Performance Management Framework

November 2021

Corporate Policy & Governance

Document Responsibility

Name	Document title	Service
Sarah Turner	Performance Management Framework	Corporate Policy & Governance

Document Version Control

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Policy Review

Updating frequency	Review date	Person responsible	Service
Annually	November 2022	Policy & Performance Officer	Corporate Policy & Governance

Document Review and Approvals

Name	Action	Date
Strategy & Resources Committee	To approve the framework	25 November 2021

Contents   Page No
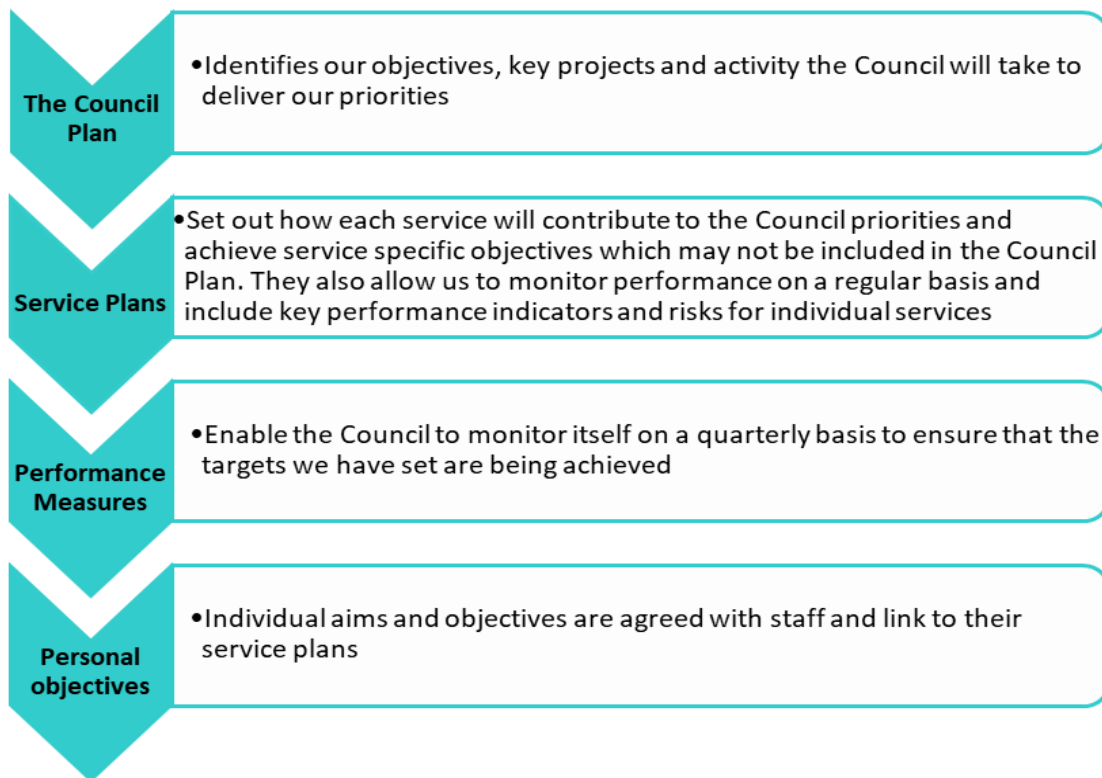
1.   Introduction

Managing performance is part of everyday effective management and work practice, and should be integral to all that we do.

1.1   Effective performance management plays a central role in putting our communities and residents at the heart of everything. It also enables them to see how well we are doing and how we intend to improve.

1.2   Stroud District Council has adopted its Council Plan which identifies priorities which it will focus on until 2026.

1.3   The approach set out in this Performance Management Framework (PMF) will support the delivery of the priorities within the Council Plan, improve transparency and assist local people in holding the council to account.

1.4   Openness, transparency and accountability is an inherent part of the Council's culture and is fundamental to the achievement of our priorities set out in the Council Plan 2021-26. Moreover, they are essential to effective corporate governance. Therefore, this framework will further strengthen arrangements by enabling our decision making, processes, culture and effective leadership to further focus on the issues that matter to service users and the public.

1.5   This PMF has been designed to ensure that the Council's priorities are translated into clear plans with performance indicators which can be easily monitored by elected members and support effective implementation by officers.

1.6   The framework also sets out how we intend to measure our work and when we intend to report on this (and to whom).

1.7   Through performance indicators that reflect achievable progress, outside observers should understand how the council approaches strategic priorities and change. They will see quarterly reports to councillors that measure progress against priorities and a yearly report that sets out our progress and key achievements.

1.8   To officers, the framework should be embedded throughout their individual performance management. Through this, their line managers will be expected to work with them to understand how they as individuals, support the delivery of the council's strategic priority themes. This "golden thread" principle will allow our staff to focus on and prioritise the things that matter most to our residents and communities.

2.0   Performance Management at Stroud District Council

2.1   Performance management is a key part of delivering our Council Plan. It is integral to creating a 'golden thread' to all that we do and ensures all our decisions are evidence based. Through clear and accountable performance management the council will ensure its goals and objectives are being consistently met. This document sets out the process by which performance and outcomes are set, monitored and improved.

The Council Plan	• Identifies our objectives, key projects and activity the Council will take to deliver our priorities
Service Plans	• Set out how each service will contribute to the Council priorities and achieve service specific objectives which may not be included in the Council Plan. They also allow us to monitor performance on a regular basis and include key performance indicators and risks for individual services
Performance Measures	• Enable the Council to monitor itself on a quarterly basis to ensure that the targets we have set are being achieved
Personal objectives	• Individual aims and objectives are agreed with staff and link to their service plans

2.2 The Council Plan

The Council Plan sets out what the Council intends to achieve over the lifespan of the document; it contains 3 distinct priorities, and 16 strategic objectives, as follows:

Environment and Climate Change
- Tackle the Climate and Ecological Emergency
- Biodiversity
- Sustainable Construction and Retrofit
- Mobility / Transport
- Circular Economy
- Renewable Energy

Community Resilience and Wellbeing
- Community Resilience
- Affordable Homes
- Community Engagement
- Leisure and Cultural Services
- Equality, Diversity and Inclusion

Economy, Recovery and Regeneration
- Economic Recovery
- Regeneration
- Investment
- Support for Businesses
- Strategic Planning

2.4   Service and Team Plans

Services and teams will set their own goals for the year. These will reflect the Council Plan and business as usual functions such as statutory responsibilities. Service plans should contain:

- actions that contribute to achievement of the councils' priorities as identified in the Council Plan.
- actions that are driven by the need to improve efficiency and effectiveness in the service.
- actions that relate to frontline service or delivery of statutory requirements, whether-or-not directly related to the Council's priorities.
- Identify risks associated with the key actions / projects of the service or team.

3.0   What is Performance Management and why is it important?

3.1   What is Performance Management?

Performance management is the way in which the council ensures that its goals and objectives outlined in the Council Plan are consistently being met in an efficient and effective manner.

This is achieved by the systematic monitoring and evaluation of practice, policies and procedures and user outcomes. Robust monitoring also provides an early indication of any issues allowing priorities to be adjusted and resources moved where needed to ensure that objectives are met.

Corporate Governance

Corporate governance is about doing the right things in the right way. It encompasses accountability and transparency in our actions and decisions.

In developing this framework, the following principles – which are designed to ensure that our processes and arrangements enable robust corporate governance – have been identified:

- **Embedding a strategic approach**

  The framework should provide meaningful and accurate performance information and data to the right people at the right time. This will support the monitoring and implementation of the councils' strategic objectives as set out in our Council Plan.

- **Openness and accountability**

  Performance management is everyone's responsibility and requires clear lines of accountability to facilitate openness and transparency. Performance information will be shared openly and used to take informed and transparent decisions.

- **Continuous improvement process and learning culture**

This framework should be underpinned by a culture of understanding what went well, what didn't work as planned, and what can be done better.

3.2 Why is it important to have a Performance Management Framework (PMF)?

A PMF allows us to demonstrate that we:

- know what we're aiming for
- know what we have to do to meet our objectives
- know how we're going to measure progress towards meeting our objectives; and
- can detect performance issues early on and remedy them.

It helps the whole Council work in the same direction, to ensure we deliver a real difference on the ground as we all work to meet the communities' needs.

The PMF ensures we deliver what we say we will, makes sure we all remain focussed on our objectives, and helps us identify and address any problem areas.

It's not about highlighting bad performance, but about identifying areas that are not doing as well as they could be so we can understand the reasons why and make improvements early on.

3.3 How will the PMF help us to deliver the Council Plan?

By measuring what we are doing we will see progress, challenges, areas needing more emphasis or where priorities need to change. Some performance indicators will be numerical and some will be descriptive.

From high-level strategies down to individual services, this establishes where we are and how we need to progress to achieve the outcomes we want.

This creates a "golden thread" that links individual performance to our Council Plan.

The PMF with quarterly reports which will be prepared by lead officers identified in the Council Plan and includes an annual strategic review will be a clear way to report on our performance to the public when progress is outlined to S&R Committee.

Why measure progress?

It's important that we measure how we're doing because:

- What gets measured gets done;
- If you don't measure results, you cannot tell success from failure;
- If you cannot see success, you cannot reward it or learn from it;
- If you cannot recognise failure, then you cannot correct it; and
- If you cannot demonstrate results, it makes it that much harder to win public support and drawn down external funding.

4.0 Stroud's Model of Performance Management

4.1 It's important that our PMF is embedded across the Council and we are all joined up to achieve our Vision *"Leading a community that is making Stroud District a better place to live, work and visit for everyone".*

4.2 Our Performance Management Framework is based on the 'Plan – Do – Review – Revise' model of performance management.

4.2 The process – plan, do, review and revise
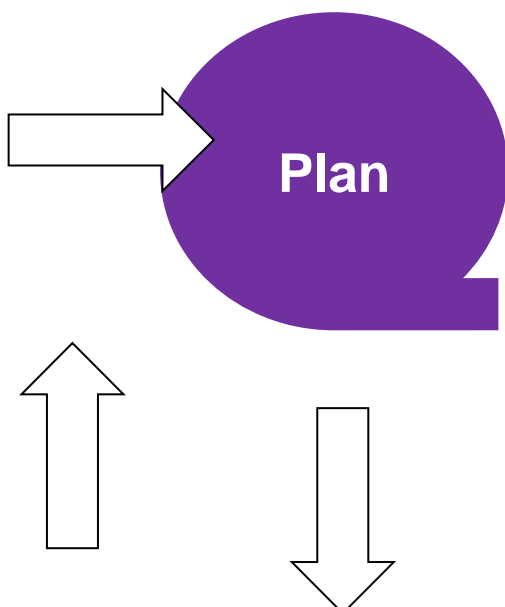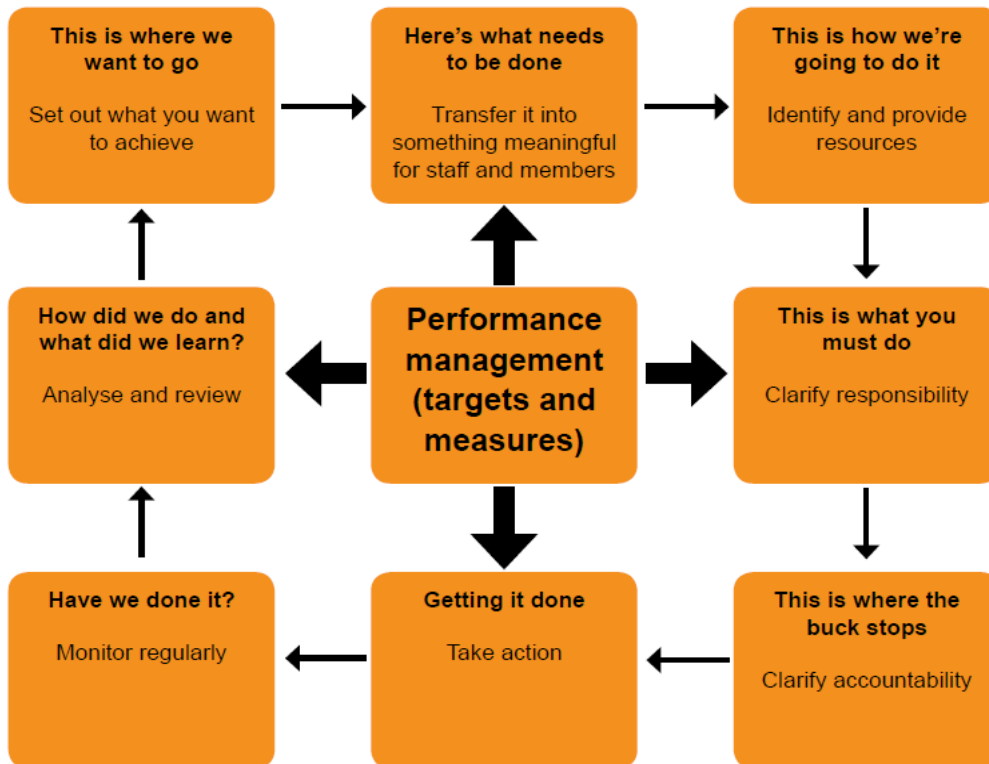
PLAN – The delivery plan sets out the key activities aligned to the priority themes of the the Council Plan.

Services should use this to establish their service plans and include actions related to improving performance, or actions that relate to frontline service or statutory requirements

Do
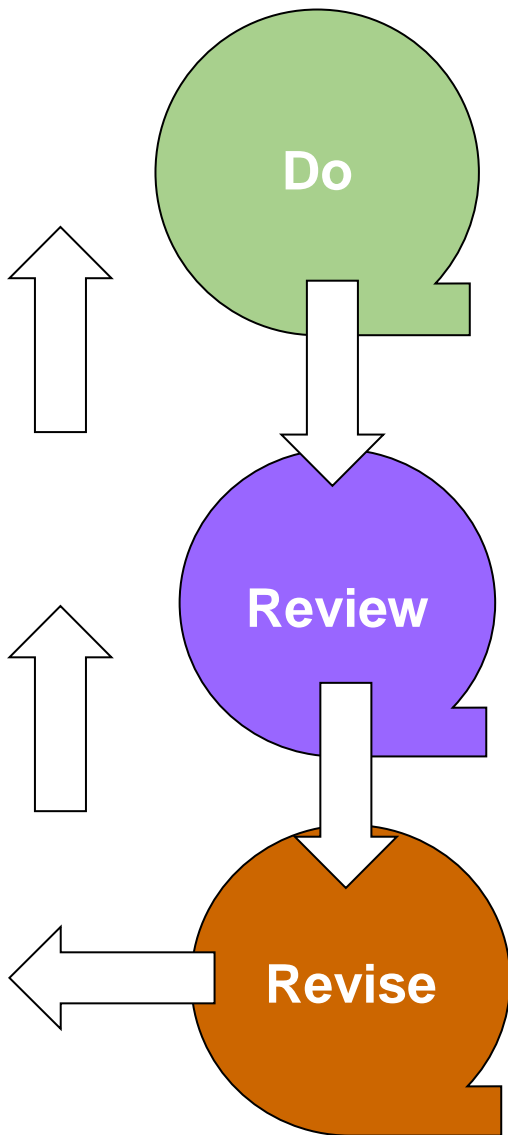
DO – Deliver services according to plans. Performance management must be in place to support the delivery of the plans and ensure those responsible appropriate action, manage risk, and
supportpeople to achieve better performance improvement.

Review

REVIEW – Evaluate performance against objectives.

Regular review meetings need to be held to assess the delivery of plans, the management of known risks and service/employee performance.

Revise

REVISE – Update the Council Plan based on performance and on changing circumstances. Use the lessons learned from review to change what is done. Where there is under performance develop recovery plans, where people are under performing understand why and help them to improve, identify new and emerging risks and objectives.

4.2 Setting Performance Indicators (PIs)

A set of key performance indicators have been developed to monitor our progress in implementing the Council Plan priorities. Performance indicators can be either Quantitative (numeric) or Qualitative (narrative based e.g. case studies).

Performance Indicators (PIs) are the tools of performance measurement, used to measure and monitor how well we are progressing towards achieving our goals. Goals can be expressed as **outcomes** (the end result or consequence of an action – tends to take the form of well-being for people) or **outputs** (the amount of something produced – a tangible measure that helps quantify an outcome).
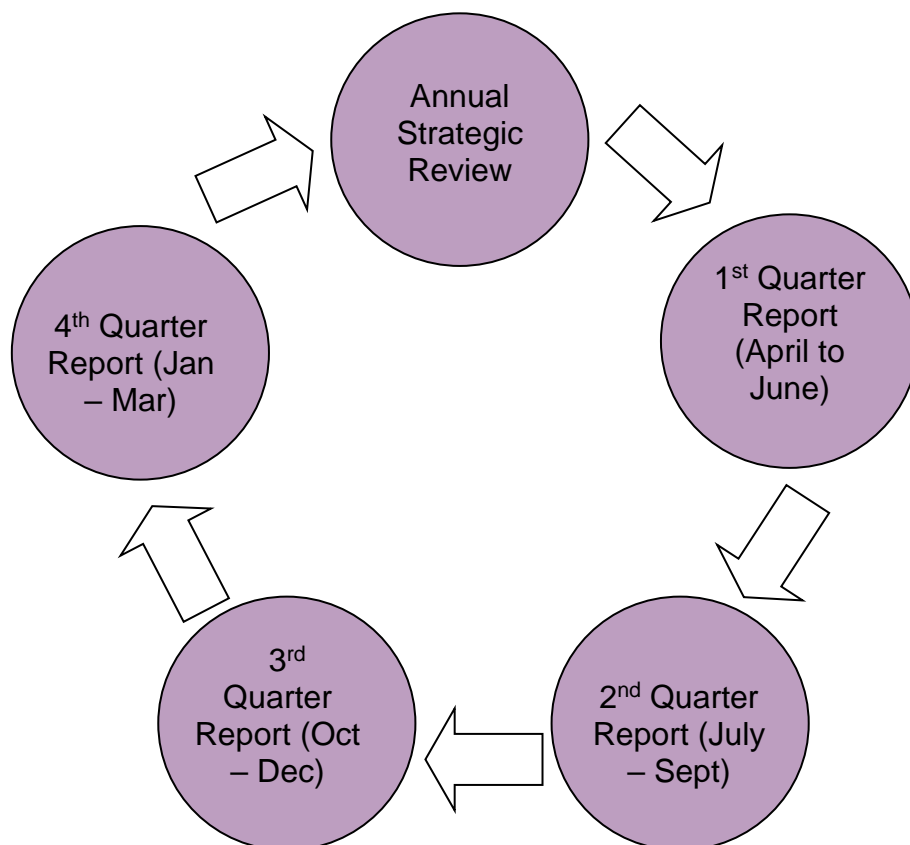
Targets are set for performance indicators stating the level of performance or the outcomes we would ultimately like to achieve. Were possible, all targets should be **'SMART'**. This means that they have the following characteristics:

- **Specific** actions are set out (not vague intentions)
- **Measurable** outputs/outcomes are quantified, so we know when targets are achieved

- **Achievable** through effective project management, with the financial and human resources needed to implement actions being available
- **Relevant** to priorities and aims; and
- **Time-scaled** (clear deadlines and milestones are set)

4.3 Reporting framework

Elected members of each Committee will receive relevant performance reports on a quarterly and annual basis. These reports evaluate the councils' progress in implementing corporate plan priorities. Diagram below illustrates this reporting and monitoring cycle:

Annual Strategic Review

1st Quarter Report (April to June)

2nd Quarter Report (July – Sept)

3rd Quarter Report (Oct – Dec)

4th Quarter Report (Jan – Mar)

4.4 Quarterly Reports

These reports contain detailed data and information on the progress of the Council plan actions and indicators. They also include financial and resource information which can be used to determine resource allocation to support the implementation of priorities. In addition, details of remedial actions required to address a lack of progress or poor performance. This detailed evidence can then be used to revise timescales and activities as appropriate, as well progress reports being published for public scrutiny

4.5 Annual Strategic Review

The annual strategic review will provide an opportunity to reflect on the councils' progress in implementing the Council Plan. It will be used to highlight key achievements and will include case studies to demonstrate positive impact on residents.

The publication will be aimed at elected members, residents, staff and partner organisations.

The report should replicate the design of the Council Plan to demonstrate how they interlink and to provide visible and tangible progress on its implementation.

The annual report will be a key part of developing the delivery plan for the year ahead and allow elected members the opportunity to re-prioritise actions, projects or resources to respond to any changes in the council's landscape.

5.0 Roles and Responsibilities

Our approach relies on us all to take performance management seriously and ensure the Council makes its plans, policies and decisions based on good quality information. Roles and responsibilities are outlined in the following table:

Chief Executive and Strategic Directors – Senior Leadership Team (individually and/or collectively)	SLT advise members regarding the setting of strategic direction and performance improvement priorities. Strategic Directors set targets and standards for performance, and identify and manage strategic and performance issues and opportunities facing the Council. Strategic Directors receive regular information on performance from Service Managers and consider reports on key strategic performance issues, including achievement against the Council Plan. SLT have responsibility for promoting the integration of performance management into the culture of the Council and for ensuring that performance information used in decision making is 'fit for purpose' and reliable.
Leadership and Management Team (LMT) / Heads of Service	LMT / Heads of Service are responsible for the overall operational performance of their service and for the contribution that their service makes to the outcomes and objectives within the Council Plan. They are responsible for contributing to the integration of performance management into their area and for ensuring the quality of all data collected and reported within their areas of responsibility. Where performance targets/standards are not achieved, LMT / Heads of Service are required to explain this and consider what remedial action is required; for corporately monitored performance indicators this is reported in the quarterly monitoring and action reports. LMT / Heads of Service are required to provide assurance on the effectiveness of controls in place to mitigate/reduce poor performance in their service and ensure the involvement of staff in setting relevant and appropriate targets through the annual Service Planning and appraisal process.
Elected members	are ultimately accountable to the electorate for the overall performance of Council services.
Committees	Committees support the PMF by ensuring that plans and policies are coherent and linked to the budget making process. They monitor performance on an ongoing basis and regularly review the Council's priorities in light of the Council Plan process.

Committee Performance Monitors	(2 per committee) review and scrutinise the performance of the Council against its objectives, performance indicators, risks and any other measures and targets to monitor the performance of particular service areas and report back to their respective committees.
Audit & Standards Committee	The Audit & Standards Committee monitors the risk management and governance arrangements of the Council to help ensure the effective delivery of services and the achievement of objectives. The Audit & Standards Committee, through the work of Internal Audit, ensure the Council has adequate controls in place. The Committee review and should contribute to the development of the Annual Governance Statement ahead of its formal presentation to the Committee for approval.
Internal Audit	ARA produces the Annual Governance Statement which is approved by the Audit & Standards Committee. They also provide an of audit services, they operate under the statutory requirements of the Accounts and Audit Regulations and relevant Benefits and Council tax legislation. If data quality issues are identified through the course of an audit, whether linked to performance indicator data or not, this will be raised in the audit report. ARA also provide an independent review of the corporate approach to performance management and data quality.
Managers / Supervisors / Team Leaders	All levels of staff with managerial responsibility are responsible for the operational performance of their team and for the two-way communication of corporate initiatives and performance issues. This group of staff are responsible for ensuring their staff have regular appraisals and review the training and skills needed to carry out their roles. They should also ensure that their staff have access to and are familiar with corporate and departmental policies and procedures on performance management and data quality.
Individual staff	All staff have a responsibility to manage their own performance. Each member of staff will be set specific targets as part of their appraisal every year, which staff members will be involved with agreeing.
Policy & Governance	This function supports performance management and data quality within the Council by co-ordinating the corporate approach to performance management and Service Planning. Support and guidance is provided to Strategic Directors and LMT / Heads of Service and other managers and supervisors in delivering the performance management framework, and on elements such as performance indicators, monitoring of achievement against corporate priorities, benchmarking, research. Support is also provided to services in the creation of data processes that support monitoring including advice and guidance regarding the collection and calculation of performance indicators.