



Performance Management Framework (PMF)

Document History

Document Title	Version	Reference/Date	Comments
Draft Performance Management Framework	0.01	April 2015	First Draft
Draft Performance Management Framework	0.02	May 2015	HR Manager suggested amendments
Performance Management Framework	0.03	July 2015	

Introduction

Performance management is a way of describing the number of different areas of work and management arrangements that the council uses to ensure that it achieves what it set out to do within the resources it has committed. It is also about how we consistently plan and manage improvements to our services.

To achieve this, the Performance Management Framework supports a systematic and coordinated approach with everyone understanding their part in the different processes and actively participating in them. Our framework provides the basis for ensuring that we understand the various elements which contribute to delivering effective and efficient services that meet the needs of the local community.

The Council has adopted this PMF to ensure that services are focused on continuous improvement.

Scope and Content

The Performance Management Framework sets out and helps us to:

- Be clear about what we are trying to achieve
- Understand exactly how we are going to achieve it collectively and individually
- Understand how we will monitor and report progress through regular evaluation and review
- Understand how the contribution of individual members of staff, managers, teams and Services relate to each other and help to deliver our priorities



Our Performance Management Framework provides an overview of the arrangements in place to manage performance and our performance management information system, CorVu (see page 4) provides performance information and data so that everyone knows; what needs to be achieved; what is required of them and when; what is measured and managed, and; what progress we are making - all in one place!

To help achieve our aims we are striving to ensure that the following characteristics, which are key in high performing organisations, are embedded at the Council:



Business Planning and Policy Framework – how the plans fit together

Business planning is the essential foundation for effective performance management. The purpose of business planning is to translate high level priorities into management action and linked measures of performance.

Business planning needs to be undertaken at all levels of the council. Our Performance Management Framework links plans and performance outcomes and measures together, connecting business priorities with the activities and actions of managers and staff at a Service, team and individual level.

The **Corporate Plan** is a central part of the policy framework setting out the corporate priorities and outcomes that the council aims to achieve over the next three years and the ethos for doing so.

The council plans its finances to deliver these priorities and to manage spending within available resources by producing and regularly updating a three-year rolling budget through the **Medium Term Financial Strategy** (MTFS). The MTFS summarises the same priorities and outcomes as the Corporate Plan but expresses them in financial terms, whilst highlighting any imbalance - being the need to make savings and manage expectations.

Underpinning these are other specific policies that explain the approach to particular areas of activity and that link to relevant legislation. Principle amongst these are the **Local Plan** identifying areas for planning development in the district and those that should be protected from development; the **People Management Strategy** (not yet developed) focusing on effective people management and development and making the best use of the skills of our workforce, and; the **Medium Term Corporate Property Strategy** setting out how the council manages its assets to ensure they are fit for purpose and opportunities are identified and managed.

Service Business Plans are produced annually by each of our Services showing what they will do to contribute to the achievement of outcomes within the Corporate Plan, and key operational actions and activities for service delivery.

Individual **Employee Development and Performance Appraisals** contain personal objectives that will help to achieve actions within the relevant Service Business Plan and/or the priorities and outcomes in the Corporate Plan.



Performance planning, monitoring and review cycle – what happens, when and how?

The performance planning, monitoring and review cycle provides an opportunity to continuously review our performance and to take early action if something is going wrong. There are four stages to the process:



Planning – Where are we now and where do we want to be?

Where we are now is reflected in actual performance against our agreed success measures (at both a corporate and Service level). This helps us to interpret data and contextual information to understand current performance, look for recognised trends (if there are any) and identify opportunities that will improve performance and help us to get to where we want to be through planned and systematic changes.

Doing – How do we get to where we want to be?

To get to where we want to be we need to maximise our capacity to deliver actions set out in our various plans, manage risks and allocate resources and use performance management monitoring and information to ensure we remain on course.

Reviewing – How are we doing and are we there yet?

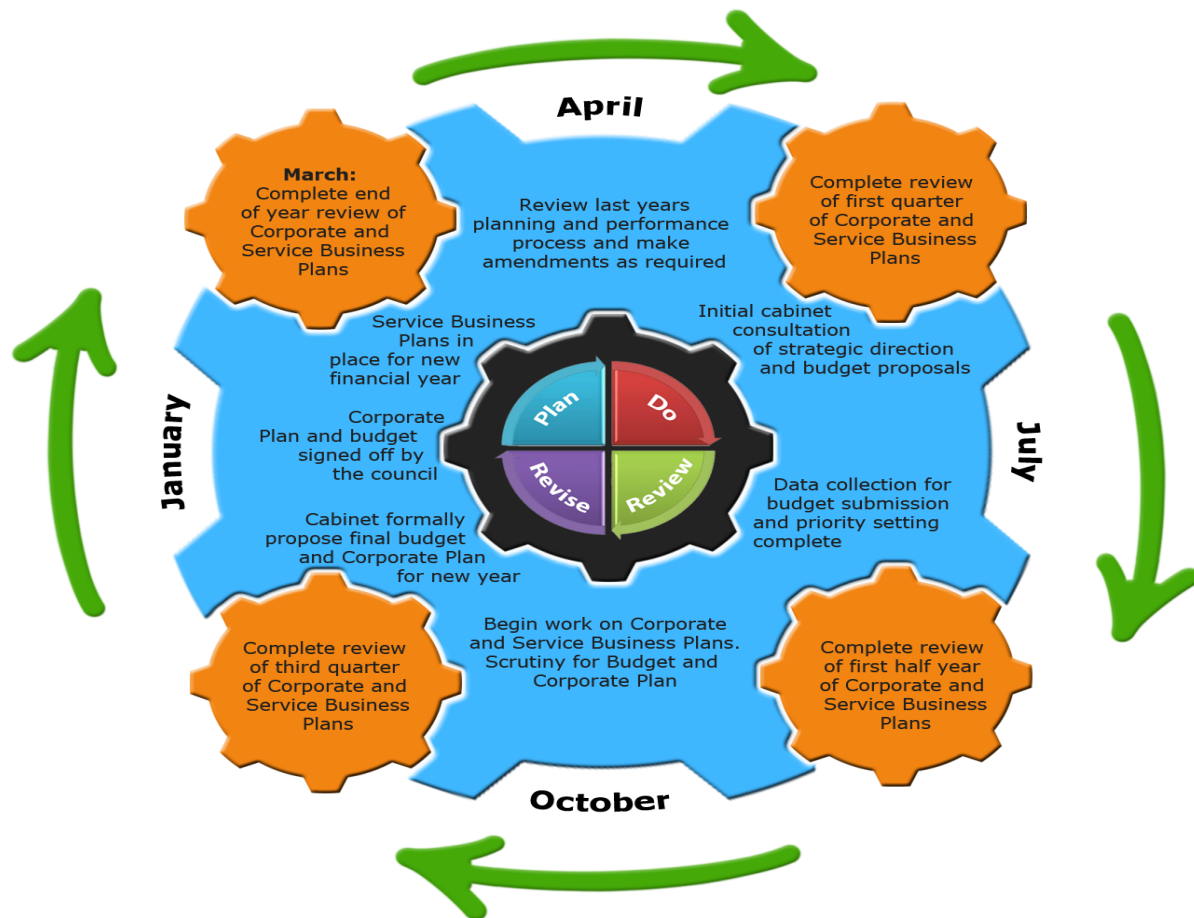
By monitoring and managing performance we can assess our progress towards achieving our ambitions.

Revising – What do we do next?

It is important that our services evolve to meet changing business needs and those of our residents. Having reviewed our performance we may need to change what we are doing to revise our ambitions and priorities in light of emerging issues and lessons learned so that we continuously improve the services we deliver.

To maximise the effectiveness of business planning and the performance monitoring and review cycle a timetable sets out how these align to each other, and to the budget monitoring and financial planning process.

Our business planning broadly takes place on an annual cycle, but in order to respond effectively to ever changing environment in which we have to deliver services to our customers, planning and reviewing is an iterative process that also takes place on a quarterly and, in some cases, monthly basis. The diagram below sets out the annual business planning and performance cycle:

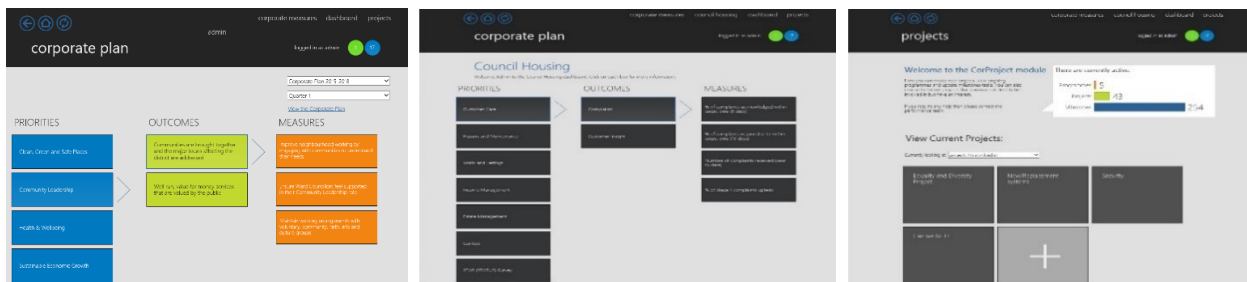


Performance Management Information System - CorVu

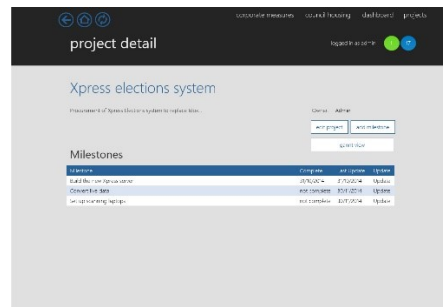
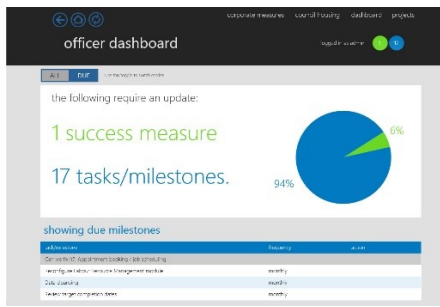
To facilitate efficient and effective performance management, important data and related contextual information is monitored and reported through CorVu our performance management information system.

The system provides a number of advantages that will help to make the most of one of our most important assets: information. These advantages include:

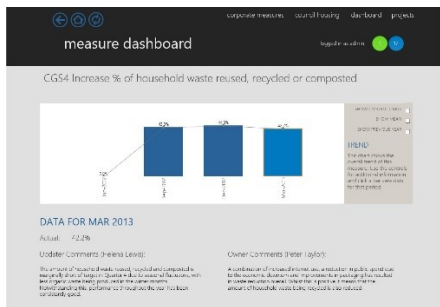
- A single centrally managed source of evidence that performance to deliver plans and projects is being managed
- Interactive 'Strategy maps' that provide a visual demonstration of how priorities, outcomes and success measures and any related project activities link together



- Ability to run automated Service Business Plans and Employee Development Performance Appraisals
- A real-time snapshot, in one place, of how the council is progressing against its plans, strategies, projects and programmes



- Performance and project management activities presented in different ways with intuitive and dynamic dashboards, reports and graphs at a corporate, Service and individual level of responsibility



- Activities contributing to more than one priority/outcome/plan entered once but reported multiple times to different audiences
- Links to other performance and improvement drivers including internal/external audits; peer reviews and service based improvement programmes/action plans
- Capability to make the most of business/customer intelligence and benchmarking across the council and externally though a direct link to [LG Inform](#)¹



Accountability – taking responsibility for results

Effective performance management requires clearly defined and structured accountability. Business planning and regular review and revision need to take place at all levels of the council – the different roles and responsibilities expected from each of these is set out below:



¹ LG Inform is the LGA's free data service which presents up-to-date published data about the local area and the performance of the council. LG Inform can help review and compare our performance with other councils

- **Cabinet and Overview and Scrutiny:** Ultimately, councillors are responsible for setting the direction of the council. Cabinet Portfolio Holders meet with Chief Officers to discuss performance under their areas of responsibility. The Leader of the Council, as the Cabinet Portfolio Holder with overall responsibility for performance, reports quarterly to Cabinet. Overview and scrutiny are involved in performance management on a selective and strategic basis through task groups and the **Budget and Performance Panel** (acting on behalf of Overview and Scrutiny) examine performance data each quarter, detecting trends and identifying key areas of concern.
- **Management Team** review performance at least every three months and can ask managers to review areas of concern and agree management action to address underperformance at any time.
- **Chief Officers** are responsible for overseeing the performance of the whole of their Service. They make sure that Service plans are monitored at least every three months and regularly provide progress reports to the appropriate Cabinet Portfolio Holder(s). Where success measures/actions and project milestones are significantly off-track the 'owner' will escalate the matter to the Chief Officer (referred to as the 'escalation owner') who will determine what further remedial action/resource is required or whether it would be of more benefit to terminate the activity/project all together.
- **Service Managers:** Managers will be assigned as 'owners' of success measures/actions and project milestones with overall responsibility for their performance and early intervention if things are going wrong so that action can be taken to get back on-track. Service managers (and possibly Teams within Services) meet regularly to share information; review progress of Team/Service plans; take action to deal with underperformance; develop ideas; identify emerging issues and areas of work for the next plan and agree a way forward on a variety of matters. Service Managers will have general responsibility for corporate activities / actions such as sickness absence management; governance and assurance and health and safety. Whilst, various mechanisms are in place to monitor these CorVu will be developed so that relevant data/information is captured in one place.
- **Individuals:** All staff have a responsibility to deliver the tasks that have been agreed in their appraisal and understand how their work contributes to team, service and council priorities. Within the CorVu system individuals will be assigned to success measures/actions and project milestones that they will be responsible for updating data/information and commentary at agreed frequencies (i.e. monthly/quarterly/half yearly/annually)

Support

Support is available to provide advice, experience, knowledge and techniques that will help to deliver improvement through business planning and performance management.

Human Resources and Organisational Development coordinates the council's performance management, monitoring and reporting and provides guidance and support on corporate and service business planning arrangements. They also support the delivery of quality services through continuous business improvement and the development of a skilled and motivated workforce.

The PMF is the Council's core component in the delivery of a robust Corporate Improvement Plan. It draws together many activities to ensure improvement is planned, managed and effectively resourced.

Other support services (Governance Services and Resources) will provide advice and support so that governance arrangements are in place that will deliver the council's priorities whilst making the best use of resources that represent value for money and proper stewardship.

Financial management is a crucial part of the business planning cycle – planning how to allocate resources; understanding what can be afforded; managing the budget, and; cost and income risks. Resources (Finance) will provide sound financial advice and help find solutions and manage opportunities and challenges that will deliver services within available resources.



Assurance and Quality Control

Our performance culture is founded on the knowledge that everyone contributes through our performance management framework and, where appropriate, measurable activities at every level (i.e. individual; team; Service and corporate) that translate into outcomes that effect and have an impact on delivering and improving our services.

The key to this is determining success measures that are derived from **purpose**. This means understanding what the system or activity is there to do (e.g. Reduce hate crime and the fear of crime; Increase number of affordable homes) and then ensuring that the measure(s) help us to tell whether we are actually doing this.

Once we have the right measures, they must be measured right. This involves considering good quality data reported in a timely and accurate way that tells us about the **actual** performance of our measures. The key is to intelligently interpret data – as well as contextual information - and to use this to understand the capability of the system/activity, taking into account recognised trends/variations and identifying opportunities for improving performance where this is needed. The right measures then provide an evidence base from which to make decisions; initiate systematic adjustments and determine actions.

Further guidance for developing plans and performance measures and associated activities is available from the HR & OD Team.

PMF Evaluation

This PMF will be reviewed annually or when significant changes are made to the way the council plans and monitors performance to ensure it:

- Remains appropriate to the councils performance management needs
- Contributes to the achievement of measurable service/corporate improvements. The HR & OD Team will lead on the review of the framework and report to Management Team and the Leader of the Council who has overall responsibility for the council's performance.