

Report to Council

12 April 2022

Subject:	A Performance Management Framework for the Council
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1. Recommendations

- 1.1. That Council approve the proposals for the adoption of a corporate performance management framework to monitor delivery of the Corporate Plan and enhance organisational intelligence.



2. Reasons for Recommendations

- 2.1. A corporate performance management framework (PMF) that combines outcome and operational measures will enable the council to:
- track progress on delivering the strategic outcomes in the Corporate Plan;
 - develop collective responsibility for delivering the Corporate Plan across Elected Members, Leadership Team and staff across the council;
 - help improve services and outcomes for Sandwell by identifying poor performance and sharing good practice;
 - motivate staff through clear objectives and targets and hold staff accountable for delivery whilst providing cross-council support to address issues and achieve our priorities;
 - celebrate the achievements of the council whilst also identifying risks to achieving those strategic outcomes and enable Leadership Team and Elected Members to put in place mitigating actions in a timely manner; and
 - provide a strong evidence base for improved decision making and the efficient use of resources.
- 2.2. Development of a corporate PMF was identified as a key action in the Improvement Plan approved by Council on 18 January 2022 to address the recommendations of the Governance Value for Money Review. The PMF will include regular reports on key aspects of the council's performance, including progress of the Improvement Plan itself.

3. How does this deliver objectives of the Corporate Plan?

		The proposed corporate PMF includes measures under all strategic objectives in the Corporate Plan to monitor progress in these key areas. The PMF also includes elements that measure the council's use of its resources to ensure delivery of the strategic objectives.
		
		



4. Context and Key Issues

4.1. Establishing the Corporate Performance Management Framework

4.1.1. Council approved the refreshed Corporate Plan in October 2021. It was recognised by members as part of the refresh of the Corporate Plan that there was a need for a comprehensive performance management framework to track and monitor progress in delivering the Plan. Through the development of directorate level business plans in Autumn/Winter 2021/22 key metrics have been identified to track progress and measures the success of the council's actions towards the delivery of the Corporate Plan.

4.1.2. At the same time, a key recommendation of the Grant Thornton Governance Review (December 2021) was that the council should ensure that a corporate performance framework is agreed so that the implementation of the Corporate Plan can be effectively monitored, and there is collective corporate responsibility for delivery rather than silo working.

4.1.3. In response, through the approval of the Improvement Plan in January 2022, the Council has committed to the following actions:

- Develop and embed a corporate performance management framework that provides Leadership Team and members collective oversight of progress on the Corporate Plan, key operational level intelligence, organisational health and improvement activity;
- Ensure public consultation results are incorporated into performance management framework, including on budget development;
- Build organisational health metrics into performance management framework, including 'pulse' checks on organisation's wellbeing;
- Embed management of key corporate contracts within the performance management framework to ensure oversight of performance and link to the Corporate Plan;
- Build benchmarking of financial and service performance into performance management framework;



- Develop, implement and monitor progress of Directorate and Service level plans to deliver the Corporate Plan;
- Embed regular budget monitoring reporting to Leadership Team and Cabinet within corporate performance management framework; and
- Explore implementation of a corporate performance management system.

4.1.4. The development of the proposed corporate PMF has drawn on the directorate business plans, the council's Improvement Plan in response to Grant Thornton's Governance Value for Money Review, subject matter experts within the authority and national best practice.

4.1.5 A number of conversations have informed the development of the PMF, specifically these have been with:

- Leadership Team
- Cabinet
- Cabinet Advisors
- Overview and Scrutiny Chairs
- The Better Use of Intelligence Group (officer group made up of key performance individuals across the organisation).

4.1.6 The input and insight provided by both officers and members has helped to shape and refine the proposals for the PMF. The points below represent some of the ways in which the conversations we have had have shaped the PMF:

- we have broadened the focus of the performance indicators used in the healthy lives section of the People Live Well and Age Well strategic outcome,
- we have added in further regeneration measures,
- we have added in further measures on physical activity.



4.2. Format of the Performance Management Framework

4.2.1. There are four key components to the proposed PMF. Combined, these will provide the oversight and intelligence the council needs to determine progress in delivering the Corporate Plan and how the organisation is performing in key areas. Whilst each area is distinctive there are areas that overlap:



4.2.2. A suite of performance information has been identified for each element and this will form the basis of monitoring progress. Due to the varied nature of the services across the council and need to blend operational and strategic intelligence, the most appropriate measures for each element includes a range of outcome and operational metrics, as well as progress against milestones. The proposed measures within the corporate PMF are attached at Appendices 1 to 4.

4.2.3. Benchmarking information will be included where available. This data provides a reality check, ensuring that the council's resources are delivering value for money. Comparing Sandwell's performance to other similar local authorities will show where the council is performing well and also highlight where performance could be improved.



4.3. Service Planning Framework

4.3.1. In order to ensure effective performance management, the council has developed a service planning framework that seeks to understand the needs our communities, identifies the priorities and sets out actions to deliver and measures to track progress and impact. The diagram below shows how plans at each level of the organisation contribute to delivering improved outcomes for Sandwell:



4.3.2. Vision 2030 sets out the ambitions for the borough that were developed across partners and communities in Sandwell. The council's Corporate Plan includes the strategic priorities for the organisation that will contribute to the achievement of the ambitions for the borough.

4.3.3. The Improvement Plan includes the key actions that the council needs to undertake in order to address the recommendations from Grant Thornton's Value for Money Governance Review in 2021. The Improvement Plan will be further developed to incorporate the actions to address the recommendations from the CIPFA Financial Management Review and the LGA Corporate Peer Challenge to provide a single plan of action. The Improvement Plan and Corporate Plan set out the priorities for the organisation that feed into directorate and service level plans.

4.3.4. The Corporate Plan, Improvement Plan and directorate level plans all feed into the development of the Corporate Transformation Plan. This will include all projects and programmes that deliver corporate transformation. The purpose of having a clear and robust approach to Corporate Transformation is to ensure that service improvements and transformation projects are delivered in line with the Corporate Plan and Medium-Term Financial Strategy. The annual business planning and budget setting process is critical to shaping the content of the Corporate Transformation Plan and ensuring the council implements transformation in a timely and effective manner so that it can meet both current and future challenges.

4.3.5. Directorate plans are in place that:

- Set out the short, medium and long-term actions of each directorate to deliver the refreshed Corporate Plan from April 2022 onwards;
- Demonstrate how directorates are embedding the Fairer Sandwell principles into their activity as well as the One Council One Team approach;
- Demonstrate how feedback from residents/service users have influenced priorities and actions;
- Include actions required to deliver transformational projects (both corporate and service level), budget savings and service delivery;



- Include measures of success that feed into the corporate performance management framework;
- Align with the financial strategy for each directorate, and feed into the budget setting process; and
- Provide a mechanism for ensuring all staff across the council understand the Fairer Sandwell Principles and have clarity of direction and the organisation's priorities.

4.3.6. Ensuring robust services plans are in place for 2023/24 will be a priority for development in 2022/23. Service Plans will be monitored via local management arrangements established in directorates. Below Service Plans, it is expected that teams will then develop lower level action plans that reflect their directorate and service area priorities. The form of these plans will vary depending on the needs of the service, and will be monitored at the local level.

4.3.7. All of this activity will influence the individual work plans and performance appraisals. This will support individual staff to have clear objectives to work towards and demonstrate their contribution to delivering the Corporate Plan.

4.4. Reporting Framework

4.4.1. A focus on performance requires regular reporting and scrutiny of progress and intelligence. To embed the PMF within the organisation and a culture of performance management, the reporting framework is as follows:

- Leadership Team – monthly dedicated sessions focusing on reporting of all measures in the PMF to senior officers as well as progress on business plans and the council's Improvement Plan
- Cabinet – quarterly reports on performance against the Corporate Plan and high-level service key performance indicators (KPIs)
- Scrutiny Boards – the PMF will be reported to Budget & Corporate Management Scrutiny quarterly and will help to inform the work programme of all Scrutiny Boards.



4.5. Future Development of the Performance Management Framework

- 4.5.1. It is recognised that the council has not had a corporate PMF for some time, and therefore the set of measures proposed in this report is a starting point for the longer-term development of the PMF. As with any framework, the corporate PMF will evolve over time to reflect changes in organisational priorities to respond to local needs and availability of data. However, the intention will be to retain a consistent basket of measures to track progress over time.
- 4.5.2. We will review data sets to ensure the most appropriate measures are reported in a timely manner and that data quality arrangements are in place so that information reported to officer, members and the public can be relied upon.
- 4.5.3. To manage the PMF efficiently, the council will also investigate whether investment in a performance management system could bring about benefits such as efficient reporting mechanisms and improvements in performance across the organisation.

5 Implications

Resources:	There are no direct financial implications to this proposal. Services may require investment in staffing and local systems to facilitate the PMF – these arrangements would be dealt with through service development proposals.
Legal and Governance:	A corporate performance management framework was identified as a key gap in the council's governance arrangements by Grant Thornton in 2021. The establishment of the corporate performance management framework was a key action in the council's Improvement Plan agreed by Council in January 2022, and will enable officer and political leadership to improve oversight and corporate grip of the council's performance.
Risk:	Should the council not implement a robust performance management framework, then it will not have the corporate oversight and intelligence to inform decision making and effectively manage risks



	to achieving service delivery and the strategic objectives identified in the Corporate Plan. The establishment of a corporate performance management framework will be the key mechanism to report progress and performance to the Government appointed Commissioners.
Equality:	Equality measures are included in the PMF, including the Organisational Health workforce indicators and the progress of the Corporate Plan.
Health and Wellbeing:	The development of measures to track progress of the Corporate Plan include a series of health and wellbeing indicators. This will enable the council's leadership to see at a high level the direction of travel of the borough's health and wellbeing, and seek to continue good practice or identify mitigating actions to address issues.
Social Value	Measures in the Financial Performance element of the PMF include looking at percentage of spend in the local area.

6 Appendices

- Appendix 1: Organisational Health Performance Measures
- Appendix 2: Customer Experience Performance Measures
- Appendix 3: Finance and Contracts Performance Measures
- Appendix 4: Corporate Plan Performance Measures

7. Background Papers

None

