

The Vale of Glamorgan Council

Cabinet Meeting: 22 February, 2016

Report of the Leader

Performance Management Framework

Purpose of the Report

1. To request Cabinet approval for changes to the Council's Performance Management Framework.
2. To establish a mechanism for reviewing the Council's Scrutiny Committee names and terms of reference in light of changes to the Performance Management Framework.

Recommendations

1. That Cabinet approves the proposals for changes to the Council's Performance Management Framework as described in this report.
2. That Cabinet notes the proposed review of the Council's Scrutiny Committees' names and terms of reference and refers the matter for further consideration by the proposed working group as recommendation 5 below.
3. That Cabinet refers this report to the Democratic Services Committee for consideration.
4. That, subject to recommendations 1-3, Cabinet approve the proposal to establish a working group of Elected Members and Officers to develop further the arrangements that will support the revised Performance Management Framework, including consideration of the review of the Council's Scrutiny Committees.
5. That a further report be brought to Cabinet following conclusion of the review by the working group on matters relating to the naming and terms of reference of the Council's Scrutiny Committees

Reasons for the Recommendations

1. To authorise changes to the Council's Performance Management Framework.
2. To ensure the proposed changes to Scrutiny Committee names and terms of reference have the support of all Members.
3. To provide the Democratic Services Committee with an opportunity to consider the proposals and refer any comments to Full Council.

4. To enable Elected Members and Officers to develop the arrangements that will support the revised Performance Management Framework.
5. To allow Cabinet the opportunity to further consider the arrangements to support the revised Performance Management Framework prior to referring the matters relating to Scrutiny Committee arrangements to Council in due course.

Background

3. As noted by Cabinet previously, the Council has a strong performance management track record as evidenced in previous Annual Improvement Reports (AIR) by the Wales Audit Office. The recent AIR for 2014/15, nevertheless identified two proposals for improvement to:
 - P1 Refine performance reporting arrangements to ensure data is presented in a way that provides a balanced picture of performance and of the outcomes being achieved.
 - P2 Improve reporting so that cross-directorate/cross-service activity is considered in the context of delivery of priorities rather than completion of service-based actions.
4. The Council's Performance Management Framework (PMF) sets out the way in which performance management and measurement is undertaken across the Council. The framework enables the Council to regularly assess, report and scrutinise performance in order to support the continuous improvement of its activities.
5. The PMF brings together the Council's key planning, monitoring and evaluation processes through an integrated suite of documents. These (which include the Community Strategy, Corporate Plan, Service Plans, Team Plans, and Personal Development Plans) demonstrate the contribution made at a variety of levels of the organisation to the Council's priority outcomes. These are supported by other key strategies and plans such as the Medium Term Financial Plan, Workforce Plan and Corporate Asset Management Plan.
6. In view of the significant new challenges faced by the Council going forward, the Council has taken stock of its position and has reassessed what its priorities should be in the medium term. These are reflected in the review of the Corporate Plan, which is reported to Cabinet separately on this agenda following a period of consultation on the new Plan.
7. In developing the new Corporate Plan, consideration has been given to the most effective and efficient way to monitor the delivery of the four well-being outcomes via a more outcome focused approach. In December 2015, Cabinet approved proposals for changes to the Council's PMF as the basis for consultation with Scrutiny Committees and the report was subsequently referred to each of the Council's five Scrutiny Committees. This report sets out the findings from the consultation activity and makes final recommendations for changes to the PMF, including seeking Cabinet endorsement for changes to the Council's Scrutiny Committees' terms of reference for consideration by the Democratic Services Committee and Full Council in due course.

Relevant Issues and Options

8. The proposals approved by Cabinet in December 2015 as the basis for consultation with Scrutiny Committees considered changes to the PMF in terms of the way in which

the Corporate Plan's well-being outcomes would be reported and to the Council's Scrutiny Committee structure.

9. The comments made by Scrutiny Committees on the PMF proposals can be found in [Appendix A](#) and the references from these Committees are presented to Cabinet on the agenda for this meeting. Whilst broadly supportive of the proposed changes, a series of queries were raised relating to the proposed reporting arrangements and names of Scrutiny Committees, including how it was envisaged the new arrangements would work in practice.

Reporting Arrangements

10. Following a period of consultation, Cabinet will today consider the revised Corporate Plan which has taken into account the requirements of the Well-being of Future Generations (Wales) Act 2015 and identifies a series of well-being outcomes for the Council. Within each well-being outcome, well-being objectives have been identified with actions which aim to achieve the outcomes and which articulate the priorities for the Council for the next four years. A sponsoring Director will take responsibility for leading on each of the outcomes and will be responsible for coordinating activity to achieve the well-being objectives, improving accountability for well-being outcomes and recognising the cross-cutting nature of the objectives.
11. It is proposed that the Corporate Plan will be monitored on a quarterly basis by an overall **Corporate Health** Report and this will be supplemented by specific quarterly reports for each of the four well-being outcomes.
12. "Corporate health" will be illustrated from a number of perspectives: Performance against well-being outcome/objectives, resources (finance/savings, people, assets and ICT), customer focus and risk. It is envisaged that the report will incorporate a RAG status for each well-being outcome to give snapshot of overall progress against the well-being outcomes, summarising the performance of the measures and the activity underway to support the delivery of the outcome. A brief position statement will be provided for the quarter covering the well-being outcomes and corporate health performance overall as well as a brief summary of achievements by outcome being provided. Areas of underperformance/ key challenges across the corporate health perspectives will be highlighted with proposed remedial actions to address them. It is proposed that this quarterly overview report will be presented in a dashboard/scorecard format designed to make the information contained in it as accessible as possible.
13. Four **Quarterly Well-being Outcome & Objectives Reports** will demonstrate progress against each of the individual well-being outcomes and associated objectives. Informed by performance data collected from Service Plans, these reports will demonstrate the cross-cutting nature of the well-being outcomes and draw together evidence from the range of the Council's service areas responsible for delivering the actions associated with the outcome. A brief position statement from the sponsoring Director will be provided for the quarter. A brief summary of achievements by objective will be provided and areas of underperformance/ key challenges highlighted, including a description of any remedial actions required to address them.
14. The format of the Corporate Health and Quarterly Well-Being Outcome & Objective Reports will be developed in the coming months, prior to the first quarter's performance being reported to Scrutiny Committees in September 2016. There are many ways in which these reports could be structured and presented which is evident from the research undertaken by the Council on such reporting arrangements

elsewhere in the UK public sector. The proposed arrangements are intended to streamline the way in which information is presented to Scrutiny Committees to enable these Committees to focus more closely on areas for improvement and by doing so, provide the public with an indication of performance in meeting the Council's intended outcomes. However, it will be important to ensure that reports do not lose their ability to provide Members with detailed information on performance.

15. Many public sector bodies use "dashboard/scorecard" style reports to summarise performance information, denoting progress using red, amber and green indicators. Whilst this has its merits, the Council is keen to ensure too that less quantifiable developments are also reflected in the reports to Scrutiny Committees and for this reason, it is intended that a position statement be provided by the sponsoring Director to support the performance data. Providing sufficient information to evidence any summaries will also be important.
16. It is proposed that a working group be established of Elected Members and Officers to work together to develop the format of the new quarterly reports over the coming months. It is also recommended that this working group consider further the names and functions of the new Scrutiny Committees. Group Leaders and the Chairs of Scrutiny Committees will be invited to attend workshops to develop these issues. It is intended that the initial reports to Scrutiny Committees in September 2016 will provide those Committees with an opportunity to express their opinions of the new arrangements and for subsequent amendments to be made to ensure the reports are robust and fit for purpose by the end of 2016/17.
17. The Council will continue to produce **Service Plans**. However, rather than being at Directorate level, these plans will be developed at Head of Service level and will focus on the contribution made to the Council's well-being outcomes & objectives, in addition to the way in which the service will manage its resources. The Service Plans will contain a brief overview of the challenges facing the service against each corporate perspective (risks, customer focus, resources (workforce, finance, assets, ICT) and performance) and an action plan informed by the annual self-assessment process.
18. Two key questions to be addressed within the Service Plans are:
 1. Which well-being objectives does the service contribute to and what actions will we be taking this year to achieve these?
 2. How will we manage our resources to achieve these actions and support our service?
19. Service level self-assessments are currently a feature contained in our existing Service Plan documents. However, from this year the self-assessment will be reported separately to the relevant Scrutiny Committees and Cabinet. As the Service Plans have been produced at Directorate level previously, the self-assessment for this year has been produced on this basis. The self-assessment incorporates a performance assessment as well as the views of external regulators on Council Services and will be used as the basis for developing service plan actions that also reflect outcomes. This will inform Council plans for improvement as well as the annual work programme of Scrutiny Committees. The self-assessment report was approved by Cabinet on 8th February 2016 and will be considered by Scrutiny Committees in March 2016. The proposed actions identified in the self-assessment will then populate the new Head of Service level Service Plans for 2016/17. It is intended that this approach will help reduce the size of the Service Plans and improve the focus of the plans on specific priority areas for the Council.

20. As described above, the current approach to the monitoring of Service Plans will be replaced with quarterly reports against each well-being objective linked to a well-being outcome. This will enable Members to focus on scrutinising progress towards achieving the Council's well-being outcomes. Services will continue to report performance data quarterly to the Council's Performance Team. The Performance Team will then use this information to produce the more focused Well-being Outcome Reports.
21. The above changes will also be reflected in the way in which Team Plans operate and these plans will continue to be published on the Council's website following sign-off by the relevant Director. Three key questions will be addressed within the Team plan which are:
 1. Which well-being objectives does the team contribute to?
 2. Which service plan actions are we contributing to achieving this year?
 3. How will we manage our resources to achieve these actions and support our team?
22. **Personal Development Reviews (PDR)** will continue to demonstrate individual colleagues' contribution to Team/ Service Plan actions and reinforce their sense of place in the Council. A simplified approach will be reflected in a revised template that will enable individuals to identify and link their contribution to well-being outcomes and team plan actions at an individual level. The PDR also provides an opportunity for managers to discuss with colleagues how their contribution aligns with the Council's renewed vision and values.
23. To enable operation of the new PMF as outlined, the Council will require new performance monitoring software system to support both the implementation and management of the framework.

Scrutiny Committee Structure

24. The consultation with Scrutiny Committees identified support for aligning the well-being outcomes of the Corporate Plan to Scrutiny Committees on a "one outcome to one Committee" basis. However, a number of queries were raised relating to the titles of the Committees, their proposed remits and the way in which duplication of reporting could be avoided.
25. Based on the comments from Scrutiny Committees, consideration has been given to the proposed titles for the new Scrutiny Committees in response to concerns relating to the public understanding of the Committees' remits should the titles of the Committees be identical to the well-being outcomes contained in the corporate plan. These concerns are recognised and it is believed could be overcome by the titles proposed in this report, through a focus on publicising the corporate plan and by ensuring Council business is clearly aligned with the corporate plan outcomes.
26. If it is considered that the titles of the Committees are to be aligned to the new Corporate Plan Well-being Outcomes, the following would reflect the titles of these Committees. This would reflect the move away from the current "service-focused" scrutiny arrangements to ones focusing on the cross-cutting Well-Being outcomes contained in the Corporate Plan:

<i>Well-Being Outcome</i>	<i>Scrutiny Committee Title</i>
An Inclusive & Safe Vale	Inclusion & Safety Scrutiny Committee

33. Below is an indicative timetable for implementation of the revised PMF, which will be phased in over the 2016/17 annual performance planning and reporting cycle and fully implemented by the end of 2017/18.

Activity	Timescale
Service Self-Assessment 2015/16	March 2016
Service Plans 2016/17	April 2016
Team Plans 2016/17	March – June 2016
Personal Development & Review for all staff	March – July 2016
Corporate Plan 2016-20	1 April 2016
Development and agreement of performance scorecard reports	April – August 2016
Approval of Scrutiny Structures	May 2016
Quarter 1 performance reporting	September 2016
Produce specification and tender for new performance monitoring software	August – December 2016
Quarter 2 performance reporting	December 2016
Develop data framework, design Vale dashboards and reports and disseminate training	January 2017 – July 2017
Quarter 3 performance reporting	March 2017
End of Year performance reporting	July 2017

Resource Implications (Financial and Employment)

34. To enable operation of the new PMF as outlined, the Council will require new performance monitoring software system to support both the implementation and management of the framework.
35. The cost of the performance monitoring software and associated licensing costs will be met from within existing resources (Performance and Development budget).

Sustainability and Climate Change Implications

36. The Corporate Plan emphasises the Council's commitment to promoting sustainable development and our understanding of our duties under the Well-being of Future Generations (Wales) Act. The many different aspects of sustainability (environment, economy, culture and social) are covered within the plan as well as how the Council will maximise its contribution to the well-being goals.

Legal Implications (to Include Human Rights Implications)

37. The development of these proposals has been undertaken with reference to the new duties placed on the Council under the Well-being of Future Generations (Wales) Act. The Local Government (Wales) Measure 2009 also requires the Council to secure continuous improvement across the full range of local services for which it is responsible.

Crime and Disorder Implications

38. Activities to improve community safety are included in the draft Corporate Plan and one of the well-being outcomes is 'An Inclusive and Safe Vale' with a supporting objective 'providing decent homes and safe communities'. The PMF will support the delivery of actions associated with these objectives.

Equal Opportunities Implications (to include Welsh Language issues)

39. 'An Inclusive and Safe Vale' is one of the well-being outcomes in the draft corporate plan with a supporting objective 'reducing poverty and social exclusion'. There is also a well-being outcome 'An Aspirational and culturally vibrant Vale' with a supporting action 'valuing culture and diversity'. The PMF will support the delivery of actions associated with these objectives.

Corporate/Service Objectives

40. The PMF supports the delivery of all of the Council's Corporate and Service Objectives.

Policy Framework and Budget

41. This is a matter for executive decision by Cabinet. However, the proposals to make changes relating to Scrutiny Committee arrangements will require a decision by Full Council.

Consultation (including Ward Member Consultation)

42. Due to the corporate nature of this report, no specific Ward Member consultation has been undertaken.
43. The proposals were reported to Scrutiny Committees in January 2016 and their comments have been considered in designing the final proposals.
44. A draft of this report was considered by the Chairs and Vice-Chairs of Scrutiny Committees.

Relevant Scrutiny Committee

45. Corporate Resources is the lead scrutiny committee for corporate performance matters.

Background Papers

Performance Management Framework, Cabinet, 14th December 2015

http://www.valeofglamorgan.gov.uk/en/our_council/council/minutes,_agendas_and_reports/reports/cabinet/2015/15-12-14/Performance-Management-Framework.aspx

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