

Report to: The Executive

Date: 14 April 2008

Report of: Chief Executive

Report No:

Contact Officer: Andrew Donaldson
Head of Policy and Improvement

Tele No: 1341

Report Title: **New Performance Framework for the Council and the Bolton Vision Partnership**

**Confidential /
Non Confidential:**

(Non-Confidential) This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose:

This report provides the Executive with an overview of the work currently ongoing to articulate and develop a new Performance Management Framework for the Council and its partners.

Recommendations:

The Executive is asked to:

1. Approve the draft Community Strategy 3 Year Plan (incorporating the draft list of Local Area Agreement indicators for 2008/11) (appendix 1)
2. Endorse the outline of the new performance framework for the Council and Bolton Vision Partnership (see section 3 of the main body of the report and table 1).
3. Endorse the way forward in broad terms for the work around further strengthening other elements of our performance management framework (see section 4).
4. Agree to receive more detail on all of the above as part of a series of future reports over the next few months.

Decision:

Background Doc(s):

Signed:

Leader / Executive Member

Monitoring Officer

Date:

Summary:

(on its own page

with background docs)

This report provides a draft Community Strategy 3 Year Plan for approval by the Executive. It also outlines a new performance management framework for the Council and the Bolton Vision Partnership as well as a range of additional activity to further strengthen performance management for endorsement by the Executive. It asks the Executive to agree to receive further detail as part of future reports.

1 Background and context

- 1.1** Strengthening performance management to drive improvements in services and better outcomes for the people of Bolton is a key priority for the Council and its partners.
- 1.2** We have a very clear set of priorities for the borough, agreed with our partners. It is against these priorities that our performance will be judged locally, regionally and nationally.
- 1.3** The Executive will be aware that the national context around performance management for localities is changing significantly.
- From 2009, an annual Comprehensive Area Assessment, looking at all outcomes delivered by the Council and its partners in the locality, will replace the current Comprehensive Performance Assessment of the Council.
 - Starting this financial year, a new, strengthened use of resources assessment will, amongst other things, increasingly focus on how Councils deliver value for money.
 - On 1 April this year, a new national indicator set (NIS) came into force ('the 198') to replace all previously existing national statutory indicators, including Best Value Performance and Performance Assessment Framework indicators.
 - New Local Area Agreements are being negotiated for 2008/11. Targets for up to 35 of the new national indicators (plus 16 mandatory indicators to measure outcomes for children and young people), reflecting local priorities, are to be agreed with Government Office by the end of May and signed off by ministers by the end of June.
- 1.4** This new performance framework is part of a government commitment to 'reduce the burden' of data collection and reporting on local authorities and free up time and resources to enable them to focus on local priorities.

Whilst we are still awaiting more detail around how these significant reductions will be implemented, we will continue to push very hard, for example as members of the national 'Lifting the Burdens' taskforce, to help government make sure burden reduction becomes a reality very soon.

- 1.5** Bolton Council and its partners are very well placed to respond effectively to this new national framework.

We have very strong arrangements for partnership working and a robust track record of jointly delivering better outcomes for the people of Bolton. This has been recognised externally by successive green light assessments of our Bolton Vision Partnership and our Local Area Agreement by Government Office North West as well as our recent top score of 4 on the ambition theme in our corporate assessment by the Audit Commission.

We have a very clear set of priorities for the borough, set out in 'Bolton, Our Vision 2007-2017' and the Bolton Plan, our corporate plan. It is the achievement of these that our performance will be judged against in the future. Again, the recent corporate assessment validated our robust approach in this area by awarding

Bolton a top score of '4' on the prioritisation theme, one of only a handful in the country to achieve this.

We are developing a 3 year plan for the Community Strategy, designed to bring about step change in terms of better outcomes for the people of Bolton. Our draft suite of Local Area Agreement (LAA) indicators is fully integrated with this plan. Government Office have told us that we are ahead of our peers regionally in terms of LAA development.

1.6 We are very keen to maximise the opportunities afforded by the new framework to further strengthen our focus on our main aims and priority themes. This report sets out how we propose to do this by providing the Executive with:

- A copy of the draft Community Strategy 3 year plan, which includes the draft set of indicators, which will form Bolton's Local Area Agreement for 2008/11 for approval (appendix 1).
- A proposed outline of Bolton's new performance framework (see table 1 below) for endorsement.
- A summary of the proposed way forward in terms of a wide range of additional activity to further strengthen performance management for endorsement.
- We would also ask the Executive to agree to receive more detail on all of the above as part of a series of future reports over the next few months.

Table 1: Outline New Performance Framework



2 The draft Community Strategy 3 year plan

Bolton Council and its partners have been on the front foot in terms of strengthening performance management to drive improved services and outcomes, utilising the opportunities afforded by the new national performance framework and responding effectively to the recommendations made by the corporate assessment team.

2.1

Over the last few months, we have worked with our partners to flesh out in some more detail a 3 year plan for Bolton's Community Strategy, setting out a suite of indicators to measure how we will deliver the outcomes in 'Bolton: Our Vision 2007-17'.

- 2.2** This includes the draft set of indicators, which will form Bolton's Local Area Agreement (LAA) with central government, which we are currently negotiating with Government Office. This is due to be completed locally by the end of May, to be signed off by ministers by the end of June.
- 2.3** A draft of this is attached at appendix 1 and we ask the Executive for approval of this.

3 Outline of the new performance framework

- 3.1** Fully aligned with the work around the Community Strategy 3 year plan (incorporating the LAA) with our partners, we are also in the process of strengthening the Council's performance management framework. We are doing this to ensure a continued strong focus on our priorities and to make sure the framework remains fit for purpose in terms of the new national requirements.
- 3.2** Performance colleagues are working with Executive Management Team and Departmental Management Teams to articulate a single, fully integrated, multi-layered performance management framework (see table 1 above for a simplified diagram). The proposed outline of this new framework is as follows:
- The Community Strategy (incorporating the LAA) 3 Year Plan (as outlined above) at the top.
 - The remainder of the 198 national indicators, the new statutory suite of national performance indicators. These will inform Comprehensive Area Assessment and provide us with national benchmarks and comparators.
 - A suite of performance indicators around 'corporate health' (e.g. sickness, diversity, value for money), which will help us measure how effective we are as an organisation.
 - A suite of service-level priority PIs as articulated by Departmental Management Teams.
 - Neighbourhood-level performance data from neighbourhood action plans and area action plans
 - Performance objectives from individual staff from Chief Officer appraisals and performance and development reviews for all employees.
- 3.3** This strengthened framework will be central to our ability to prioritise effectively and drive up achievement against the Council's main aims and priority themes. Starting in 2008/9, it will provide the format for corporate and Departmental strategic performance dashboards.
- 3.4** A simplified diagram of this is shown at table 1. We ask the Executive to endorse this proposed framework in principle.

4 Further strengthening other elements of our performance management framework

Comprehensive and robust business planning and performance management has been embedded in Bolton for many years. Both the Council and the Vision partnership have a strong track record of using this effectively to deliver better services and outcomes for the people of Bolton.

In addition to the work outlined above around the Community Strategy 3 year plan and the strengthened performance framework, there are a number of other elements of performance management, which we are currently strengthening to make our arrangements even more effective . This will also ensure we respond effectively to the Corporate Assessment Team's recommendations around performance management.

Some of these elements are more advanced than others and this section will give the Executive a sense of what these areas and where we are up to in terms delivering further improvements.

4.1 Delivering a faster rate of improvement

There is a clear commitment from the Council to achieve a faster rate of improvement against our local priorities. There is a number of ways in which we are strengthening our approach to help us deliver this:

We are further strengthening the **strategic performance management** of our main aims and priority themes. We are getting more sophisticated around this, building on the high-level strategic narrative the Executive received as part of the third quarter performance dashboard for 2007/8.

We are developing a mechanism to provide an appropriate level of **corporate challenge and intervention** to tackle 'underperformance', for example where priority indicators are difficult to shift or where we have long-standing, hard-to-tackle performance issues.

We are rolling out a strengthened **corporate approach and challenge around target-setting** for all our priority indicators as part of the new framework.

We are further strengthening the way in which we manage **performance with our partners**. Work is ongoing to consolidate the role of the Agencies Group as the performance management arm of the Bolton Vision Partnership and to further embed the way in which we drive performance management through the Bolton Vision thematic partnerships.

We are building upon the successful 'portfolio challenge' sessions by the Executive Member for HR, Performance and Diversity to make sure **Executive Member leadership** remains at the front and centre of performance management. We are carefully considering how to continue to develop this aspect of the Executive Member role in view of the new arrangements.

The successful **performance management training** sessions will be rolled out to all Members to ensure they are equipped with the tools they need to engage effectively in strategic performance management. This will give Members the best possible support to discharge their various responsibilities around performance management in their respective Executive and Scrutiny roles.

4.2 Further strengthening the range of performance information and communication

As well as strengthening performance management to deliver a faster rate of improvement, there are also a number of areas, where we are improving the range of performance data to ensure we continue to provide a rounded and comprehensive picture of performance.

Work is underway to further strengthen the way in which we performance-manage **value for money and cost**:

- We are developing ways in which we can manage value for money more effectively as part of quarterly performance dashboards.
- A refreshed value for money strategy and 3 year programme is due to be launched shortly. You will see more detail on this from item 8 on the agenda.
- Work is ongoing to benchmark a suite of value for money indicators for key corporate services across AGMA.

Work is ongoing to further strengthen the way in which we use **customer intelligence** (e.g. complaints, feedback, consultation) to inform service improvement. This includes further embedding our customer care standards across the authority.

Linked to this is the work we are currently undertaking to improve the way in which we **communicate performance**. We are continuing to work with the Communications and Marketing Agency to provide more accessible and relevant information, for example through the Bolton Scene, to help residents understand how well we are doing in terms of delivering against our local priorities.

4.3 Performance management of our neighbourhoods

We are also strengthening the performance management of our neighbourhoods. A new 'narrowing the gap' sub-group, chaired by the Chief Executive, will drive the delivery of our Neighbourhood Action Plans. In addition, as part of the review of Area Working, each of the 18 areas will have its own area action plan.

4.4 Performance-managing individuals

Building on our robust approach to personal development planning for all staff, which has been in place for years, we are further strengthening individual performance management of officers through:

- The roll-out of Chief Officer appraisals.
- A refreshed performance development review process for all staff, with a greater emphasis on performance as well as development, linked to individual objectives.

4.5 Data quality

Underpinning all this is the work we are doing to continue to ensure we have good quality performance data. We are building on our robust approach, which has been awarded a top score of 4 by our external auditors KPMG, one of only a handful of councils in the country to achieve this.

This includes the new indicators as part of 'the 198' as well as all baselines and targets for the Community Strategy 3 year plan (incorporating the LAA) and will involve Internal Audit support on a proportionate basis in relation to any risks identified.

- 4.6** The Executive is asked to endorse the way forward in broad terms in relation to the work outlined above.

5 Recommendations

- 5.1** The Executive is asked to approve the draft Community Strategy 3 Year Plan (incorporating the draft list of Local Area Agreement indicators for 2008/11) (appendix 1).
- 5.2** The Executive is asked to endorse the outline of the new performance framework for the Council and Bolton Vision Partnership as set out in section 3 of the main body of the report (see also table 1 above for a simplified diagram).
- 5.3** The Executive is asked to endorse the work around further strengthening additional elements of our performance management framework (as summarised in section 4).
- 5.4** The Executive is asked to agree to receive more detail on all of the above as part of a series of future reports over the next few months.