

AUDIT COMMITTEE 22 February 2019

Title of paper:	Council Plan Corporate Performance Reporting	
Director(s)/ Corporate Director(s):	Candida Brudenell	Wards affected: All
Report author(s) and contact details:	David Rosselli x 64008	
Other colleagues who have provided input:	Dean Goodburn, James Rhodes	
Recommendation(s):		
1	Audit Committee to note the corporate performance framework used	
2	Audit Committee to provide any comments as appropriate	

1 REASONS FOR RECOMMENDATIONS

1.1 To inform Audit Committee and to seek comments as appropriate.

2 BACKGROUND

2.1 Audit Committee requested a report on how Council Plan performance is managed. This report considers arrangements for the current Council Plan 2015-19 and also for the forthcoming Council Plan 2019-23.

3 COUNCIL PLAN 2015-19

3.1 Formation of the Council Plan

The Nottingham Labour Party won Nottingham's 2015 local elections. The 13th July 2015 meeting of Full Council resolved to adopt the plans in the Nottingham Labour Party Manifesto 2015 as a basis for Council policies for the current term of office. Then the Leader, Portfolio Holders, CLT and colleagues worked jointly to express the Manifesto as specific Actions and Performance Indicators (PIs), ensuring as far as possible that:

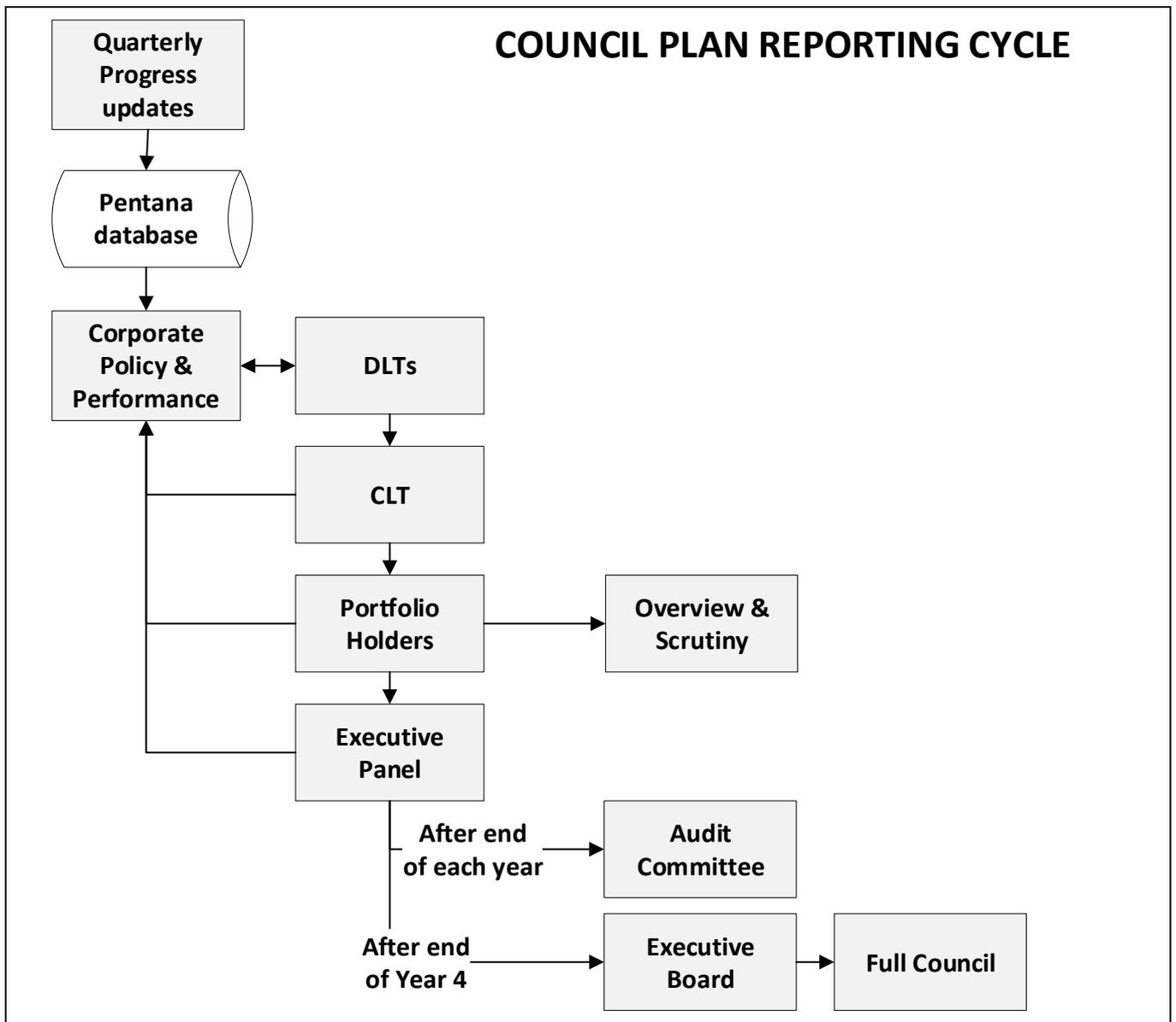
- Every item was specific, measurable, achievable, relevant, timed (SMART),
- PIs had a baseline of past data (where available)
- PIs had a target set and profiled over the four years of the Council Plan period,
- A named manager was accountable for achieving each objective and a named colleague was assigned to do the work and to write the performance updates.

3.2 Council Plan Performance Reporting

The Council Plan reporting cycle is as follows (also see the diagram overleaf):

- The reporting cycle is quarterly.
- Colleagues are responsible for updating any items they are working to deliver.
- Colleagues enter updates into the Pentana IT system, including explanatory notes, the latest data, and the expected outcome (Red/ Amber/ Green).
- The Corporate Policy and Performance Team reminds colleagues when to do the next quarterly update, chases late items, and prepares the reports.

- Where under-performance occurs, the explanatory notes include the improvements underway or planned to resolve the matter.
- The Corporate Policy and Performance Team prepares draft reports and summary slides and takes them to Departmental Leadership Teams (DLTs) for Corporate Director sign-off.
- The quarterly reports and slides go to Corporate Leadership Team (CLT) for discussion and any decisions needed.
- The quarterly reports and slides go to each Portfolio Holder (this happens via a face-to-face briefing by the Corporate Policy and Performance team).
- Portfolio Holders attend Executive Panel and present their progress update.
- A Council Plan progress report goes to Audit Committee each year.
- Portfolio Holders attend the Overview and Scrutiny Committee to give a progress update on their elements of the Council Plan.



3.2 Pentana

Pentana is our performance management software that allows us:

- To store data, commentary and so form the agreed record for each item,

- To report progress towards achieving the Council Plan objectives,
- To identify responsibilities and accountability,
- To see when anything is under-performing,
- To access customised dashboards and information online.

The Corporate Policy and Performance Team administers and manages the Pentana system, and provides support and training for Pentana users.

3.3 Closedown of the Council Plan 2015-19

The Council Plan ends on 31 March 2019. At the Leader's request, interim Closedown happened after the end of Quarter 2 of 2018/19. The process was as above plus one extra element: the outcomes achieved during the Council Plan period were reported and approved at Executive Board (22 January 2019).

For Quarter 3 reporting, progress will be monitored and the few high priority items with Red or Amber expected outcomes will be reported to CLT and Portfolio Holders.

After Quarter 4 of 2018/19 has ended, a final performance report will go to Executive Board and thereafter to Full Council.

4 COUNCIL PLAN 2019-23

Once the results of the local elections on 2nd May 2019 are known, the political party with the most seats will form the administration and their manifesto will form the basis of the Council Plan 2019-23. The Corporate Policy and Performance Team will then - working with the Leader, Portfolio Holders, CLT and colleagues - translate the Manifesto commitments into deliverable actions and measureable PIs. The draft Council Plan 2019-23 will go to Full Council for approval.

5 PERFORMANCE MANAGEMENT FRAMEWORK

Nottingham City Council uses a Performance Management Framework (PMF, see diagram in Appendix 1), which was adopted in 2014. The PMF is useful as it:

- Sets out our high level performance management approach,
- Shows the 'golden thread' from high level strategy to frontline services,
- Illustrates how the Council Plan is performance managed and reported on,
- Supports service delivery and decision making with evidence-based data,
- Drives improvement to achieve the best results for Nottingham's citizens.

Audit Committee has a lead role regarding the PMF (see Appendix 3); however, everyone in the Council plays a part in the PMF (see Appendix 2).

6 BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING EXEMPT OR CONFIDENTIAL INFORMATION

None

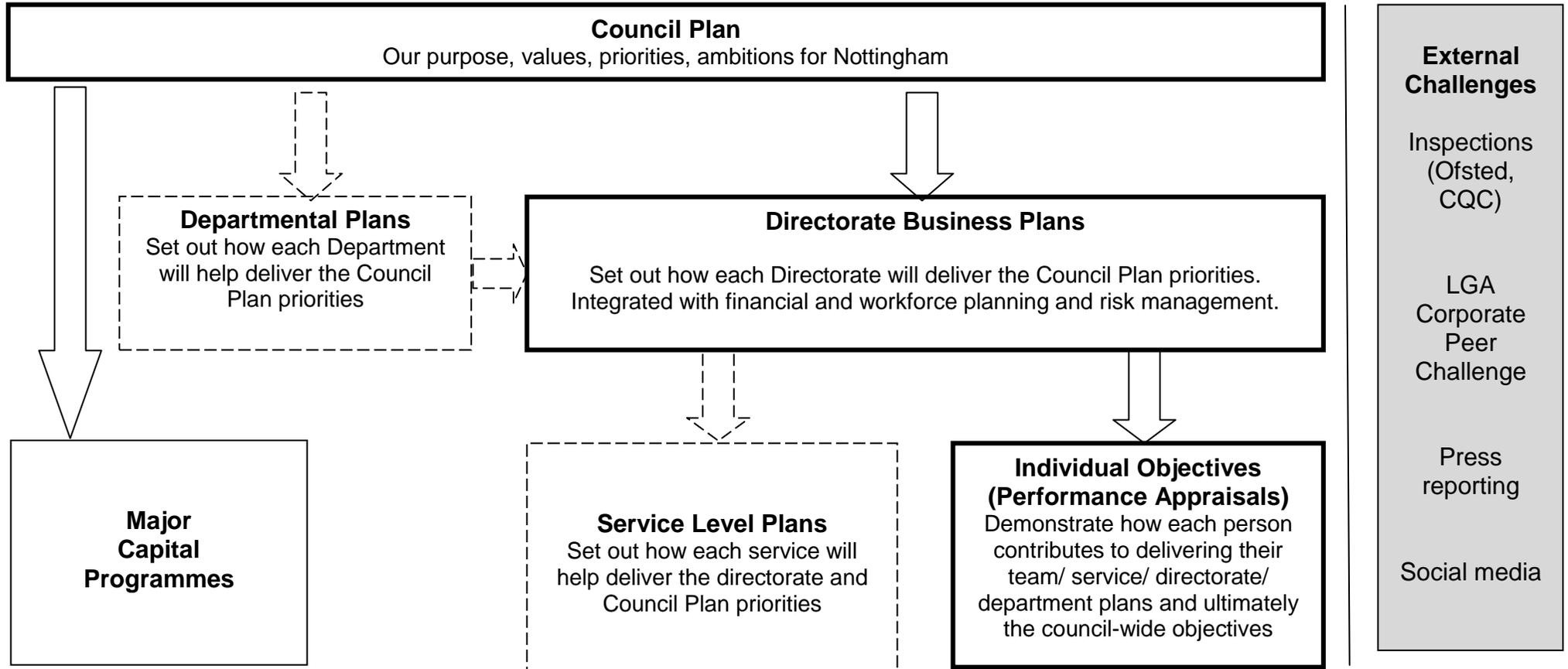
7 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

Council Plan 2015-19

Nottingham City Council Performance Management Framework

Executive Board report 22 Jan 2019: Council Plan 2015 – 2019

Appendix 1: Performance Management Framework (PMF)



The PMF has many benefits. Colleagues know who will do what and when. We focus on achieving the right outcomes. We know how each initiative is progressing. We can take action early to fix under-performance. Colleagues know how to seek support. Everyone in the Council plays a part in the PMF (see Appendix 2).

The PMF links to: Financial Regulations, Medium Term Financial Strategy, People Management Handbook, Performance Appraisals, Our Behaviours framework.

The PMF has four stages, in a cyclical pattern: Analysis, Plan, Do, Review.

Analysis

The needs of users, citizens and their environment are analysed in the context of:

- The Council Plan,
- National legislation and any regulatory duties,
- The Nottingham Plan (Nottingham's overarching community strategy),
- Citizen demographics (including age profile, gender, ethnicity, etc.),
- Wider social trends (e.g. unemployment, demand for social care, etc.),
- Customer satisfaction and feedback about how services are provided,
- Past performance and trends (e.g. cost, quality, effectiveness),
- Workforce profile (e.g. demographics, skills, talents, engagement etc.).

Plan

The Council Plan sets our purpose, values, priorities and ambitions and shows how we contribute to the strategic priorities in The Nottingham Plan.

Each Directorate produces a business plan, including elements to delivering the Council Plan. Some departments/ Services choose to have a departmental/ Service plan.

Major Capital Programmes are so large and complex that they have a separate management and reporting stream outside the directorate business plans.

Do

The Council Plan and Departmental plans state what will happen and when. They are live documents and are monitored and updated as actual events unfold.

Review

Reviewing outcomes helps us learn and then improve. Progress is reported to the appropriate level: Heads of Service, DLTs, CLT, Portfolio Holders. This applies to the Council Plan and at corporate, departmental, service and team levels. External challenge/ feedback also comes via public consultations, citizen surveys, complaints received, statutory inspections and LGA peer challenges.

Appendix 2: ACCOUNTABILITY IN THE PERFORMANCE MANAGEMENT SYSTEM

ACCOUNTABILITY IN THE PERFORMANCE MANAGEMENT SYSTEM	
Councillors	<p>Full Council</p> <ul style="list-style-type: none"> • Approve the overall priorities and budget for the Council <p>Council Executive</p> <ul style="list-style-type: none"> • Make budget recommendations to Council and approve the Housing Revenue Account • Oversight of Council Plan/ Manifesto commitments adopted as Council policy • Portfolio Holders lead and are accountable for their portfolio of services <p>Audit Committee</p> <ul style="list-style-type: none"> • Corporate governance oversight: internal control, risk management, financial reporting • Approve and critically appraise application of the PMF
Senior management	<p>Corporate Leadership Team (CLT)</p> <ul style="list-style-type: none"> • Strategic responsibility for achieving Council priorities • Oversight of corporate performance, taking necessary action and focussing resources • Deliver the MTFs and MTFP <p>Corporate Directors</p> <ul style="list-style-type: none"> • Deliver departmental objectives • Accountable for departmental operational performance and overall outcomes achieved • Help deliver the Council's strategic priorities • Deliver within budget and strive to achieve better value for money/reduce net cost <p>Directors/Heads of Service</p> <ul style="list-style-type: none"> • Are accountable for delivering their service objectives and operational performance • Develop colleagues and teams • Ensure staff deliver their objectives and contribute to the Council's strategic objectives • Deliver services on time, to standard and within budget • Identify and implement net cost reductions
Colleagues	<p>Corporate Policy and Performance Team</p> <ul style="list-style-type: none"> • Administer the PMF and the performance management IT system • Act as a corporate centre of excellence for performance management • Customise the PMF IT system to the specific needs of each department or service • Support CLT and Portfolio Holders for performance management <p>Departments</p> <ul style="list-style-type: none"> • Ensure corporate performance information is gathered and provided • Take improvement action if anything is under-performing <p>All Colleagues</p> <ul style="list-style-type: none"> • Achieve their personal objectives and contribute to those of their team/ service/ Dept. • Take responsibility for individual performance and development • Understand how they contribute to the Council Plan objectives

Appendix 3: AUDIT COMMITTEE'S ROLE IN THE PMF

1. Overview

The Audit Committee's role includes to review the Council's integrated planning and performance framework.

Purpose

Audit Committee has the purpose to:

'Scrutinise the council's financial and non-financial performance to the extent that it affects the council's exposure to risk and weakens the control environment.' (Constitution Part 2, Responsibility for Functions and Terms of Reference).

This will involve receiving reports and presentations at least once a year relating to: (a) the PMF, (b) Corporate Risk, (c) financial matters.

2. Function

Audit Committee's function is to:

'Consider arrangements for and the merits of operating quality assurance and performance management processes'. (Constitution Part 2, Responsibility for Functions and Terms of Reference).

This will involve receiving an annual reports relating to performance management.

3. Providing assurance regarding non-financial performance management

Audit Committee therefore needs to be assured as follows:

THEME	NON-FINANCIAL ASSURANCE REQUIRED
System	That suitable arrangements exist and in use for corporate planning and performance management.
Effectiveness	That the corporate planning and performance management system is working well in reality, and that items within the scope of corporate performance management are managed well and are achieving the Council's desired outcomes.