

## Meeting 1 – Scoping

Tuesday 29 April 2008

### Introduction to Performance Management

Wyn Williams, Head of Performance and Business Improvement, gave a brief introduction to performance management and explained how it worked in Richmond upon Thames.

The following issues were discussed:

- The 2007 Corporate Assessment Report
- The management framework operated by officers
- Involvement of Councillors and other stakeholders in the process
  - Reporting to Cabinet and Overview and Scrutiny

It was noted that the Performance Management Task Group had been set up in response to the 2007 Corporate Assessment report. Members did not want to duplicate work going on elsewhere and asked the Senior Scrutiny Officer to find out what Cabinet was doing in response to the findings.

### Terms of Reference

Based on the findings of the 2007 Corporate Assessment, Members agreed that the remit of the Performance Management Task Group should be to investigate, fully, the Council's Performance Management Framework with a view to making recommendations to Cabinet before the end of the year, possibly in September.

With such a wide remit the task group agreed to focus on the following issues:

- Clarifying the problems associated with performance management in Richmond upon Thames
- Identifying what a good performance management system looks like
- Identifying what the Council needs to monitor and on whose behalf
- Looking at ways to improve the presentation of performance data
- Member engagement – ensuring Members have the tools/skills they require to challenge poor performance effectively.

## Meeting 2 – Evidence Gathering

Wednesday 21 May 2008

### Introduction to Performance Management by Dr Philip Whiteman

Dr Whiteman covered the following issues in his presentation:

- Measurement and management
- The perversities of performance
- Role of regulation and government
- The role of the Audit Commission



- Comprehensive Performance Assessment
- Comprehensive Area Assessment
- Performance Management of Partnerships
- The method and role of scrutiny
- The importance of having a holistic system in place
- The importance of corporate leadership

The presentation of performance data was discussed and Dr Whiteman explained that it was important Members were able to use the information that was published. Dr Whiteman explained that in some authorities performance and scrutiny officers worked in the same team and this helped with the scrutiny of performance as there were often key lines of inquiry for each report.

In terms of presentation Dr Whiteman suggested looking at reports from Maidstone Borough Council, Worcestershire County Council, Staffordshire County Council and Wolverhampton City Council. Christian Scade agreed to make contact with these local authorities (and others).

Dr Whiteman concluded by saying 'measurement is not a substitute for management but guesswork is a poor substitute for measurement' and stated that Overview and Scrutiny should ensure the performance management agenda is driven forward.

## **Performance Management and the Audit Commission**

From his experience, as a corporate assessment team leader, Mr Cannon noted that while systems were important it was essential that local authorities developed a performance culture that was consistent, rigorous and open.

Key messages from the Audit Commission include:

- Systemic monitoring and review is needed to stay on track
- Councillor involvement is important when developing a performance culture
- Performance management should be integrated with management of resources so that resources follow priorities - targets should be linked to resources
- Scrutiny should be outcome focused
- The Council should be open to external evaluation and challenge
- Users should be involved in evaluating performance
- Performance management should be used to drive continuous improvement
- A performance culture should be cross-departmental and corporate with involvement from every level of the organisation.

Mr Cannon informed the task group that the London Borough of Camden and the Royal Borough of Kensington and Chelsea had both been able to deliver continuous improvements due to the emphasis that had been placed on developing a strong performance-driven culture. Further information about the approach used by Camden and Kensington and Chelsea was outlined in a briefing paper that was tabled at the meeting.

The task group were informed by Mr Cannon that in the future the Audit Commission would place more importance on the performance management of partnership working. As a result, the task group agreed it would be important to look at this issue as part of the review and agreed the Comprehensive Area Assessment should be considered before making recommendations.

The task group thanked Mr Cannon for his presentation but were concerned by the approach taken by the Audit Commission in some areas. These concerns, which relate to 'a focus on



managerial culture at the expense of local democracy', would be outlined in the task group's final report.

## Meeting 3 – Evidence Gathering

Tuesday 10 June 2008, Wandsworth Site Visit

### Cllr Malcolm Grimston, Cabinet Member for Environment & Leisure

MG gave a brief introduction to performance management and explained that it wasn't just a technical activity as it represented the practical steps needed to turn a vision into a reality.

MG stated there should be clear roles for councillors performing various tasks – executive, scrutiny, community leaders – as well as clear roles for officers. In particular, he believed that councillors needed to set clear political priorities and ask the right questions of officers, to ensure policy decisions were carried out.

A number of other points were raised, including:

- At Wandsworth the Executive takes lead responsibility for performance management. However, they don't have a Portfolio Holder with specific responsibility for the issue.
- Wandsworth has eight (service based) overview and scrutiny committees. Their role is to ensure Cabinet is delivering on performance ('a check and balance').
- The importance of understanding and knowing what you (as an organisation) want to achieve was discussed. MG explained that it was important to have well defined and regularly reviewed priorities. Wandsworth's objectives are set out clearly in their corporate and community plans – staff, at all levels, are aware of them. It was explained that a 'clear vision from the top' helped to drive successful performance management.
- The importance of recognising targets which relate to local priorities was discussed. Wandsworth have a limited set of key targets (often cross-cutting). This helps them to understand how they are doing in relation to their priorities.
- Wandsworth believe that if you have too many targets it is hard to focus on the bigger picture.
- MG explained that financial reporting should be linked to performance reporting.
- Comparative performance: Wandsworth use this information to make improvements, especially in relation to local priorities.
- Wandsworth have started to use non-stretching (slack) targets in areas which are not a priority. This slack allows very tough targets to be set in other areas. This has helped them to deliver on their priorities / their vision for the community.
- The importance of communication (across the organisation) was noted.



## Roger Appleton, Head of Policy & Strategy

RA gave a presentation which outlined how Wandsworth used performance data to improve service delivery. A copy of his presentation was tabled at the meeting and covered the following issues:

- Performance Measurement Models
- Setting targets
- Reporting on performance
- Dealing with poor performance
- Motivating staff to deliver high quality
- Rewarding performance – including performance related pay and linking regular appraisals to career progression
- Recruitment

RA explained that continuous improvements could be made only if good and bad performance was reported. The importance of having accurate and honest data was noted.

Wandsworth use administrative data and consultation results to make hard decisions. The importance of using both types of information was noted.

RA agreed to send task group members examples of the types of performance reports seen by Cabinet and Overview and Scrutiny Committees.

## Meeting 4 – Evidence Gathering

18 June 2008

### Camden Site Visit

- Both the Leader and the Chief Executive of Camden take a keen personal interest in performance management.
- The Leader, Cllr Moffitt, holds quarterly meetings with his Cabinet Members to discuss performance issues. Cabinet Members are held to account by the Leader in relation to performance issues.
- Finn O'Brien, Head of Performance, gave a short presentation on performance management and how it worked in Camden. A copy of the presentation was tabled at the meeting.
- The importance of having strong leadership at the top of the organisation was noted as being a key factor in Camden's success.
- The Chief Executive had worked hard to turn Camden into 'One Council'. In order to do this, clear objectives were set in relation to performance management. These can be summarised as:
  - Focusing on what matters
  - Being clear about responsibilities
  - Adding value



- No surprises
- By turning their 'One Council' vision into reality it means that:
  - All Corporate Management Team members can name, and be consistent about, the top five performance issues facing Camden (at any one time).
  - Managers responsible for delivery feel that they have appropriate performance management skills, support and empowerment to manage performance.
  - Staff can relate, with confidence, their role in delivering Camden's priorities.
  - There is a raised public awareness of council performance, service standards and targets.
  - External partners are confident the local authority manage performance effectively and deliver improved services.
- The importance of having the right conversations at the right level was noted and it was explained that Camden used a variety of techniques to keep staff (at all levels) informed. For example:
  - Regular corporate briefs
  - Training modules on performance management for managers.
  - Each team / department has a performance champion
  - The integration of corporate values into the staff appraisal system
  - The staff newsletter is used to inform staff of performance issues
  - Key messages are repeated regularly
- Cllr Moffitt and Finn O'Brien both noted the importance of setting clear priorities in relation to the Community and Corporate Plans. Local authorities are unable to prioritise everything and as a result it's important to have a clear focus and to understand what you want to achieve.
- Finn O'Brien explained that the following issues needed to be considered in relation to performance management:
  - Money
  - People / Staff
  - Customer Care
  - Monitoring (key) projects
  - Management of risks
- The presentation of performance data was discussed and an example performance report was tabled at the meeting. The task group agreed that the presentation was important and endorsed the template Camden had adopted.
- In terms of scrutiny all performance data is seen (using the template tabled at the meeting) by Camden's Corporate OSC. Other OSCs see performance data that is relevant to their terms of reference (presented in the same format). Scrutiny members use this information to hold the executive to account. If required they can ask for further information to ensure concerns are not forgotten about.
- The Camden approach highlighted that performance management should be used as a tool to get from A – B.
- Other key messages from Camden include:
  - The importance of thinking corporately all the time
  - The importance of being honest, recognising that good and bad performance should be reported and acted upon.



## Meeting 5 – Evidence Gathering

26 June 2008

### Una McCarthy, Performance & Projects Manager, City of Westminster

UM covered the following issues in her presentation to the task group:

- How the City of Westminster is performing and what the corporate assessment said
- What sets Westminster apart?
  - Managerial / political leadership and accountability
  - Clear links from ambition through to targets
  - Aligned reporting process
  - Strong partnership performance management
  - Communicating success and challenges
  - Member involvement
- Building and Sustaining a Performance Culture
  - Westminster are not afraid to learn from elsewhere
  - Share good (and bad) practice
  - Use inspection findings
  - Reward success
- Future challenges and improvement planning
  - Neighbourhoods & localism
  - Place shaping / CAA
  - Building capacity of scrutiny
  - How to keep raising the bar
  - Evidence based improvement
- It was suggested that the following questions should be asked when reviewing performance management:
  - Do you have clear priorities in your organisation and do resources follow these?
  - Do you set policy within a clear performance management framework?
  - Do you manage performance of these priorities effectively?
  - Do people at all levels of the organisation accept that performance management is part of the day job and in fact defines the day job?
  - Do you use data to inform decision-making and add value or do you have spreadsheets without purpose or portfolio?
  - Do you think that the culture and processes you have are robust enough and flexible enough to meet all the challenges facing the public sector?
  - Do you have a commitment to remain focused, particularly if improvements don't happen as quickly as you or your stakeholders would like?

### Janette Eustace, Lead Officer (Performance Reviews), Buckinghamshire CC

In 2002 Buckinghamshire CC had a well thought through planning and performance management system but the Audit Commission believed there were a number of weaknesses relating to:

- Inconsistency / Problems with accuracy
- No risk management strategy
- Slippage in their Best Value review programme
- 'Traffic light' system being in place but not embedded

In order to address these problems Buckinghamshire CC made a number of changes. They:

- Secured funding for a lead officer post



- Carried out a Best Value review of performance
- Followed up all areas of weakness identified by the Audit Commission
- Developed a 'virtual' performance monitoring team
- Improved Corporate Performance Reporting to focus on priorities, exception reporting for all red/amber status corporate plan indicators

In making these changes Buckinghamshire CC focused on:

- Developing a performance culture
- Making links
  - Integration of resource and service planning
  - Golden thread – linking strategic plans, through to business plans and individual outcomes
- Developing Processes and Communications

## Meeting 6 – Evidence Gathering

15 July 2008

### Meeting with Gillian Norton, Chief Executive

- Commenting on the Council's Corporate Assessment, GN recognised that improvements were needed but criticised the methodology used by the Audit Commission.
- GN agreed with the Audit Commission's findings in relation to limited Member involvement in monitoring the corporate plan. GN agreed that this needed to be addressed.
- The RuT approach to performance management was noted and GN explained that limited resources had affected the Council. However, since the publication of the Corporate Assessment extra resources had been made available to help address issues raised by the Audit Commission.
- Issues connected to creating a performance culture were discussed. GN believed that there was a strong performance culture in Richmond and noted improvements made to various services over the last couple of years. The 'Raising the Bar' initiative was discussed.
- GN explained that 'everyone' was responsible for performance management but noted that 'everyone' had different roles.
  1. GN believed that it was the Head of Paid Services responsibility to ensure the various systems were in place and work effectively.
  2. GN believed that the role for Cabinet was to talk about performance issues with senior officers and to take action when required. GN emphasised that Cabinet needed to deal with performance management issues corporately.
  3. GN believed that Overview and Scrutiny should consider performance data, asking questions to ensure key objectives were being met.
- GN explained that the priorities set out in the Corporate and Community Plans were very clear. However, under these plans, there were various (cultural) challenges that needed to be addressed.



- In order to overcome some of these challenges GN believed the Council needed to dedicate more resources to performance management.

### **Meeting with Cllr Serge Lourie, Leader**

- SL explained that the Corporate Assessment had been difficult for various reasons and criticised the methodology used by the Audit Commission especially in relation to performance management.
- SL explained that he had taken overall responsibility for performance management but Cllr Dodds, Cabinet Member for Performance, would deal with much of the detail.
- SL believed that performance management was an important tool because it's about taking action in response to actual performance to make outcomes for users and the public better than they would otherwise be.
- SL believed that the role of Cabinet was to ensure performance management systems were in place and to manage performance accordingly.
- SL believed that the role of Overview and Scrutiny was to ask challenging questions to ensure targets were being met
- SL believed that Executive Board had a key role helping Cabinet to bring things together corporately.
- SL explained that as Leader he held monthly one-to-ones with each Cabinet Member. These meetings were used to discuss performance and the task group were informed that each meeting had a corporate element to them. However, it was noted that it was difficult to get people thinking corporately all the time.
- SL recognised that thinking corporately was something that needed to be improved. This would help ensure priorities set out in the Corporate and Community Plans were achieved.
- SL also believed that committee reports (especially scrutiny ones) had often been too long and had limited Members ability to challenge performance.
- In terms of the performance management of partnerships both GN and SL agreed that more needed to be done to improve understanding amongst Councillors and members of the public of the work / role of the Local Strategic Partnership.

### **Meeting 7 – Evidence Gathering**

**5 September 2008**

#### **Meeting with Rick Turner, Borough Commander**

- RT explained that the police faced a rigid performance regime. As a result it was extremely important partners exchanged data effectively.





- RT noted that he was very impressed with the way the police worked in partnership with the Council.
- In terms of the Local Area Agreement (LAA) it was explained that many of the objectives were similar to local policing targets. RT noted that this “made things easier”. However, he also believed that the Local Strategic Partnership (LSP) didn’t always receive the information it needed to carry out performance management effectively.
- Due to these difficulties and the Audit Commission’s findings<sup>1</sup> the LSP had recently modified its structure to make it easier to manage performance against key priorities. This was endorsed by the task group who agreed that the right structures needed to be in place to ensure performance management of partnerships was improved. It was agreed that it would be useful for the task group to see the paper work in relation to the changes before they drafted their report.
- RT believed that Councillors should act as a ‘check and balance’ in relation to the LSP and explained that it was important to recognise what the LSP was trying to achieve, focusing on areas where improvements needed to be made.
- In terms of improving performance management of partnerships RT believed that there were a number of challenges that needed to be addressed. These are summarised below:
  1. Conflicting targets
  2. Conflicting data
  3. Data duplication
  4. Ensuring (all) targets are joined up
- RT believed that these risks could be minimised by means of exemption reports, from each partner organisation, with the LSP having a mechanism for following issues up outside of meetings.
- RT also believed that communication relating to the performance management of partnerships needed to be improved. It was agreed that key messages needed to be communicated to staff (at each partner organisation) and Members in an accessible way. The task group agreed better communication would allow each level of the LSP to understand their role in achieving the objectives set out in the Community Plan.

### Meeting with the Directors

- **Jeff Jerome, Director of Adult & Community Services**
- **Mark Maidment, Director of Finance and Corporate Services**
- **Trevor Pugh, Director of Environment**
- **Nick Whitfield, Director of Education and Children's Services**
- MM noted that at service level performance management was done well. However, it was acknowledged that the reporting of data needed to be improved. It was agreed that better presentation would increase member engagement.
- TP recognised that presentation was important and informed the task group that work was being done to make improvements.

<sup>1</sup> See paragraph 75 of the Corporate Assessment



- TP explained that it was important that staff (at all levels) were clear about the priorities outlined in the Corporate and Community Plans and they were clear about what they needed to do to achieve these objectives. To achieve this it was recognised that more needed to be done to communicate key messages to all staff on a regular basis.
- The informal approach and the culture of Richmond upon Thames were discussed.
- NW explained that the start of the performance management process was very important and careful consideration should be given to the setting of priorities and target setting. The importance of the 'golden thread' was discussed and NW believed that "to get better we need to be better at the beginning of the process".
- TP acknowledged that it was important to involve staff, at all levels, when setting priorities and targets.
- It was recognised that corporate priorities should be addressed by each service plan. Links between various plans were discussed and it was acknowledged that these needed to be improved. Making these improvements would increase the effectiveness of performance management in Richmond upon Thames.
- It was noted that there were currently no mechanisms for resolving conflicting priorities.
- JJ noted that the limited corporate approach to performance management was an issue that needed to be resolved. Officers agreed with Cllr Samuel that there were two questions that needed to be addressed during the policy making process:
  - Is the policy correct in itself?
  - Does the policy contribute to the corporate and / or community plan?
- The importance of using qualitative data from service users was also discussed and it was agreed that this type of data had the potential to improve performance in a variety of ways.

## Meeting 8 – Evidence Gathering

8 September 2008

### Meeting with Houda Al-Sharifi, Director of Public Health

- The task group were informed that the PCT had been heavily involved in setting the priorities outlined in the Community Plan. However, HA agreed that targets needed to be more outcome focused.
- In terms of the Local Area Agreement the PCT didn't believe there were enough financial incentives.
- It was noted that the volume of work / length of Local Strategic Partnership (LSP) agendas had the potential to limit effectiveness. It was agreed that shorter documents would allow people to comment meaningfully on performance issues.



- The recent modifications to the LSP structure and the work carried out by the sub-groups were discussed. It was agreed that the new 'Executive Group' would need to play an important role in relation to managing performance across the LSP.
- The roles and responsibilities of LSP partners were discussed in relation to cross-cutting issues. It was agreed that responsibilities for such issues were sometimes blurred and it was suggested that these needed to be clarified to ensure clearer lines of accountability.
- The 'democratic deficit' in relation to health was discussed although HA informed the task group that the PCT had been impressed by the work carried out by health scrutiny. HA hoped that this 'critical friend challenge' would continue.
- In terms of Member engagement, it was agreed that the structures don't exist to enable Councillors to challenge performance in relation to the LSP.

### **Meeting with Cllr Jane Dodds, Cabinet Member for Performance**

- The post of Cabinet Member for Performance was a new role and JD had been in position since May 2008.
- JD explained that there was a need to:
  - Focus on specific performance areas
  - Maintain levels of service in areas where the council is performing well and promote these successes
  - Improve presentation of performance data so all stakeholders (staff, partners, councillors etc) understand performance issues and what is being done to tackle poor performance.
- The task group noted that performance management was good at service level but weak corporately. JD acknowledged these concerns and informed the task group that she would be working with each directorate to ensure more consistency, especially with reporting. The task group were informed that an away day was planned and this would look at ways to improve consistency and ensure the priorities outlined in the corporate and community plan were achieved. JD explained that a 'performance calendar' was also being developed. This would ensure all stakeholders were aware of what needed to be reported and when.
- JD explained that while other Members of the Cabinet were responsible for performance in their own areas, she would help out and assist where necessary, especially on cross-cutting issues. JD explained that working across portfolios was very important and this was something she would be addressing in her new role.
- In terms of the Local Strategic Partnership (LSP) the task group were informed that the Cabinet Member for Performance could attend meetings as an observer only. The task group believed that given the remit of the new LSP 'Executive Group' and the role of the Cabinet Member for Performance it might be beneficial if JD was able to contribute at future meetings.

