



# Committee report

Committee	<b>CORPORATE SCRUTINY COMMITTEE</b>
Date	<b>11 JULY 2023</b>
Title	<b>PERFORMANCE MANAGEMENT FRAMEWORK</b>
Report of	<b>CABINET MEMBER FOR FINANCE, CLIMATE CHANGE AND BIOSPHERE</b>

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## SUMMARY

1. At Corporate scrutiny committee in October 2022, a scoping document was approved by the committee for an item on the performance management framework to be added to the work plan. This report provides the committee members with an update on the research and findings to date and a programme of work to improve the performance management processes within the council service areas.
2. **KEY LINES OF ENQUIRY AND FOCUS FOR SCRUTINY**
  - To review the Council's Performance Management Framework before formal refresh is due in October 2023.
  - To review the Framework in line with how the Council currently reports on performance in the Quarterly Performance Reports submitted to Cabinet so to determine where improvements could be made.
3. **PURPOSE OF THE REVIEW AND REQUIRED OUTCOMES**
  - To ensure that a sound performance management framework exists so that performance reporting is consistent across the Council.
  - To ensure that all appropriate areas of performance management are covered within the framework.
  - To ensure that actions are taken on any area of poor performance.

## BACKGROUND

4. **To review the Council's Performance Management Framework before official refresh is due in October 2023.**
  - 4.1 In order to review the Isle of Wight Council's current [performance management framework](#) officers have looked at a range of other local authority performance management processes to identify alternative methods of performance management and best practice. Officers reviewed case studies provided through the LGA for Bath and Northeast Somerset, Bristol, Cheshire West and

Chester, and Basildon Borough Council. Cornwall was also researched as a near neighbour comparator.

- 4.2 Some common themes exist across those councils which are already reflected in our practice but will be further reflected in the revised framework:
- Quarterly performance reporting takes place with reports to both Scrutiny and Cabinet
  - Performance management takes place at various levels of the organisation including both directorate and senior management level
  - Success has been achieved through ensuring senior management commitment
  - Dashboard reporting is used alongside traditional static reporting. Reports are published (often on external websites) to allow users to view the measures they are most interested in.
  - Indicators align with corporate/business plans and are regularly reviewed by service areas to ensure they remain current and relevant.

4.3 **We also reviewed the Local Government Association best practice guide to performance management for local authorities.**

[Performance management guide for local authority officers](#)

Some key messages we took from that include:

- Reporting should be at three levels: strategic, operational, and front line.
- Performance improvements should foster trust and openness. Encourage feedback and make and learn from mistakes (no blame culture)
- Senior buy-in is required for success (both process and culture)
- Foster culture of curiosity and inquiry – continual improvement rather than seeing a measure as complete when target met.
- Defined roles in performance management
- Consistent use of data (to allow for historic and trend analysis)
- RAG ratings and targets should be reviewed regularly
- Benchmarking allows for comparison to wider environment
- Follow SMART (specific, measurable, achievable, relevant, and timely) or FABRIC (focused, appropriate, balanced, robust, integrated and cost-effective) to develop indicators
- Ensure citizen's perspective is included (resident satisfaction data, tools to monitor digital interactions)

- 4.4 The current framework generally follows the principles and themes that are identified above, there are changes that will be made to improve the framework and to reiterate the need for performance management across all areas of the council. However, the larger element that needs to be addressed is the process actually being used within service areas and the metrics and measures that are being reported.

- 4.5 This in itself will be required to be undertaken with service leads, to include a review of performance management process in each directorate and for those areas where this process needs refreshing a reintroduction of the reporting and

management. This process can be seen to best effect in the Adult Social Care and Housing Needs Directorate where reports are presented each month, dynamic reporting through dashboards is used alongside static reports and where targets and metrics are addressed formally with the managers responsible for the outcomes and delivery required.

**5. To review the Framework in line with how the Council currently reports on performance in the Quarterly Performance Reports submitted to Cabinet so to determine where improvements could be made.**

5.1 The performance indicators currently used in the QPMR were agreed by individual service areas to align with the corporate plan. Indicators are currently collected for both operational and frontline reporting and cabinet reporting (strategic) however emphasis is primarily on cabinet reporting indicators. There appear however, to be too many indicators that have been in place for some considerable time. There needs to be a full review of these and a streamlined reporting schedule that concentrates on the most important aspects of the council's business.

5.2 Whilst there is some directorate engagement with service plan metrics, this is not consistent, and the overall engagement with performance management at a strategic level is not consistently applied across all areas of the council. In general, there seems to be a level of disconnect between some services and their performance metrics this currently comes through as a lack of ownership often highlighted during the QPMR report preparation.

5.3 Performance Management and our use of data is also being addressed within the Isle of Wight Data Strategy but is currently in draft and will formulate our approach to accessing and using data to better inform our decisions.

5.4 QPMR currently takes approximately 3 months of preparation and review from collection of data to publication of the report for cabinet. Much of this time is spent chasing measure updaters or is caught up in the necessities of the democratic process.

5.5 Swot Analysis of current QPMR Process:

Strengths	Weaknesses
Multi-layer review ensures issues identified	Lack of buy-in from stakeholders at all levels results in delays in obtaining data from services
SharePoint allows collaborative working	Some metrics do not align with current processes or national reported metrics
Monthly breakdown of data allows for historic and trend analysis	Lack of regular review (metrics and targets)
	Current preparation and review of appendices is both time and resource intensive

Opportunities	Threats
<p>Cabinet changes and organisational restructure provide opportunity to review and refresh</p> <p>Power BI represents opportunity to speed up reporting and reduce duplication</p>	<p>The council's reorganisation will mean some activity reducing and may also remove key updaters</p> <p>Some reluctance to use of SharePoint currently prevents full collaboration across the council</p>

## 6. Proposed, updated QPMR process for 2023/24:

- 6.1 A full review of the performance management framework and process will be undertaken. This must also include a review of the indicators being collected against both Service Plans and the Corporate Plan to be effective and support good practice.
- 6.2 A review of the indicators will:
- Ensure indicators reflect changes to the organisation, policy, legislation, and national reporting frameworks
  - Ensure indicators have appropriate targets/benchmarks set to enable better understanding of performance status and that RAG ratings, where used, are clear.
  - Remove, where possible, duplication of work either by linking into systems or existing performance dashboards, or by using indicators that reflect other reporting methodologies already being completed
  - Ensure indicators are relevant and not excessive and can be used to monitor against internal and external targets or benchmark against other authorities
- 6.3 Where it makes sense to do so, indicators will be published via Power BI dashboards, with full consideration of the differing requirements for directorate, service, and cabinet level reporting. Steps will be taken to secure data where necessary and ensure availability to the correct audiences.
- 6.4 Benefits include:
- Data will made available in a timely and consistent manner
  - Dashboard usage (subject to use of the correct licences) will enable a tailored user experience, allowing focus on individual areas of interest
  - Static reports can be created from dashboards where needed to overcome issues with licence availability.
  - Risk management can be facilitated in dashboards alongside KPI's, enabling a 'one stop shop' for management overview
  - CMT can review and engage with performance in a more timely and effective manner

- 6.5 Performance management should be brought back to the forefront of management decision making. Proper consideration of performance should be made at both CMT and directorate level. This requirement is already within the current performance management framework, there needs to be work with service areas to ensure this actually occurs in practice.
- 6.6 Given the proposals within the council's Reorganisation activity and the predicted update of the corporate plan it would be timely to make those QPMR and related changes when the new structures and teams have been put in place. To do that now would mean duplicating the work for elements that will change and activity that will cease. Therefore, it is proposed that this work will begin after the reorganisation review when teams and structures are in place and when the corporate plan refresh has been completed.

## 7. Next Steps

- 7.1 Apply the learning from other council's and the LGA best practice to the Isle of Wight Council performance management framework ready for the refresh prior to October 2023. Giving clear instruction on the need to apply the framework in to practice.
- 7.2 Work with directors and service updaters to streamline the metrics required for service level reporting (service boards / leadership meetings) and strategic reporting (QPMR).
- 7.3 Bring the reporting up to date and into the management teams, using the principles in the performance management framework. Link in with the corporate plan refresh, organisational change and develop reporting for Q1 of 2023/24.
- 7.4 Where possible and appropriate develop performance dashboards with service areas.
- 7.5 Deliver a refreshed, streamlined and current QPMR process and reporting outputs.

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