

# COUNCIL PLAN PERFORMANCE MANAGEMENT FRAMEWORK 2016-2020

## 1. Purpose:

- 1.1 The following report outlines a new framework to ensure the Council's progress relating to the ten priorities in the Council Plan is measured, monitored and managed.
- 1.2 This framework applies to all those engaged in the delivery of the Council Plan. It is designed to:
- Clarify Members and officers that have accountability for delivery of key priorities;
  - Set out the principles of good performance management;
  - Provide a reporting framework to ensure progress is tracked on a regular basis;
  - Fully compliment the Council's approach to managing financial performance and risk;
  - Embed mechanisms to ensure underperformance is tackled; and
  - Support continuous improvement against all of the Council's priorities.

## 2. Background:

- 2.1 The ability to manage the performance of an organisation is critical to its success. It enables Members, officers, partners and the public to assess whether the organisation is achieving what it set out to do, delivering value for money and meeting the needs of residents. Without this information it is difficult to define clear actions that drive continuous improvement and tackle under performance.
- 2.2 Performance management should be viewed as a cycle that drives continuous improvement as illustrated by the following diagram



- 2.3 The first stage is to develop a clear plan. This needs to be informed by a clear understanding of the needs of customers, residents and wider stakeholders. It should set out a vision for change, clear priorities, and actions to achieve the priorities, as well as indicators to track improvement against objectives.
- 2.4 For the Cheshire West and Chester, the overarching Council Plan – [Helping the Borough Thrive](#) provides this direction. It covers the period 2016-2020 and was informed by extensive public consultation, needs analysis, the priorities of partners, consideration of areas for improvement, and engagement with elected Members through Policy and Performance Panels. The document sets out 10 key priorities a summary of key actions and measures of success. This document is supported by 10 individual Outcome Plans which set out in more detail key actions to drive progress and the performance indicators that will demonstrate success. In total, these plans contain over 150 wider performance indicators and approximately 370 specific actions and tasks. Full details of the 10 Outcome Plans can be found at on the Cheshire West and Chester Performance Website ([www.performancecheshirewest.co.uk](http://www.performancecheshirewest.co.uk)). To ensure clear direction, these plans should link to all decisions and activities of the Council and inform the appraisal objectives of all employees.
- 2.5 The second stage of performance management is to deliver against the plans. At this point key actions will be implemented and information will be gathered to track progress on a regular basis.
- 2.6 The third stage involves reviewing performance against the original plans. This involves routinely considering whether actions have been delivered against planned timescales and whether performance measures have improved as expected. Often this is formally reported to senior decision makers to ensure key individuals are aware of progress and held to account. For Cheshire West and Chester, this progress will be reported to Cabinet and other bodies on a quarterly basis. Data quality is ensured through a two-way process between central performance leads and service leads, with the data and accompanying commentary and analysis verified and approved by the appropriate Director(s) and key leads prior to the reporting process.
- 2.7 The final stage involves taking stock of delivery and identifying actions for improvement. With clear information about previous performance and projections for the future it is possible to identify clear changes that will address underperformance and build on good performance. This approach requires openness to learning lessons, evaluation and responding to challenges in a positive way. For Cheshire West and Chester this will be a continuous process throughout any given year but will culminate in a refresh of the outcome plan to ensure new actions and measures are captured.
- 2.8 Refreshing the ten outcome plans on an annual basis under the umbrella of the four-year Council Plan gives the opportunity to ensure that these plans remain fit for purpose through the incorporating of indicators and action milestones that reflect new and progressing areas of work through to 2020. It also allows reflection and recognition of the achievements made through the completion of milestones and strong performance that this brings each year within this four year period.

### 3. Principles of good performance management:

- 3.1 The following principles have been used to shape this Performance Management Framework. They are based on best practice and reflect how high performing organisations ensure they deliver their priorities:

| <b>Principle:</b>            | <b>Rationale:</b>   |
|------------------------------|---|
| <b>Rigour</b>                | The delivery of the priorities will not be left to chance and effective processes will be in place to grip and track progress.  |
| <b>Accountability</b>        | There are clear political and officer lines of accountability for the delivery of the outcomes.   |
| <b>Proportionality</b>       | Performance management will track and focus on the issues that make a biggest difference, being tailored to the appropriate audience, rather than being an end in itself.   |
| <b>Transparency</b>          | Where possible and appropriate progress will be communicated with partners, public and stakeholders.  |
| <b>Realism</b>               | The targets and objectives in the Plans will be challenging but grounded in reality.  |
| <b>One Borough</b>           | The challenge of delivering outcomes will be managed at a Borough wide level, not as separate services or organisations. Where possible this information could also be used to inform priorities of Local District Advisory Panels. |
| <b>Challenge and support</b> | These results and reports will be used to support development and improvement.  |
| <b>Flexibility</b>           | Plans will respond to changes in circumstances and performance reporting will encourage learning from success and failure.  |
| <b>Service improvement</b>   | This framework forms a part of much wider approach to service improvement which includes understanding and meeting the needs of customers.  |
| <b>Joined up processes</b>   | The framework fully compliments processes to manage financial performance and risk. Reports on these issues will be considered at the same meeting to provide a comprehensive understanding of progress.                            |

#### 4. Clear Accountability:

- 4.1 To ensure political accountability and ownership a single Cabinet Member has been allocated to lead on the delivery of each priority. They will be supported by a lead Director that will also oversee the practicalities of delivery and performance for each priority. This provides a single point of accountability but clearly all lead Members and officers will work together across the ten priorities to ensure a joined up approach.

| <b>Priority Outcome</b>   | <b>Councillor Outcome Owner</b> | <b>Lead Director</b>                 |
|---|---------------------------------|--------------------------------------|
| All of our families, children and young people are supported to get the best start in life. | Cllr. Nicole Meardon            | Director of Integrated Early Support |
| People are well educated, skilled and earn a decent living.                                 | Cllr. Nicole Meardon            | Director of Education                |
| Vulnerable adults and children feel safe and are protected.                                 | Cllr. Paul Dolan                | Director of Children's Social Care   |
| Older people and vulnerable adults are supported to lead fulfilled and independent lives.   | Cllr. Paul Dolan                | Director of Prevention & Wellbeing   |
| Vibrant and healthy communities with inclusive leisure, heritage and culture opportunities. | Cllr. Louise Gittins            | Director of Public Health            |
| Cleanest, safest and most sustainable neighbourhoods in the country.                        | Cllr Karen Shore                | Director of Places Operations        |
| Good quality and affordable housing that meets the needs of our diverse communities.        | Cllr. Angela Claydon            | Director of Places Strategy          |
| A well connected and accessible borough.  | Cllr. Karen Shore               | Director of Places Operations        |
| A Great Place to do Business in the United Kingdom.   | Cllr. Brian Clarke              | Director of Places Strategy          |
| Our resources are well managed and reflect the priorities of our residents.                 | Cllr. David Armstrong           | Director of Professional Services    |

## 5. Tracking progress:

5.1 The framework focuses on tracking progress against both performance indicators and actions.

### A. Performance Indicators:

5.2 Performance indicators provide measurable information to understand whether an organisation is achieving its goal. This could include measuring a process, an output or a perception. Effective performance indicators should be:

- Relevant to the aims and objectives of the council.
- Clearly defined, to ensure consistent collection.
- Easy to understand and use.
- Cost effective to collect.
- SMART, i.e. specific, measurable, achievable, realistic and time-related.

5.3 Each of the indicators in the Outcome Plans has an annual target for 2016-2020, as targets define more precisely what outcome is intended. Without a clear definition of the level of achievement an organisation wants to secure it is difficult to understand whether it is making sufficient progress. Targets can:

- **Promote accountability:** by providing a clear understanding of progress organisations and individuals can be held to account
- **Stretch performance:** Identifying a goal that is ambitious and difficult to achieve can drive creativity and productivity
- **Provide confidence:** Clear improvements can be measured and demonstrated.

5.4 Targets can also drive perverse behaviours where achieving the target rather than the wider goal becomes an end in itself. To prevent this happening it is important to ensure targets are relatively low in number, sensibly set and carefully monitored. Targets within the outcome plans have been carefully set by engaging fully with Directors and Cabinet Members, forecasting future performance, and considering the performance of similar Councils. By comparing or benchmarking with similar Councils it is possible to grasp what high yet achievable performance looks like in order to inform an annual target. Future annual targets can also be revised when outcome plans are refreshed to ensure they are set with the benefit of understanding 'real world' delivery against the Plan.

5.5 It is important to have consistent definitions to understand if progress is being made towards a target. A red / amber / green / measured categorisation is often used with the following definitions:

|    | Status:               | Description:   |
|----|-----------------------|--|
| 1. | <b>Green:</b>         | <ul style="list-style-type: none"> <li>The measure has achieved its target <b>OR</b></li> <li>The measure is on track to achieve its target.</li> </ul>  |
| 2. | <b>Amber:</b>         | <ul style="list-style-type: none"> <li>The target has almost been reached – this is defined as being within 5% of the agreed target.</li> <li>Robust actions are in place to bring performance back on track.</li> </ul>   |
| 3. | <b>Red:</b>           | <ul style="list-style-type: none"> <li>The measure has not achieved its target by a margin greater than 5%.</li> </ul>   |
| 4. | <b>'M' (Measured)</b> | <ul style="list-style-type: none"> <li>The measure reports on an annual basis and therefore performance cannot be reviewed in-year.</li> <li>The measure is a survey or perception measure and therefore cannot be reported or forecast at this stage</li> <li>Further information is required regarding the development of a target for this measure.</li> <li>Further information is required regarding the development of an appropriate baseline for the measure.</li> </ul> |

5.6 This framework also measures the 'direction of travel' for performance indicators. This measures whether progress is moving in the right direction compared to the last reporting period. This is summarised as follows:

|                        |   |   |
|------------------------|---|---|
| Improving Performance  |  | <ul style="list-style-type: none"> <li>Where good performance means a reducing value e.g. reducing unemployment. The forecast or actual performance is lower than the last reporting period representing an improvement of position.</li> </ul>       |
|                        |  | <ul style="list-style-type: none"> <li>Where good performance means an increasing value e.g. increases in local jobs. The forecast or actual performance is higher than the last reporting period representing an improvement of position.</li> </ul> |
| Maintained Performance |  | <ul style="list-style-type: none"> <li>The forecast or actual performance is in-line with the position at the last reporting period and has neither improved nor worsened.</li> </ul>   |
| Declining Performance  |  | <ul style="list-style-type: none"> <li>Where good performance means a reducing value e.g. reducing unemployment. The forecast or actual performance is higher than the last quarter representing a worsening of position.</li> </ul>                  |
|                        |  | <ul style="list-style-type: none"> <li>Where good performance means an increasing value e.g. increases in local jobs. The forecast or actual performance is lower than the last reporting period representing a worsening of position.</li> </ul>     |
| Measured               |  | <ul style="list-style-type: none"> <li>The indicator cannot be measured in this reporting period and therefore a direction of travel cannot be reported.</li> </ul>   |

5.7 There are two complementary processes that monitor direction of travel across each year in this Performance Management Framework. For quarters 1-3, progress will be measured against that recorded for the preceding quarter. The measure of direction of travel in the quarter 4 year-end report differs slightly as it

compares progress relative to 12 months previously, (i.e. March 31<sup>st</sup> this year vs. March 31<sup>st</sup> last year), to show the level of progress across the full year.

5.8 In addition, performance indicators are benchmarked where possible with comparator authorities throughout the year. This provides context about the Council’s relative position. This will be a particular feature of the quarter two, mid-year report, where benchmarking information for the previous year’s Cheshire West performance against comparator authorities for the appropriate measures will be available taking the time lag for each area publishing its performance report into account.

**B. Actions:**

5.9 Actions have been identified in all plans to achieve the stated priorities over the period 2016-20. Each action has a clear start and end date. This framework measures the status of actions to provide further assurance that progress is being made. This is particularly important information when certain performance indicators can’t be measured at earlier stages of the year.

5.10 The following definitions will be consistently applied to provide an assessment of progress:

|    | <b>Status</b>                         | <b>Description:</b>   |
|----|---------------------------------------|---|
| 1. | <b>Scheduled for Future Quarters:</b> | <ul style="list-style-type: none"> <li>• These actions are not due to commence until future reporting quarters, and therefore have not started.</li> </ul>  |
| 2. | <b>On Target:</b>                     | <ul style="list-style-type: none"> <li>• Actions that are already underway and are expected to be completed to the timescales included in the Outcome Plan.</li> </ul>                                      |
| 3. | <b>Delivered:</b>                     | <ul style="list-style-type: none"> <li>• Actions within the Outcome Plan that have already been completed.</li> </ul>   |
| 4. | <b>Slipped (less than 3 months):</b>  | <ul style="list-style-type: none"> <li>• Actions within the Outcome Plan that have been re-phased for less than three months since the approval of the Outcome Plan (or last reporting quarter).</li> </ul> |
| 5. | <b>Slipped (more than 3 months):</b>  | <ul style="list-style-type: none"> <li>• Actions within the Outcome Plan that have been re-phased for more than three months since the approval of the Outcome Plan (or last reporting quarter).</li> </ul> |
| 6. | <b>No longer viable:</b>              | <ul style="list-style-type: none"> <li>• Actions within the Outcome Plan that are no longer viable for delivery.</li> </ul>   |

**6. Reporting Progress:**

6.1 Progress will be reported in a timely and regular fashion to ensure performance information is available to drive improvement. For officers, where possible, there will be a regular internal report on key indicators and actions which will be managed through Management Teams. For Members and the public a more comprehensive progress report will be published every quarter at the same time that financial performance is reviewed.

6.2 Performance management is a vital part of the democratic process. It is important that Members – in their varying roles of Ward Councillor, Committee Members and Cabinet Members – have a clear understanding of performance to ensure

priorities are being delivered and improvement is being sustained. To support Members to use the performance management framework to carry out their roles, it is proposed that specific training will be developed.

6.3 To keep these reports focused and concise, a smaller subset of the indicators are prioritised and analysed in detail. These are known as Key Performance Indicators and have been identified as requiring deeper analysis. Wider performance will still be monitored and reported but is not practical to include a detailed analysis for all indicators within a quarterly report. To ensure that the Authority is transparent, all performance information will be published online on a quarterly basis alongside the report (see section 6.5).

6.4 It is proposed that quarterly reports are made available for the following audiences.

|                                    |  |
|------------------------------------|--|
| <b>Tier One: Cabinet</b>           | <ul style="list-style-type: none"> <li>Quarterly report on key performance indicators and actions across 10 outcome plans.</li> </ul>  |
| <b>Tier Two: Portfolio Holders</b> | <ul style="list-style-type: none"> <li>Quarterly report on key performance indicators and actions relating to relevant outcome plans.</li> </ul>   |
| <b>Tier Three: Wider Members</b>   | <ul style="list-style-type: none"> <li>Quarterly reports to the West Cheshire Scrutiny Committee and other bodies as appropriate.</li> <li>Tailored reports available on request to support policy development and local priority setting</li> </ul> |

6.5 An [online dashboard](#) has been developed to provide this information in a user-friendly format. It includes progress on all indicators and an overview of progress. This will be updated on a quarterly basis.

## 7. Tackling underperformance:

7.1 There will always be instances where the organisation falls short of their original goals. It is crucial that where this happens corrective action is taken to move back on track.

7.2 In instances when an action within an Outcome Plan has been re-phased for more than three-months, the appropriate Outcome Owner must provide further information regarding the reasons behind any delay, and the corrective actions that have been taken.

7.3 Further information must also be provided by Outcome Owners for any of the 'Key Performance Indicators' that are currently reporting as 'Red' against their targets and baselines at mid-year (quarter 2) and at year-end (quarter 4). Reporting by exception at quarters 1 and 3 ensures that all measures, irrespective of being a 'Key Performance Indicator' or wider performance indicator, are reported against in detail at these points if they reported as Red at the previous quarter to show the level of progress that has occurred across the following three months.

## 8. Linking to wider service improvement:

8.1 This Performance Management Framework is just one part of a wider approach to service improvement. Delivering against priorities demands a consistent focus on the targets, actions and data however this on its own is not sufficient to drive improvement. However, clear and accurate performance information is, it will always be the imperfect representation of the real experience and real world outcomes that matter to citizens. To ensure this is addressed a wider approach to service improvement is being developed which includes

- Use of mystery shopping to understand and improve the customer experience;
- Interactive sessions to do a 'deep dive' into particular outcomes;
- Improved techniques to understand resident perceptions;
- Process reviews and journey mapping to drive improved customer focused service delivery;
- Peer reviews to ensure representatives from services across the organisation can challenge and support their peers;
- Consideration of quality through analysis of complaints, compliments and wider perceptions;
- External peer challenge.

## 9. Assurance:

9.1 The Performance Management Framework and quarterly performance reporting will be subject to scheduled internal audit to ensure accuracy and rigour of process. It will be included as part of the production of the Annual Audit Plan which is compiled and informed on a risk basis.

9.2 The Framework will also be discussed as appropriate at each of Cheshire West's Overview and Scrutiny Panels to ensure it is robust and to identify any proposals for improvement prior to it being fully embedded. The process at each follow each reporting period is set out below:

- **West Cheshire** - scrutiny briefing session arranged at mid-year and year-end to look at a summary overview of Council-wide performance before focusing on the Corporate Directorate performance and Resources Outcome Plans. This exercise should help identify issues for inclusion on the work programme and be followed by a shortened version of the full Cabinet report brought to the subsequent scrutiny meeting that focuses on the Corporate Directorate and Resources Outcome Plan. At quarters 1 and 3, an 'exception report' will be brought looking at progress made by those measures that reported as 'Red' in the previous quarter.
- **People** – scrutiny briefing session arranged at mid-year and year-end to look at a summary overview of Council-wide performance before focusing on People Directorate Outcome Plans and performance against indicators. This exercise should help identify issues for inclusion on the work programme. This will be followed by a verbal update to confirm the agreements reached under the 'Work Programme' item at the next Scrutiny meeting. At quarters 1 and 3, an 'exception

report' will be brought looking at progress made by those measures that reported as 'Red' in the previous quarter.

- **Places** – scrutiny briefing session arranged at mid-year and year-end to look at a summary overview of Council-wide performance before focusing on Places Directorate Outcome Plans and performance against indicators. This exercise should help identify issues for inclusion on the work programme. This will be followed by a verbal update to confirm the agreements reached under the 'Work Programme' item at the next Scrutiny meeting. At quarters 1 and 3, an 'exception report' will be brought looking at progress made by those measures that reported as 'Red' in the previous quarter.

## 10. Checklist against key principles:

The following checklist demonstrates how this framework meets the key the principles of good performance management:

| <b>Principle:</b>            | <b>Evidence of meeting this principle:</b>  |
|------------------------------|---|
| <b>Rigour</b>                | <ul style="list-style-type: none"> <li>✓ Standardised definitions for measuring progress.</li> <li>✓ Informed target setting.</li> <li>✓ Regular and consistent reporting timescales.</li> <li>✓ Assurance from internal audit and West Cheshire Overview and Scrutiny</li> </ul> |
| <b>Accountability</b>        | <ul style="list-style-type: none"> <li>✓ Clear Member and officer leads for key outcomes.</li> <li>✓ Reporting framework links to democratic processes and Member bodies.</li> <li>✓ Processes in place to hold services and individuals to account.</li> </ul>                   |
| <b>Proportionality</b>       | <ul style="list-style-type: none"> <li>✓ Manageable number of indicators identified.</li> <li>✓ Smaller subset of Key Performance Indicators will be analysed in greater detail.</li> <li>✓ More intensive processes in place to target underperformance</li> </ul>               |
| <b>Transparency</b>          | <ul style="list-style-type: none"> <li>✓ The quarterly report includes an overview of performance and actions across the council rather than just reporting by exception.</li> <li>✓ The online dashboard provides further information in a user friendly format.</li> </ul>      |
| <b>Realism</b>               | <ul style="list-style-type: none"> <li>✓ Target set by considering forecasts, service knowledge and benchmarking information.</li> <li>✓ Target levels reviewed on an annual basis to ensure they reflect stretching but achievable levels of performance.</li> </ul>             |
| <b>One Borough</b>           | <ul style="list-style-type: none"> <li>✓ Reports in place summarise performance of the council as a whole.</li> <li>✓ Many objectives, targets and actions are delivered in partnership with external organisations to ensure a joined up approach.</li> </ul>                    |
| <b>Challenge and support</b> | <ul style="list-style-type: none"> <li>✓ Escalation processes in place to tackle underperformance</li> <li>✓ Framework forms a part of a wider approach to service</li> </ul>   |

|                            |  |
|----------------------------|--|
|                            | improvement including peer challenge and deep dives.   |
| <b>Flexibility</b>         | ✓ Plans and measures will be refreshed on annual basis to reflect learning and key areas for improvement.  |
| <b>Service improvement</b> | ✓ Framework forms a part of a wider approach to service improvement including processes which enable a better understanding of resident's perceptions. |
| <b>Joined up processes</b> | ✓ Performance reporting takes place alongside reporting on finance and risk to ensure a holistic approach.   |