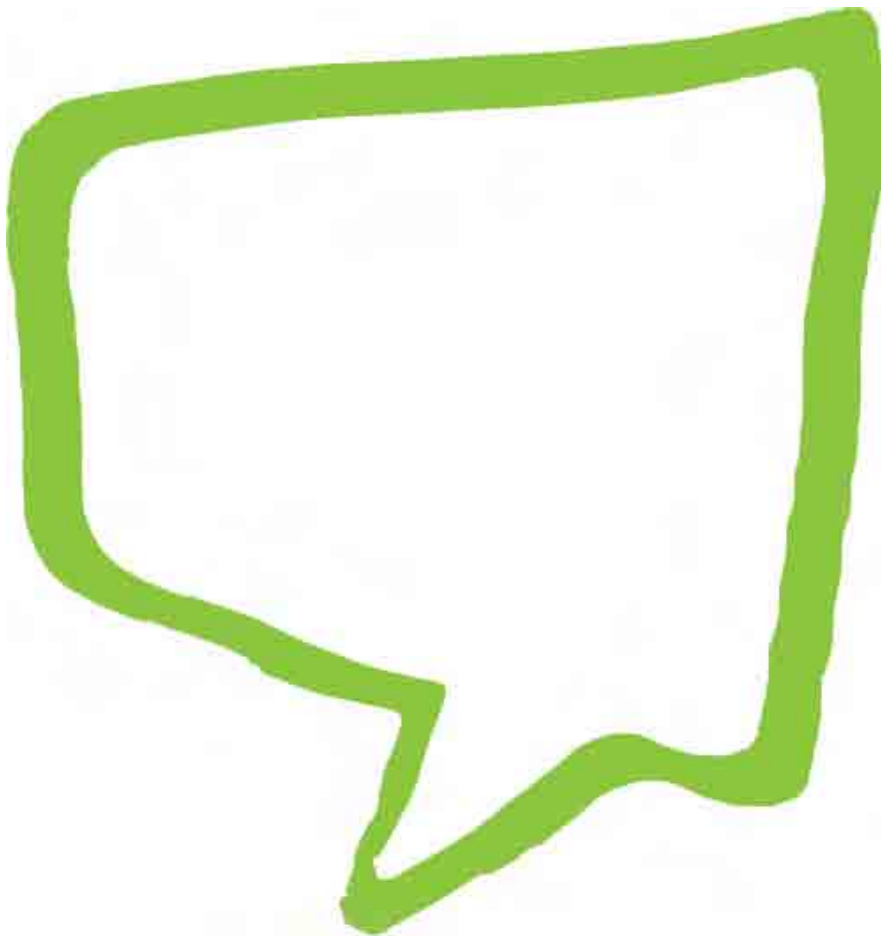


Performance Management

Wyre Forest District Council

Audit 2008/09

January 2009



Contents

Introduction	3
Background	4
Scope, objectives and audit approach	5
Main conclusions	6
Next Steps	8
Appendix 1 – Findings against KLOEs	9
Appendix 2 – Action plan	23

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Introduction

- 1 Performance management arrangements are becoming increasingly important in the development of the government's new local performance framework. Local authorities are expected to be able to manage all aspects of their performance both locally and in conjunction with their partners. For district councils this not only involves arrangements within the Council itself but also with partners both at the district and county LSP levels.
- 2 The purpose of putting in place such arrangements is to enable managers and other decision makers to focus on areas of under-performance and put in place remedial actions designed to bring performance back on track, thereby securing improved outcomes for local people. In this way performance management arrangements should be seen as a means to an end, rather than an end in themselves.
- 3 At the most basic level, councils are required to put in place systems that are able to collect, monitor and report on performance against the new national indicator set that was introduced in April 2008. In addition to these nationally set indicators, councils will have a number of indicators that will contribute to locally agreed priorities and targets. In order to monitor and report on these national and local indicators councils need to develop systems that collect a large quantity of management information and are able to identify, from this information, trends in performance.
- 4 Given the importance placed, by government, on the County-wide Local Area Agreement, performance management arrangements within district councils need to contain processes and systems that enable County-wide indicators and targets to be cascaded down into corporate, service and team levels within the District Council.
- 5 Incorporating issues of equality and diversity into performance management arrangements is an additional challenge for councils. Councils need to understand the specific challenges facing different parts of its communities and to incorporate these into differentiated target setting and performance monitoring.
- 6 Councils that are successful in using performance management systems to improve outcomes for local people have often combined a systems approach with attempts to develop a performance culture within the organisation. This is often characterised by staff and members fully accepting and working with processes and systems and understanding the need for continual service improvement.
- 7 The move from Comprehensive Performance Assessment to Comprehensive Area Assessment will put an additional focus on performance management within local authorities. The current model includes an Organisational Assessment which covers both how well councils manage their resources as well as their arrangement for managing performance.

Background

- 8** Wyre Forest District Council has been developing its overall approach to performance management in recent years. The CPA assessment in 2004 concluded that the Council's arrangements in this area were underdeveloped and relatively weak. More specifically, the assessment identified that:
- there was limited reporting of performance at corporate level, for councillors or to the public;
 - although the council reported on BVPIs to councillors on a six monthly basis there was no evidence that this information allowed councillors to challenge performance;
 - action to tackle areas of poor performance was inconsistent; and,
 - some plans lacked clear performance indicators or outcome focused targets.
- 9** Since this assessment the Council has worked with both its external auditors and the IDeA to improve performance management with some success. The Council has put in place a software system, Covalent, which is now used across the Council to collect performance data with an increasing focus on using such data to inform discussion at divisional team meetings. In our Annual Audit and Inspection Letter, published in spring 2008, we concluded that although Covalent is being embedded into Council systems, its impact on improved service performance has yet to be fully realised.
- 10** The Council has recognised that there is more to do to fully embed its approach to performance management. In its Corporate Risk log it has identified 'consistency and ownership of performance management' as a red risk. More specifically, the Council recognises that it needs to do more to ensure that all staff and members buy-into the corporate approach to performance management and that the appropriate performance culture is not yet in place.
- 11** The Council also understands the challenges of the new CAA regime and the specific focus that the Organisational Assessment will bring to performance management. The Council is keen to understand what more it needs to do to meet the developing standards around performance management in the CAA model.

Scope, objectives and audit approach

12 The objectives of this audit were to:

- assess the current strengths and weaknesses of the Council's corporate performance management framework;
- identify specific issues in key service areas around the approach taken to managing performance;
- develop a series of improvement actions that will strengthen both the processes and the culture of performance management at a corporate and service level; and
- provide the Council with some indication of what it should be doing to address the challenges of CAA and the Organisational Assessment in particular.

13 We agreed the following key lines of enquiry (KLOE) with the Council.

- Agreeing outcomes and priorities - do you know what you want to achieve?
- Developing success measures - do you know how to measure what you want to achieve?
- Setting targets - is there clarity about the level of performance you want?
- Collating performance data - how do you collect data on your performance?
- Monitoring performance data - how do you monitor your performance?
- Reporting performance - how do you report your performance?
- Learning and reviewing - how do you use performance data to learn and improve?
- Embedding a performance culture - how do you make sure it all works and has impact?

14 In order to achieve the above objectives we worked at both a corporate and service level by holding a series of meetings and focus groups as follows.

- With officers responsible for the development and implementation of the Council's performance management framework.
- With executive members responsible for performance at both a corporate and service level.
- With scrutiny members who have a responsibility to challenge performance levels.
- With managers and staff who are responsible for delivering against two of the Council's key priorities – 'Reducing Waste to Landfill and Increasing Recycling' and 'District-wide Regeneration'.

15 In addition we discussed the Council's approach to performance management with relevant partners at a district and County level.

Main conclusions

- 16** The Council has a sound and improving overall performance management framework with some good systems and processes in place. Key corporate officers have a good technical knowledge and are clearly focussed on developing current arrangements to address the evolving performance agenda around partnerships and the LAA. Regular reports on performance ensure that the Council stays focussed on its priorities and most staff and members are aware of the overall framework.
- 17** Despite these strengths the Council's arrangements are not fully embedded, resulting in slower than needed ongoing improvement in performance. The framework is not fully utilised and knowledge and use of the performance management software is not sufficiently widespread with examples of key data being stored in separate systems. Although performance is reported across the Council, there is insufficient analysis of data which means that the Council is missing learning opportunities. Finally, although there is an emerging performance culture at the Council, it is not sufficiently focussed at a senior and corporate level in order to keep up with changing regional and national agendas.
- 18** Our detailed findings in all of the eight KLOEs are set out in Appendix 1 and are summarised below. The Council has synthesised our longer list of recommendations into 16 key actions across the KLOEs which are set out at Appendix 2.

Agreeing outcomes and priorities

- 19** The Council has developed a good set of clear outcomes linked to each of its four corporate priorities. These are set out in its corporate plan, along with good links to the relevant priority in the district Sustainable Community Strategy. Within the Council's employee development review process there is a good commitment to link individual targets and performance to corporate priorities and outcomes. However, the strong approach to outcomes at a corporate level is not consistently followed in the Council's service plans. The focus in many business plans is on outputs and activities as opposed to outcomes and the understanding of links to district and County priorities and outcomes is less strong further down the organisation.

Indicators and Targets

- 20** The Council has developed good guidance for officers and members on developing indicators and targets to measure progress. In practice there is a reasonable approach to setting indicators and targets, but these don't provide a consistent and comprehensive way of measuring progress and achievement. Indicators are too often focussed on outputs and not enough has been done to develop meaningful local performance indicators where the national indicator set does not provide a robust tool for measurement. There have been some attempts to include officers and members in target setting but this is not consistent and user involvement in the process is underdeveloped. There are some examples of developing indicators and targets to measure performance for different parts of the district's community, but this approach has yet to be fully implemented. Similarly, there is no corporately agreed method for measuring value for money in service areas.

Collating and Monitoring Performance Data

- 21** The Council has good processes in place to ensure the quality of its data. There are also good arrangements in place to clarify the roles and responsibilities within the Council for collating and storing performance information. The Council has put in place a software system which is helping to alert managers about the risks of targets not being hit, but this system is not sufficiently utilised by officers and not accessed at all by members. In addition, the software system has not established itself as the main repository of performance information, with managers keeping information on separate, unlinked databases and systems.

Reporting and Learning

- 22** The Council has an established and effective process for reporting progress to CMT and members against targets linked to its corporate priorities. In addition, performance reports are produced for divisional management teams which contain lower level actions and activities. However, these reporting processes are not sufficiently robust at reporting overall progress towards outcomes. There is a reasonable approach to dealing with poor or under-performance at corporate and divisional levels, although there is some duplication in the roles of senior officers, cabinet members and Overview and Scrutiny. The Council's approach to learning is underdeveloped as it does not use its performance information to analyse and assess trends in performance.

Developing a Performance Culture

- 23** There is a reasonable level of leadership around performance management at the Council from senior officers and members. However, there has not been sufficient emphasis put on cultural change activity with the result that the Council has not been able to fully embed its performance management framework into the culture of the Council. Ownership of many aspects of the framework is still seen to reside in the corporate centre, rather than in service areas, and the management of performance has not yet become part of normal business, but seen by many as an add-on.

Next Steps

- 24 We have discussed the detailed findings of our audit with the Council and have commented on the action plan attached at Appendix 2. We presented the key findings of our work to senior officers in December 2008. We will discuss with the Council how we can continue to support improvements in the performance management framework over the next year.

Appendix 1 – Findings against KLOEs

KLOE	Findings	Judgments	Recommendations
Agreeing Outcomes and Priorities – do you know what you want to achieve?			
Have Council priorities been translated into clear, measurable outcomes?	<p>The Corporate Plan includes, under each priority, a narrative around anticipated outcomes.</p> <p>There has been some discussion/involvement in developing these outcomes.</p> <p>The performance management framework clearly describes and defines outcomes, and how these differ from outputs</p> <p>The Council's values are not linked to clear, measurable outcomes.</p>	<p>The Council has a good approach to developing outcomes for each of its priorities within the corporate plan.</p> <p>There has been a reasonable level of involvement in the development of the outcomes.</p> <p>The Council's approach to setting values is underdeveloped.</p>	<p>Ensure that staff, members, partners and, where appropriate, users are involved in the development of outcomes for corporate priorities.</p> <p>Develop outcomes for the Council's values</p>
Do Council priorities clearly link up to the District LSP/Community Strategy and the County LSP/Community Strategies/LAA?	<p>The performance management framework contains information on the need to make the links between corporate priorities and the LSP/LAA.</p> <p>There are good links in the corporate plan between the corporate priorities and the district Sustainable Community Strategy priorities.</p> <p>There are some examples of links being made between service level activities and district/County partnership priorities – eg waste and recycling.</p> <p>Many staff and members were not able to articulate clear links between Council priorities/activities and the agendas and purpose of the DLSP, the County LSP and the LAA.</p>	<p>The Council has a strong corporate approach to linking Council priorities and activities to district and County priorities.</p> <p>This is set out in theory in the performance management framework, and there are examples under each priority in the Corporate Plan</p> <p>There is a good approach, in some service areas, to linking service activity and partnership priorities</p> <p>There is an underdeveloped understanding among many staff and members of the links between the Council's activities and those of the DLSP and the County LSP.</p>	<p>Develop the links between Council priorities and the LAA, in addition to the links to the district SCS</p> <p>Provide more information and guidance for staff and members about the links between the Council's priorities and those of the district and County LSPs.</p>

KLOE	Findings	Judgments	Recommendations
Do service areas/divisions have clear outcome-focussed priorities which, in turn, link up to corporate and partnership priorities?	<p>There is some confusion in business plans between outcomes and outputs with outcomes being, in many cases, underdeveloped</p> <p>There are clear links between the actions in the corporate plan and business plans.</p>	<p>The approach to developing outcomes in divisional and service business plans is not strong, with the focus being more on inputs, outputs and activities</p> <p>However, there is a good approach to ensuring that corporate actions, designed to support the corporate priorities, are cascaded into business plans.</p>	<p>Provide more guidance on the nature and importance of outcomes for managers and members</p> <p>Ensure that divisional and service plans contain robust outcomes.</p>
Do partnership and contractor arrangements have clear outcome-focussed priorities which link up to corporate and wider-partnership priorities?	<p>In the waste area, possibly due to the limited nature of partnership activity, partners have not been included in the development of outcomes for the service</p> <p>In the regeneration area, there are discussions in place to develop outcomes, but existing partners were not able to clearly articulate outcomes for the regeneration work in the district</p> <p>Officers and members were not aware of any guidance on involving partners in the development of outcomes.</p>	<p>The Council does not consistently ensure that partners are involved in developing outcomes for key service areas. There is no effective guidance on this and partners in the key service area of regeneration were not able to articulate outcomes.</p>	<p>Ensure that, where appropriate and proportionate, officers and members engage with partners in developing outcomes for key service areas.</p>
Is individual performance managed in a context of clear outcomes with links to corporate priorities?	<p>The Council's EDR policy requires that individual performance management is carried out in the context of the corporate priorities.</p> <p>There is also a requirement that the corporate priorities are cascaded down into individual target setting.</p> <p>There are some examples of this being done, but it is generally felt that it is easier to do where individuals are working more specifically to Council priorities – eg waste.</p>	<p>The Council has a strong corporate approach to linking corporate priorities to the management of individual performance.</p> <p>There is a reasonable approach to linking the work of individuals to corporate priorities.</p>	<p>Develop tools to assist managers and staff to make the links between individual work responsibilities and corporate priorities.</p>
Developing Success Measures – do you know how to measure what you want to achieve?			

KLOE	Findings	Judgments	Recommendations
Is there a robust set of indicators linked to each corporate and service priority/outcome?	<p>The performance management framework has a description of indicators and distinguishes these from outcomes and outputs.</p> <p>The Corporate Plan has some success measures for each outcome – these vary in quality and their ability to provide measurement for the full extent of the outcome.</p> <p>The quality of indicators/success measures in business plans varies.</p>	<p>The Council has a reasonable approach to linking indicators to its corporate and service priorities. However, the quality of these varies as does their ability to fully measure the outcome.</p>	<p>Ensure that each corporate and service outcome has a set of robust indicators that provide a full measurement of progress against the outcome.</p>
Where NI's are not available/relevant, are local performance indicators and/or proxy indicators developed?	<p>The corporate performance management framework refers to local performance indicators, but not in any detail</p> <p>There are examples of services developing local performance indicators and/or keeping BVPIs that are no longer NI's eg BVPI 84a.</p>	<p>The Council has a reasonable approach to developing local performance indicators where NI's are not available.</p>	<p>Strengthen the corporate guidance and overall approach to the use of local performance indicators.</p>
Are indicators from the LAA linked to appropriate corporate and service priorities/outcomes?	<p>This has not yet taken place consistently across the Council, although there are examples in waste and recycling where these links are being made.</p>	<p>The Council has a reasonable approach to linking the new LAA targets to its corporate and service priorities.</p>	<p>Ensure that the LAA targets are clearly linked to corporate and service priorities/outcomes.</p>
Is there a weighted-basket approach to allocating indicators to corporate and service priorities/outcomes?	<p>The Council hasn't developed a weighted basket approach to measuring corporate and service outcomes and priorities.</p>		<p>Consider the setting up of weighted baskets of indicators which are designed to give a more accurate assessment of progress against priorities.</p>

KLOE	Findings	Judgments	Recommendations
<p>Is there an inclusive approach to developing and agreeing success measures/indicators for each corporate and service priority/outcome – does this include partners, staff, members, service users?</p>	<p>There are some examples of staff being consulted and engaged with the development of indicators. Many staff feel that there should be a greater level of involvement. There are some examples of partners being involved in developing regeneration indicators. Members have some involvement in developing indicators, but this is mixed. Some members feel disconnected from the LAA and, therefore, do not identify with the LAA indicators. There is some concern at the limited amount of involvement from Overview and Scrutiny in developing indicators.</p>	<p>The Council has a reasonable approach to making the development of indicators and success measures an inclusive process. Staff, members, and partners are all involved to some extent, but this level is often insufficient to enable full ownership of the process.</p>	<p>Increase the extent to which staff, members and partners and involved in the process of developing indicators and success measures.</p>
<p>Do the set of success measures/indicators reflect the social, economic and geographical diversity of the district?</p>	<p>There is no formal process for ensuring that success measures and indicators reflect the social, economic and geographical diversity of the district. No examples of this were provided.</p>	<p>The Council has not put in place a process for developing success measures and indicators that reflect the social, economic and geographical diversity of the district.</p>	<p>Identify service areas which could benefit from a set of indicators that take account of the diversity of the district.</p>
<p>Is there a balance of cost, performance and satisfaction indicators chosen for each corporate and service priority/outcome, allowing value for money to be measured?</p>	<p>There is no formal process for developing service-specific value for money indicators that bring together cost, performance and satisfaction.</p>	<p>The Council has an underdeveloped approach to measuring specific value for money issues in key priority areas.</p>	<p>Identify service areas which could benefit from the development of specific value for money indicators.</p>
<p>Setting Targets – is there clarity about the level of performance you want?</p>			
<p>Do all success measures and indicators have clear targets set for them?</p>	<p>There are targets in the corporate plan around the key outcomes and indicators There are targets in business plans and service plans.</p>	<p>The Council has a reasonable approach to ensuring that targets are in place for key success measures and indicators.</p>	

KLOE	Findings	Judgments	Recommendations
Are the targets challenging, but realistic?	There is target setting guidance in the performance management framework – this is aimed at making targets challenging, but realistic.	The Council has good guidance for setting targets.	
Is the target-setting process inclusive – ie does it include partners, staff, members, service users?	There are some examples of staff being consulted and engaged in target setting There are some examples of partners getting involved in setting targets – eg in regeneration projects. There is some evidence of members being involved in target setting, but this is mixed – some members consider that they should be more involved in target setting and that the process is too much officer-led.	The Council has a reasonable approach to making the target setting process inclusive. Staff, partners and members are involved to an extent, but the level of involvement is not consistent.	Ensure that members' involvement in target setting is meaningful and balanced across both cabinet and scrutiny members.
Where service users are involved in target setting, is the group of users representative of the community?	No examples of user involvement in target setting were provided.	The Council has an underdeveloped approach to involving users in target setting.	Develop arrangements to involve users in target setting in key and appropriate service areas.
Are differentiated and disaggregated targets set – ie different targets for the same indicator focussed on the different needs/baseline of different areas of the district and/or of different groups of residents?	There is no formal process at the Council for requiring officers to set disaggregated targets. There are some examples of disaggregated targets being set – mainly around community safety LAA targets Information on disaggregated performance is held in the waste and recycling service areas, but this is not used to set local targets.	The Council has an underdeveloped approach to setting disaggregated targets.	Identify relevant service areas where disaggregated targets could be set.
Do individuals have clear, challenging and realistic targets set for them so that they know what is expected of them?	The EDR guidance is clear about the need for SMART objectives to be set with targets that link up to the Council's corporate priorities. Examples of the EDR process in action shows that the emphasis is on actions and activities, rather than measurable targets There is no clear process for monitoring the quality of the target setting for individual performance.	The Council has a reasonable approach to ensuring that targets are set for individuals. The guidance is clear, but this does not always lead to robust targets being set, and there is no process for monitoring the quality of targets.	Monitor the quality of target setting with the EDR process.

KLOE	Findings	Judgments	Recommendations
Are targets set to improve value for money (both within the Council, and in partnerships and contracts)?	There is no formal process for setting value for money targets across service areas. The Council has set targets for its priority – ‘improving efficiency and value for money’.	The Council’s approach to setting value for money targets is underdeveloped.	Develop a process to set targets that measure the cost, performance and satisfaction ratio in key service areas.
Collating Performance Data – how do you collect data on your performance?			
Are there are robust arrangements in place to ensure the quality of the data produced?	The Council has produced a detailed data quality policy and guidance notes. The Council is considered as being good at data quality within the LAA context – it was first to complete the self-assessment.	The Council has a good approach to ensuring data quality. The Council has produced a robust and detailed data quality policy.	
Is there clarity over roles and relationships for the collation of data – both within the Council and between the Council and its partners and contractors?	The Council’s data quality policy has good sections on roles and responsibilities for both members and officers. The data quality responsibilities of heads of service are set out in the policy. There is a section in the data quality policy on links with partners and our discussions with partners indicate that they are clear about their data collation roles. Although data collection processes are clear, there are still areas of the Council where there are multiple and overlapping data collection processes – eg in waste and recycling.	The Council has a good approach to setting out roles and responsibilities for data quality both within the Council and between partners. The Council has a weak approach to ensuring consistency of approach in the collation of data. In some areas of the Council, for example waste and recycling, there are multiple and overlapping data collection processes.	Tighten up data collection processes to remove duplication and unnecessary data collation activity.
Do all indicators and success measures have “owners” ascribed to them?	All corporate priorities and actions have owners ascribed to them on Covalent.	The Council has a good approach to ensuring that indicators are linked to owners.	
When targets are set for individuals, is it made clear to them how data/feedback on their performance is to be collected?	Limited findings on this issue.		

KLOE	Findings	Judgments	Recommendations
Is there easy and open access to relevant performance management software – with appropriate levels of access and editing rights?	The Council uses the Covalent software package. All key indicators and business plans are on Covalent. Read only access, and relevant edit access is available to staff. Not all staff are aware of Covalent and its use. Not all members are fully aware of Covalent. Use of Covalent is not embedded, with some service areas keeping their own, unlinked, databases (see above).	The Council has a reasonable approach to ensuring that staff can access and edit performance data on the Covalent system. However, not all staff and members are sufficiently aware of Covalent and some staff collate data on separate databases.	Increase awareness of the role and purpose of Covalent. Ensure that Covalent is the only database that is used to store performance data.
Monitoring Performance Data – how do you monitor your performance?			
Is there clarity over roles and responsibilities for the monitoring of performance – both within the Council and between the Council and its partners and contractors?	There are clear and well defined roles for DMTs, CMT, the cabinet and Overview and Scrutiny for monitoring performance. There are examples of the Council working well with its partners to monitor performance.	The Council has a good overall approach to ensuring that roles and responsibilities for monitoring performance are in place.	
Are there clear timescales in place for corporate, service and individual performance monitoring – are these relevant to the relevant success measures and indicators?	There is a corporate timetable produced that all divisions and departments are required to adhere to. We have not seen any examples of bespoke timescales for different success measures and indicators.	The Council has a reasonable approach to setting timescales for the monitoring of performance.	
Are managers, contractors and members able to access relevant performance information – are software monitoring screens designed for ease of reference for system users?	Managers have access to Covalent and there is good evidence that, at a senior level, managers use and understand the information provided. Members do not have access to performance information via Covalent. As above – some managers use different databases which are not linked to Covalent	The Council has a reasonable approach to ensuring that its performance management software is accessible. However, members do not have access to data and some managers use different, and unlinked, databases.	Ensure that members have access to relevant screens on Covalent that provide them with clear information on performance.

KLOE	Findings	Judgments	Recommendations
Do the Council's performance information monitoring arrangements align with corporate, service and partnership priorities?	The Council's performance information monitoring arrangements do align with corporate and service priorities. The Council has not yet fully aligned its monitoring arrangements to partnership priorities – both at a district and a County level.	The Council has a reasonable approach to aligning its performance monitoring arrangements with local priorities. However, this has not fully been done in respect of partnership priorities.	Develop the current performance management framework to include monitoring and reporting of district and County-wide priorities.
Are the Council's performance information monitoring arrangements designed to reflect the social, economic and geographical diversity of the district?	There is no formal process for aligning the Council's performance monitoring arrangements with the social, economic and geographical diversity of the district. There are some examples of monitoring of service performance against different geographical areas – eg waste and recycling.	The Council's approach to monitoring performance against the diversity of its local area is underdeveloped.	Develop approaches within the current framework to capture performance against relevant social, economic and geographical factors.
Is there a link between the Council's performance management arrangements and the collection and monitoring of comments, complaints and compliments?	The Council's performance management framework states the importance of customer feedback in assessing performance and setting improvement targets. There are monthly reports to CMT and cabinet on the Council's comments, complaints and compliments. We have limited findings on the extent to which the Council's performance management framework is linked to the collation and reporting of comments, complaints and compliments.	The Council has a reasonable approach to linking its performance management framework with the collation of comments, complaints and compliments.	Develop closer links between the collation and reporting of comments, complaints and compliments and the reporting of performance levels.
Are there operational links between staff responsible for monitoring performance and those responsible for monitoring costs and budgets?	There are no formal links between staff responsible for monitoring performance and those responsible for monitoring costs and budgets.	The Council's approach to linking the monitoring of performance and the monitoring of costs and budgets is not well developed.	Develop closer links between the roles of staff responsible for monitoring performance and those responsible for monitoring costs and budgets.
Do the Council's monitoring arrangements provide clear information about targets that are at risk of not being hit?	There are arrangements in place to provide clear information about targets in the Corporate Plan that are at risk of not being hit. Covalent provides information to managers at a service level about targets that are likely to be missed.	The Council has a good system for alerting managers about targets that are at risk of not being hit.	

KLOE	Findings	Judgments	Recommendations
Reporting Performance – how do you report your performance?			
Is there clarity and agreement over what needs to be reported, to whom, when, how and why – are there different approaches to this depending on what is being reported?	<p>Performance against targets in the Corporate Plan is reported regularly to CMT and cabinet. However, this reporting focuses more on actions and activity and less about progress to hitting outcomes</p> <p>Quarterly reports on BVPIs/NI's are produced – however, these are not clearly linked to priorities. There are examples of clear reporting on service level targets to DMTs – eg waste and regeneration.</p> <p>There is clarity over the role of the County Waste Forum in receiving reports on performance. Not all staff and members are aware of what is being reported, to whom, when and why – this is partly due to the multiple monitoring arrangements described above.</p> <p>It is not clear to us how overall progress against the four priorities is measured and reported.</p>	<p>The Council has a reasonable approach to reporting performance, with most officers and members aware of what is being reported, when, how and why. However, reporting against priorities and outcomes is not as robust as it could be and there are some staff and members who are not aware of key reporting arrangements.</p>	<p>Improve the clarity over the reporting against priorities and outcomes.</p> <p>Ensure that members and staff are aware of how relevant performance information is reported in their service area.</p>
Have members been consulted over the level and frequency of performance information reported to them, both at cabinet and at Overview and Scrutiny?	<p>Members have been consulted over the content of performance reports.</p> <p>We are not aware whether members have been consulted over the timing of performance reports.</p>	<p>The Council has a reasonable approach to including members in decisions about the level and frequency of performance reporting.</p>	<p>Ensure that members are involved in any proposed changes to the content and timing of performance reports.</p>
Is there an agreed approach to reporting corporate, service and partnership performance to users, including an assessment of how well the Council has performed against its priorities?	<p>The Council has reported performance levels to the public via the BVPP</p> <p>A new style annual report is being drafted.</p> <p>The Council uses the local Newswyre paper to report performance issues.</p> <p>Staff and members are not aware of a consistent process for reporting performance to users.</p>	<p>The Council has a reasonable approach to reporting performance to service users. This is being improved via the development of an annual report, but there is no consistent approach, at present, to reporting performance to service users.</p>	<p>Increase the importance given to reporting to service users by developing a more consistent process for this.</p>

KLOE	Findings	Judgments	Recommendations
Do reports on performance contain sufficient links to resources and satisfaction issues?	There is no consistent approach to linking resources and satisfaction issues to performance within reports. We are not aware of any examples of this being done.	The Council does not have a sufficiently robust approach to linking resources and satisfaction issues to performance in reports	Ensure that reports on levels of performance include links to the resources used to achieve the relevant performance level and the level of satisfaction among users.
Does the Council incorporate diversity within its reporting arrangements – do reports make it clear which groups/areas are receiving better and worse levels of performance?	There is no corporate approach to incorporating diversity within its reporting arrangements We are not aware of any examples of performance reports containing information on which groups/areas are receiving better and worse levels of performance.	The Council does not have an approach to incorporating diversity with performance reporting.	Develop the reporting arrangements so that, where appropriate, and in key service areas, performance reports make is clear which groups/areas are receiving better and worse levels of performance.
Is there agreement about how poor or under-performance, at all levels, is dealt with, including the use of appropriate sanctions– does this agreement distinguish between the roles of senior managers, cabinet members and Overview and Scrutiny members?	There is some information on how poor or under-performance is dealt with in the Council’s performance management framework Examples we have seen of performance reports are light on narrative on the reasons for missed targets and/or poor or under-performance.	The Council has reasonable arrangements for how poor or under-performance is dealt with. However, this is fairly high-level and does not distinguish between the various roles of senior managers and members on both cabinet and Overview and Scrutiny.	Clarify and strengthen the roles of officers, cabinet members and Overview and Scrutiny members in dealing with poor or under-performance.
Is there effective challenge to poor or under-performance throughout the Council and among partners/contractors?	There is evidence that Overview and Scrutiny members provide a robust level of challenge to performance levels. There is a process for requiring managers to provide narrative for missed targets – however, this is not often very detailed. There is some lack of clarity over the respective roles of cabinet, CMT, DMT and Overview and Scrutiny over challenging performance levels – this is linked to some concern that there may be unnecessary duplication in this activity with the result that the potential of these various forums is not being fully used.	There is a reasonable level of challenge to poor or under-performance at the Council. However, the key barrier to this improving is the lack of clarity over the respective roles of cabinet, CMT, DMT and Overview and Scrutiny in challenging performance levels.	Clarify and improve the respective roles of cabinet, CMT, DMT and Overview and Scrutiny in challenging performance so that there is better coordination and timing which, in turn, should lead to a greater impact

KLOE	Findings	Judgments	Recommendations
Is there a robust and consistent approach to assessing individual performance?	The EDR process requires managers to assess individual performance on a regular basis. We have limited evidence of the extent to which individual performance is robustly and consistently assessed, but there is a strong likelihood that there are weaknesses in this area.	The Council has a reasonable approach to assessing individual performance but there is insufficient consistency in the way that this is done.	Improve the quality and consistency of the assessment of individual performance – this could include ensuring that review meetings happen more frequently and that there is a clear focus on Council priorities.
Learning and Reviewing – how do you use performance data to learn and improve?			
Is there a structured, comprehensive approach to learning from performance?	The Council's performance management framework has a section on 'review'. Partners were able to refer to an example of the Council being involved in learning from performance information in the community safety area. However, there is no structured, comprehensive approach to learning from performance, and we were not provided with examples of how performance information has been used to identify consistent themes or issues across the Council.	The Council has an underdeveloped approach to learning from performance information. There is no structured approach to assessing and analysing performance data to extract key themes or issues that may be impacting on performance in different service areas.	Develop a robust, comprehensive approach to learning from performance information which identifies key common themes and issues.
Does the Council know the impact its monitoring and reporting arrangements have on poor or under-performance?	The Council has not done any work to assess the impact of its monitoring and reporting arrangements.	The Council's approach to assessing the impact of its monitoring and reporting arrangements is not good.	Develop a process to assess the impact of the monitoring and reporting arrangements.
Is there a clear role for Overview and Scrutiny in reviewing services and suggesting improvements?	The terms of reference for Overview and Scrutiny clarify its role in reviewing services. There are some examples of good review activity by Overview and Scrutiny. We have limited information on the extent to which Overview and Scrutiny reviews have led to improvements in services.	The Council has reasonable arrangements for ensuring that Overview and Scrutiny play a key role in reviewing and improving services.	

KLOE	Findings	Judgments	Recommendations
Does the Council's approach to learning and reviewing focus on the impact its services have on different parts of the community?	There is no corporate approach to ensuring that reviews of services examine the impact services have on different parts of the community.	The Council's approach to incorporating diversity into its review processes is underdeveloped.	Ensure that diversity issues are considered as part of regular service reviews.
Does the Council have a consistent approach to benchmarking (performance and process) and to seeking out good practice?	The performance management framework has a section on the importance of benchmarking There are some good examples of benchmarking in practice – eg waste collection There is no formal process for assessing the quality of benchmarking and the impact it is having.	The Council has a reasonable approach to benchmarking.	Develop the current approach to benchmarking to ensure that the quality and impact of benchmarking activity is assessed.
Does the Council seek out, and respond positively to, external challenge?	We have no examples of this We are not aware of any corporate approach to seeking and responding to external challenge.	The Council's approach to seeking and responding to external challenge is underdeveloped.	Develop a more formal, consistent approach to seeking and responding to external challenge.
Embedding a Performance Culture– how do you make sure it all works and has impact?			
Do cabinet members have a strong sense of ownership and understanding of Council performance and how corporate priorities are being addressed?	There is a dedicated member of the cabinet with responsibility for performance. Officers are generally aware of the role of members in monitoring performance. The leader plays a clear role in performance management. Cabinet members are clear about the performance management framework. Overview and Scrutiny members have a reasonable understanding and ownership of the performance management framework, but this is not consistent.	There is a reasonable level of member ownership and understanding of the performance management framework at the Council. However, this is not consistent between cabinet and Overview and Scrutiny members.	Ensure that Overview and Scrutiny members are fully involved in future developments of the performance management framework.

KLOE	Findings	Judgments	Recommendations
<p>Are there arrangements in place to communicate and embed the importance of performance management throughout the Council?</p>	<p>The Council has a detailed performance management framework. There are detailed performance management guides in place covering target setting, benchmarking, performance indicators and reviews. The Council is still developing a consistent approach to importance of outcomes, as opposed to outputs. Some training has been delivered on the performance management framework. The performance management framework and the use of Covalent is becoming embedded with clear improvements over the past few years – however, this is not consistent and needs further work. There is a clear and effective role for the corporate performance management officers.</p>	<p>The Council has put in place reasonable arrangements to communicate and embed performance management. These arrangements are having a steady cumulative positive impact in that officers and members are more aware of the need for performance management and are increasingly following corporate guidance. However, this is not consistent and more work is needed in many areas, including the focus on outcomes.</p>	<p>The Council's overall approach to performance management needs a corporate relaunch. However this is done the impact should be to clarify and refresh the content and purpose of the performance management framework for both officers and members.</p>
<p>Is there clear leadership of the Council's approach to managing performance?</p>	<p>The Chief Executive is committed to embedding the Council's performance management arrangements. The corporate performance management officers provide a clear and strong focus. The leader of the Council provides clear leadership for members. There is evidence of some drive for improved performance from heads of service. However, there is a perception that some heads of service are reluctant to participate fully in the process of challenge and service improvement. There is no clear corporate style/approach to dealing with poor or under-performance</p>	<p>There is a reasonable level of leadership in managing performance at the Council. However, this is not consistent and there is an absence of a dynamic senior drive to push the Council's arrangements to the level required to significantly improve Council performance.</p>	<p>Council leaders – officers and members – should agree new and more dynamic ways of providing a lead for performance management and improvement.</p>

KLOE	Findings	Judgments	Recommendations
<p>Is the Council clear about the impact its performance management arrangements have had?</p>	<p>There is no formal, regular monitoring of the impact of the performance management framework.</p> <p>The understanding and involvement of performance management by senior managers is relatively silo-based with little knowledge of how performance is managed in other divisions.</p> <p>There are indications that the current framework is leading to an over-emphasis on micro-managing performance indicators within service silos with less focus on broader, higher-level outcomes.</p> <p>Ownership of the performance management framework is not as widespread as the Council would want</p>	<p>The Council does not have a good understanding about the impact its performance management arrangements have. In fact, there are risks that the current arrangements are producing an over-emphasis on micro-managing performance indicators within service silos with less focus on broader, higher-level outcomes.</p>	<p>Ensure that the performance management framework is able to achieve a mix of both the micro-managing of key performance indicators as well as a broader assessment of outcomes and impact.</p>

Appendix 2 – Action plan

KLOE	Recommendation	Action	When
Agreeing outcomes and priorities.	Develop links between Council Priorities, LAA and SCS.	Ensure consistency between outcomes and measures for Council, LAA and SCS Priorities. Demonstrate how they are aligned.	
Developing success measures.	Clearer outcomes with measures.	Produce guidance on outcomes.	
		Ensure business plans contain outcomes with indicators to measure progress.	
		Ensure plans contain a mix of national and local indicators which also reflect the diversity of the District.	
Setting targets.	Ensure broad involvement in target-setting.	Involve Members, staff and users in setting challenging but realistic targets.	
Collating performance data.	Increase awareness and role of Covalent.	Review current data collection processes and systems.	
		Provide Covalent training for key Members and officers.	
Monitoring and reporting performance data.	Improve clarity and scope of reporting.	Review and agree reporting arrangements with all stakeholders.	
		Clarify roles of CMT, DMTs, Cabinet and Scrutiny Members in monitoring and challenging performance.	
		Report performance relative to resources and satisfaction levels.	
		Include progress with outcomes in reports.	
		Develop an approach to benchmarking, including for VFM.	
Learning and reviewing.	Assess the impact of performance processes.	Ensure performance data is analysed and the information used to improve both performance and learning from key themes and trends.	
		Align Council and partner processes more closely.	
Embedding the performance culture.	Corporate relaunch.	Roll-out of framework led by Cabinet and CMT.	
		Awareness-raising sessions for all Members and DMTs.	

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