

The Vale of Glamorgan Council

Cabinet Meeting: 25 April, 2016

Report of the Leader

Performance Management Framework

Purpose of the Report

1. To provide Members with an update on the progress made by the Working Group on developing the Council's revised Performance Management Framework.
2. To request Cabinet endorsement (for subsequent consideration by Full Council) of changes to the Council's Scrutiny Committee titles and the scope of Council services reporting to each Committee.

Recommendations

1. That Cabinet notes the progress made by the Working Group on developing the revised Performance Management Framework for the Council and notes the comments made by the Democratic Services Committee.
2. That Cabinet endorses the proposed changes to the titles and scope of the Council's Scrutiny Committees and refers them for consideration by Full Council on 27th April 2016.
3. That a report be brought to Cabinet in due course to provide Members with an update on further developments to the Council's Performance Management Framework.

Reasons for the Recommendations

1. To provide Members with an overview of progress made since the previous report to Cabinet on the Performance Management Framework in February 2016.
2. To ensure the proposed changes to Scrutiny Committee titles and their remits have the support of Full Council.
3. To enable Cabinet to consider in due course the work of Elected Members and Officers in further developing the arrangements that will support the revised Performance Management Framework, including those relating to the format and content of performance reports.

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 recently completed review of the Corporate Plan, which was published on 1st April 2016. In developing the new Corporate Plan, consideration was given to the most effective and efficient way to monitor the delivery of the four Well-being Outcomes via a more outcome focused approach.
7. In December 2015, Cabinet approved proposals for changes to the Council's PMF as the basis for consultation with Scrutiny Committees and that report was subsequently referred to each of the Council's five Scrutiny Committees. A subsequent report in February 2016 provided Cabinet with a summary of the views of the five Scrutiny Committees. Cabinet approved the recommendation to establish a Working Group of Elected Members and Officers to develop further the arrangements that will support the revised PMF, including consideration of the review of the Council's Scrutiny Committees. It was also resolved that the report be referred to the Democratic Services Committee for consideration. The report to Cabinet of 22nd February 2016 also contained a recommendation 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. This report provides Cabinet with an update on the developments to the PMF since February.

Relevant Issues and Options

8. The Working Group established to consider the PMF developments has initially concentrated on the titles and remits of the Council's Scrutiny Committees and has formulated the following proposals.

Scrutiny Committee Proposals

9. The consultation undertaken with Scrutiny Committees has also included (prior to the first meeting of the Working Group) the Managing Director and Head of Performance and Development presenting initial proposals to the Scrutiny Committee Chairmen and Vice-Chairmen Group (where a discussion ensued and concerns were raised by Members, regarding certain of the proposed new Scrutiny Committee titles and remits and also the need, where possible, to minimise duplication of reporting). That meeting proved to be a valuable "sounding board" ahead of the Working Group.
10. Notwithstanding the above, the Scrutiny Committee Chairmen and Vice-Chairmen Group made clear its support for aligning the Well-being Outcomes of the Corporate Plan to Scrutiny Committees on a "one outcome to one Committee" basis. Adopting this approach reflects 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.
11. The Working Group has therefore given consideration 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 will 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.
12. The following outlines the Well-being Outcome and proposed Scrutiny Committee titles.

<i>Well-being Outcome</i>	<i>Scrutiny Committee Title</i>
An Inclusive & Safe Vale	Homes & Safe Communities Scrutiny Committee
An Active & Healthy Vale	Healthy Living & Social Care Scrutiny Committee
An Environmentally Responsible & Prosperous Vale	Environment & Regeneration Scrutiny Committee
An Aspirational & Culturally Vibrant Vale	Learning & Culture Scrutiny Committee

13. In addition to the four Well-being Outcome-based Scrutiny Committees, the existing Corporate Resources Scrutiny Committee would be replaced with a Committee called Corporate Performance & Resources Scrutiny Committee.
14. The reference from Cabinet of 22nd February was included on the agenda for Democratic Services Committee on 13th April 2016. A summary of the above consideration by the Working Group accompanied the original Cabinet recommendations. The following is a summary of the points raised (by individual Members) during the discussion at the Democratic Services Committee:

- Whether a realignment of Cabinet portfolios would take place as part of this exercise
 - A suggestion that there may be a need to establish/confirm whether full 'connectivity' existed in terms of certain outcomes/indicators/measures/actions
 - A suggestion that the scope of the new Scrutiny Committees be added to by the inclusion of the following words:
 - Corporate Resources and Performance – add 'Training'
 - Environment and Regeneration – add 'Prosperity'
 - Healthy Living and Social Care – add 'Activity'
 - Homes and Safe Communities – add 'Diversity'
 - A suggestion that the term 'Diversity' should feature in the scope of all five Scrutiny Committees.
15. Having discussed the matter, the Democratic Services Committee endorsed the action taken to date.
 16. Achieving the cross-cutting approach to scrutinising the Well-being Outcomes contained in the Corporate Plan will require a move away from the current "service-focused" scrutiny arrangements and necessitate a number of realignments of Council functions that report to individual Scrutiny Committees. The proposed changes to the remits of the Scrutiny Committee are illustrated in the appendices to this report. [Appendix A](#) describes the existing scope of the Scrutiny Committees and [Appendix B](#) the proposed scope of the new Committees.
 17. Where changes to Scrutiny Committee remits will involve responsibility transferring from one Committee to another, the Council's Democratic Services Division will consider outstanding actions and areas of activity to ensure these are transferred appropriately and that, where appropriate, focus remains on specific activities (for example, the monitoring of the Council's contract with the leisure centre provider).
 18. The proposed arrangements have been designed to reduce the potential for duplication in the work of Committees. This will be achieved by reporting on complementary activities intended to deliver a particular outcome to a single Committee. The proposed remits of the new Scrutiny Committees ([Appendix B](#)) have been designed so as to support this approach and to reflect the cross-cutting nature of the proposed arrangements. As contained in the Constitution, where a Scrutiny Committee conducts a review or scrutinises a matter which also falls (whether in whole or in part) within the remit of one or more other Committee, before submitting its findings to the Executive and/or Council for consideration, the report of the Scrutiny Committee shall be considered by the other committee for comment. These comments shall be incorporated into the report, which is then sent to the Executive or Council for consideration.
 19. These proposals do not consider any changes to the composition of the Committees themselves. However, the proposals will not merely be a change in names of the Committees but rather they represent the refocusing of scrutiny activity on the way in which the Council's actions are delivering against its intended outcomes.
 20. Cabinet Members will be aware that a change to Scrutiny structures as proposed in this report will require the approval of Council prior to the appointment of committee memberships at the Annual General Meeting in May 2016. For this reason it is recommended that this report be referred to the meeting of the Full Council on April 27th 2016.

Performance Reporting

21. Members will be aware of the significant developments to the PMF which have taken place over the past six months. These include the development and adoption of a new Corporate Plan for the Council and the publication of the Council's first whole-Council Annual Self-Assessment report.
22. Service Plans are currently under development and will be reported to Scrutiny Committees and Cabinet in April-May 2016. This year Service Plans are being developed at Head of Service level and will focus on the contribution made to the Council's Well-being Outcomes and objectives, in addition to the way in which the service will manage its resources. Following approval of the Service Plans, Team Plans and Personal Development Plans will be put in place to reflect the contribution to service objectives made by the Council's teams and individual colleagues.
23. The Working Group will next consider the reporting arrangements associated with the PMF. As reported previously, 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.
24. "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 a snapshot of overall progress, 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. 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.
25. 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.
26. The format of the Corporate Health and Quarterly Well-being Outcome & Objective Reports will be developed by the Working Group in the coming months, prior to the first quarter's performance being reported to Scrutiny Committees in September 2016. This will also involve a review of the Performance Indicators used to demonstrate whether the Council is achieving its intended outcomes for each of the eight Well-being Objectives.
27. 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.

Timetable

28. 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 will be fully implemented by the end of 2017/18.

Activity	Timescale
Service Self-Assessment 2015/16	Completed (March 2016)
Service Plans 2016/17	April-May 2016
Team Plans 2016/17	April – June 2016
Personal Development & Review for all staff	June – September 2016
Corporate Plan 2016-20	Completed (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
Quarter 2 performance reporting	December 2016
Quarter 3 performance reporting	March 2017
End of Year performance reporting	July 2017

Resource Implications (Financial and Employment)

29. 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.
30. 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

31. 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)

32. 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

33. Activities to improve community safety are included in the 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)

34. 'An Inclusive and Safe Vale' is one of the Well-being Outcomes in the 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

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

Policy Framework and Budget

36. 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)

37. Due to the corporate nature of this report, no specific Ward Member consultation has been undertaken.
38. These proposals have been discussed by the member/officer Working Group which comprises political Group Leaders, Chairs of Scrutiny Committees, Chair of the Audit Committee, Managing Director, Head of Performance & Development and Operational Manager (Policy & Performance) and Operational manager (Democratic Services).

Relevant Scrutiny Committee

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

Background Papers

Performance Management Framework, Cabinet, 22nd February 2016

[http://www.valeofglamorgan.gov.uk/Documents/ Committee%20Reports/Cabinet/2016/16-02-22/Reports/Performance-Management-Framework-Cabinet-Report.pdf](http://www.valeofglamorgan.gov.uk/Documents/Committee%20Reports/Cabinet/2016/16-02-22/Reports/Performance-Management-Framework-Cabinet-Report.pdf)

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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