

**PERFORMANCE MANAGEMENT OF THE COUNTY COUNCIL'S BUSINESS PLAN**

**To:** General Purposes Committee

**Meeting Date:** 12th March 2015

**From:** Sue Grace, Director of Customer Services & Transformation

**Electoral division(s):** All

**Forward Plan ref:** N/A **Key decision:** No

**Purpose:** To consider the scheme of performance management for the 2015/16 County Council Business Plan and the sharing of performance management responsibilities between General Purposes Committee (GPC) and other service committees.

**Recommendation:** General Purposes Committee is recommended to agree to split performance management/reporting arrangements into two parts:

- a) Part one to measure the progress of individual activities that 'lead' to the achievement of the County Council's business plan objectives. With performance against these indicators overseen by the service committees. *(Note: GPC remains the service committee for LGSS and Customer Services and Transformation (CS&T) activities)*
- b) Part two to reflect longer term performance against the ultimate achievement of the County Council's business plan objectives. With performance against these indicators overseen by GPC.

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## 1. BACKGROUND

- 1.1 The General Purposes Committee (GPC) has the authority to prepare and then monitor 'overall performance' of the County Council's Business Plan. The organisation's current approach to managing performance reporting owes much to the system that was in place when the organisation had a cabinet style of governance. Currently GPC receives a report on a small set of key performance indicators (KPIs) integrated with the finance report.
- 1.2 Concerns have been raised regarding this process and a paper / revised proposals has been requested. Broadly concerns lay around the duplication of discussions regarding 'red' indicators within GPC and within the relevant service committee; the extent to which some of the current KPIs are truly strategic in nature and the extent to which the process reflects the role of GPC as opposed to the previous role of Cabinet.
- 1.3 When members have previously considered their role in performance management (via the Audit and Accounts Committee) they have identified some defining principles including:
  - At the council wide level a relatively small number of indicators should be reported;
  - The majority of indicators should reflect the organisation's own performance rather than factors beyond the organisation's immediate control;
  - Indicators should be meaningful with performance reporting not being an end in itself.

In addition members have asked for indicators to be presented in an easy to understand way with a consistent process to identify which are off target.

## 2. MAIN ISSUES

- 2.1 Thinking beyond issues relating to the measurement of indicators, there needs to be a clear understanding of how performance management can support the role of GPC and in particular its ownership of the County Council's Business Plan and the achievement of objectives within it. Within performance management practice the path to identifying truly strategic measurements without falling back on things that are easier to measure such as input, project or operational process measurements is elusive. This should not be seen as a failure of the measurement process but rather as a pointer to the strategic objectives requiring additional articulation.
- 2.2 Areas that can be criticised on this basis include the 'Developing the Local Economy for the Benefit of all' and 'an efficient and effective organisation' objectives. For the former three out of the four KPIs relate to education / training rather than the local economy and for the latter neither of the two measures really relate to 'effectiveness'.
- 2.3 The proposal is to split the performance report into two parts. Part one would be similar to the intentions of the current report inasmuch as it will reflect indicators that are available regularly and importantly that measure the progress of activities / projects that 'lead' to the achievement of the County Council's long term objectives. As an example current KPIs such as the 'number of people successfully quitting smoking with support from stop

smoking services' or the proportion of customer complaints responded to within minimum response times' would belong in this report. Importantly agreement should be reached that the main performance management relationship for the achievement of these indicators rests with the service committees (GPC remains the service committee for corporate and LGSS managed services).

- 2.4 The second half of the performance report would feature indicators that reflect longer term success. For example against the developing the local economy objective items like average earnings, jobs growth and proportion of working age population in employment would be reported. By their nature strategic indicators are updated less often. Again agreement is needed that GPC maintain an overview of the strategic indicators. These indicators will also look a little wider at issues where the County Council may have a system leadership role (e.g. around economic development) but may not be the sole contributor to good performance.
- 2.5 Practically, the split will still enable service committees to consider their long term performance position. More importantly, the changes also enable the organisation to understand better how its actions relate to the achievement of strategic objectives and through that conversation help to improve on the realism of those objectives. It should also be noted that the County Council already has a precedent for this approach with the management of poverty indicators.
- 2.6 In building the two parts of the performance report reference will be made to the County Council Business Plan 2015/16 and in particular pages 38 through to 50 (proposed Business Plan Indicators). These will be divided between the two parts and additional indicators added to the GPC strategic level report (part two of the recommendations) if gaps compared to the direction of this report are identified.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

The report supports GPC and service committees in the management of corporate priorities but there are no direct implications.

#### **3.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

#### **3.2 Helping people live healthy and independent lives**

There are no significant implications for this priority.

#### **3.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

#### **4. SIGNIFICANT IMPLICATIONS**

##### **4.1 Resource Implications**

Beyond some officer time in implementing the new performance management arrangements there are no significant implications within this category.

##### **4.2 Statutory, Risk and Legal Implications**

There are no significant implications within this category.

##### **4.3 Equality and Diversity Implications**

There are no significant implications within this category.

##### **4.4 Engagement and Consultation Implications**

There are no significant implications within this category.

##### **4.5 Localism and Local Member Involvement**

There are no significant implications within this category.

##### **4.6 Public Health Implications**

There are no significant implications within this category.

<b>Source Documents</b>	<b>Location</b>
Business Plan 2015-16, Reported to GPC, 27th January 2015	Room 016, Shire Hall, Cambridge  Short url <a href="http://goo.gl/tbFxmj">http://goo.gl/tbFxmj</a>