

Development Committee**Report of the Head of Performance****Use of Performance Improvement Plans****1 Purpose of Report**

- 1.1 This report outlines the council's proposed approach to informing policy committees of the performance of the departments most closely associated with each of the three committees through the use of Performance Improvement Plans.

2 Executive Summary

Part of the role of the Audit and Performance (A & P) Committee is to scrutinise the performance of the council in relation to its targets. Where performance is below target officers can be called to account to explain why this is so and how they intend to remedy the situation. Where the A & P committee feels that the target is unachievable with the current resources available it may refer the matter to the relevant policy committee for consideration.

3 Appendices

Appendix A Performance Improvement Plan template plus instructions for completion

4 Proposed Action:

- 4.1 The committee is invited to RESOLVE to accept the use of Performance Improvement Plans to highlight where performance has fallen below or is expected not to reach target.**

5 Background

- 5.1 As part of the Council's performance management framework the three policy committees need to be aware if those services most closely aligned to their policy areas are performing below their targeted performance levels. The performance of these services will potentially impact on how the Council's policies are implemented.
- 5.2 It is the role of the Audit and Performance Committee to provide the member scrutiny of the Council's services and in particular their level of performance. This may entail the A & P committee making recommendations to a policy committee where performance levels have fallen below expectation and it is felt that management action alone will be insufficient to remedy the situation.

6 Discussion

- 6.1 The Audit and Performance Committee has the responsibility to scrutinise the performance of the Council in relation to its performance targets. These targets are set annually as part of the service planning cycle.
- 6.2 The role of the policy committees within the annual service planning cycle is to ensure that service plans are aligned with corporate policy and that value for money is obtained in terms of the cost of services in relation to their performance. In simple terms that the Council achieves the highest performance it can for the money spent. Thus, by approving annual service plans policy committees are stating what level of performance they expect to see in return for the money spent.
- 6.3 Subsequent to service plans being approved by members it is the responsibility of Heads of Service to meet the performance targets within the budgets allocated to them. Where performance is below target Heads of Service can be called to account to explain why this is so and how they intend to remedy the situation. This is done through the mechanism of 'Performance Improvement Plans' (PIPs) as part of the council's performance framework.
- 6.4 PIPs are reported to the Audit & Performance Committee as part of the overall scrutiny of the council's performance. PIPs detail the factors both internal to the council and from outside that are preventing the targeted performance being reached. They then go on to give an action plan of how these factors will be mitigated.
- 6.5 Having considered a PIP the A & P committee may come to the conclusion that a target is no longer achievable with the current resources available to the service in question. In this case or if it otherwise considers it appropriate it will refer the matter to the relevant policy committee for consideration.
- 6.6 When a PIP is referred on to a policy committee that committee can either:
 - (a) Amend the performance target to a level it considers achievable given the current circumstance;
 - (b) Consider if additional resources should be allocated to meet the target;
 - (c) Consider that the target is still achievable within the current budget.
 - (d) Take such other decisions as it considers appropriate
- 6.7 Members are asked to consider the process being proposed and to make any comments so that the performance management process can be formalised.

7 Legal Powers

- 7.1 Section 111 of The Local Government Act 1972 gives the Council the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.
- 7.2 Section 2 of The Local Government Act 2000 gives the Council the power (subject to certain exceptions which do not apply here) to do anything which they

consider is likely to achieve the promotion or improvement of the economic, social or environmental well-being of the Borough.

8 Financial and Value For Money Implications

- 8.1 The efficient use of resources is a fundamental requirement for providing value for money. By closely monitoring the performance of the Council both in terms of the efficiency of its services and progress towards its corporate objectives (along with effective budgetary control) timely and reliable value for money information can be obtained.

9 Risk Analysis

This table needs to be completed for any report setting out a proposed course of action that entails risks at the outset of the project or if the risks change along the way.

Nature of risk	Consequences if realised	Likelihood of occurrence	Control measures
Performance Targets not achieved	Services not delivered in time or to required quality	Medium	Regular scrutiny of performance data by senior officers and members
Performance Targets not appropriate	Either too little or too many resources are allocated to a service	Low	Regular scrutiny of performance data by senior officers and members

10 Implications for Resources

- 10.1 The delivery of performance to targeted levels should lead to efficiencies and increase the likelihood of attracting resources from stakeholders

11 Implications for Stronger and Safer Communities

- 11.1 The delivery of performance to targeted levels should increase the effectiveness of efforts aimed at forging safer and stronger communities.

12 Implications for Equalities

- 12.1 The delivery of performance to targeted levels should result in better outcomes for all people and communities served by the Council.

13 Author and Contact Officer

Graham Stoppani, Head of Performance

14 Consultees

Director of Resources

15 Background Papers

Service Plans

Performance Records

ComPaSS Performance Improvement Bulletin – June 2009

Performance Improvement Plan

Author	
Date	

Section 1 Performance Indicator Details

PI Code			
PI Name			
PI Description			
Target		As at Date	
Score		As at Date	
Last Year End Score		As at Date	
Score 12 Months Ago		As at Date	
Comments:			

Section 2 External Factors Impacting Performance

Temporary Factors	
Long Term Factors	

Section 3 Internal Factors Impacting Performance

Temporary Factors	
Long Term Factors	

Section 4 Proposed Solutions

Solutions	Target Date	Factors Addressed

Section 5 Management Comment

Head of Service	
CMT	
Members	

Section 6 Progress Tracking

Date	Comment	PI Score

Performance Improvement Plan

Completion Notes:

As a general comment, this document is not intended as a detailed action plan complete with risk and equalities analysis and such like. It is intended a simple high level document to concisely summarise the reasons behind the below expected performance and to obtain support from senior management for the range of proposed solutions.

The document should record the response of senior management to the proposed improvements and record at a high level the progress made. This is so a brief history of the remediation work done is held in a single document and aid in knowledge transfer if similar problems are faced in other services or at a later date.

Section 1

The comments section should include the rational behind the original target as it is possible that the target is unrealistic and needs amendment.

Section 2

An example of a temporary external factor might be a heavy fall of snow disrupting bin collections and grounds maintenance. Likewise, an example of a long term external factor could be the economic decline leading to a rise in demand for homelessness and benefits services. There may be a variety of factors impacting performance that need to be recorded.

It is likely that external factor will impact more than one performance indicator. However, each PI will require its own report.

Section 3

An example of a temporary internal factor might be a change in IT systems leading to a temporary reduction in throughput. A long term internal factor may be a continuing inability to recruit to a vacant post. There may be a variety of factors impacting performance that need to be recorded.

Section 4

Just as there can be a number of underlying factors impacting performance it is likely that more than one solution will be required to bring performance back up. It should be explicitly stated how each solution relates to each factor.

The target date is the date that the solution is in place. If it is expected that there will be a significant time lag between the implementation of the solution and the expected upturn in performance this should be stated in the description of the solution.

Part of the solution description should state whether it is being resourced from within the service or whether extra funding is being sought. Applications for extra funding should be made through the usual channels.

It may be appropriate to offer a number of alternative solutions for senior management to select from. If this is the case, this should be made clear and the various strengths and weaknesses of each solution clearly shown. It may be necessary to do this in an appendix.

Section 5

It is important that the rationale of senior management in approving proposed solutions is captured, particularly if a range of solutions is being offered so that:

Performance Improvement Plan

- a) A consistent approach can be followed;
- b) If a solution does not bring the expected results then the rationale can be revisited and challenged as part of the knowledge transfer process.

CMT comments should be cross referenced to the CMT meeting the PIP was raised at. OMT and Member comments should also be cross-referenced to their respective meetings.

Section 6

The purpose of this section is to update the PIP all the time performance remains under target either on a monthly or quarterly basis depending on the collection interval of the PI. Even if the PI goes above target the PIP should still be updated until the remedial solutions are fully in place.

The final entry in the progress tracking section should formally state that the plan has been completed.

Performance Improvement Plan