

If you would like additional copies of the report or further information, please contact:

Scrutiny
LB Richmond upon Thames
York House
Richmond Road
Twickenham
Middlesex TW1 3AA
T: 020 8891 7191
F: 020 8891 7701
E: scrutiny@richmond.gov.uk
W: www.richmond.gov.uk/scrutiny



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FOREWORD



I have much pleasure in presenting this Task Group Report to my colleagues on the Coordination, Finance and Performance Commission and of course the ultimate recipient the Cabinet. It is a piece of work of great interest to us all and it can be seen from the report the attention to detail that exemplifies the Chair. It is a thoughtful piece of work by all concerned and I would like to express my thanks to its Chair Councillor Samuel, as well as, to his colleagues, Brian Miller, Jerry Elloy and Barrie Hatch for the time and effort involved in such work, also to Christian Scade, Senior Scrutiny Officer, for his assistance as facilitator to the Task Group. The narrative approach and the length of the report will not escape the eagle eye of the Chair's colleagues, succinct and to the point.

The recommendations are all those which we and the Cabinet should support and hopefully this will improve Performance Management within our local authority, the comments and observations that this report makes, as well as, its recommendations, are part of the whole and should also be taken into consideration to the fullest extent possible.

Councillor Sue Jones

Chair of the Co-ordination, Finance and Performance Commission



INTRODUCTION



As Chairman of the Task Group I would like to thank my colleagues for their commitment and support. We have worked well together and every aspect of our report is unanimous.

We needed to keep in mind that Performance Management is not simply the receipt and response to lengthy reports: its outcome must be an improvement in the services which our residents receive. Complacency is the enemy of improvement.

Our investigation led us to reflect on the culture of the organisations which we examined, rather than their organisation and administration. To that extent this is different from other reports.

At all times we were supported by Christian Scade, whose enthusiasm and genuine interest in this topic inspired our work. I know we all enjoyed this piece of scrutiny. It will have been worthwhile only if it results ultimately in benefits to our residents.

Cllr Geoffrey Samuel
Chairman of the Performance Management Task Group

TASK GROUP MEMBERSHIP

- Councillor Geoffrey Samuel (Chair)
- Councillor Brian Miller
- Councillor Jerry Elloy
- Barrie Hatch



INTRODUCTION

1. It was perhaps not surprising that some Members and Officers could not accept the Corporate Assessment criticism of our Performance Management. After all, some of the Councils held up as Performance Management exemplars had lower scores on key services than Richmond.
2. Comprehensive Performance Assessment (CPA) service scores for most Richmond services are at the highest level and we are one of the small number of authorities achieving the maximum score for Value for Money. However, our task was to set such defensiveness aside, explore some of the Councils that are top rated for performance management and see what we could learn from them.
3. This is also a time of change, from the highly prescriptive Government regimes of Best Value and Comprehensive Performance Assessment, which had specific performance reporting requirements, to the Comprehensive Area Assessment (CAA). CAA enables more emphasis on local and partnership services, encourages community engagement and reduces the performance reporting requirements.
4. This report summarises our investigation. However it does not lend itself easily to a raft of 'Recommendations' with the tick-box approach that they engender: for the most part we present our findings as a narrative which may, we hope, influence Council thinking. We would therefore welcome comments on the report as a whole.

TERMS OF REFERENCE

5. Based on the findings of the Corporate Assessment¹ it was agreed that the remit of the task group should be to investigate, fully, the Council's Performance Management Framework. A summary of the Audit Commission's findings, in relation to performance management, is attached at **Appendix A**.
6. With such a wide remit it was agreed to focus on:

¹ December, 2007



- Clarifying the problems associated with performance management in Richmond upon Thames (including partnership working)
- 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.

METHODOLOGY

7. We decided to begin our work with sessions with both an academic and an Audit Commission Officer: then either visit or receive Members/Officers from four highly rated Councils: hold discussions with the Leader, Cabinet Member for Performance, Chief Executive and (as a group) the Directors: and conclude with two key partners – the Police and Primary Care Trust.

WHAT DID WE LEARN?

8. The purpose of performance management is improvement.
9. Dr Whiteman of INLOGOV provided us with the right stimulus at the beginning. Christopher Cannon enabled us to understand the Audit Commission's approach. It is heavily managerial. There are those who will ask whether this is totally appropriate to Councils which all face democratic accountability and have to cater for an opposition. If the Audit Commission can teach us about management, we can certainly teach them about democracy. There was a high degree of overlap between the four excellent authorities (Buckinghamshire, Camden, Wandsworth and Westminster): this has made it easier to draw conclusions and understand how to achieve Grade 4.
10. The Leader and Chief Executive were helpful as political and professional leaders respectively. The Leader emphasised that responsibility for performance management ultimately lay with him. This approach was similar to the four excellent authorities who agreed that leadership from the top of the organisation was essential. The Cabinet Member for Performance told us that the success of her role depended on her good working relationship with colleagues: she 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. There was some interesting, creative discussion with the Directors especially on culture and qualitative evidence on performance.

11. Whereas the two 'partners' had much in common (coping with a situation where some targets were not compatible and the sheer volume of paperwork) they contrasted in that there are several ways in which the public can meet and challenge the Police at neighbourhood level but no equivalent in the Health Service. See **Appendices B – C** for summaries of the evidence collected.

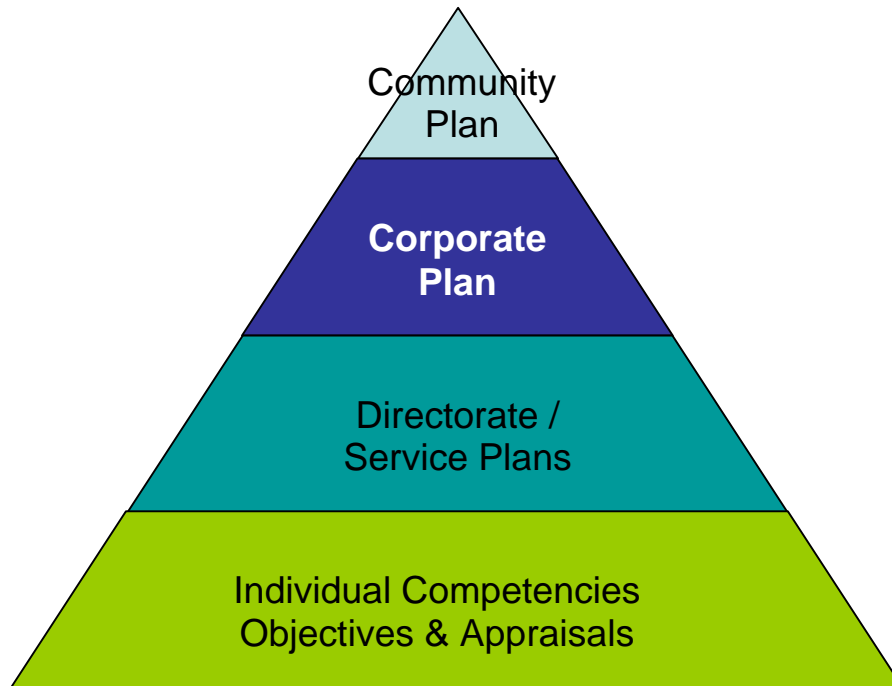
FINDINGS

Culture

12. We readily agreed that the principal difference between Richmond and the 'excellent' Councils was one of culture. Performance management of our services appeared to be as good as theirs and we have a similar approach and systems: the difference was that the corporate aspect predominated in them to a far greater extent than in Richmond. It almost seemed that in some respects our 'corporate' plans were a sum of the services whilst in a different culture the 'corporate' is the starting point; corporate priorities pre-dominate: service priorities are derived almost a priori from corporate priorities. This enabled them (though we have no evidence to prove it) to feel no embarrassment if they received a poor score for a non-priority area.
13. Whereas in fact the difference between Richmond and the four is small in practice, the difference in the underlying philosophy is greater. In Councils with a high performance culture, performance management is embedded in the organisation and not merely a matter of review, challenge or scrutiny. There is a culture that enables Officers, if a target has not been met or performance is declining, to make improvement the heart of a report rather than defend poor performance. To progress, the task group believe that change in this area is essential.
14. Clear communication and the importance of understanding 'what we want to do (and not do)' was raised by all the authorities we interviewed. It was agreed that



the 'golden thread' (cascading objectives from the Community Plan through to individual work plans) needed to be understood and implemented across the organisation.



15. In order to do this we recommend using a simple and powerful message, in relation to the priorities set out in the Corporate and Community Plans. An example from the London Borough of Lambeth is attached at **Appendix D**. By using various techniques, we hope increased communication will help ensure a better understanding of Richmond's priorities at every level and that this in turn will improve performance management.

16. We were pleased to find out that the staff appraisal and development scheme acknowledges an individual's contribution to corporate goals. This is endorsed and we hope this can be further developed.

17. It is for the Administration to decide how to respond to these clear findings: they set out the path to Grade 4.

"Death by Numbers"

18. "Beware of death by numbers" warned Dr. Whiteman. Performance Measurement is not the same as Performance Management. This is a very important difference. Meetings where discussion merely centres on the



numbers/figures reported are clearly not Performance Management. We address this in sections 21 - 23. We were impressed by the Director who told us that he was increasingly interested in qualitative reports rather than numerical reviews. It is obvious that even if a service ticks all the boxes, the experience of that service by residents may be less than satisfactory.

19. An ideal would be to have a balanced view of service performance that considers the views of users including complaints as well as performance measures along with financial, resource and service demand or uptake information that provides a contextual background. We suggest that the frequency of reporting should also be decided, for example an annual report covering directorate performance and quarterly exception reports to monitor Corporate Plan priorities. We also believe that quarterly reports should include brief updates on the progress with the projects and programmes that are intended to improve performance to meet priorities.

Qualitative reports

20. We would hope that Officers will increasingly use qualitative as well as quantitative data in their reports. Several sources are easily available. An analysis of complaints is an obvious source: complaints must be seen as an opportunity rather than a threat. The citizens' panel, consultation exercises etc are also valuable. The experience of Members', although anecdotal and hardly representative, can be taken into account.

What are the obstacles?

21. An excessively long report can be an obstacle to an effective challenge in a meeting. The cliché of an inability to see the wood for the trees applies in this case. If the average person takes two minutes to read a page of A4 (advice from a course provider on effective reading) then a 300-page document is ten hours work. In point of fact, most Members will select or skim. Representative democracy means that some Councillors will be in full time work: an inclusive Council will ensure that they are able to make contributions as well informed as their retired colleagues. One of our 'partners' told us that he/she read only the Executive Summary of reports: whereas this may not be appropriate to



Performance Management we urge Officers to write reports that Members will want and be able to read rather than give every piece of available information.

22. The Audit Commission comment that 'information lacks differentiation' is fair. The crunch is whether Officers are prepared to differentiate and give greater space to services that need improvement rather than those with a smiley face, a green, a tick or arrow – or whatever icon is currently in vogue. One approach might be to concentrate on performance in relation to meeting the corporate priorities of the Corporate Plan and Local Area Agreement and within these, focus on objectives that are not being met or where performance is not as expected.

“Councillors provide insufficient challenge”. Is this fair?

23. Whereas we, in our turn, must not be over-defensive, we do believe that Members are not always given the tools that will lead to effective challenge. They are given information – too much, at times – but they should be able to rely on Officers to guide and assist them. The four 'excellent' Councils gave us examples of their reports and we are placing copies in the Members' Room. Here we do wish to be prescriptive. The principal purpose of a report should be to draw the attention of Members to areas of performance which need improvement. It should always include a paragraph (no more) which sets out (with sufficient detail to enable monitoring) the actions which the Officer is taking to bring about an improvement. These actions could involve Members. If the report which follows in three/six months shows either that the promised action has not been taken or there has been no real improvement, then the matter should be referred to the Cabinet Member for Performance for investigation and report. We also accept the need for qualitative reports and ask the Executive Board to ensure that Members receive qualitative as well as quantitative data. This should assist them in 'managing' as well as 'measuring' performance.

Performance Management of Partnerships

24. The vehicle is the Local Strategic Partnership (LSP). It is currently chaired by the Leader, supported by the Chief Executive and involves some Cabinet Members in its work. We were interested to hear from two major partners their experience of the LSP.



25. We were told that some of the weaknesses identified by the Audit Commission had already been addressed, for example the creation of an executive group to provide performance management of the Local Area Agreement. This development is endorsed but the task group was surprised that the membership of the new group does not currently include the Cabinet Member for Performance.
26. Another issue of concern is that not one of the four of us had any real involvement or even understanding of the day-to-day work of the LSP. This may, of course, be due to the deficiencies of the four individuals: but it is equally likely that the system does not make it easy for Councillors, other than Cabinet Members, to have any involvement. If Councillors are expected to be in a position to 'challenge' the performance of partnerships, how is the ordinary back-bench Councillor to do so? We have no answer – but merely know that this must be addressed if every Councillor is to be in a position to exercise the challenge that the Audit Commission expects².

² We note that the Leader is arranging a seminar to discuss the workings of the LSP.



TABLE OF RECOMMENDATIONS

No.	Recommendation
1.	In so far as the formulation and communication of corporate priorities are the starting point for effective management, the Chief Executive and Leader of the Council should devise methods of improving this process.
2.	That all performance reports should follow a similar format; succinct reports making full use of colour are most effective.
3.	That annual performance reports provide a wider perspective of performance by including information on service performance, service user views, finance and service use.
4.	That for every report of performance which is cause for concern the Director should append a paragraph detailing the exact measures to be taken to effect an improvement.
5.	That in every case where improvement does not occur after a period of six months the matter shall be referred to the Cabinet Member for Performance for investigation and report to the Commission.
6.	That the Leader invites the LSP to consider our report and devise ways (without the need for additional meetings or detailed reports) by which every Member of the Council can be in a position to challenge partners.



APPENDICES

Appendix A

Corporate Assessment – Summary

Appendix B

Timetable of meetings

Appendix C

Notes from meetings

Appendix D

LB Lambeth – Corporate Priorities

An example of a simple and powerful message listed
on Council stationery / publications.

