

<b>Meeting of:</b>	<b>CORPORATE OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>Date of Meeting:</b>	<b>23 OCTOBER 2023</b>
<b>Report Title:</b>	<b>PERFORMANCE MANAGEMENT IMPROVEMENT PLAN</b>
<b>Report Owner / Corporate Director:</b>	<b>CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY</b>
<b>Responsible Officer:</b>	<b>ALEX RAWLIN POLICY AND PERFORMANCE MANAGER</b>
<b>Policy Framework and Procedure Rules:</b>	<b>Council priorities, aims, commitments and performance indicators in the Corporate Plan / Delivery Plan inform Service Plans which form part of the Policy Framework.</b>
<b>Executive Summary:</b>	<ul style="list-style-type: none"> <li>• <b>A number of reports have provided insight into the Council’s performance management:</b> <ul style="list-style-type: none"> <li>○ <b>Last year’s corporate self-assessment 2021/22</b></li> <li>○ <b>Audit Wales’ review of performance management</b></li> <li>○ <b>Internal Audit’s Performance Indicator Audit</b></li> </ul> </li> <li>• <b>From the findings of these reports, the Council has developed a robust and detailed Performance Management Improvement Plan (PMIP)</b></li> <li>• <b>Progress against the PMIP has been good, and has included:</b> <ul style="list-style-type: none"> <li>○ <b>The new 5-year Corporate Plan and 1-year delivery plan, with new wellbeing objectives, aims, commitments, performance indicators and targets</b></li> <li>○ <b>The new Performance Management Framework and roles and responsibilities</b></li> <li>○ <b>Finding a permanent home for the performance team and building capacity</b></li> <li>○ <b>Improvements to data quality and accuracy arrangements</b></li> <li>○ <b>Raising awareness and providing training, on the new Corporate Plan, delivery plan and performance framework</b></li> </ul> </li> <li>• <b>Only a few of the medium-term actions, and the longer term, more cultural actions remain for action in the current and coming year.</b></li> </ul>

## **1. Purpose of Report**

- 1.1 The purpose of this report is to provide the Committee with a progress update on the Performance Management Improvement Plan (PMIP) developed as a result of findings from the Council’s first self-assessment, the Audit Wales review of

performance management and an internal audit of performance indicators in quarter two of 2022/23.

## 2 Background

- 2.1 The Council's first corporate self-assessment 2021-22, completed in summer 2022 and published in October 2022 judged performance management in the Council to be 'adequate'. A number of areas for improvement were identified in the report.
- 2.2 In September 2022, Audit Wales completed a review of the Council's performance management arrangements. The review sought to answer the question: "Do the Council's performance management arrangements support robust and effective decision-making and improvement?" Overall, it found that: The Council's performance management arrangements do not consistently enable it to effectively evaluate and manage its performance. A number of areas for improvement were identified in the report. The recommendations and management responses are included in **Appendix 1**.
- 2.3 Following the self-assessment and Audit Wales' performance management review, the performance team was transferred temporarily to the Corporate Policy and Public Affairs team in November 2022. An officer has been seconded into the Corporate Improvement Officer role and several graduates were appointed to build capacity in the performance team. During the quarter 2 reporting process for 2022/23, corporate performance team officers were asked to reflect on the areas for improvement already identified and provide additional commentary on problems and potential solutions. It found additional areas for improvement.
- 2.4 Finally, in Spring 2023, Internal Audit completed an audit of performance management, monitoring and reporting of performance indicators. The review looked at 9 indicators and provided reasonable assurance, stating 'There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited'. The report contained 14 recommendations, 1 red or urgent, 5 amber and 8 yellow or minor.
- 2.5 The areas for improvement across all of these reviews can be summarised under the following themes:
  - **The Performance Management Framework** – the need for clear priorities with linked commitments and performance indicators that cover them. Performance indicators that are more outcome focused. Performance information reported alongside other, contextual information.
  - **Culture, roles and responsibilities** – the need for an updated performance framework with clear, defined and agreed roles and responsibilities (for officers and elected members). Clearer timelines for reporting. Better training and understanding of each other's roles. Stronger challenge of performance information. Definitions / awareness of the red, amber, yellow, green system.

- **Data quality, accuracy and analysis** – the need for more robust and consistent arrangements to ensure the quality of our data, additional evidence provision and better recordkeeping / improved trend analysis and benchmarking of data.
- **Performance management capacity** – the need for a permanent home for the performance team and additional capacity both in the corporate performance team and the directorate teams that manage performance.
- **The performance management system** – the need to use the system we have to its full potential and consider the development of a new system.

2.6 These areas for improvement were pulled together into a Performance Management Improvement Plan for the Council. This plan (and progress made against it) were reported to Corporate Performance Assessment group in June 2023. The plan is included in **Appendix 2**.

### 3. Current situation / proposal

3.1 Many of the immediate and short-term activities in the improvement plan focused on the Council's Performance Management Framework. These activities and solutions formed part of the development of the new Corporate Plan and its delivery plan for 2023/24. These actions are now completed and set out in 3.3.

3.2 Some of the medium-term activities and solutions were for the corporate and directorate performance teams to enact. Again, these are now largely complete and set out in 3.3, with those still remaining set out in 3.4.

3.3 Actions and improvements completed in the period November 2022 to October 2023, under each of the relevant headings include:

- **Performance management framework**
  - Defining a new set of wellbeing objectives, aims and the commitments and Performance Indicators (PIs) that will support them.
  - Ensuring our wellbeing objectives are fully and comprehensively reflected by aims, commitments and PIs
  - Shifting the focus of our PIs so they genuinely measure whether we are achieving our aims not simply whether we are delivering our commitments (PIs may focus on the 'business as usual')
  - Ensuring that we have – a balance of commitments and PIs, PIs that measure inputs, outputs and outcomes, PIs that are measured annually and quarterly (and avoiding large numbers of PIs with significant data lags), PIs that are new, and others that have previous information to compare trends over time and PIs that are comparable with other councils.
  - Implementing a similar process for developing Directorate Business Plans that support the Corporate Plan
  - Developing, challenging and agreeing targets for our PIs
  - Considering how best to include service user perspectives and outcomes in our performance management regime to respond to a more recent Audit Wales report.

- Raising awareness, and providing training, on the new Corporate Plan, delivery plan and performance framework through:
  - Inclusion in the Corporate induction e-learning programme and in person session
  - A short presentation on the Corporate Plan and performance management in the regular manager induction sessions
  - An all staff Corporate Plan session which took place on 18 September 2023 delivered by the Leader and Chief Executive
- **Culture roles and responsibilities**
  - Publishing an updated performance framework with clear communication on roles, responsibilities, timelines and a detailed explanation of our red, amber, yellow, green ratings
  - Saving and storing our directorate business plans on the Bridgend County Borough Council intranet
  - Raising awareness, and providing training, on the performance framework, roles and responsibilities, through:
    - Supporting and mentoring directorate performance teams, joint training sessions and development sessions.
- **Data quality, accuracy and analysis**
  - Focusing on accuracy of data, with clear and agreed forms for each individual PI in the Corporate Plan to include detail on the named individuals responsible for each part of performance management, calculation methods, verification processes and regular checks / audits. An example of one of these forms is included in **Appendix 3**.
  - Requesting additional evidence be provided on the performance management system for quarterly and annual performance outturn data
  - A month-long programme of performance and data training with Data Cymru, with a cohort of 20 of the Council's staff and members involved in performance management.
  - Starting to work with Audit Wales and Internal Audit to develop a process for completing regular, internal PI audits.
  - Developing new mechanisms for analysing, summarising and presenting performance data as discussed with the Corporate Overview and Scrutiny Committee (COSC) at their development session in October. This to include:
    - New forms of presenting performance summaries with a pyramid model of deepening detail, including stacked bar charts of performance against Wellbeing Objective, heat maps showing Red/Amber/Yellow/Green (RAYG) performance of each PI and commitment against Wellbeing Objectives, and updated, simplified dashboards to include a RAYG / summary of each aim.
    - A new way of presenting performance reports to the Corporate Overview and Scrutiny Committee, dividing performance by wellbeing objective rather than Directorate.

- New mechanisms for internal officer and member challenge of performance data, to be agreed this quarter following discussions at COSC and Corporate Management Board.

- **Performance management capacity**

- Finding a permanent home for the performance team alongside the corporate policy team.
- Recruiting to vacant posts in the performance team, including appointing a Corporate Performance Manager. One vacant post will remain.
- Training and joint working between the corporate performance team and directorate performance teams to build relationships and skills and work towards a stronger joint performance culture.

- **Performance management system**

- Adapting the system to address the new structures in the Corporate Plan and delivery plan.
- Improving system reporting to meet the needs outlined in the COSC session delivered on 10 October.
- A development session on the performance management system for performance champions, led by the corporate performance team

3.4 The longer-term improvements required are more difficult and cultural issues, that we will continue to work on through this financial year, they include:

- Developing a stronger culture of challenge (amongst officers) – developing and updating mechanisms for internal challenge, developing a programme of internal PI audits by the performance team, better understanding each other’s roles, responsibilities and timelines, accepting and responding to constructive feedback
- Developing a stronger culture of challenge (amongst members) – improving the presentation of performance data (as recently discussed with the Corporate Overview and Scrutiny Committee), ensuring members understand, prepare for and enact their roles in scrutinising and challenging performance, clarifying, improving and agreeing the role of scrutiny in performance management.
- Improving our use of user perspectives, survey and satisfaction data (through work the corporate performance team are undertaking with the Corporate Overview and Scrutiny Committee from January 2024)
- Improving (or even replacing) the performance management system.

#### **4. Equality implications (including Socio-economic Duty and Welsh Language)**

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

5.1 This report proposes an approach to improve the measurement of progress against the following corporate well-being objectives under the Well-being of Future Generations (Wales) Act 2015 that form part of the Corporate Plan 2023-28:-

1. A County Borough where we protect our most vulnerable
2. A County Borough with fair work, skilled, high-quality jobs and thriving towns
3. A County Borough with thriving valleys communities
4. A County Borough where we help people meet their potential
5. A County Borough that is responding to the climate and nature emergency
6. A County Borough where people feel valued, heard and part of their community
7. A County Borough where we support people to live healthy and happy lives

5.2 The 5 ways of working set out in the Well-being of Future Generations (Wales) Act have also contributed to the Council developing its own five ways of working. The ways of driving and measuring those ways of working is also contained in the Corporate Plan Delivery Plan.

## **6. Climate Change Implications**

6.1 There are no specific implications of this report on climate change. However, our new performance framework includes measures and targets to help us assess the Council's performance on areas including climate change.

## **7. Safeguarding and Corporate Parent Implications**

7.1 There are no specific implications of this report on safeguarding or corporate parenting. However, our new performance framework includes measures and targets to help us assess the Council's performance on areas including safeguarding and corporate parenting.

## **8. Financial Implications**

8.1 There are no financial implications arising directly from this report.

## **9. Recommendation**

9.1 The Committee is recommended to: -

- Consider progress against the Performance Management Improvement Plan.

## **Background documents**

None.