

Performance Review and the Role of the PRS Committee

1.0 EXECUTIVE SUMMARY

The purpose of this report is to reflect on the council's overall activities relating to Performance Review and consider the role of the PRS Committee in terms of added value and efficiency.

The paper reflects the council's current mature structure of both officer and member performance management and review. It notes the increased emphasis that the PRS Committee wishes to place on its scrutiny role, refers to the existing Terms of Reference of the PRS regarding Performance Management and identifies a number of processes that are currently underway in the council that will impact on this, particularly the Short Life Working Group on future local democratic and governance arrangements.

RECOMMENDATIONS

- Note that there are a number of parallel processes underway that may impact on the PRS Committee's role in performance review
- Note that this appears to be a matter that will fall into the remit of the Short Life Working Group on future local democratic and governance arrangements.
- Agree that the views in this paper are forwarded to the Short Life Working Group on future local democratic and governance arrangements.

There are no financial implications from this paper

Performance Review and the Role of the PRS Committee

2.0 INTRODUCTION

- 2.1 Argyll and Bute Council has a mature Planning and Performance Management system, which makes provision for both officer and member review and scrutiny of performance information.
- 2.2 The PRS Committee Development Day in August 2015 focused on developing the committee's role in and understanding of the scrutiny process. The Committee considered that it would now focus its attention more on its scrutiny role and would like to see a change to the way performance review is carried out by the committee.
- 2.3 There are a number of parallel reviews underway that may impact on the PRS Committee's role in performance review, including the Short Life Working Group on future local democratic and governance arrangements.

3.0 RECOMMENDATIONS

It is recommended that the PRS Committee:

- 3.1 Note that there are a number of parallel processes underway that may impact on the PRS Committee's role in performance review
- 3.2 Note that this appears to be a matter that will fall into the remit of the Short Life Working Group on future local democratic and governance arrangements
- 3.3 Agree that the views in this paper are forwarded to the Short Life Working Group on future local democratic and governance arrangements.

4.0 DETAIL

- 4.1 The PRS Committee was established by the council to Review Performance and carry out a scrutiny function of the council's business. It has a role that complements the Audit Committee, in that the Audit Committee ensures that there are management arrangements in place to comply with regulations and best value, whilst the PRS Committee scrutinizes to ensure that agreed policy

delivers on the outcomes in pursuit of best value.

- 4.2 In terms of performance management, the Council's Planning and Performance Management Framework (PPMF) sets out a detailed process for ensuring that the council's resources are targeted towards delivering on the priorities as set out in the Single Outcome Agreement/Local Outcome Implementation Plan and the Council's Corporate Plan. The PPMF makes provision for plans to be reviewed and scrutinized via a scorecard. The PPMF sets out clearly that there is alignment from the SOA down through service and team plans to each individual employee in their PRD.

At the core of the PPMF are the council's service plans, which contain outcome based budgeting, align service resources (financial and HR) with service, corporate and national outcomes and are reviewed via service and departmental scorecards.

4.3 **Performance Review of Scorecards - Officers**

Scorecards are reviewed on a least a quarterly basis at officer level, with regular bilateral meetings between Heads of Service, Directors and the Chief Executive. The scorecards feature regularly on service management team meetings and are used to identify areas for improvement in the services. Corporate indicators on the scorecard, such as customer satisfaction, attendance management, risk exposure etc are subject to discussion and improvement actions at a range of officer bodies, such as the Customer Services Board, the HR Board and the Strategic Management Team. PRDs are carried out with employees on an annual basis and are the important, individual element of the PPMF, setting out for and with the employee their contribution to delivery of the strategic outcomes. This is a well-established process, which is an effective and well used performance management and improvement tool.

4.4 **Performance Review by Strategic Committees**

In 2013, the council established strategic committees: Community Services, Economic Development and Infrastructure and the Policy and Resources Committee. The PPMF was updated to reflect this change to political management arrangements and the appropriate departmental scorecards are now reported quarterly to these strategic committees. This enables the elected members on these committees, which have oversight of all the service related issues, policy developments and resource planning, to have an overview of the performance of the service, to review it and to present challenge to the Chief Officers on their performance if required. This is now well established.

4.5 **Performance Review and Scrutiny Committee**

The scorecards are then reviewed again at the PRS Committee. The same performance information and commentary is presented to the PRS Committee by Executive Directors as is presented to the strategic committees. The commentary is unchanged from the strategic committees, but the PRS is the only forum where all council scorecards are reviewed collectively and therefore

presents an opportunity to examine some of the council wide issues of performance. This has been particularly highlighted in the interest that the PRS Committee has taken in attendance management, which has been the subject of regular and detailed reporting to PRS.

The PRS Committee is well rehearsed in reviewing the council's scorecards and has expressed a view that, as the information has already been reviewed by both senior management and by the strategic committees before it is presented to PRS, this is now a duplication of effort. However, the PRS Committee is the only committee of the Council where all performance scorecards are reviewed collectively.

The PRS Committee has, at its Development Day in August, agreed to place greater emphasis of its business on scrutiny, as it is content that performance review is being well managed by the other arrangements that are in place and that it is a well-established part of the council's business.

4.6 Remit of the PRS Committee

The PRS Committee has in its terms of reference a responsibility to review performance, so it must continue to satisfy itself that performance by council services against the targets that they set is on track. As currently stands, the PRS Committee retains responsibility for performance review.

4.7 Factors influencing PRS performance review

The members of the PRS have made it clear, from their Development Day discussions and at subsequent meetings, that they wish to place less emphasis during their meetings on performance review, as they consider that they are duplicating the performance review activity that is carried out by both senior officers and members of the Strategic Committees before the information comes to the PRS. There are a number of parallel reviews of performance related activity currently underway that will influence the future direction of performance management and review and will impact on the approach taken by the PRS Committee in its performance review role.

Short Life Working Group – future local democratic and governance arrangements

A forthcoming review of the council's future local democratic and governance arrangements has been agreed by Council and will be taken forward by a Short Life Working Group. This review will look at the business of all council committees, including the PRS, so may make recommendations on its role.

SOA – review of local outcome indicators

This review is still underway and is reducing the number of outcome indicators in the SOA/LOIP from over 300 to approximately 50. Council officers are engaged in this process and it will have an impact on the service planning process and performance information required for 2017/18. This may have an impact on

measures and outcomes,

Service Choices – Review of Improvement and HR

The IHR service, which oversees the PPMF, performance information, improvement and the underlying systems, has a savings target of 25% to meet by 2018. As a predominantly people based and relatively small service, the shape of the new team will be even smaller, with a resultant impact on the resource available to support highly complex performance management information. A simplification of the process will be required and the shape of the new service, and its priorities, is currently the subject of consultation amongst senior managers, including the newly appointed Chief Executive.

4.8 Next Steps

All of the activities above will have an impact on the look and feel of performance information and how it is reviewed by the Council and all its committees in future. This clearly aligns with the desire of the PRS Committee to reduce any duplication of effort and to simplify the performance information that is presented to it.

5.0 CONCLUSION

- 5.1 The council has a well-established performance review and management process in place. The role of the PRS is now focusing more on scrutiny, yet it retains a responsibility for performance review. There are a number of parallel processes underway at present that will impact on both political management arrangements for the council and performance management, which will all have an impact on the PRS Committee's role in performance review. A further update report will be brought to committee in August.

6.0 IMPLICATIONS

- 6.1 Policy None
- 6.2 Financial None
- 6.3 Legal None
- 6.4 HR None
- 6.5 Equalities None
- 6.6 Risk None
- 6.7 Customer Service None

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