

PERFORMANCE MANAGEMENT REPORTING - UPDATE

1 INTRODUCTION

- 1.1 This report updates the Audit Committee on progress against the process for scrutiny of the council's performance management processes and procedures that was agreed by the Audit Committee in June 2013. The Audit Committee's role is to ensure that there are appropriate management systems in place. The council's Performance Review and Scrutiny Committee has a different role as set out in its Terms of Reference.

2 RECOMMENDATION

- 2.1 1 That the Audit Committee notes progress against the agreed scrutiny process for the council's performance management system and procedures.

3 DETAIL

- 3.1 In June 2013, the Audit Committee agreed a series of actions to ensure that due process is followed in relation to scrutinising the process of performance management, its systems and procedures. This is distinct from the role of the Performance Review and Scrutiny Committee.
- 3.2 Although the PRS will consider scrutiny of the council's performance, the Audit Committee retains a responsibility to ensure that appropriate management systems are in place across the council.
- 3.3 In June 2013, the Audit Committee agreed that the following actions would be put in place to meet this responsibility and ensure that management systems are in place. Updates on these actions are presented to the Audit Committee for information and comment.
- 3.4 **Annual Audit Plan**
The Annual Audit Plan includes audit of the performance management system which is reported to the Audit Committee as a matter of course. This audit is scheduled for Quarter 3 14/15 and will be reported to the Audit Committee December.
- 3.5 **Annual Report**
An Annual Report on performance management processes and procedures will be developed as part of the review of the Planning and Performance Management Framework. This was identified as a new and additional piece of work. The review of the Planning and Performance Management

Framework will be presented to the Performance Review and Scrutiny Committee in November. This will then be brought to the December Audit Committee for information.

3.6 Performance Risk Based Assessment of Audit

An additional criterion will be added to the Audit Plan Risk Assessment process based on a scoring of the section/team/service's performance management processes. This will ensure that higher risk sections were highlighted for additional support and if required additional scrutiny. It is proposed that this will be introduced to the audit plan preparation process for 15/16.

3.7 Internal Audit Findings

Internal audit findings will, where relevant, give consideration to effectiveness of a section/department/team's performance management system and where appropriate, cross reference to performance scorecard information to ensure consistency of reporting and improvement of performance scrutiny.

4 CONCLUSION

- 4.1 The Audit Committee agreed a series of actions in June 2013 to ensure that there continues to be an assessment of the performance management system that is in place in the council. This report provides an update on progress against these actions.

5 IMPLICATIONS

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| Policy | None |
| Financial | None |
| HR | None |
| Legal | None |
| Equal Opportunities | None |
| Risk | Effective management of performance reduces risk across the council. |
| Customer Service | None |

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