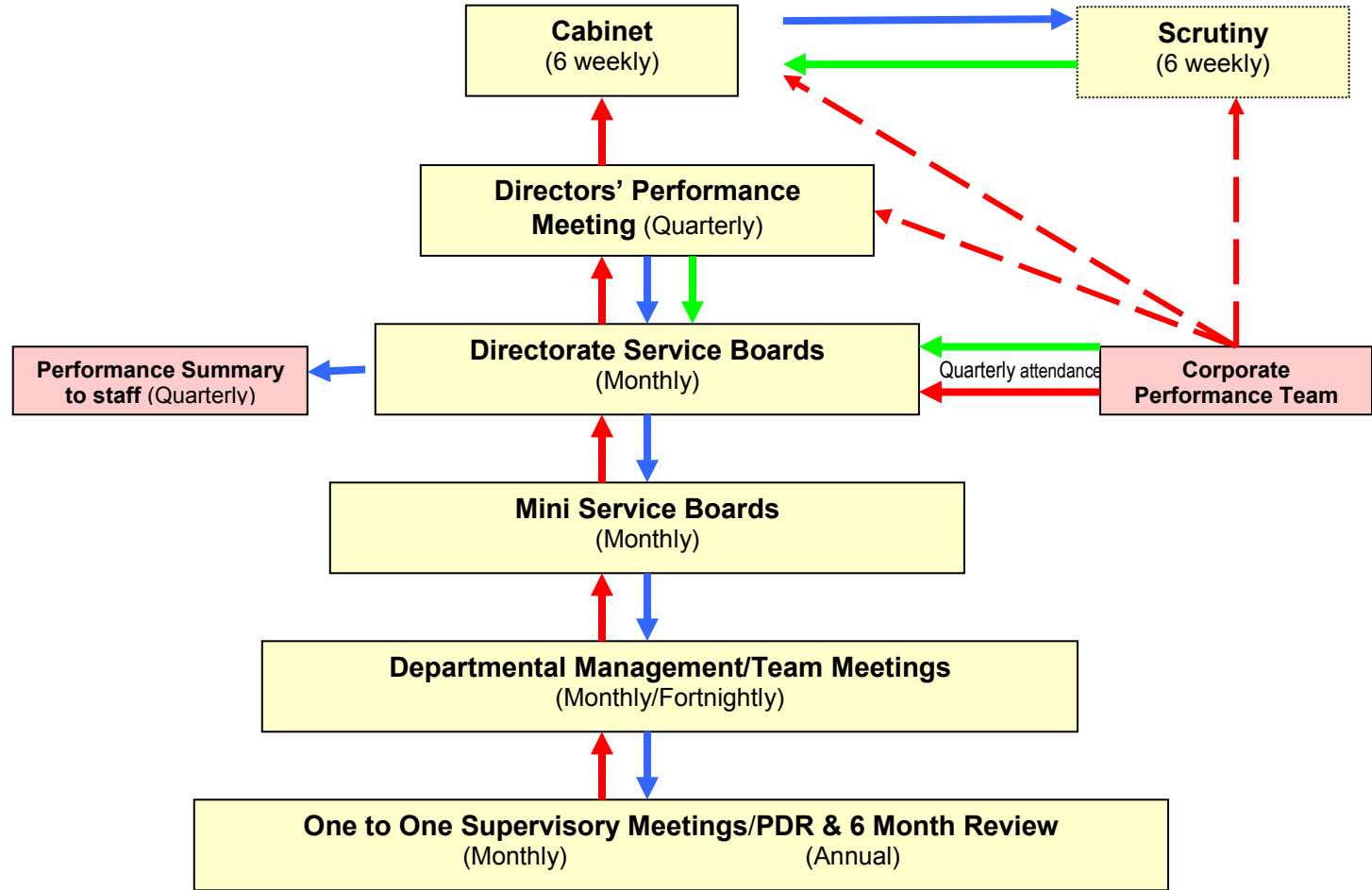
12	Deliver CorVu project	Corporate Performance Team Performance Management Group	March 2010	Deliver efficiencies of collecting and reporting data giving access to wide range of information to improve decision making
13	Monitor Performance Management Framework	Corporate Performance Team	Annually	Approved report at Directors Team, positive Comprehensive Area Assessment in 2009
14	Work with Directors to ensure all key strategies and plans have robust performance reporting and management arrangements in place	Directors Corporate Performance Team	End of March 2009	All key documents have consistent reporting and management arrangements to ensure action and delivery

# Appendix A

## Performance Management Framework (strategic)



## Performance Management Process (operational)



### Communication Key:

- Output actions/objectives communicated effectively
- New information / changes to agreed actions / updates on achievements and/or areas to watch
- Investigate and challenge
- Performance report facilitation

## Appendix B

### Strategic Performance Management Framework timeframe

Month	Council/Cabinet	Directorate	Service	Team	Individual
April					Personal Development Review
May	Q4 Performance Report Annual Report				Personal Development Review
June	Corporate Plan				Personal Development Review
July					
August					
September	Q1 Performance Report				
October					6 month review
November	Q2 Performance Report				6 month review
December		Priority setting			6 month review
January		Director objectives	Draft Service Plan		
February	Budget		HoS Objectives	Draft Team Plan	
March	Q3 Performance Report	Directorate Plans published	Service Plans published	Service Manager Objectives Team Plans published	